

CONNECTS

CASEY

FALL 2002
A REPORT FROM THE
ANNIE E. CASEY FOUNDATION

IN THIS ISSUE: Group Helps Low-Income Families Own a Piece of the American Dream; Resource Corner; INSITES

PARTNERSHIPS CREATING AN “ECHO CHAMBER” OF FAMILY STRENGTHENING MESSAGES

Goodwill Industries International, Inc. knows from experience that family issues are often what trip up adults struggling to gain a foothold in the workforce.

That's why one of its key strategies for the 21st century is to “take a whole family approach” to help people reach economic self-sufficiency by addressing issues like child care, transportation, medical care, parenting classes, housing, literacy, and social support.

Many local Goodwill agencies were reaching out to families in these ways, but the organization needed a way to identify and promote the best examples throughout its network. The FAMILIES COUNT Family Strengthening Awards, a program that the Annie E. Casey Foundation and national organizations cosponsor to honor exemplary efforts to help support families and communities, offered just that.

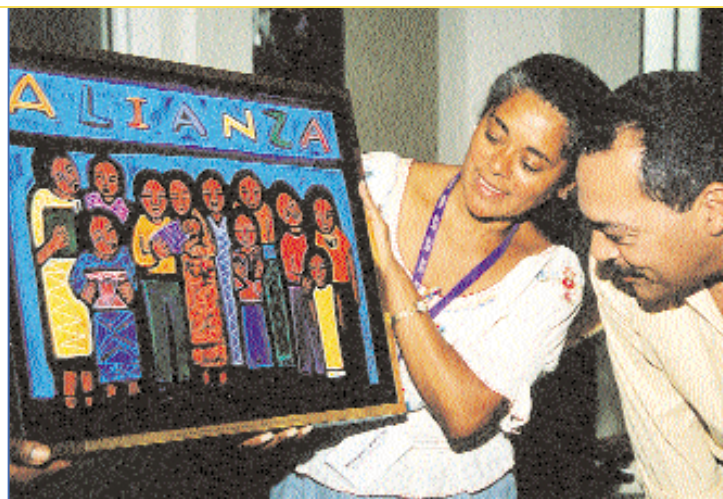
The awards “have provided an excellent ‘carrot’ to surface and reward outstanding programs that strengthen families,” says George W. Kessinger, Goodwill's president and chief executive officer.

Family strengthening awards are just one way the Casey Foundation is working with influential national groups to help families and neighborhoods get the support they need to raise healthy, happy, and productive children.

While our *Making Connections* initiative works toward results for families in specific places, strategic partnerships with national groups help create an “echo chamber” of messages and models that can help make family strengthening a national priority.

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Family **STRENGTHENING** awards are just one way the Casey Foundation is working with **INFLUENTIAL** national groups to help families and **NEIGHBORHOODS** get the support they need.



Milagros Batista and Moises Perez of Alianza Dominicana, a 2002 FAMILIES COUNT honoree, receive an original oil painting at a retreat in Aspen last summer.

DAVID RASMUS PHOTOGRAPHY

GROUP OFFERS "SELF-HELP" SO LOW-INCOME FAMILIES CAN OWN A PIECE OF THE AMERICAN DREAM

Nearly 25,000 families and entrepreneurs own homes and small businesses because a North Carolina group called Self-Help believed in them.

Fueled by the conviction that low-income families and communities can't

share in the prosperity of this nation if they don't own a piece of it, the Durham-based organization set out more than 20 years ago to help people who have the ambition but lack the access to capital or credit to earn their quotient of the American dream. Predictably, many of these people are minorities, women, and rural residents.

Launched with nothing more than \$77 from the proceeds of a bake sale, Self-Help has become one of the nation's leading community development financial institutions. Since 1980, it has lent \$1.8 billion to some 25,000 families and small businesses that can't get financing from traditional lenders and helped create more than 9,000 jobs.

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The Annie E. Casey Foundation is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. The primary mission of the Foundation is to foster public policies, human-service reforms, and community supports that more effectively meet the needs of today's vulnerable children and families. In pursuit of this goal, the Foundation makes grants that help states, cities, and neighborhoods fashion more innovative, cost-effective responses to these needs.

