

Cascade

a community development publication of the Federal Reserve Bank of Philadelphia

Nueva Esperanza Builds Brighter Future For Hispanics in North Philadelphia

By Keith L. Rolland

Nueva Esperanza, Inc. (NEI), a fast-growing nonprofit that is building Hispanic-owned assets and institutions in a very low-income Hispanic community in Philadelphia, is also starting to assist 138 new faith-based groups around the country.

Rev. Luis A. Cortes, Jr., an ordained Baptist minister, convened a half-dozen Hispanic Protestant clergy who founded NEI in 1987. NEI, which owns and manages 340,000 square feet of commercial real estate, has developed 150 housing units, assisted more than 600 people in becoming homeowners, and provided job training resulting

in more than 600 job placements. Its staff of 85 full-time and 20 part-time employees and its \$8 million budget have doubled in the last five years.

Rev. Cortes explained that in NEI's early years the organization was assisting dozens of families – who improved their situation and moved elsewhere, leaving the neighborhood poorer. This realization led NEI to build assets and permanent institutions. “We want our residents to have a feeling of ownership and empowerment so that they are able to control their destiny,” he explained.

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Rev. Luis A. Cortes, Jr., president of Nueva Esperanza, Inc., is a member of the board of directors of United Bank in Philadelphia and chairperson of the mission advancement committee of the Federal Home Loan Bank of Pittsburgh.

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Far-Reaching Partnership in Pennsylvania Tax Credit Program Launched

By Keith L. Rolland

Citizens Bank of Pennsylvania is providing a 10-year, \$2.5 million grant and extensive technical assistance under the state's Comprehensive Services Program (CSP) to Nueva Esperanza, Inc. (NEI), a fast-growing nonprofit serving Philadelphia's Hispanic community.

CSP is designed to facilitate close working partnerships between corporations and nonprofits and provides state tax credits for up to 70 percent of such grants.

Under the program, a corporation can receive up to \$600,000 in state tax credits each fiscal year.

Bill Smith, Citizens' vice president and regional manager of community investments in the Philadelphia metropolitan area and northeastern Pennsylvania, said that Citizens' new CSP partnership “is an investment of money, time, and talent for the purpose of enhancing a nonprofit's capacity.”

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Message from the Community Affairs Officer

The importance of financial literacy is startlingly clear. If children develop savings habits, learn to use credit wisely, and become comfortable with financial institutions, they, as adults, can avoid the Herculean tasks of repairing credit and undoing years of financial missteps.

But this is not an easy subject to bring alive, and we need to reach people when they want to learn. Trainers need to be knowledgeable, dynamic educators who are available after the training is completed, and the concepts that are taught need to relate to the life situations of the audience.

It is heartening to learn that two banks that have invested time and effort to work with young people have had good results — and that the goodwill engendered by their work with teachers, administrators, and local school districts has led to a steady stream of new accounts and business. It is also interesting to read what volunteers in a low-income church credit union have accomplished with a receptive audience of children and teenagers.

We in Community Affairs are exploring opportunities to train staff members at nonprofits in our District so they can then train their constituents. We are already working closely with the Philadelphia Saves initiative led by the Consumer Credit Counseling Service of Delaware Valley, Inc. We are looking for innovative ways to have an impact on financial education.

On another note, banks can give money to nonprofits, but their human talent is even more valuable. Citizens Bank of Pennsylvania is sharing executives with expertise in human relations, accounting, and marketing with Nueva Esperanza, Inc. and Universal Companies. The bank and the nonprofits are taking this partnership seriously enough to craft a memorandum of understanding and a strategic plan.

Also noteworthy is the example of 15 banks working together in the Community Lenders Community Development Corporation. This multi-bank CDC provides below-market fixed-rate financing — something the banks could not do individually — and has financed 188 affordable rental housing units.

Finally, we remember Sr. Peg Hynes and developer Leon Weiner. Each refused to accept conventional thinking that it was impossible to provide decent housing for low- and moderate-income people. Their examples inspire us to make our own unique contributions to address the needs of others — and to be determined, resourceful, and creative in doing so.



Community Banks Forge Community Development Corporation

By Diane L. Koehler, Senior Vice President of Risk Management, Univest Corporation, Souderton, PA

Four community banks wanted to respond to fixed-rate below-market financing needs of non-profits in Montgomery and Bucks counties and increase their CRA responsiveness when they first began discussing a multi-bank community development corporation five years ago.

The resulting entity, Community Lenders Community Development Corporation (CLCDC), has provided such financing on a long-term basis, making possible the development of 188 affordable rental units and numerous non-profit facilities.

CLCDC's 15 member banks derive the benefits of spreading financing risk, obtaining construction-loan opportunities, enhancing CRA performance, and providing non-profits with critical financing unavailable elsewhere. CLCDC has been a "win win" for both member banks and non-profits.

Mission

CLCDC's mission is to promote and facilitate community revitalization through the financing of, and investment in, housing and community-development activities that will address the needs of low- and moderate-income people and areas.

Established by community banks in collaboration with community leaders, CLCDC serves as a link to our community-development partners — county and government agencies and non-

profit and for-profit developers. CLCDC's low-interest fixed-rate financing leverages other funds and makes housing developments more affordable.

