

# The Lakes Region's Refugees Home Buying Individual Development Account Project

A project serving Refugees and Immigrants living in the Lakes Region of New Hampshire, providing specific financial education and mentoring to prepare them for successful homeownership in their new country and community

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**Abstract**

The Lakes Region's Refugees IDA Project developed a mentoring and asset building program designed for refugees and immigrants living in our community. It is designed to help them assimilate American financial systems such as banking and credit. This is accomplished by working with an English speaking volunteer and another who speaks their language, enabling them to develop personal financial skills as well as trust.

We offer an Individual Development Account (IDA). The participants' savings are matched with grant dollars raised in the IDA statewide initiative. Participants are accepted from the refugee and immigrant population resettled in the Lakes Region of New Hampshire.

Participants save for home purchase, and while doing so receive individual counseling with their same-language mentor, the English-speaking community volunteers, and project director. Participants receive group training on the specifics of home buying and financial literacy (of American systems) through the Homeownership Center of a local non-profit agency working on affordable housing, the Laconia Area Community Land Trust.

We evaluated the success of this project by determining the asset accumulation of participants each year; completing their IDA saving plan by purchasing a home and also by ongoing participation and savings rate. We evaluated the ongoing support level that participants in the project give back, by mentoring others as they enter the project.

## **Executive Summary**

This project pairs an IDA savings account and its traditional training in financial literacy and asset preparation with intensive community mentoring and support. It assisted with assimilation issues for people recently arrived in the United States in an attempt to provide them with the confidence in knowledge of our policies, social and economic systems that will enable them to become savvy homebuyers.

The target community for this project is refugees and asylum seekers who have resettled in the Lake Region of New Hampshire. These residents have come recently from war-torn countries directly, or from refugee camps in other countries to which they temporarily fled in fear of their lives. They have been accepted into the United States and given limited assistance by resettlement agencies. We also served immigrant families who were unfamiliar with our culture and who were in need of the assistance due to language barriers as well.

The problem that we identified is that limited assets due to lack of savings, coupled with lack of confidence due to lack of life skills in the United States cause them to experience economic instability. These limitations are brought about due to limited financial literacy and income, limited English language skills, lack of trust and generally being unfamiliar with our social, political and economic systems.

The desired outcomes of this project are that the participants' economic stability increase with asset accumulation (homeownership) and confidence is built through mentoring and support by our community while they are assimilating to our culture.

We provided education and skills in financial literacy, incentive to save through matched funds, networking with resources and services. We also arranged English as a Second Language classes, and mentoring so that they could increase their understanding of culture and social, political and economic systems.

In conclusion, the goal of saving for homeownership for these refugees may indeed take second place to that of learning employment skills, general financial literacy, and experiencing stability within their homes and community while renting. Learning all our cultural systems takes them longer because of the vast difference between the U.S. and the refugee camps in which they may have lived for over a generation.

## I. Needs assessment

The Laconia Refugee Connections Committee (RCC) working in collaboration with the Homeownership Director of Laconia Area Community Land Trust (LACLT) conducted a community needs assessment and determined some of the problems presented by various social factors which affect the refugees as they arrive in our community and country. This was accomplished through focus groups and individual interviews with refugees and social service organizations that work with them. "The most successful programs are those which are comprehensive, flexible, responsive and persevering" (Schorr, 1997). RCC and LACLT sought to incorporate the most flexibility in terms of addressing the needs expressed by clients when they sought help dealing with our financial, social, and government systems.

RCC and LACLT determined answers to the following questions:

- What are the beliefs, customs, traditions and habits affecting their situation?
- What are the family and social structures relevant to their situation?
- Are there particular ways of addressing problems that we should take into consideration?
- What should we notice about the way people in this group, community or organization relate to each other?
- What is the power structure (who controls whom or what)?
- How is information gathered or transmitted?

We also determined the extent of desire for this mentoring and programmatic asset building among the various cultures and groups who have already come to the community. There have been many 'waves' of refugees resettled in New Hampshire in the past ten years. During the years 1997 through 2000, 2,120 refugees were resettled in New Hampshire. Of these, 70.9% came from Europe, mostly Bosnia and Croatia. 16.3% came from Africa, and 12.1% from Asia, including Iraq and Iran. (NH Governor's office report, 2004) We conducted informal interviews surveys with refugees whom we knew through other services to verify a desire to participate in this project. In her book, *The Middle of Everywhere* (2002), Mary Pipher discusses the common reactions to losses experienced by refugees and the healing process that must begin in order for these people to adjust to new and difficult environments. She points out that clearly the motivation and stamina to keep working, re-learning everything, to "do what one is told" are crucial. Those who succeed are the ones likely to see the benefit to striving to build wealth, buy homes, and become active members of the community.