"There are a large number of people who, given the chance to own a home or business, will do whatever it takes," says Martin Eakes, cofounder and chief executive officer of the Durham-based organization. "But many of them have been left behind economically, and that's just wrong."

A perfect fit with the Casey Foundation's vision for family economic success, Self-Help's accomplishments earned it a slot as a 2001 honoree in the Casey Foundation's FAMILIES COUNT: The National Honors program, which recognizes organizations taking exemplary steps to transform communities by strengthening families.

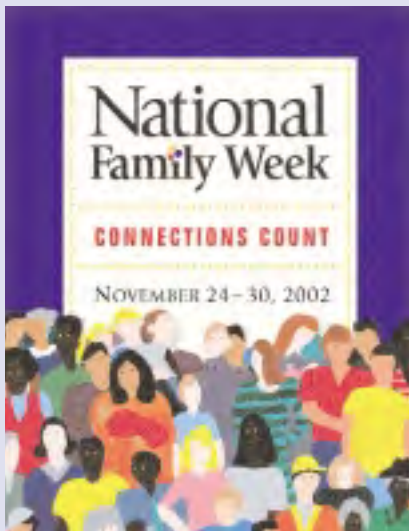
Believing jobs, homeownership, and educational opportunity are the bedrock of healthy communities, Self-Help has worked to develop affordable housing and reasonably priced office space and has financed early childhood education programs and charter schools that help families stay in racially and ethnically mixed neighborhoods. The group also lends resources and expertise to meet pressing needs, such as rebuilding after Hurricane Floyd struck North Carolina.

In June 2000, Self-Help helped launch the Latino Community Credit Union, a member-driven institution that provides a wide range of banking services for the

CONTINUED ON PAGE 6

Rosario Marin, Treasurer of the United States, announces a plan to open new branches of the Latino Community Credit Union. Self-Help was a key supporter of this credit union tailored for North Carolina's fast-growing Latino population.





Besides celebrating Thanksgiving with the traditional foods and festivities, families across the country were honored, entertained, educated about community resources, and invited to help recognize people and groups that help them

the most as part of National Family Week, November 24–30.

Although it's been on the books since 1968, National Family Week, celebrated annually during Thanksgiving week, has assumed greater prominence in recent years and sharpened its focus to stress the importance of strong families and healthy communities in children's lives.

The Alliance for Children and Families, a Milwaukee-based organization that coordinates National Family Week, has worked with the Casey Foundation to raise the event's profile and adopt the theme Connections Count, highlighting connections to economic, social, and institutional support critical to families. The Alliance has a broad reach because it represents organizations serving nearly 8 million people in 6,700 communities.

More than 100 local events were held for National Family Week this year.

Thanks to partnerships forged by the Alliance and the Foundation, many national organizations encouraged their members and constituents to participate. The Foundation also sponsors a mini-grant program that helps Alliance members promote National Family Week.

This year's events included family summits and policy forums, community festivals, resource fairs, seminars, community improvement activities, family suppers, awareness campaigns, proclamations by mayors and governors, and recognition programs for people, groups, and businesses doing exemplary work to strengthen families. For more information, visit www.nationalfamilyweek.org or call 1-800-221-2681.

PARTNERSHIPS

CONTINUED FROM PAGE 1

For example:

- A deepening relationship with the United Way of America and a special fellowship for key local United Way personnel have helped shape the kinds of family-strengthening initiatives and themes being supported by the organization, which spends \$4 billion annually. The partnership also has helped influence a number of local United Ways to incorporate into their work outcomes related to family strengthening and family economic success.

- The Coalition of Community Foundations for Youth held an executive education program for CEOs of community foundations this year to promote linkages between child, family, and neighborhood well being in their philanthropy.

The impact of the two weeklong sessions is already visible in the way participating foundations are doing their work. For example, following the program, one community foundation conducted an intensive data analysis and interview process that led the group to focus its grant making on three high-poverty neighborhoods and give priority to efforts "that work with the whole person in the context of their family and neighborhood."

- The Points of Light Foundation, which works with more than 50 million volunteers, 100 nonprofit partners, and 300 corporate partners, has rethought the way it works in low-income communities.