At present, CLCDC serves Montgomery and Bucks counties. Reflecting the branch expansion of many of its founding banks, CLCDC recently decided to begin serving Chester and Delaware counties, while retaining a primary focus on Montgomery and Bucks counties.

Governance

CLCDC by-laws provide for a 17-member board of directors, including three community representatives. These representatives from nonprofits and county agencies provide CLCDC with ongoing community input.

Kate Meadows, CLCDC's recently appointed executive director, previously operated a small business that specialized in business and marketing plans and held positions as deputy director of housing for the Montgomery County Department of Housing and Community Development and national liaison and regional coordinator with the Resolution Trust Corporation.

Loan Pool

All member financial institutions choose the amount they wish to invest in a CLCDC loan pool

New Lending and Demographic Data And Financial-Education Resources Are Added to Philadelphia Fed's Web Site

The latest publicly available home-mortgage and small-business lending data and demographic information — and a range of financial-education resources — have recently been added to the Philadelphia Fed's web site.

Data on 2001 residential-mortgage, small-business, and farm lending in all metropolitan areas and some rural areas of the Third Federal Reserve District have been culled from Home Mortgage Disclosure Act and CRA Disclosure reports, while demographic information comes from the 2000 census.

In addition, the following financial-education resources have recently been added to the Philadelphia Fed's community-development page:

- A list of financial-education providers, including credit and housing counseling agencies (go to the map provided and click on the county of interest); and
- Information about personal financial education curricula as well as consumer-oriented information on credit, consumer regulations, and other subjects.

Another valuable resource is a list of small-business technical resources, which are organized by counties.

A new section on the community-development page includes a selection of noteworthy CRA investments and specific CRA investment opportunities. Other information on CRA investment opportunities will be added in coming months.

Past Cascade issues and other publications are also available on the community-development page — www.phil.frb.org/cca/index.html.

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Nueva Esperanza Builds Brighter Future For Hispanics in North Philadelphia ...continued from page 1

NEI purchased a 6.1 acre former industrial-commercial site that now houses an NEI charter high school, a college affiliated with Eastern University offering an associate's degree, a gymnasium, NEI's headquarters, and 12 businesses that rent space. It will be seeking financing for further renovation of the site. NEI also purchased a 150-acre campground in Chester County, PA, and more than 300 young children from North Philadelphia have attended summer camp there.

Nueva Esperanza (which means New Hope) serves an area of North Philadelphia bounded by Olney Avenue, Front Street, Girard Avenue, and 9th Street. In this community of over 140,000 households, 70 percent are Hispanic — primarily from Puerto Rico but also from the Dominican Republic, Mexico, Colombia, and Portugal — and 26 percent are African-American. About 60 percent of families — many with children under the age of 14 — live at or below the poverty level. Thirty-five percent of the 140,000 housing units are vacant or in disrepair, and 25 percent of adults are unemployed.

NEI developed 39 new units in three stages of Spanish-style "villas," rehabilitated 82 vacant units, and refurbished a vacant hospital into 29 two- and three-bedroom apartments. The rehabilitated units were primarily scattered-site and included a 32-unit development. NEI uses minority contractors and workers from the neighborhood whenever possible.

NEI's job-training program has



Nueva Esperanza, Inc. (NEI) developed 39 Spanish-style "villas" — the first construction of for-sale housing built in many decades in a Hispanic community in North Philadelphia. The three-bedroom units shown above were part of a phase of 15 units sold in 1997-98 to first-time low- and moderate-income home buyers. This phase was financed with federal HOME funds administered by the Philadelphia Redevelopment Authority, construction financing from CoreStates Bank, N.A. (now part of First Union National Bank/Wachovia Bank), and bridge financing from the Philadelphia Urban Finance Corporation.

helped more than 600 public-assistance residents find administrative and medical-support jobs with corporations and other businesses. NEI is currently developing a program to train bank tellers.

As a leader among Hispanic faith-based nonprofits nationally, Cortes worked with federal policymakers when they drafted legislation expanding funding opportunities for faith-based nonprofits. President George W. Bush was a speaker at a national prayer breakfast of 750 Hispanic ministers organized by Cortes last year.

NEI is one of a handful of non-

profits that have received substantial funding under the federal U.S. Department of Health and Human Services' compassion capital fund. It was approved for a three-year \$15 million grant to provide staff and board training and technical assistance to help new faith-based groups meet social needs. In the first year of this grant, NEI is working with 138 Hispanic groups in Philadelphia; Camden; Paterson, NJ; Los Angeles; New York City; Orlando and Miami, FL; and Seattle, WA.

For information, contact Rev. Luis A. Cortes, Jr. at (215) 324-0746 or lcortes@nueva.org; www.nueva.org.

Calendar of Events

Pittsburgh Symposium on Vacant Buildings and Land and the New Markets Tax Credit Program

A symposium sponsored by the Pittsburgh History and Landmarks Foundation, Manchester Citizens Corporation, Citizens Bank of Pennsylvania, and the Federal Reserve Bank of Cleveland
June 6, 2003, Pittsburgh, PA
For information, contact Cathy McCollum at (412) 471-5808 or cathy@phlf.org.

