



HBCU CENTRAL

Building Partnerships To Revitalize America's Neighborhoods

College Project Promotes Homeownership and Financial Fitness

Throughout Alabama, J. F. Drake State Technical College has a long-standing reputation for training individuals for technical and industrial careers. And through the Job's Place: A Life Change Center project located at its Northwood training site in Huntsville, Drake is enhancing its services to Northwood's public housing community.

"The center is named for the Biblical figure," says Harold Batts, Drake's director of development/institutional research and team leader for the project. "He suffered great personal losses but recovered to become a productive and successful member of his community. This is what the project does for the participants." So from May 7 to June 19, Drake—in collaboration with Alabama A&M University Community Development Corporation (CDC) and the Huntsville Housing Authority (HHA)—launched a First-Time Homebuyers Club program and financial fitness workshops at Job's Place. Participants were recruited through outreach efforts from HHA, walk-ins, and referrals from the Department of Human Resources.

"As the service provider, Drake's role was to seek out and identify the best trainers and instructors that were available," says Batts. "As a member of the CDC, he had first-hand knowledge of its outstanding success record in training

potential homebuyers. "So Drake made an agreement with them to provide train-



Harold Batts, Director of Development/Institutional Research at Drake

ing in first-time homebuying and financial fitness," says Batts.

Program Trains Future Homeowners

According to Batts, the goal of the Homebuyers Club is to afford low-income individuals and families a full understanding of the homebuying process, enabling them to become pre-qualified and mortgage-ready within a year of completing the program.

HBCU Grantee Improves Neighborhood and Enhances Skills

Historically Black Colleges and Universities (HBCUs) grantees are working with local public housing authorities to improve the physical appearance of housing stock and broaden opportunities for residents in surrounding neighborhoods. Gadsden State Community College in Gadsden, Alabama, is working with the Greater Gadsden Housing Authority to physically revitalize the Emma Sansom public housing facility in the city's West Gadsden neighborhood. The school used HBCU funds to coordinate student volunteers, service learners, and interns to provide labor for restoration projects and organize landscaping projects in five West Gadsden public housing communities—including the Emma Sansom property. In exchange for

continued on page 2

continued on page 4

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Homeownership, continued from page 1

The curriculum addressed topics such as the importance of credit in the homebuying process, financial planning and saving, understanding credit from a mortgage prospective, qualifying for a mortgage, and the appraisal and inspection process. "All classes were coordinated by a certified homeownership counselor and taught by professional volunteers in the real estate and mortgage industry," says Batts.

Sandrea Tibbs, program coordinator and certified housing counselor, welcomed the opportunity to educate individuals and families on this subject. "Job's Place is wonderful because it offers so much training. I was pleased that Drake asked us to partner with them. I want to educate everyone about homeownership—it is my passion. This venture helped us show our interest in improving peoples' lives," she says.

Linda Rodriguez, a graduate of the program, is one of those individuals whose life was improved. "I needed to learn the homebuying process, so I enrolled in the program. It's important to know what you are buying," she says. "The Homebuyers Club taught me what to look for in a house and how to identify how much house I can afford." In addition, it showed her the importance of having good credit and how the amount of down payment affects the monthly mortgage note.

Initially Rodriguez found the information challenging, particularly the credit component. Nonetheless she explains, "It showed that it's important to pay my bills on time and to safeguard against any lapse in payment. This could negatively impact my credit score, which would hinder my qualifying for a mortgage." The course encouraged her to clean up her credit. "I became more financially responsible. When I took the course, I was living with my parents. Now I have my own apartment, with bills in my name. I'm paying my rent and bills on time, and I'm building credit worthiness. I'm saving to purchase a home and now have more confidence about the process."

Rodriguez, is thankful for the program. "The facilitators were great. They were detailed and very knowledgeable. Job's

Place is a great facility. I'm glad that they opened their doors to the community. It gave us the opportunity to get tools to improve ourselves and progress," she says.

The homebuying classes were offered one evening per week for 6 to 8 weeks. According to Tibbs, instructors tried to cover every aspect of the process, from becoming credit worthy, to calculating how much house you afford, to the difference between brokers and real estate agents. "We familiarized residents with the various forms that they will have to sign during the process and assured them that their real estate agent works for them. If they're not pleased with the service they're receiving, then they should find another agent," adds Batts. In addition, instructors discussed the loan application process so that residents are not intimidated when they apply or do not become victims of predatory lending.