In interviews with the social service organizations that provide support services to these groups, we determined that they have learned the family and social structures and can provide much useful advice about how to build relationships with our refugees. The ESL (English as a Second Language) classes provided

by Lutheran Social Services give them a safe space for asking questions about many things that are strange to them. We began relationships in this venue.

The cultures vary vastly in the three basic groups of refugees who have made their home in the Lakes Region (Governor's Office, 2002).

- The Bosnians and Croatians have come from a very developed, although recently war-torn country. Their experiences pre-war are similar to other European countries. Their nations were thriving, developed countries with economies and governments relatively stable until civil unrest broke out. When they arrive they have usually spent 5-10 years in refugee camps in other countries and need and accept immediate support to "get on their feet". Although they are forced by lack of language skills to work at jobs usually below their capabilities, they quickly strive for independence.
- The Africans come from agricultural countries such as Sudan, Sierra Leone, Ethiopia, Uganda and Rwanda. Every thing is brand new to them. Many are illiterate in their own languages as well as not knowing any English. They have never experienced independence, self-reliance, or post-industrial age technology, having lived for two generations in refugee "tent city" camps. Their cultures seem to Americans to be overly expectant of long-term assistance.
- The Asians are very private. Their families provide social connections, inter-family support, and word-of-mouth knowledge. If they are in need of medical care they seek it in their own cultural communities, for example, driving into Chinatown in Boston over 90 miles away, rather than requesting care locally.

The religious traditions of our refugees are not well known in our Judeo-Christian society. The Muslims, Buddhists, as well as Orthodox Christians feel isolated in this area, and often travel great distances to worship and celebrate Holy Days with others of their faith. We learned of their concerns around burial rites too. There are also very specific Islamic laws about earning and spending money, and paying or receiving interest on loans.

The refugees we interviewed hunger for knowledge about things ranging from how to open a bank account to preparing a tax return and investing. All these financial issues are for them a far larger task than for Americans who have at least experienced them peripherally. They are further challenged by working more than one job, frequently second and third shift schedules, thus having little time for traditional learning models.

We talked one-on-one with refugees in our community to determine whether they have the same dream we Americans imagine – owning their own home. Some simply cannot foresee such stability and fortune. Most however, realize this is now their country, want to stay, and want to have a little piece of it to call their own. They will work as hard as they can, do whatever it takes, to provide for family and extended family as they have this new chance for living in peace.

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**Nativity and Language Statistics, 2000 US Census, Belknap County NH**

|                            |              |
|----------------------------|--------------|
| Total population           | 56328        |
| Foreign born               | 1422         |
| Entered 1990-March 2000    | 423          |
| Naturalized citizen        | 778          |
| Not a citizen              | 644          |
| Region of Foreign Born     |              |
| Europe                     | 650          |
| Asia                       | 276          |
| Africa                     | 2 *          |
| Oceania                    | 33           |
| Latin America              | 95           |
| Northern America           | 366 (Canada) |
| Language spoken at home    |              |
| English                    | 50244        |
| Other language             | 3084         |
| Speak english <"very well" | 935          |
| Spanish                    | 636          |
| Indo-European              | 2176         |
| Asian                      | 215          |

## II. Problem Statement

Refugees in the City of Laconia are assisted during the first months of their residency with financial aid, orientation meetings, and referrals to service organizations in the community. Once this first intense support is withdrawn the refugees are presumed to be “all set” and ready to fully assimilate in our community. This is simply not true. Language of course is a huge barrier; some sit through their orientation meetings nodding that they understand when they do not, some are ashamed to admit they cannot even read and write in their own language, much less English. They are fearful of being sent back for lack of understanding.