Rennie Dutton, a special assistant to the Points of Light Foundation's chief executive officer, says its partnership with the Casey Foundation inspired Points of Light to look at how volunteers can be used more effectively in low-income



Barbara Clinton, Ambassador James Joseph, and Mary Braxton Joseph at the 2002 FAMILIES COUNT retreat.

communities, and to recognize and enhance the work low-income residents already are doing in their communities.

The partnership "has enabled us to help middle-class volunteers to be better partners to low-income communities," says Dutton. "It also has pushed us to empower people who don't have a lot of

DAVID RASMUS PHOTOGRAPHY

resources to do their own work to improve communities.”

Partnerships like these are part of a broader campaign that also links up with major organizations representing key local, county, and state decision-makers, such as the National Conference of Mayors and the National Governors’ Association. The campaign also seizes opportunities to reach “socially engaged” audiences.

The Foundation also sponsors the FAMILIES COUNT: The National Honors program, which recognizes projects doing exemplary work to help families and communities. The FAMILIES COUNT Family Strengthening Awards also provide support to organizations, like Goodwill, that have started family strengthening awards programs for their members.

These partnerships “reflect the understanding that a foundation can do more than just provide grants,” noted Peter Goldberg, president and chief executive officer of the Alliance for Children and Families. “The concept of having national partners is an effort to strengthen our capacities and build connections between and among us—it’s trying to make the whole greater than the sum of its parts.”

The Foundation helps partner organizations explore ways of putting families in tough neighborhoods at the center of their work and spread the word through their own communications networks, conferences, and publications.

For example, Family Support America’s annual conference last April, attended by 2,000 people, featured a number of sessions and site visits related to family strengthening and family economic success. The group’s publications have increasingly highlighted promising practices and examples of family and neighborhood strengthening approaches in family-support settings.

These PARTNERSHIPS reflect the understanding that a foundation CAN DO MORE than just provide grants.

Some newer partners include the National Assembly for Health and Human Services, a network of more than 60 national organizations that spend \$32 billion, and Corporate Voices for Working Families, a new organization that includes 30 leading national corporations that have joined forces to help improve supports for working families.

An important goal of these efforts is to help the partners come together to share their successes and challenges. In back-to-back meetings in Aspen, Colorado, last summer, the Foundation brought together 2002 FAMILIES COUNT honorees and also convened a meeting of national partners. At both events, a focal point was sharing strategies to

improve the economic futures of low-income working families.

Steven Dow, executive director of the Community Action Project (CAP) of Tulsa County, a 2000 FAMILIES COUNT honoree, shared CAP’s success in using the Earned Income Tax Credit as an entry point for helping families save money and build assets.

Hearing how EITC campaigns throughout the country are giving cash back to low-income working families, Roxanne Spillet, president of the Boys and Girls Club of America, said: “I’m going back and make sure that every person in our entire system knows about the EITC.”

U.S. DEPARTMENT OF LABOR HONORS JIM CASEY

The U.S. Department of Labor inducted the late Jim Casey, the founder of United Parcel Service and the Annie E. Casey Foundation, into its Hall of Fame at a Washington, D.C., ceremony October 10. Paul Casey, a nephew of Jim Casey, is pictured accepting the award along with other members of the Casey family.



LIZ ROLL PHOTOGRAPHY

RESOURCE CORNER

All publications listed below can be ordered from the Foundation website (www.aecf.org) or by calling our publications voice line at 410.223.2890, unless otherwise noted.

- **KIDS COUNT SNAPSHOT – CONNECTING KIDS TO TECHNOLOGY: CHALLENGES AND OPPORTUNITIES**
This is the second in an occasional series of brief, data-based reports from the KIDS COUNT project. Co-authored by Tony Wilhelm of the Benton Foundation and Delia Carmen and Megan Reynolds of the Casey Foundation, it discusses the demographics of the digital divide, the implications of current trends, and noteworthy efforts to bridge the divide and bring all children into 21st century technical literacy.
- **MAKING FATHERS COUNT: ASSESSING THE PROGRESS OF RESPONSIBLE FATHERHOOD EFFORTS**
Written by the Social Policy Action Network, this report traces the history of the fatherhood field, reviews its accomplishments, and identifies challenges. It offers a chronology of public and private activities contributing to this movement and highlights the emergence of individual leaders.
- **PROVIDING THE MISSING LINK: A MODEL FOR A NEIGHBORHOOD-FOCUSED EMPLOYMENT PROGRAM**
Workforce development strategies focused on neighborhoods have the potential to help residents improve their economic standing and to improve neighborhood conditions. Citing several neighborhood employment projects as examples and drawing on interviews, site visits, and research,