National Community Development Lending School

September 14-18, 2003 (see last page)

Rural-Urban Investment Conference

Sponsored by the Federal Reserve Bank of Cleveland, Northwest Pennsylvania Planning and Development Commission, Ben Franklin Technology Partners, and Northwest Pennsylvania Industrial Resource Center
October 8-9, 2003, Erie, PA
For information, contact Dale Massie at (814) 677-4800 or dalem@nwplan.org.

Reinventing America's Older Communities

Sponsored by the Federal Reserve Bank of Philadelphia, The Brookings Institution, William Penn Foundation, and The Reinvestment Fund
November 5-7, 2003, Philadelphia, PA
For information, contact Vera Bowders at (215) 574-6570 or vera.bowders@phil.frb.org.

Far-Reaching Partnership in Pennsylvania Tax Credit Program Launched ...continued from page 1

A committee of senior staff from Citizens and NEI oversees the partnership and meets quarterly, Smith explained. This committee consists of a Citizens senior vice president, chief financial officer, Smith, and NEI's executive director and department directors. In addition, Stephen D. Steinour, the bank's chairman and CEO, and Rev. Luis A. Cortes, Jr., NEI's executive director, will meet at least once or twice a year.

As a first step, NEI is drafting a strategic plan and Citizens is developing a memorandum of understanding (MOU). The documents will be shared with the other party for input.

Citizens will match its staff with functional areas of need identified by NEI, including human relations, banking, real estate, economic development, accounting, marketing, and public relations. Volunteers may also be enlisted through the bank's employee-volunteer program.

"We see benefits to NEI and to Citizens," Smith said. He said that the partnership will create business opportunities for Citizens in the long run, including home mortgages and banking services for tenants in NEI housing.

"The first year of such a partnership is critically important," Smith said. "A bank and nonprofit have a different discipline, culture, and language, presenting a real communications challenge," he explained. To help bridge these differences, the bank will take its executives on a tour of NEI and its neighborhood "so they can understand NEI's successes and challenges and see, touch, and feel the nonprofit's work," he said.

Citizens is following the same steps in another new CSP partnership with Hosanna House, Inc. in Pittsburgh and in a separate new program launched recently by the city of Philadelphia. In that program, the CDC Tax Credit Program, Citizens has formed a partnership with Universal Companies, a Philadelphia nonprofit. It was the only

bank involved in the program's first 15 nonprofit-corporation partnerships established late last year.

Universal Companies has a major focus on neighborhood economic development and job creation and is currently developing a commercial building. The bank hopes to identify opportunities for small business and commercial real estate loans, Smith said.

Mellon Financial Corporation had been active in the CSP before its retail, small-business, and some middle-market operations were acquired last year by Citizens Financial Group, Inc. Mellon had adopted Germantown Settlement in Philadelphia and a Pittsburgh nonprofit as CSP partners.

For information on Citizens' partnership with NEI, contact Bill Smith at (267) 671-1053 or william.smith@citizensbank.com. For information on the CSP, contact Dennis Darling in the Pennsylvania Department of Community and Economic Development at (717) 787-1984 or ddarling@state.pa.us.

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and make a commitment that is typically based on the size of the institution. Each member agrees to fund a pro-rata share of each CLCDC loan based on its share of the total loan pool.

CLCDC's first loan pool of about \$5 million was exhausted at the end of 2002, and a second loan pool of similar size has recently been finalized.

Products

CLCDC provides fixed-rate, below-market, long-term loans for newly constructed or rehabilitated affordable rental housing, non-profit-owned facilities, or mixed-use projects. It also occasionally provides loans to nonprofit developers for the acquisition and rehabilitation of single-family scattered-site units.

Background

Early in 1999, 11 community banks agreed to provide seed funds totaling about \$40,000 to obtain legal counsel and retain a consultant who then developed a prospectus. Union National Bank & Trust Company of Souderton (now Univest National Bank and Trust Co.) received approval from the Comptroller of the Currency's office to provide equity and debt to CLCDC. The OCC approval letter was the basis for approvals given by other regulatory agencies.

CLCDC's initial founding

banks were Commonwealth Bank; FirstService Bank; The Harleysville National Bank and Trust Company; Harleysville Savings Bank; M&T Bank (acquired Keystone Financial Bank, N.A., the original member); National Penn Bank; Pennview Savings Bank; Premier Bank; The Quakertown National Bank; Union National Bank & Trust Company of Souderton (now Univest National Bank and Trust Co.); and Willow Grove Bank. Joining later were Abington Bank, First Republic Bank (now Republic First Bank), First Savings Bank of Perkasie, and Progress Bank.

During CLCDC's first 1.5 years, Union National Bank & Trust Company of Souderton (now Univest National Bank and Trust Co.) loaned one of its small-business lenders, Patricia Kratz, to serve as CLCDC's executive director. During this time, Kratz established application and loan-underwriting guidelines, purchased servicing software, met with prospective applicants, evaluated potential projects, and made formal presentations to the CLCDC loan committee. This initial loan underwriting and approval process was critical to the success of CLCDC



CLCDC provided permanent-mortgage financing that converted a declining property into 60 rental units for low- and moderate-income older individuals.



in that early stage. Shortly after, Commonwealth Bank started servicing loans on a voluntary basis. This continued until 2001 when CLCDC hired its first executive director, Tracy Johnson, who currently performs loan servicing for the CLCDC on a part-time basis.