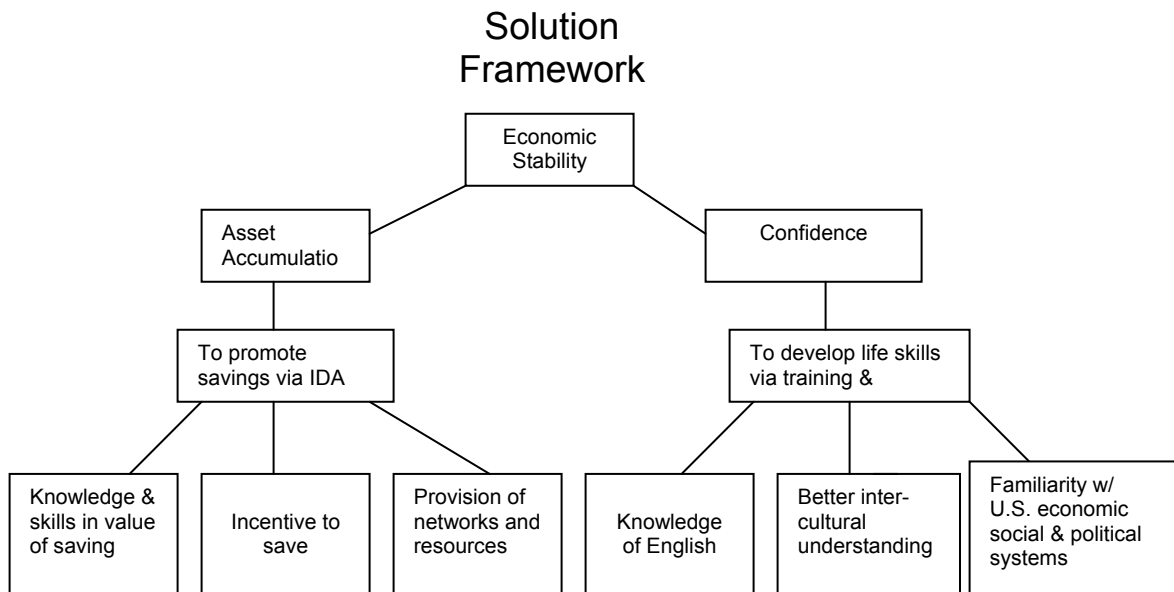
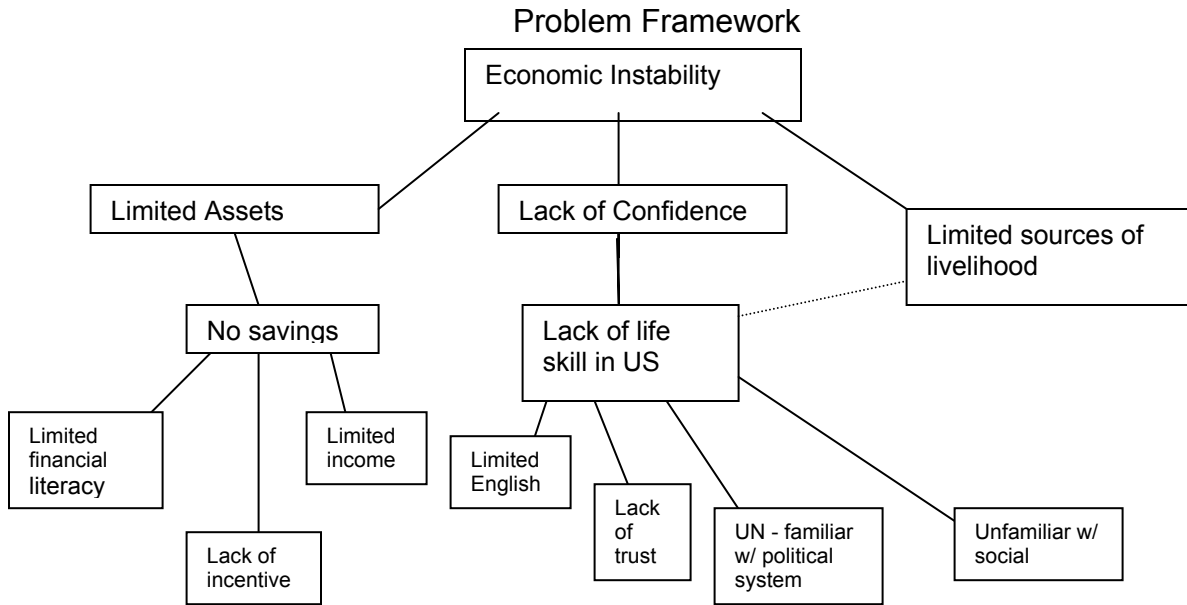
Another huge area of lack of understanding is our credit and financial culture. According to the National Conference of State Legislatures Immigrant Policy Project, these families need mentoring before they fall prey to predatory lenders, incur large debt with their utilities, or have negative reports made to credit reporting agencies due to their simply not understanding our credit and banking systems and norms. They need help understanding our work culture so they are prepared to apply for jobs and eventually advance in the workforce.