this report outlines a model for a comprehensive, neighborhood-focused workforce development strategy.

- **LEARNING FROM THE JOURNEY: REFLECTIONS ON THE REBUILDING COMMUNITIES INITIATIVE**
Written by Cornerstone Consulting Group, this report reflects on six key lessons learned from the Foundation's Rebuilding Communities Initiative (RCI). The lessons are culled from community residents involved as well as Foundation staff, technical assistance providers, and lead agency staff.
- **PATHS TO LEADERSHIP IN COMMUNITY CHANGE: A REVIEW OF LEADERSHIP DEVELOPMENT MODELS IN THE REBUILDING COMMUNITIES INITIATIVE**
This study by the Development Training Institute compares leadership development techniques used in the five RCI neighborhoods. The study offers a conceptual framework that helps people better understand community-based leadership development and a series of lessons for organizations that fund leadership development in communities.
- **SPEAK UP: TIPS ON ADVOCACY FOR PUBLICLY FUNDED NONPROFITS**
Successful advocacy can change laws and regulations, allocate funding for needed programs, and improve how services are delivered. But some organizations wonder if speaking out will take too much time and resources or even endanger their government contracts or nonprofit status. This manual, written by the Center for an Urban Future, spells out why groups should consider advocacy and how to get beyond some common roadblocks.

It will be distributed to select Foundation grantees and other community groups interested in advocacy.

- **THE BIG IDEA: A STEP-BY-STEP GUIDE TO CREATING EFFECTIVE POLICY REPORTS**
Published by the Center for an Urban Future, this guide was written for people looking to communicate their ideas to decision-makers at all levels of government and can help nonprofits, advocacy groups, foundation leaders, public policy experts, and researchers.
- **UPDATE: LATEST FINDINGS IN CHILDREN'S MENTAL HEALTH**
Stemming from a partnership between the Casey Foundation, Rutgers University, and the U.S. Department of Health and Human Services, this is the first in a series of short bulletins for policymakers, mental health professionals, child advocates, and others interested in child and adolescent mental health.
- **MAKING CONNECTIONS TO IMPROVE EDUCATION: A SNAPSHOT OF SCHOOL-BASED EDUCATION INVESTMENTS IN SEVEN MAKING CONNECTIONS SITES**
This report offers a snapshot of some of the Foundation's education investments in seven *Making Connections* communities: Baltimore, Denver, Indianapolis, Milwaukee, Oakland, Providence, and San Diego. The report describes the characteristics of schools in these communities, the goals of education initiatives, and the work under way as part of *Making Connections*. It also discusses the initial impact of the work on conditions, policies, practices, and resources for children and families; looks at challenges ahead; and discusses common themes across sites.



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state's fast-growing Latino population. Self-Help and the State Employees Credit Union encouraged Latino leaders to fashion their own financial institution not only to help local families build assets, but also to curb the crime that was occurring because such a high percentage of people in the largely Mexican-American immigrant population were not using banks.

"Most were hard working people who got paid on Fridays in cash and got robbed on Friday nights, so the safety of the Latino community was very much an issue," notes Malcolm White, Self-Help's communications director. Efforts to tailor services to the unique needs of Latino residents and give them a stake in its ownership have driven membership upwards of 7,000, far exceeding original projections, and led to a new branch in Charlotte and plans for another in Raleigh.

Redressing inequities suffered by America's underclass is a guiding principle in all Self-Help's work.

"A lot of the force and passion for Self-Help in the early years was really aimed at trying to undo the long-term effects of segregation and slavery," notes Eakes. "We're a civil rights organization first and foremost."