CLCDC board members have contributed time and energy far beyond normal board responsibilities. For instance, a Harleysville Savings Bank representative develops marketing materials, including CLCDC's annual report. M&T Bank and FirstService Bank representatives have provided lending expertise necessary to develop loan-underwriting guidelines and oversee loan-committee functions. A Progress Bank representative has assisted with administrative functions during periods of peak activity and staff transitions. Uninvest representatives have had an ongoing oversight and business-development role.

Track Record

CLCDC has provided financing or made commitments of approximately \$5.1 million to 22 projects, which include 188 affordable-housing rental units. The 188 units include Villas at Red Hill, a 68-unit development for low- to moderate-income older people; Ambler Manor, a 60-unit apartment development for older people; and Twin Pines, a 17-unit development for low- to moderate-income families and individuals.

CLCDC has also financed the construction of eight nonprofit facilities. The CLCDC had no defaults or delinquencies at the time that this article was written.

CRA Benefits

Most participating institutions have received lending, investment, and service test credit during CRA examinations by their primary regulators. CLCDC members have received especially valuable CRA credit for CLCDC loans made in

CLCDC has provided financing or made commitments of approximately \$5.1 million to 22 projects, which include 188 affordable-housing rental units.

low- to moderate-income areas or to organizations providing services to low- to moderate-income individuals.

Banks with assets of \$250 million or more have received CRA investment-test credit for their membership fee of \$5000 a year for the first three years.

Banks have received CRA service test credit for participation on CLCDC's board and committees, in-kind services such as developing marketing materials and providing audit services, and the provision of finance-related expertise.

Challenges

One product under development is an equity fund that could be accessed by affordable-housing developers seeking low-income housing tax credit investors. Forming a tax credit fund has taken longer than anticipated, partly because CLCDC member banks have varying appetites for tax credits. CLCDC is also exploring other types of products, such as a grant and/or loan fund for pre-development feasibility studies.

Lesson Learned

CLCDC limited its membership fees to enhance affordability to community banks and to provide as much benefit as possible to the projects themselves. In the early stages of CLCDC operations, applications came in faster than

anticipated, requiring CLCDC officers to assume many staff responsibilities. In retrospect, CLCDC should have hired an executive director from the beginning and structured membership fees accordingly.

CLCDC-member representatives' dedication and ability to work together harmoniously has enabled the CDC to serve the best interests of its communities.

For information, contact Diane Koehler at (215) 721-2452 or koehlerd@uninvest.net; Blair Rush at (215) 230-1790 or brush@firstservicebankonline.com; Debbie Spina Albert at (484) 322-4846 or dspina@progressbank.com; or Kate Meadows at (215) 799-1340 or cdc@uisp.net.

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East Penn Bank Conducts Course And Operates Branch in High School

By Keith L. Rolland

In two unusual initiatives, East Penn Bank, a small community bank in Emmaus, PA, conducts a banking course at its local high school and operates a full-service branch within the school.

Bank staff and the head of Emmaus High School's business department created a banking course curriculum to serve high school students who were unlikely to pursue post-high school education and would be seeking entry-level business positions upon graduation. The course is designed to introduce students to the business work environment with a particular focus on banking.

An Emmaus High School teacher and the manager of the bank's in-school branch teach the elective course. The bank provides teller software while the school provides laptops for the course, which takes place one class period each school day.

Each semester, six to eight students receive classroom instruction on marketing, investments, and teller operation, operate a teller window under the supervision of branch employees, create bank-related advertisements for the school newspaper, and work on promotional programs. A prerequisite is a course in personal financial management.

A total of 39 students have taken the course since it was first offered in January 2000. Debra Peters, senior vice president of administration at East Penn Bank, said that four students who took the course now work for the bank as part-time tellers.

School administration provided the classroom that the bank converted to a branch in December 1999. A manager, teller, and Emmaus High School student staff the branch. The branch, which has an ATM and night depository for school funds, does not have an entranceway from outside the school and is open only when school is in session (typically weekdays from 7:30 am to 3 pm).

Students have approximately 78 percent of all accounts at the in-school branch and open about 20 new accounts a month. Of total branch deposits of \$500,000, the students have a 42 percent share while the balance comes from teachers, administrators, and the local school district. In another positive trend for the bank, the teachers and administrators have tended to use other bank products after first opening savings accounts, Peters said.

Peters explained that the bank has received many marketing and public relations benefits from the branch, although it is not a profit center. Three local newspapers have featured the branch in articles, and the public has responded very well to its partnership with the school.

East Penn Bank is currently implementing a savings program in the three elementary schools of the East Penn School District. Initially, bank representatives spoke at the schools' student assemblies and enlisted the cooperation of homeroom teachers. Each week, the students give deposits in sealed envelopes to their homeroom teachers

and school officials deliver the envelopes to the Emmaus High School branch.