Moreover, an important part of the curriculum was appraisal and inspection. According to Tibbs, participants learned what increases the value of their homes and are trained to become detailed shoppers. "Our facilitators encouraged residents to inspect everything. Know what water spots on a wall, rust on appliances, or a rip in the carpet means. They were told to test things like heat and air conditioning. We want them to develop a fine eye for detail and not assume anything." In addition, issues related to home maintenance were addressed.

Financial Planning and Money Management

Based on the FDIC Money Smart curriculum—which helps individuals build financial knowledge, develop financial confidence, and use banking services effectively—the financial fitness module encompassed eight workshops focused on financial planning, money management, credit, saving and investing, taxes and insurance, and using banks and other financial institutions. "Each workshop was designed to help participants develop practical money skills needed to make sound, financial decisions and manage their income and expenses effectively," says Batts. "One-on-one counseling sessions

continued on page 4

University Provides Technical Assistance and Skills Training to Inner City Microbusinesses

Texas Southern University (TSU) has a tireless commitment to the communities it serves! Located in the Third Ward District, the inner city area of Houston, Texas, the university has continually chosen to use its Historically Black Colleges and Universities (HBCU) grant to offer community and economic development assistance programs to residents.

The Third Ward has a mixed demographic, and Ella Nunn, director of the university's Economic Development Center (EDC), describes the area as "poverty among plenty." Against the backdrop of Houston's bustling superhighways, sleek office towers, and upscale townhouses and lofts are substandard housing, urban deterioration, and economic stagnation. So TSU has focused on expanding its role by providing programs and activities that foster economic development to the third, fourth, and fifth wards of Houston's designated Enhanced Enterprise Community (EEC) zone and other economically distressed areas of the city. These are the communities that TSU serves through its EDC.

Confronted with these challenges and responding to the call of the city of Houston's 2000 consolidated plan to alleviate economic distress and encourage neighborhood revitalization, the EDC is implementing a Skills Training in Automation Technology and Small Business Technical Assistance program. Through this program, which runs from January 2002 to December 2004, EDC is providing (1) small business technical assistance to assist in the creation and expansion of stronger and more stabilized microbusinesses, including ethnic minority enterprises; and (2) skills training to the unemployed, underemployed, homeless, and welfare and public housing recipients to enable them to be more competitive in obtaining employment and to encourage self-employment to create self-sufficiency.



Ella M. Nunn, Director of the Economic Development Center, in a one-on-one with Business Workshop graduate, Kenneth Aekins.

Small Business Technical Assistance

This program consists of a two-part training workshop offered in the fall semester. The first part, business planning and development, includes 14 two-hour sessions covering business plan development, operational and financial management, and loan proposal preparation to teach participants how to prepare a business plan and loan package. The second part, office automation and computer-skills training, consists of 20 two-hour sessions on computer hardware; the Internet; WordPerfect, Microsoft Word, Excel, Access, and PowerPoint for business presentations; and Peachtree accounting software.

Through this program the EDC recruited 130 potential participants and enrolled 103 of them. Of this number, 36 were startup business owners, 31 existing business owners, and 36 potential business owners. Thus far the number of program participants successfully completing the two-part business workshop was 47.

One-on-One: In the spring semester, participants can continue with business development and expansion through one-on-one technical assistance in areas of operation and financial management for a business startup and expansion. This includes the city's central business district and the six inner city wards. By providing technical assistance to startups and existing microbusinesses, including minority business enterprises in Houston's EEC zone, the program is working to:

- ◆ Increase the number of new businesses and the viability and growth of existing businesses;
- ◆ Create jobs for families of business owners and other residents; and
- ◆ Increase self-sufficiency among disabled individuals, welfare recipients, and the working poor through business ownership.

Businesses that have been in existence for 10 years or longer are also being assessed in operation and financial management for



Business workshop participants talk to speakers of the business workshop.

continued on page 5

Homeownership, continued from page 2

by local consumer credit counselors were arranged for participants who wanted assistance in credit repair,” he adds.

The sessions, which were held one evening per week for 6 to 8 weeks, were modified to accommodate the participants’ level of financial literacy. “We had a variety of facilitators—from bankers to investment and mortgage brokers—who were experts in their field. We trust and value all of them,” says Tibbs.

One of the more interesting aspects of the workshop involved the credit component of the workshop. Participants received information on a variety of topics—from credit worthiness, to credit repair, to using credit cards, and understanding credit card statements. “By the time we were done explaining expenses that are often incurred from credit card use, some participants actually cut up their cards, while many others decided to keep only one card,” says Tibbs.