As they are weaned from the intensive initial care of these agencies they “fall through the crack” and become part of a sub-culture of un-banked, preyed on, poorly paid workers and families.

It is the mission of LACLT to develop and maintain affordable housing and related support services to empower residents to stabilize their finances and families. As it is able, it provides affordable **rental** housing to refugee families based on availability. That household then receives support services and is mentored within our organization.

However, there are others with whom it has other peripheral contact that, with guidance and mentoring, could once again become good providers for their families in this new country and community.





**Target Community:**

The Refugee IDA Project reached out to the refugee and immigrant community to assist them with learning our society's financial systems as part of learning the new culture to which they have come. Since 1983, 249 refugees have been resettled in Belknap County, New Hampshire – home to the “Lakes Region”. Those arriving most recently have been from African nations, succeeding the Bosnians who arrived in the 1990's.

Many volunteer organizations such as those within churches have provided assistance to newly arrived refugee families with sponsorship, advice, friendship, mentoring and family support. There are many for whom this has provided much needed although fiscally unsupported intervention and support. A core group of volunteers from the United Church of Christ learned through many waves of arrivals what was needed most. None of the organized groups currently operate, and a few of these very knowledgeable volunteers have joined the efforts of the Refugee Connection Committee as volunteers to continue their mission.

The refugees who have been supported by these volunteers have formed strong bonds with them, realize the value of the assistance they were provided, and have assisted others as they enter, forming a wonderful community. This has been especially true for the Bosnian refugees.

| Stakeholders                      | Type and Level of Participation  | Effect of participation   | Issues identified  |
|-----------------------------------|--|---|--|
| NH Community Loan Fund            | Provides administration of IDA Accounts including grant funds procurement and accounting.  | Maximum benefit of partnership and efficiencies Available through their accounting systems          | Ongoing dependency on their participation and requirements   |
| Laconia Human Relations Committee | Co-host organization Refugee Connections Sub-committee to develop mentoring resources and ongoing problem identification/resolution within refugee community | Acts in official advocacy position, adding credibility factor when needed for emphasis              | Volunteer committee with varying levels of time and commitment ability to project                        |
| Citizens Bank                     | Provides free savings account to house IDA savings   | Enables IDA savers to bank locally, establish a banking relationship of their own at the same time. | Training issues around requirements of account, language barriers which are handled insensitively        |
| Individual mentors                | Provide ongoing support, interpretation and counseling   | Enables refugee participants to understand and learn in supportive environment                      | Time available to meet with and work with participants given their own personal schedules and challenges |
| Mortgage lenders                  | Will work with participants to pre-approve financing when they have saved enough monthly to pay for closing costs and other cash needs (i.e. down payment)   | Provide financing mechanisms for home purchase  | Realities of high cost of housing market and affordability limits  |
| Laconia Area Community Land Trust | Co-Host Organization   | Provides coordination of mentoring, education and counseling. Provides access to IDA account.       | Dependency on personnel within organization  |
| Real Estate Agents                | Participation required to assist participants in locating suitable homes to purchase   | Aid process of finding homes and negotiating purchases  | Availability of affordable homes   |

**Project goals in CED terms**

The refugees who come to New Hampshire to find a home are coming from war-torn countries, living without hope, children watching as their elders were lined up and shot. They want to forget. They see much to be grateful for here, and want to succeed in their new lives. Even with great set-backs that we would consider insurmountable, they persevere.

Barbara Seebart, Program Director of the Governor's Office on Refugee Resettlement cites a goal of four and one-half month to employment and that they reach it 85 to 90 percent of the time. However, the average wages are low and they are "stuck" in those jobs without good English language skills. Families share apartments, sometimes nine or ten people in a 3-bedroom apartment, trying to conserve resources, share their work and burdens, and eventually save enough money to live where they want to, with whom they want.

The Refugees IDA project adds skills training, mentoring, and matching funds to their savings so that these families can more quickly share in the "American Dream" of homeownership, asset building and wealth creation.

Through this project we help participants learn about means to achieve financial and family stability, and begin savings to buy their own homes. It is empowering to them to develop and reach their goals themselves, to move beyond assistance-dependent living situations, in which they feel embarrassed, invisible, and without voice.

The goals for this project were:

- a. Successfully prepare five families for homeownership and assist them in purchasing homes within two years.
  - i. 2 families purchase homes by September 2005
  - ii. 3 additional families purchase homes by September 2006
- b. Successful ongoing mentoring relationship between those enrolled and completing program, and those entering it subsequently

These goals are specifically set to be able to quantify success of the participants in the project. As the participants are counseled for enrollment in the IDA savings program the counselor will review the participant's budget to help determine whether it is likely that he or she will be able to save money each month, attend training, and demonstrate the stability in their living situation yet that is needed to make this commitment.