"We encourage deposits of any size and hope that if we encourage savings at an early age, the bank will benefit when the customers mature and need a wide range of loan and deposit products," Peters said.

Peters said that other banks that want to provide financial literacy to children and teenagers should "make sure that the trainers keep the topics interesting and keep the students active. You will not see immediate results but will benefit in the long run by gaining customers for life."

For information, contact Debra K. Peters at (610) 966-1541, ext. 1803 or dpeters@eastpennbank.com.



An employee of an East Penn Bank branch in Emmaus High School discusses a transaction with a student at the school. Students constitute the majority of account holders at the branch, but a significant deposit share comes from teachers, administrators, and the local school district.

Equity Bank: Children's Savings Program Creates Goodwill — and New Business!

By Keith L. Rolland

Equity Bank, a community bank in Camden County, NJ, that collects children's savings at schools, has discovered that the goodwill engendered by its Kids' KashSM program has brought it unexpected business from the local school district, townships, and teachers.

The bank operates the program in 10 elementary schools in its trade area of Camden and Burlington counties. Since the program started in 1995, some 1,800 youngsters have deposited \$650,000, and a local school district, townships, and teachers have opened accounts totaling over \$1.3 million.

Ellen L. Crain, senior vice president of operations and compliance at Equity Bank, said, "Equity Bank cannot stress enough the importance that children understand the value of money and how it can grow with a consistent savings plan. Later, they'll be ready for the next steps of budgeting, keeping good credit, and buying homes."

Children open joint Kids' KashSM savings accounts with their parents, who must authorize withdrawals. The accounts pay a higher interest rate — currently 0.25 of 1 percent higher — than the bank's other accounts as a savings incentive.

Equity Bank representatives spend about one hour per month gathering deposits at participating schools. Deposit taking typically occurs early in the morning in the cafeteria. The experience is rewarding for the students — who

call out, "The money lady is here!" — as well as for the bank representatives. The bank also provides classroom speakers and bank tours.

"Kids' KashSM is a profitable program that requires a minimal amount of staff time for deposit taking, and we've been surprised by some of its related benefits," Crain said. These include the retention of 30 students as customers after they were graduated from high school and cross-selling to parents and other family members who have opened personal and small-business accounts. The bank also got CRA service-test credit for Kids' KashSM in an exam conducted in October 2002.

"As a result of our success with Kids' KashSM, we've added services that strengthen our position as a community bank," Crain said. These include a children's identification program, read-a-thon, and annual school essay contest. "It's a win-win for us," Crain said.

Starting a program such as Kids' KashSM requires the cooperation of school districts and principals. Equity Bank initially approached one district and had to go school-by-school to enlist participation, but the Evesham Township district gave entree to all five of its elementary schools. Equity Bank officials then met with each principal of the 10 participating schools to decide on deposit taking hours and locations. Of the 10, nine are public schools and one is a Roman Catholic school.



Deborah Bloodworth, customer service representative for Equity Bank, counts receipts after accepting children's deposits at DeMasi School in Evesham Township, NJ.

Equity Bank previously opened Kids' KashSM accounts at schools but now opens them at the bank in light of requirements under the USA Patriot Act of 2001 pertaining to the identification and verification of individuals who open accounts.

The support of senior management and branch managers is important for the success of a program such as Kids' KashSM, Crain said. A bank thinking of offering such a program should recognize that its representatives must be present at the agreed-upon time to take deposits, she said, adding: "The children will be waiting!"

For further information, contact Ellen L. Crain at (856) 478-2817, ext. 119 or elcra@equitybank.com.

Wachovia Provides Financial Literacy Training

Wachovia Corporation is developing financial literacy training videos that it will provide to 26 community and faith-based organizations in its 11-state region. It will also use its state-of-the-art videoconferencing equipment to present live training sessions to five of the organizations.

The videos and sessions are based on the Money Smart curriculum developed by the Federal Deposit Insurance Corporation (FDIC). Wachovia is providing a set of 10 Money Smart videos in English and Spanish to assist trainers in leading classes and to ensure consistency among locations.

Wachovia is the first bank to implement Money Smart corporate-wide, according to an FDIC

spokesperson. Wachovia expects that classroom presentations and live broadcasts involving the 26 organizations will reach 5,000 low- and moderate-income individuals in 11 states and the District of Columbia.

Wachovia is providing a satellite dish and receiver to the five community and faith-based organizations that will host live training sessions twice a month, starting in April 2003. The five include The Leadership Education And Partnership (LEAP) Academy, an innovative charter school in Camden, NJ, that is receiving ongoing assistance from Rutgers University.

In addition, starting in the fourth quarter of 2003, Wachovia employees will be able to serve as

volunteer Money Smart trainers through the bank's community service program.

Money Smart is a 10-part comprehensive curriculum that covers money management, basic financial services, and the use of credit. The FDIC has developed CD-ROM versions of Money Smart in English and Spanish and later this year will make the CD-ROMs available in Korean, Chinese, and Vietnamese.

For information on the Wachovia program, contact Missy Wiggins at (704) 374-6685 or missy.wiggins@wachovia.com. For information on Money Smart, contact Valerie Williams, community affairs officer of the FDIC in New York, at (917) 320-2621 or vwilliams@fdic.gov; www.fdic.gov.