In support of the Homebuyers Club program and financial literacy workshops, Amsouth Bank in Huntsville offered a three-to-one match to participants who completed the program. As a member bank of the Federal Home Loan Bank of Atlanta, Amsouth was able to offer such assistance through its First-Time Homebuyer Program. If an individual invests \$500 toward a down payment, the bank will match that with \$1,500. However, the participant has to live in the house for a certain number of years. Every year, \$500 is forgiven up to the amount the bank matched. “Many individuals don’t have enough saved for a down payment, so this offer is a form of down payment assistance,” says Tibbs.”

Krystal Gueary, a graduate of the program, was attracted by the offer of a three-to-one match. “I had planned to buy a home eventually, so it was nice to have this information under my belt,” she says. “I wanted to learn ways to save and invest my money and to manage my financial affairs,” she adds. Gueary describes the workshop as very informative. “I left the workshops an enlightened person,” she

says. “Instructors were very knowledgeable, well prepared, and welcomed our questions. The experience also allowed me to network. I now know realtors, mortgage and investment brokers, and credit professionals.”

After completing the program, residents can begin working toward homeownership. “They can receive help establishing a work plan. Credit professionals review their credit reports and identify how far away they are from being mortgage-ready,” says Tibbs.

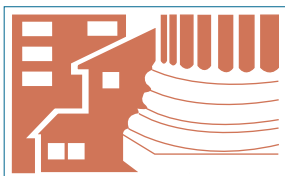
Ten students completed the Homebuyers Club program and the financial fitness training workshop, which culminated with a graduation ceremony on July 10.

For more information on Job’s Place: A Life Change Center, contact Mr. Harold Batts, Director of Development/Institutional Research, J. F. Drake State Technical College, 3421 Meridian Street, North, Huntsville, AL 35810-7439; phone: (256) 551-3114; fax: (256) 539-6439; e-mail: battsh@drakestate.edu.

For more information on the Alabama A&M University Community Development Corporation (CDC) First Time Home Buyers Club and Financial Fitness Workshops, contact Sandra Tibbs, Program Coordinator and Certified Housing Counselor, Alabama A&M University Community Development Corporation, 4900 Meridian Street, Huntsville, AL 35811; phone: (256) 852-7228; e-mail: aamucdc@aamu.edu. 🌟

Grantee continued from page 1

their hard work, students enrolled in trades programs, received hands-on experience while working on the renovation projects with residents, and played a vital role in developing a sense of pride and ownership in the improvements being made in their neighborhoods. 🌟



Office of University Partnerships

Congratulations to All of the 2003 HBCU Grantees!

For a complete list of the new grantees and a description of their projects, please see the OUP Web site at www.oup.org.

Microbusinesses, continued from page 3

business expansion. To date, 61 of the enrolled participants have received one-on-one technical assistance. This includes six expansion businesses and two startup minority businesses.

Skills Training in Automation Technology

"EDC established a partnership with Houston Community College to provide general education diploma (GED) instruction to welfare recipients, disabled individuals, homeless women with children, and other low-income individuals, while skills training in the center's office automation technology program," says Nunn. "They needed GED education and training because many were either unemployed, underemployed, homeless, or living in public housing," she adds. "In addition, the training included classes in computer hardware and software and hands-on

training in a variety of office equipment from copiers to scanners and computers." Instruction for this training was held at the EDC's office automation training center, which has state-of-the-art equipment funded through a prior HBCU grant. For this training program, the EDC recruited and enrolled 83 participants for GED instruction, 82 participants for computer-skills training, and 3 for hands-on job-readiness training.

All the program activities implemented have met TSU's objective to expand its role and effectiveness by providing and fostering community and economic development. They have also met HUD's national objective of neighborhood revitalization and improving community blight and business development.

For more information, contact Ms. Ella Nunn, Director, Economic Development Center Texas Southern University, 3100 Cleburne Avenue, Houston, TX 77004; phone: (713) 313-7785; fax: (713) 313-7724; e-mail: nunn_em@tsu.edu. ☛



Agnes Conner, EDC Computer Instructor, watches over a day computer class.

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Note: Pre-conference technical assistance workshops have been developed for HBCUs (March 30 and 31) and other potential grantees (March 31).

Additional information is available at www.oup.org.



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