Consistent with that focus, Self-Help aggressively fights predatory lending practices. "We recognized that all of our nationally recognized work in community development would be useless if we could not stop the finance industry from stripping wealth from minority and poor communities faster than we could help create that wealth," the group explained in a recent proposal to launch a new Center for Responsible Lending.

"Some of our borrowers have been refinanced out of their loan and go into foreclosure or even bankruptcy years later," says White. "Predatory lending was threatening to turn our success stories into failures."

Self-Help organized the broad North Carolina Coalition for Responsible Lending that won passage of the first strict law in the nation against predatory mortgage lending and then secured companion legislation regulating mortgage brokers. The group is now working with advocates and legislators in other states to enact more such laws.

Using data has been an important advocacy tool for Self-Help. It has quantified the nationwide cost to Americans of predatory lending in the purchase or refinancing of homes at \$9.1 billion a year in lost equity. It has also wielded

numbers to demonstrate how high-fee lenders are targeting low-income communities, and to rebut the argument that tougher laws will slam the door on people who have no other way to get credit by showing that two years after North Carolina enacted its reforms, subprime lending was thriving.

Self-Help also has offered lending, legislative, and research savvy to people fighting predatory lending elsewhere. The group is a particularly formidable adversary to the industry because it knows "the devil in the details" often lodged in the small print of loan-closing agreements, White notes.

The Center for Responsible Lending, to be headed by Self-Help President Mary Mountcastle, aims to better export its skill in fighting predatory practices beyond North Carolina. In time, it hopes to have a staff of 66 lawyers and to conduct legislative and policy advocacy, litigation, investigations, data analysis and research, and coalition building. It also intends to move beyond mortgage and payday lending to combat a wide range of financial practices that threaten low-wealth communities. "There's a whole range of financial abuses out there," says Mountcastle, "and we intend to attack them all."

INSITES

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ADVOCACY PAYS OFF IN FIGHT AGAINST PREDATORY LENDING

Their home in Des Moines, Iowa, was nearly paid for when Linda C. Stanley and her husband got a second mortgage from Commercial Credit to pay off other bills. But the loan carried inflated fees, nearly 25 percent interest, and hidden insurance, and it only covered part of the monthly payment when Linda Stanley lost her job.

So when Greentree Finance came courting with its own refinance offer, they jumped—"from the skillet into the direct fire," says Linda Stanley. Excessive fees made their payment soar. Still out of work, she was late paying, and Greentree harassed her every day with phone calls and threats to evict her family of five. "Pack my stuff, I was going to be out by Friday," she recalls them saying. "It was the most horrible experience I ever had." Finally, they filed for bankruptcy.

Scenarios like this one are playing out in low-income communities around the country. And they are undermining our best efforts to help children succeed by strengthening their families and neighborhoods.

Dipping into a bag of financial tricks that inflate monthly payments



DIANE CUTLER

Linda Stanley, left, and Sally Riggs of Des Moines helped expose the havoc wreaked by predatory financial practices by speaking publicly about their experiences.

beyond owners' means, predatory lenders leave families trapped in houses they can't afford, sell, or reasonably refinance. Shamed by their predicament and usually holding subprime loans—made to people who are a high credit risk and cannot borrow from traditional lenders—these families are left watching their savings evaporate and facing foreclosure. Communities targeted for these practices have been devastated by the neglect and high turnover of properties.

A cornerstone of the Casey Foundation's work to build healthy communities is making sure families have a secure economic base that includes good jobs and the ability to

build assets and save for the future. But if financial predators preying on the working poor aren't stopped, "it's like putting water in a bucket with a hole in it," notes Garland Yates, a senior program associate at the Foundation.



The following story shows how grassroots advocacy in two *Making Connections* cities helped expose the havoc wreaked by unsavory financial practices—and galvanized efforts to stop them.

Almost three years ago, Citizens for Community Improvement (CCI), a community-organizing group in Des Moines, got a \$60,000 grant from

the Casey Foundation to help residents in the *Making Connections* neighborhood come together to advance their own interests and ideas. “What was uncovered in the door-knocking phase was a whole set of issues around families losing their homes to predatory lending,” recalls Ira Barbell, the *Making Connections* site team leader for Des Moines.