ING's Planet Orange Web Site Teaches Children About Savings

ING Bank, fsb, has had an enthusiastic response from parents and teachers and a large number of hits since it launched an interactive financial-education program for young people on its web site six months ago.

ING Bank, fsb, started Planet Orange — which features Moneyland, Republic of Saving, and Investor Islands — in October 2002 for children eight to 12 years old. Since that time, Planet Orange has had 2.3 million hits and 44,000 different visitors, according to Ashlee Stokes of the bank's marketing department. Educators' responses have been so positive that the bank has decided to create a teachers' resource center based on the Planet Orange web site that is targeted to fifth and sixth graders, she said.

The center, which will provide a comprehensive curriculum, lesson plans, and activities, is expected to open in August.

Planet Orange complements the bank's overall focus on high-yield savings accounts that have no minimum amounts or fees. ING Bank, fsb, conducts business primarily through the Internet and banking "cafés" and is part of a financial service company that is based in Amsterdam and has assets of over \$600 billion.

Arkadi Kuhlmann, chairman, president, and CEO of ING Bank, fsb, in Delaware, has said: "The fact that young adults accounted for 7 percent of personal bankruptcies in 2002 suggests that as parents and teachers we need to do a

better job educating our kids when they are young, before they are managing their own finances...If the dialogue begins in homes and schools, we will hopefully see more financially savvy kids and, in turn, more financially responsible adults."

ING Bank acquired and renovated a vacant building in Wilmington's enterprise zone and opened its main office there. Reinforcing its work with young people, the bank established a non-profit foundation in 2001 with an initial focus on foster children in low-income urban areas.

For information, contact Ashlee Stokes at (302) 255-3034 or ashlee.stokes@ingdirect.com; www.orangekids.com.

Church Credit Union Makes Impact With Youth Savings and Financial-Literacy Program

By Keith L. Rolland

A low-income church credit union in North Philadelphia has enlisted 256 children to become savers and eager learners about savings and investments.

Triumph Baptist Federal Credit Union (TBFCU) was established 29 years ago by Triumph Baptist Church, which is located west of Broad Street at 15th and Wingohocking Streets and serves primarily African-American families from the neighborhoods of Germantown and Nicetown. TBFCU's members are Triumph Baptist parishioners and their families and others who participate in the church's ministries. As of end-2002, TBFCU had 800 accounts totaling \$453,429, including 256 accounts totaling \$34,430 maintained by members 17 and under.

TBFCU's youth committee started a volunteer-led youth program in 1999. Sharon A. Saulters, TBFCU's president and CEO, explained, "TBFCU's board and I are strong believers that if you catch children at a young age and get them to save on a regular basis, they'll carry that habit with them through their entire life. I find that the kids want to learn about financial planning."

Marketing to young people who attend the church's 108-member elementary school, summer camp, and other events, the committee started a youth savings club for children 12 and under and a young adult savers' club for teenagers between the ages of 13 and 17. Members of both clubs receive incentives for participating, such

as bowling and skating parties, zoo trips, monthly drawings for gift certificates, and educational materials.

In 2001, Saulters and the youth committee organized Financial Independence Training, a seven-week seminar attended by 20 students in grades seven to 12. Instructors, including two church members who work in financial planning and banking, gave examples relevant to the teenagers, such as the alternatives of buying a shirt or sneakers with cash or credit. The seminars used the National Endowment for Financial Education curriculum. The committee offered an abbreviated financial-independence course last year and plans to offer a full course this September.

Saulters noted: "The youths in the seminars were very excited. They were glad someone would talk to them about investments, insurance, budgeting, and credit. One young man who was saving for college told his father about the credit union and his father came in and opened an account."

The youth committee hopes to start a program later this year in which TBFCU would contribute 10 percent of deposits for teenagers who maintain a consistent deposit history during their high-school years.

While some young TBFCU members are serving as volunteers to write letters and maintain

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Janay Bell, a second-grade student at Triumph Baptist Church's school in North Philadelphia, peers over the counter as she prepares to make a deposit in the Triumph Baptist Federal Credit Union.

Rural Opportunities, Inc. Develops Financial-Literacy and Entrepreneurship Curricula for Rural Youths

Rural Opportunities, Inc. (ROI) has developed curricula targeted to rural youths on financial literacy and entrepreneurship.

Tracey Gebhart, ROI's Deputy for Youth Services, said that case managers and program staff in nonprofit social-service and job-training programs can use the curricula as a general-equivalency-diploma preparation tool or as part of life-skills training for a rural or urban youth population. Each curriculum contains 10 lessons that can be taught alone or together.

One curriculum covers financial-education subjects such as savings, budgeting, and investing while the other focuses on starting a business. The curricula assume a sixth to eighth grade comprehension level and will be available this spring in English

and Spanish. ROI will charge a fee for the curricula, which will be accessed through ROI's web site.

Later this year, ROI, which is based in Rochester, NY, and has affiliates in New Jersey and Pennsylvania, will develop lesson plans and conduct two seminars to train nontraditional educators in nonprofit agencies. Funded with a JPMorgan Chase Foundation grant, the curricula were developed by ROI and KidsWay Inc., an Atlanta, GA, firm that promotes youth entrepreneurship and investment education through YoungBiz magazine, courses, and camps.