The objectives, which were established to meet these goals, included:

- a. Procure a grant to provide matching funds for IDA savers money - \$60,000. LACLT partners with the New Hampshire Community Loan Fund in providing the IDA savings program and as such the Loan Fund takes the lead in procuring grant funds for the entire program, including this refugee IDA project.
- b. Form referral and mentoring committee
  - i. Define its responsibilities
  - ii. Determine level of commitment of volunteers
- c. Conduct needs assessment through focus group, personal interviews with refugees and resettlement service organizations
- d. Enroll participants in IDA savings plan when they are working and able to start saving. Goal: 5 -8 participants each year
- e. Provide financial literacy training at ESL classes and adult education classes
- f. Develop savings plan with each participant
- g. Provide ongoing individual counseling, meeting monthly with each participant

- h. Provide training about how to qualify for a mortgage, find a house, inspecting the home prior to purchase, and final negotiating of the purchase
- i. Assist participants in securing financing and locating an affordable home to purchase

### III. Project Design

This project incorporated an ongoing, community-supported mentoring and support feature into an existing IDA for homeownership program. The existing program was developed with the assistance of NH Community Loan, as administrative partner. According to the Collaborative designed by Assets for All Alliance, of which they are a member, the most effective delivery of the IDA programs include scalability, high-touch case management, maximum impact per dollar spent, and organizations focused on core competencies. This project takes advantage of a state-wide initiative organized and financed by the New Hampshire Community Loan Fund. Therefore, the need for research into how to manage an IDA program is minimal as it is prescribed by the Initiative. The creativity in this project is around successfully integrating the unique needs and challenges of the refugee population.

Our project emphasizes assistance to refugees and immigrants participants who are unfamiliar with American financial systems such as banking and credit. They learn to successfully navigate our financial culture independently. Concurrently the IDA savings account allows individuals in households earning 200% or less of the regions' poverty level to participate.

All clients of LACLT who qualify are encouraged to enroll in the IDA program. However, this project will specifically reach out to and target our refugee and immigrant residents. Each participant may save up to \$2000 in the IDA savings account, over a two year period. When a home is purchased, all dollars saved will be matched three to one with grant dollars, providing the opportunity to have available up to \$8,000 total per participant, provided he or she saves \$2,000 of his/her own dollars.

Our mission is to provide specific financial education and mentoring to prepare refugees living in the Lakes Region for successful homeownership in their new country and community. This training, coupled with the ability to earn matched savings for their efforts, will enable them to assimilate faster and more easily into homeownership.

**Participants:**

Initially ten participants were included. They are refugees and immigrants with similar needs from the community of and surrounding Laconia, NH. Word-of-mouth in informal social circles provided all the initial marketing needed for the goal of ten participants. These people are settled in the area somewhat permanently; they have either been placed by the Refugee Resettlement agencies or have joined relatives here after initial placement in other locations. They are working in and around Laconia, and have a desire to be homeowners someday soon. It was important to pre-screen participants to determine their level of desire versus ability so that they were not accepted prematurely based on their own location and employment stability.

**Community Role:**

The stakeholders in the project were each identified based both on what they contributed and received as we envisioned the ongoing viability of the project to be determined by involvement of the participants who complete our program and agree to mentor others in the program while they save to buy their home. The target community also plays a critical a role in mentoring those who follow them in enrolling in this project. They will be a part of the coordinated effort to support and counsel each participant.

**Host Organization:**

The Project Director, Jane MacDonald, was originally the Homeownership Director at LACLT, which is the IDA Community Partner in the Statewide IDA Initiative. In this capacity I served as the trainer, savings account administrator, and provided one on one counseling as needed. At the conclusion of the initial phase of the project, the enrollment of participants, I resigned that position to work directly for the New Hampshire Community Loan Fund.

Although no longer officially affiliated with that co-host organization, I had activated personal membership on the Laconia Human Relations Committee. This committee was established by the City of Laconia to study, educate and provide an avenue for addressing racism, discrimination and cultural insensitivity in the City. A sub-committee was formed to determine need and locate interested mentors and translators, and other current service providers and individuals who will be interested in supporting this project. This sub-committee, called the Refugee Connections Committee (RCC) provided the mentoring, referral resources, and advocacy for the IDA savers as well as others. The Project Director remains chair of this committee.