The organizing effort sparked by these conversations with residents has led to a partnership between CCI, local families, city and state officials and legislators, financial institutions, and housing advocates all working together to stop financial predators.

The effort even led to the passage of a city ordinance enacting new protections for homebuyers victimized by home “contract sales”—unregulated “rent to own” transactions fraught with inflated and hidden costs and heavy penalties for nonpayment. After moving into these houses, people frequently discover they need major repairs. The ordinance would require city inspection before the sale and disclosure by the seller of any defects, and then a 14-day waiting period to protect the buyer. The state this year also enacted a law requiring contract dealers to disclose certain information to buyers.

Such efforts took root when CCI began talking to families complaining about their loans from the company that had bought Greentree—Conseco Finance Corp. A task force on predatory lending formed by residents working with CCI eventually prevailed on Conseco to fix some of its bad loans, mostly those of CCI members.

Meanwhile, Linda Stanley and another homeowner, Sally Riggs, had been telling their stories to newspapers and at public forums. Conseco was the second predatory lender the Riggs family ran into when refinancing their bungalow after she got leukemia and her husband lost his job. They took the bait when the company (then Greentree) offered to roll all their debts into one and wound up with a payment that was nearly half their monthly income. A run of bad luck and unexpected bills put them deeper in the hole, and then came the late-night harassing phone calls.

Conseco did repair their loan eventually, but only after extensive prodding by CCI. But by then it was too late, Riggs says, to make up for the heavy emotional toll the ordeal took on her family, which was way more than financial. As Riggs, Stanley, and others continued speaking about their experiences, the publicity made Conseco investors nervous, and one fund threatened to pull its stock. The Iowa attorney general’s office and the state superin-

This is an **EXAMPLE** of a
modest seed grant **BRING-**
ING TOGETHER a set of
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city residents.

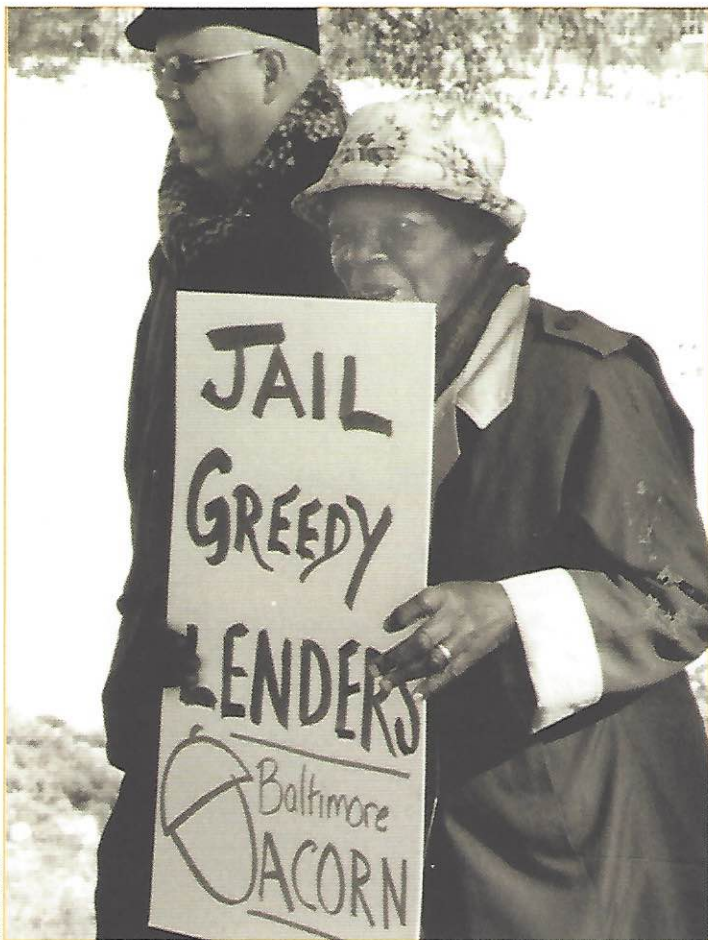
tendent of banking asked for copies of CCI’s loan files on Conseco and then pressured Conseco to meet with CCI.