For information on ROI's curricula, contact Tracey Gebhart at (585) 340-3397 or tgebhart@ruralinc.org; www.ruralinc.org. For information on KidsWay Inc., visit www.youngbiz.com.

Philadelphia Fed Staff Members Provide Financial-Education Training

The Philadelphia Fed's Community Affairs Department is exploring opportunities to help teach budgeting, the wise use of credit, or other financial subjects. The department's target audience is nonprofit and church staff members who will teach their constituents.

The department's economic-education specialist develops programs to inform teachers about

economic concepts, monetary policy, and the Federal Reserve System. This spring, other staff members will provide financial education to Philadelphia Fed employees, who will then train others in church, youth, or nonprofit organizations.

For information, contact Grace Theveny at (215) 574-6457 or [grace.theveny@phil.frb.org](mailto:theveny@phil.frb.org).

Church Credit Union Makes Impact

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a database, Saulters said that a long-range goal is to train young people to manage and operate their own credit union with adult supervision. TBFCU is seeking grants to hire a full-time manager, who would also conduct financial-literacy workshops for adults and young people. It also wants to work with other churches in its surrounding area.

TBFCU has also conducted workshops for its adult members. A day-long financial workshop was attended by 175 members of three churches.

TBFCU — designated a low-income credit union by the National Credit Union Administration — has its own web site and is a community development financial institution certified by the CDFI Fund.

People for People Community Development Credit Union, which is operated by Greater Exodus Baptist Church in Philadelphia, plans to start a youth program by mid-year. The National Federation of Community Development Credit Unions (NFCDCUs), which has 30 members that have youth programs, provides some fundraising and technical assistance for the start-up of such programs.

For information, contact Sharon A. Saulters at (215) 455-2282 or tbfcu@aol.com; www.tbfcu.com; or Viola Bostic of NFCDCUs at (212) 809-1850 or vbostic@natfed.org.

Sr. Peg Hynes — “She worked very hard for the good of people.”

Sr. Peg Hynes, who served the Heart of Camden, Inc. since 1986, is remembered for her dedicated work in renovating 110 houses for very low-income homeowners in Camden, NJ. She died at the age of 69 in an auto accident on December 21, 2002.

Born during the Depression to an immigrant family from County Galway, Ireland, Sr. Peg grew up near Connie Mack Stadium in Philadelphia and was an excellent student and athlete at John W. Hallahan Catholic Girls High School. She became a Sister of St. Joseph in 1954, obtained a bachelor's degree in history from Chestnut Hill College and a master's degree in religious studies from Boston College, and served as a math teacher and principal for 30 years in several elementary schools.

In 1986, she became executive director of Heart of Camden, Inc., a 501(c)(3) nonprofit started by Sacred Heart Roman Catholic Church in the southern part of Camden. She led the renovation of

The accident, which is under investigation, took place in Cherry Hill, NJ, a suburban area outside Camden.

Sr. Peg renovated vacant and dilapidated houses through fundraising, recruiting volunteers to work on the houses, and enlisting contractors to provide services at low cost. However, she also gave extensive personal assistance in whatever the prospective homeowners needed — jobs, clothes, food, a refrigerator, furniture, or toys for their children. She once said, “This is God’s work and I am just an instrument in that work.”

Each year, she organized a host of major events with the cooperation of volunteers. In two events last Christmas, she oversaw food purchases, assembly, and delivery of 1,100 large food baskets (which were delivered the same day that she died) and a “toy store” that provided toys at nominal cost for 1700 children. She also organized four annual fund-rais-



Sister Peg Hynes, S.S.J.

She had a great sense of gratitude for small as well as big things. She was generous with her time in serving people. She spent even the pocket money she received on others. She worked very hard for the good of people. Yet, she loved to laugh and dance.”

Sean Closkey, former director of Saint Joseph’s Carpenter Society in Camden and currently executive director of the New Jersey Housing and Mortgage Finance Agency, said: “What I remember most about Sr. Peg is the compassion and love she had for the people of Camden. She approached her work with a sense of personal mission. She was there for people who otherwise were abandoned. And she had great faith that, de-

One Vietnamese homeowner, upon learning of Sister Peg’s death, lamented, “We’ve lost our mother.”

a family resource center and thrift store and enabled African-American, Hispanic, and Vietnamese residents to buy houses. She was a special friend to recent Vietnamese immigrants, and one Vietnamese homeowner, upon learning of Sister Peg’s death, lamented, “We’ve lost our mother.”

Sr. Peg traveled day and night in Camden and was never harmed.

ers for Heart of Camden — a fall concert, a Celtic spring concert, a ceili (Irish dancing), and golf tournament.

Rev. Michael Doyle, pastor of Sacred Heart for 27 years, remembered Sr. Peg: “She was a leader with great compassion. She worked to raise money to repair the houses, but she worried whether the children had shoes.