As a result of the change in my formal employment status, the project did not formally change in terms of the IDA program portion, but the intensive support provided to the participants was now delivered through the volunteer network

instead of through the Homeownership Center at LACLT. This complicated the methods of contact with my participants and expanded the support role of the Refugee Connections Committee within the community.

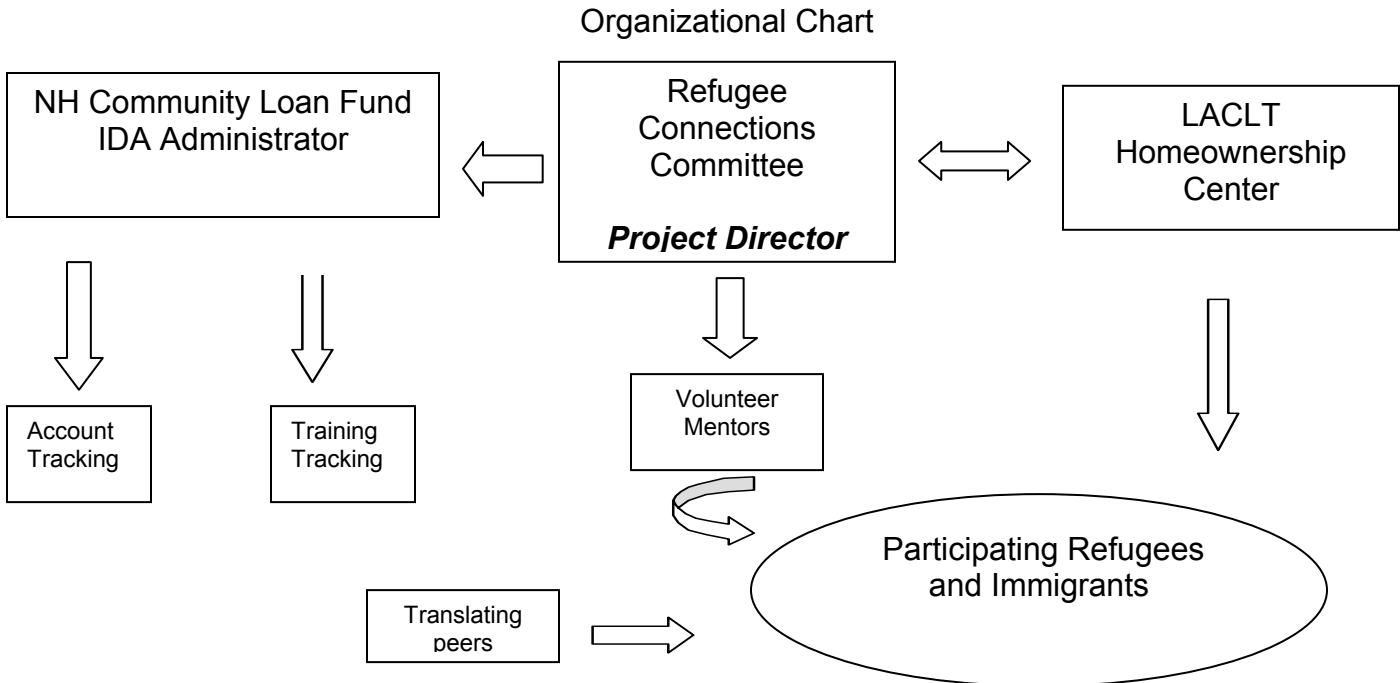
RCC is comprised of 3 refugees, 2 social service providers, Lutheran Social Services' Community Organizer, and two community members active on the Human Relations Committee. Individual mentors work tutoring the participants who, while learning personal financial literacy, need individual attention. If they do not speak the language of the participant, a person who does speak their language assists with this "tutoring". As the participant wants ongoing mentoring and is carrying out financial transactions, mentors are also available to assist and explain, and watch out for predatory practices being perpetrated against the participants. They can advocate for the participants as needed in this event.

As Project Director I am a resource for both the participants and the mentors in all phases of the project, as well as connecting with the participants each month individually.

The Homebuyer Resource Center of LACLT provided financial literacy, home purchasing, home maintenance and budgeting training. It also provides a counselor for individual counseling. It is our intention that the mentors will be developed from the pool of participants themselves as the project ages.

When participants become ready to use their IDA funds to buy a home, help is provided to determine where to seek financing and work directly with their lender to prepare their application. LACLT guides them in working with real estate agents to look for a home, reviewing their transaction to make sure they are being treated fairly well and being offered the best term and conditions available.