Conseco gave way and task force members began negotiating a lending agreement with a company vice president. After nine months of talks, a groundbreaking agreement was signed. Conseco agreed to halt predatory practices, fix loans with these features, and halt all foreclosures in Iowa until the loans are reviewed for predatory features. Conseco also agreed to meet at least twice a year with the task force.

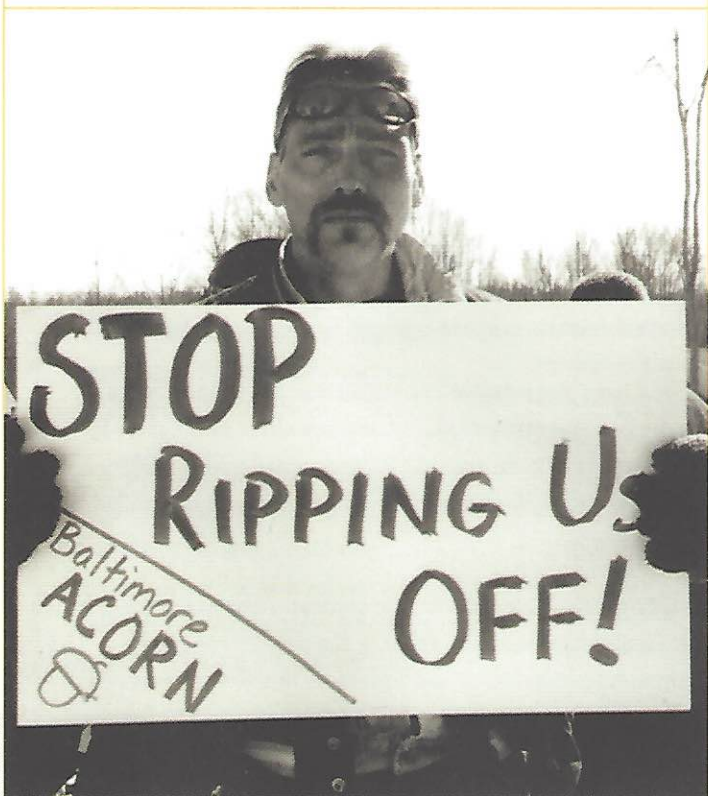
CCI organizer Tyler Uetz notes that it was the homeowners that did the negotiating and credits Riggs and Stanley in particular for the victory because of their willingness to speak publicly about their bad loans. “They’ve had their own loans fixed,” he says, “but they still stuck to it.”

Though shame kept Riggs silent about her predicament for a long time, her involvement with CCI encouraged her to advocate for herself and others. “If I don’t talk about it,” she points out, “how’s anybody else going to find out?”

CCI plans to press other finance companies, such as Household Finance and CitiFinancial, to sign agreements similar to the one with Conseco, and next January CCI and others intend to propose state legislation—that Riggs and Stanley helped draft—to protect both homeowners and banks that operate honestly. CCI is forging a coalition of consumers and lenders that includes the American Association of Retired Persons, two of the state’s largest independent banks, and two key state representatives to support the bill.



Acorn members protest outside the home of a lender who was later jailed.



Fannie Mae, meanwhile, has committed \$3 million to a pilot program launched by CCI to help refinance bad home loans.

Consistent with the goals of *Making Connections*, these efforts show what can happen when a broad cross section of residents and other local players work together to help families and communities pursue policy reforms.

"This is an example of a modest seed grant to help build social networks bringing together a set of partners around the table who normally are not speaking to each other to address an issue that deeply affects city residents," Barbell says.



Three years ago, the term predatory lending did not ring a bell with the average person in Baltimore, even politicians. They didn't know the city's housing market was experiencing a crime wave.

When ACORN (Association of Community Organizations for Reform Now) began establishing an organizing presence in Baltimore, the Casey Foundation offered some core support to help the group staff up and set a broad agenda for advocating in low-income neighborhoods. As in Des Moines, conversations with residents quickly revealed how much of a threat predatory lending had become, particularly for many elderly low-income residents living in row houses.