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Heart of Camden Accelerates Pace of Renovations in Camden

Heat of Camden serves a southwestern corner of Camden, NJ, in the shadows of the Walt Whitman Bridge and adjacent to Camden's port on the Delaware River. This neighborhood, dubbed "waterfront south" by Heart of Camden, is home to about 1,700 residents, 20 percent fewer than a decade ago, and has at least 300 vacant buildings. High unemployment, drugs, prostitution, and air pollution from sewer and industrial plants are major neighborhood issues.

In 2001, Heart of Camden moved in a different direction in its housing work. It started relying on public and private financing to renovate houses instead of volunteers and began seeking bank mortgages instead of providing buyers with lease-purchase financing on a no-interest basis.

Christopher Auth, executive director of Heart of Camden, ex-

plained that these changes were necessitated by rising rehabilitation costs, a strain on the nonprofit's finances since it held no-interest mortgages, and limits on volunteer work since certain electrical and plumbing work must be done by licensed professionals. It costs the nonprofit about \$70,000 to rehabilitate a house, which sells for about \$30,000. Heart of Camden plans to renovate and sell houses faster and on a larger scale than in the past, Auth said, with a goal of 15 homes this year and about 30 in future years.

A draft report by Urban Design Associates in Pittsburgh, PA, proposes that Heart of Camden develop 100 or more new single-family houses, renovate blighted properties, and develop a supermarket and retail stores on Broadway. The nonprofit also hopes to raise funds to provide staff for the parent resource center and start a



Two recently renovated houses are among 110 that have been developed by Heart of Camden, Inc. in the vicinity of Sacred Heart Roman Catholic Church in Camden, NJ.

youth-recreation center and a job-training facility.

Heart of Camden writes down rehabilitation costs with grants from foundations and banks and is beginning to work with banks that provide mortgage loans, operational and project grants, and construction loans.

For information, contact Christopher Auth at (856) 966-1212 or homes@heartofcamden.org.

Sr. Peg Hynes — “She worked very hard for the good of people.”

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spite insurmountable problems, somehow it would all work out.

“She got hundreds of people to walk with the people of south Camden to see the tragedy that such poverty exists in the midst of great affluence. People from outside Camden recognized that they could not be true to the good values of our culture without attempting to care for the poor and incorporate them into the larger society.

“One of the most special things about Sr. Peg was her ability to be of service to the people of Camden at the same time that she enlisted suburban folks to teach and show them how to serve. She was able to match the material needs of the people of Camden with the spiritual needs of wealthy suburbanites. A resident might need a job or a toy. The way in which she worked created a sense of wholeness so that it was a mutual and fair exchange.”

Gail Gooney and Jim Delaney, long-time Sacred Heart parishioners who worked closely with Sr. Peg, both recalled that Sr. Peg found ways to relate to almost everyone through a connection to a school, neighborhood, or parish. Delaney said that he was struck by Sister Peg's memory of details about the lives of residents and supporters.

Leon N. Weiner, Affordable-Housing Developer and Advocate, Dies

Leon N. Weiner, a nationally known affordable-housing builder, developer, and advocate, died November 17, 2002, at the age of 82.

Weiner was chairman and CEO of Leon N. Weiner & Associates in Wilmington, DE, which developed nearly 10,000 affordable rental units, including about 6,000 in Pennsylvania, New Jersey, and Delaware, and about 4,500 single-family market-rate houses. The firm developed the units on its own or in collaboration with church and nonprofit organizations and manages many of the units.

A former president of the National Association of Home Builders, Weiner served on several presidential housing commissions, including the Kaiser Commission

on Urban Housing, which helped shape the Housing Act of 1968.

In the early 1970s, he began to focus increasingly on affordable housing. "There is no trick to building housing for the wealthy and the upper income," he said

"There is no trick to building housing for the wealthy and the upper income," he said later. "They are strictly business deals. Low-income housing is a challenge."

later. "They are strictly business deals. Low-income housing is a challenge. It provides the gratification of combining business with the social aspect."

A third-generation builder who grew up in Philadelphia, he came to Delaware in the late 1940s. In the early 1950s, he developed Dunleith, the first housing development in Delaware to be marketed as a racially integrated community. In the 1960s, he and other developers purchased 1,100 acres near Newark, DE, that were developed into thousands of townhouses, apartments, and commercial centers known today as Pike Creek Valley. In 1968, he developed the first public-housing turn-key project, Baynard Apartments, a 120-unit development for older people in Wilmington. In the late 1970s and early 1980s, he developed Wilton, a 470-acre 2400-home community south of New Castle, DE.

Weiner was named Housing Person of the Year in 1973 and 1984 by the National Housing Conference, an affordable-housing leadership organization. He was the first chairperson of the Delaware State Housing Authority and a board member of Housing Opportunities

of Northern Delaware, Inc., a fair-housing nonprofit in Wilmington.

Leon N. Weiner & Associates currently develops low-income rental housing tax credit projects, primarily in Pennsylvania, New Jersey, and Delaware.

Nicholas P. Retsinas, director of the Joint Center for Housing Studies at Harvard University, said: "He was not only a champion, he was a doer." Andrew Cuomo, former HUD Secretary, said that Weiner was on a par with the foremost developers who said, "Don't tell me what is but what should be, and we will make it a reality."



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