This project's ultimate goal is to empower financially savvy refugees and immigrants, who have learned and developed good personal credit use habits, to build their assets and create wealth by purchasing their own homes. They will experience equity-building potential through debt retirement and increase in value.

#### IV. Project Implementation

The first step in assuring the success of this project was to procure a commitment of grant funds to be dedicated to these IDA savers. As there is a statewide coalition which administers the IDA savings program, we approached New Hampshire Community Loan Fund for this and received assurances that matching grant dollar funds are available for the first ten savers, the scope of this project. We will assist in procurement of future grant funds for these populations to assure sustainability of this program.

We formed a committee of committed community volunteers to provide mentoring and support to newly arriving refugees as a sub-committee of the

Laconia Human Relations Committee, a city chartered committee. Following is the organizational document from which it operates, and a list of its accomplishments to date.

#### Refugee Connections Committee

Formed in March 2004 as sub-committee of the Laconia Human Relations Committee, chartered by the City of Laconia

This committee is Co-chaired by Jane MacDonald and Umija Gusinac. It is currently a 6 member committee, including 2 refugees, representative of Lutheran Social Services, representative of Catholic Charities, and 2 community members.

Our committee will:

- Connect refugees, immigrants and asylum seekers with appropriate resources
- Add to their comfort level with experiences living in our community
- Assist in welcoming
- Assist in assimilation in our community
- Advocate for fair and equitable treatment of this group in our community

Our advocacy role will be as representatives of Laconia Human Relations committee. We will advocate for:

- Clarification of situations, needs and procedures
- Provide assistance in finding resources
- Create cross-cultural self-awareness training
- Facilitating awareness and corrective actions regarding inequitable treatment of refugees, immigrants and asylum seekers.

Accomplishments to date include:

- Establishment of protocol for Muslim funeral rites by local funeral home
- Creation of area in local cemetery specifically for Muslim burial
- Advocated for equal treatment of persons seeking drivers licenses in State of New Hampshire
- Successfully procured a grant for providing cultural sensitivity training for health care workers in local hospital, mental health providers and school healthcare workers to be provided in 2005
- Creation of website for locating resources and understanding of issues to be utilized by local service providers
- Set up volunteer base of mentors and translators for those accessing the local domestic violence shelter
- Organized self-help support group for African refugees to work with Lutheran Social Services and IDA Project Director
- Networked with Catholic Charities to provide English as a Second Language classes when Lutheran Social Services pulled out of the community

We conducted a needs assessment through individual qualitative surveys of refugee residents of the community. Through this we determined that different populations (Bosnian, Hispanic, Sudanese, Sierra Leone's) felt more comfortable in individual mentoring vs. group work and made it a priority to have RCC establish support groups for the Sudanese and Sierra Leones who felt more comfortable working on assimilation issues in group format.

We enrolled 10 participants as follows:

- 4 Sudanese
- 1 Sierra Leone
- 2 Bosnians
- 1 Ecuadorian (immigrant)
- 2 Puerto Rican (not refugees or immigrants, but needed the language support)
- 1 Ethiopian (could not qualify for IDA, but accepted for training and mentoring)

We provided financial literacy training to all eleven of these participants during the winter and spring of 2004. This included curriculum specifically designed for those newly arrived to the United States and learning a western monetary system in the case of the Africans, and more emphasis on the American credit system in the case of the Bosnians, Puerto Ricans, and Ecuadorian.

We provided home buying training for the Bosnians, Ecuadorian, Puerto Ricans, and Ethiopian, who felt they were becoming ready to buy homes during the first year of enrollment. This proved to be the case, as three of these participant families were able to negotiate purchases of home and bought them during the summer and autumn of 2004 (4 families). The 3 families still saving will receive this training as they get closer to becoming mortgage-ready.

We also realize the value of placing the mentoring and support role within the committee which will now be ongoing as we are able at that level to provide these new homeowners with advice and support around home maintenance and budgeting issues which are new as a result of becoming homeowners.

