

## Section I

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- b. Name of Organization: El Paso Collaborative for Community and Economic Development  
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## Section II

- a. Purpose of Organization: The El Paso Collaborative for Community and Economic Development (The Collaborative) is a tax-exempt 501(c) (3) private, nonprofit organization established in late 1996. It is one of 13 local intermediary organizations established nationwide with initial funding from the Ford Foundation to build the capacity of local, nonprofit community development corporations (CDCs). The Collaborative's mission is to facilitate affordable housing, homeownership and economic development in the region, while building the capacity of local community development corporations (CDCs) to develop and manage a variety of housing programs and services. In 2001-2002, it established the following core programs in collaboration with and for the benefit of low-income, predominantly Hispanic, families served by a local CDC network -- a Community Design Center for affordable housing and neighborhood development, a Rural Housing Revolving Loan Fund, an Individual Development Account (IDA) Program. The Collaborative also carries out a variety of innovative housing counseling, financial literacy, lending, technical assistance, policy/advocacy, and networking/partnership activities that support and enhance the quality of these core programs.

## Section III

- a. Description of innovative project: In early 2002, the Collaborative conducted research to determine the existence of financial literacy/housing counseling training materials to use with residents that lived in colonias. Our preliminary research indicated that local, state and national organizations that work with *colonia* residents lacked an appropriate counseling model, and instead, utilize existing models that focus on homebuyer education. *Colonia* residents are primarily homeowners, albeit of substandard housing and homebuyer education training was not a good fit for this population. The majority of residents are Hispanic, low-and very-low income immigrant families whose traditional values are often in conflict with money management practices in the United States. Existing Spanish language curricula are not designed for *colonia* populations because: 1) The emphasis is strictly on "homebuyer" education rather than home "homeowner" issues; 2) Materials assume a nine to twelfth grade reading level and most *colonia* residents have no more than a sixth grade reading level; and 3) Materials are not "culturally appropriate" – the frame of reference is for people educated in the United States rather than immigrant and border populations. The Collaborative searched for a like-minded funder that agreed that this was an unmet need. In the summer of 2002 the Collaborative was awarded funding from the National Endowment for Financial Education to develop and disseminate a financial literacy/housing counseling manual to address this need. The completed manual will be completed in March 2004.

Three *novelas* - bilingual, comic-book style, culturally appropriate publications designed to inform and educate *colonia* residents about key issues associated with budgeting and saving, borrowing money, and home improvements will be included and utilized as training tools in appropriate chapters. The *novelas* are almost completed and will be tested by intended users prior to finalization. The entire Manual was developed with input from various grassroots *colonia* CDCs and their constituents. Some of the other topics that will be included are: purchasing land and types of ownership; buying manufactured homes, self-help housing programs; understanding property taxes; environmental issues, energy efficiency; alternative building materials; plus a section on renter's issues. The Manual will be written in a simple, easy to follow format so that instructors, who may themselves be *colonia* residents, such as *promotoras* – peer trainers, or VISTA volunteers can be led through each of the modules without having prior extensive training in the financial literacy or housing counseling field. Each of the modules may be used independently or as part of a series. The Manual will be available in both English and Spanish.

The project was developed in three phases. During Phase I, the Collaborative conducted a survey and a series of focus groups with CDC staff working in rural/*colonia* areas and with residents themselves (El Paso and the Rio Grande Valley). The goal of the focus groups was to obtain additional input regarding the types of information and the format of the housing counseling model and training materials. Collaborative staff compiled the data from the survey and focus groups to develop the content for the model. During Phase II, we drafted the outline of the chapters of the housing counseling manual and determined what training materials would work best with each chapter. We then contracted with artists and writers to develop the three *novelas*. When a completed draft of the housing counseling manual is ready (March 2004), we will send copies to organizations working with border communities for comment and evaluation prior to final printing. We will also conduct local focus groups with the organizations and residents that participated during the input phase. The goal of the focus groups will be to review and critique a draft and to make suggestions prior to printing.

b. Description of significant problems solved by innovation: The Manual will address the following problems:

- Lack of familiarity with common money and banking practices
- Victimization by the Alternative Financial Sector that targets and provides high cost services to this population
- Lack of knowledge and fear of using mainstream financial institutions
- Entering into land and/or manufactured housing contracts without sufficient knowledge
- Potential health problems due to lack of information on environmental and safety issues
- Paying high energy costs due to lack of energy efficiency tips
- Not knowing how to find help for consumer credit issues
- Not knowing how to access help if at-risk of foreclosure

c. Description of demonstrated success and achieved outcomes for at least one year:

The Collaborative has accomplished the following since its inception in 1996:

- Became certified as a Community Development Financial Institution (CDFI)
- Disbursed over \$300,00 in grants to local community development organizations (CDCs)
- Provided over 6, 000 hours of technical assistance to CDCs

- Provided approximately 100 additional hours of training in board and staff development, financial management, administration and operational support systems and grantwriting to CDCs
- Disbursed \$261,796 in pre-development loans to CDCs
  - Resulting impact of the above-listed support
    - Rehabilitation or reconstruction of 425 single-family homes and 785 units of multi-family housing
    - Installation of 600 septic tanks and 1,296 gas hook-ups for residents of El Paso's colonias
    - Conversion of 50 Contracts of Sale to Deeds
    - Assisting 34 low- and moderate-income families to become first-time homebuyers (of which half were either people with disabilities or households that contained a family member with a disability)
    - Leveraging of \$36,675,444 additional dollars
    - Generating 1,033 construction and industry-related jobs
    - Generating \$1,788,380 in revenues
- Developed a partnership with the Energy Center of the University of Texas at El Paso that upgraded the energy-efficiency of over 140 single- and multi-family housing units
- Provided access to capital for colonia residents by developing and capitalizing the first and only Revolving Loan Fund for *colonia* residents in the El Paso area that makes direct loans for housing and infrastructure
- Loaned \$167,050 in housing and/or infrastructure loans to low- and very-low income *colonia* residents (2003)
- Disbursed \$74,800 of grant funds to *colonia* residents for architectural design work to build, rehabilitate or reconstruct their homes (2003)
- Disbursed \$1,000 of grant funds to *colonia* residents for infrastructure installation (2003)
- Opened 30 Individual Development Accounts for low- and moderate-income households to save for their first homes, attend post-secondary education or begin a small business
- Obtained a grant award from the National Endowment for Financial Education to develop a financial literacy/housing counseling manual for organizations that serve rural/*colonia* residents, including the development of three comic-book style training publications (*novelas*)
- Completed a County-wide Neighborhood Housing Needs Assessment document (2002), "An Analysis of Variables Impacting Affording Housing in El Paso" to assist CDCs and other housing industry providers in addressing neighborhood specific housing needs and gaps
- Published an article in "Rural Voices", a publication of the Housing Assistance Council, entitled "Understanding – The Key to Meeting Financial Education Needs in the *Colonias*"
- Obtained a grant to develop strategies for transforming vacant and abandoned properties in the El Paso area into new opportunities for affordable housing and economic development
- Provided financial and human resources to complete a Nebraska-style straw bale prototype house to demonstrate the use of energy-efficient alternative building materials (2002)

- Obtained a contract from the Office of Community Service to host two Americorps\*VISTA members to assist with asset development programs

d. Examples of how project is unique: Several aspects of the project are unique. First, the Manual is customized for use by colonia residents living on the southwest border. Secondly, the approach to the Manual includes a simplified delivery system that will not require that sessions be given by highly trained or degreed staff. On the contrary, the Manual will be able to be used by those with limited skills as a self-help approach. Lastly, the three *novelas* are a unique way to reach Mexican immigrant populations who are accustomed to reading them, and are also popular among American-born adult audiences, especially those with lower-literacy levels.

#### **Section IV**

a. Evidence that project may be duplicated in other rural areas of the state: The project was developed to be duplicated in Texas as well as other border communities. The Collaborative will compile a distribution list during the final month of the project. All Texas CDCs, HUD-approved housing counseling agencies, Consumer Credit Counseling organizations and state housing agencies will be targeted for distribution. Finally, we can make the publication available on the Internet and announce its availability when we send copies to those on our distribution list.

#### **Attachments**

- a. Current fiscal year budget: See Attachment “A”
- b. Letters of Recommendation: See Attachment “B”