

Brownsville, Texas

Weed & Seed
IDA Demonstration Project



Federation

Credit Unions United to Serve the Underserved



IDA Partnerships

- Four Demonstration Sites chose to partner with an existing AFI organization.
- All partner organizations contributed the local match to the Weed & Seed accounts:
 - Brownsville, Texas partnered with United Way
 - Pine Bluff, Arkansas partnered with Southern Good Faith Fund
 - Ogden, Utah partnered with Utah IDA Network
 - Atlanta, Georgia partnered with United Way



Partnership with United Way

- Brownsville Weed and Seed first planned to submit their own application to AFI.
- They learned that United Way of Southern Cameron County recently received an AFI grant covering their community,
- The site sought a partnership with United Way



Memo of Understanding

- The site signed a Memo of Understanding (MOU) with United Way.
- The MOU outlined roles and responsibilities of each partner for the IDA Project.
- Elizabeth Castillo, Weed and Seed Coordinator, is responsible for marketing IDA Project to Weed and Seed community residents.



Project Overview

- United Way received AFI grant in September, 2005
 - \$237,294
 - 100 first-time homebuyers
- Local match of \$237,294 from the Chase Foundation and Wells Fargo Bank.
- Account holders required to save minimum of \$1,000 up to maximum of \$2,000
- Savings matched at a rate of 2:1



Project Management

- Wendy Hanson, United Way, is the IDA Project Coordinator.
- Ms. Hanson is responsible for coordinating the marketing efforts, the Partners and providing case management to the account holders.
- Ms. Castillo meets with the Weed and Seed residents to complete the IDA application forms.



Partners in the Brownsville Weed & Seed IDA Project

- United Way of Southern Cameron County
- Weed and Seed
- Consumer Credit Counseling (CCCS) of South Texas
- Brownsville Community Foundation
- Community Development Corporation Brownsville (CDCB)
- First National Bank
- Brownsville Coalition for Economic Opportunities (BCEO)



Marketing

- BCEO targets seven VITA sites
- CCCS targets their existing clients
- CDCB targets their Self-Help borrowers
- Weed and Seed targets the families of the youth they serve through the probation department and after school activities



How Participants Move Through the Brownsville IDA Program

- Step 1: Initial Intake Meeting
- Step 2: Review of Eligibility
- Step 3: Orientation of Participants
- Step 4: Individual Credit Counseling



How Participants Move Through the Brownsville IDA Program

- Step 5: Financial Education and Housing Counseling Workshops
- Step 6: Case Management
- Step 7: Selection of home & review of costs
- Step 8: Closing



Innovative Strategies

- Affordable Housing Subdivisions Program
- Mutual Self Help Program
- Using VITA sites to market the IDA Project
- Greater Brownsville CDFI



Challenges

- Cost of Homeowner's Insurance
- Predatory Lenders
- Mortgage readiness
- High rates of unbanked individuals



Results



Current Status of Brownsville IDA Project

- 13 account holders making regular deposits & attending financial education classes
- 4 account holders closed on “Self Help” homes in July, 2007. All of these homes were located in the Weed and Seed site.
- No account holders have dropped out of the program
- IDA Partners are meeting on a regular basis



Follow-up Contacts

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