ACORN's community organizing helped lead to the discovery that as many as 3,000 houses had been illegally "flipped"—quickly bought and sold at exorbitant prices, sometimes to desperate buyers. Fraudulent appraisals were common in these schemes. So were subprime loans, many predatory, resulting in buyers being stripped of their equity.

Foreclosures, which had averaged 1,500 annually earlier in the 1990s, zoomed to 6,000 a year by 1999. Thousands of families were bilked and hundreds lost their homes, undermining the stability of many neighborhoods. Over the past five years, the U.S. Department of Housing and Urban Development (HUD) has lost \$75 million in payouts for HUD foreclosures in Baltimore alone.

"Everybody was feeding at the trough...from the appraiser to the title company to the mortgage broker to the lawyer," says Ken Strong, coordinator of the Baltimore City Flipping and Predatory Lending Task Force, which HUD set up as a laboratory to demonstrate how mortgage fraud and predatory lending can be prevented and how families and communities can recover.

ACORN recruited 400 members from families victimized by predatory lending to help build the largest community and union coalition in recent Baltimore history. ACORN also sued Household Finance Corp., filed a complaint with the state banking commissioner, and demonstrated against her when she did not act. ACORN also took Lt. Gov. Kathleen Kennedy Townsend to visit victims of predatory lending.



Advocates mobilized to press the Baltimore City Council to pass an antipredatory-lending bill, but then suffered a setback when the banking industry persuaded the state legislature to pass a law barring localities from enacting any measure regulating the extension of credit.

In the meantime, however, many steps have been taken to punish, remedy, or prevent predatory lending. Criminal convictions have been won against mortgage brokers, settlement officers, an appraiser, and straw buyers. Maryland revoked the license and prosecuted American Skycorps, a major local lender, and it has gone out of business. CitiFinancial (CitiGroup) and Ameriquest Mortgage Co. made major concessions in agreements signed with ACORN. CitiFinancial, for example, is to provide a grievance process for borrowers, restructure bad loans, end many foreclosures, and increase prime lending.

In the last four years, the ACORN Housing Corporation has placed close to 2,000 families in homes in Baltimore with below-market interest loans negotiated with lenders. Twenty-one appraisers have been targeted for professional discipline, and more than 300 have taken a new course emphasizing how to avoid becoming part of a flipping scheme or mortgage scam. HUD agreed to reevaluate thousands of FHA-insured Baltimore loans, cancel those that are predatory, and either help people move out or reduce the cost of their mortgages.

The city of Baltimore now requires housing counseling in all homebuyer incentive programs, and the state attorney general, American Association of Retired Persons, faith-based groups, bankers and realtors associations, and the *Baltimore Sun* all have helped call attention to predatory practices. The Casey Foundation commissioned a report documenting activities aimed at the problem in Baltimore and worked with Provident Bank to plan a session on predatory lending for the Association of Baltimore Area Grantmakers.

The Foundation also made a three-year grant to the Baltimore Community Development Financing

Corporation, working with the city of Baltimore and other partner organizations, to combat predatory lending through a multipronged approach including affordable loans for emergency repairs and refinancing funds, support for cooperating nonprofits, counseling and education, and legal intervention. The effort is expected to help rescue 500 homes from foreclosure.

The Foundation's \$600,000 investment is part of the Baltimore Homeowners Emergency Loan Program (HELP), a broader effort by a group of nonprofits and financial institutions that has raised \$3.4 million to help

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homeowners hurt by predatory loans. HUD kicked in \$1 million to write down inflated mortgages, and Fannie Mae will buy the mortgages, so the pool of lending money can be recycled to help others. Another \$500,000 HUD grant is financing a clearinghouse that assists housing victims, especially those with FHA-insured mortgages, through relocation assistance and legal aid to those suing for fraud.

The Casey Foundation's contribution has helped bring some key institutional players and resources to the table to support HELP, which could become a national model for how to help predatory lending victims become successful homeowners.

Many players have coalesced to combat predatory lending in Baltimore. But once again, a timely investment in community organizing and advocacy "raised awareness and softened the readiness of public and private funding groups in the city to address predatory lending," notes Sandra Jibrell, director of civic investments at the Foundation.