Objective: Procure matching dollar funds for IDA savings totalling \$60,000

| Activities  | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Required | Person Responsible               | Status                                    |               |
|---|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--------------------|----------------------------------|---|---------------|
|   | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |                    |                                  |   |               |
| Research grant sources                                      | x             |   |   |   |   |   |   |   |   |    |    | x  |    |    |    |    |    |    |    |    |    |    |    |    |    |                    | Internet access to grant funders | project director                          | done          |
| Meet with the Loan Fund to coordinate grant applications    |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                    |                                  | project director and IDA program director | done          |
| Gather required data on IDA programs and refugee population |               |   |   |   |   |   |   |   |   |    |    |    | x  |    |    |    |    |    |    |    |    |    |    |    |    |                    |                                  | project director                          | done          |
| Write Grant applications                                    |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                    |                                  | project director and IDA program director | done by NHCLF |
| determine reporting requirements of funders                 |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                    | MIS                              | project director                          | done          |
| set up tracking mechanisms for grant useage                 |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                    |                                  | project director                          | done          |

Notes: for purposes of this project we assume grants can be applied for at anytime. In actuality most grant applications have specific deadlines i.e. once or twice a year. Attention to these deadline is essential for ongoing program funding

Objective: Form referral and mentoring committee

| Activities   | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Needed | Person Responsible | Status                               |      |
|--|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------|--------------------|--------------------------------------|------|
|  | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |                  |                    |                                      |      |
| Approach Laconia Human Relations Committee to form and support sub-committee |               |   | x |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  |                    | project director                     | done |
| Committee meets  |               |   |   | x | x | x | x | x | x | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x                |                    | project director                     | done |
| Invite stakeholders to join committee  |               |   |   | x |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  |                    | project director and other committee | done |
| define mission, responsibilities and commitments                             |               |   |   | x | x |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  |                    | committee members                    | done |

Objective: Needs Assessment

| Activities   | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Needed | Person Responsible      | Status   |      |
|--|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------|-------------------------|--|------|
|  | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |                  |                         |  |      |
| meet with refugees and service organizations to ascertain interest |               |   | x |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  | contacts from community | project director                               | done |
| conduct focus groups   |               |   |   |   | x | x |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  | place to meet, surveys  | project director                               | done |
| report results of focus groups and survey                          |               |   |   |   |   | x |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  |                         | project director, LACLT homeownership director | done |
| introduce program at ESL and adult education classes               | x             | x |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                  |                         | project director                               | done |

Objective: Enroll participants in IDA Savings plan

| Activities  | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Needed                           | Person Responsible          | Status |
|---|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|-----------------------------|--------|
|   | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |  |                             |        |
| Interview participants regarding income and ability to save regularly     |               |   |   | x | x | x | x | x |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | enrollment packages, document verification | LACL Homeownership Director | done   |
| Open savings account  |               |   |   |   | x | x | x | x | x |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | \$\$ to open account, identification       | IDA savers                  | done   |
| Discuss personal budget and determine amount participant can save monthly |               |   |   | x | x | x | x | x |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | budget forms                               | LACL Homeownership Director | done   |

Objective: Provide financial literacy and homebuying training classes

| Activities   | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Needed   | Person Responsible | Status     |
|--|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|--------------------|------------|
|  | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |  |                    |            |
| locate appropriate financial literacy curriculum for refugees  |               |   |   | x |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | conversations with other organizations providing this type of training | project director   | done       |
| set up group training schedule for financial literacy training |               |   |   |   | x |   |   |   |   |    |    | x  |    |    |    |    |    |    |    |    |    |    |    |    |    | location, curriculum handouts, calculators, food                       | LACLT HO Dir       | done       |
| set up group training schedule for homebuyer education         |               |   |   |   |   |   |   |   |   |    | x  |    |    |    |    |    |    |    |    | x  |    |    |    |    |    | location, curriculum handouts, calculators, food                       | LACLT HO Dir       | in process |
| enroll participants and provide classes                        |               |   |   |   | x |   |   |   |   |    |    | x  |    |    |    |    |    |    |    | x  |    |    |    |    |    | workbooks  | LACLT HO Dir       | in process |



Objective: Provide ongoing individual counseling

| Activities   | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Needed   | Person Responsible | Status      |
|--|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--------------------|--------------------|-------------|
|  | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |                    |                    |             |
| Meet with each participant every month                           |               |   |   | x |   | x | x | x | x | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | space, time        | LACLT HO Dir       | in progress |
| If not saving, discuss ability to get back on track              |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                    | LACLT HO Dir       | in progress |
| terminate from IDA account if unable to save and attend training |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | withdrawal forms   | LACLT HO Dir       | in progress |
| Meet with each participant with mentor and translator if needed  |               |   |   | x |   | x | x | x | x | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | x  | translator, mentor | project director   | in process  |

Objective: Assist participant in securing financing and locating affordable home

| Activities  | Project Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Resources Needed                                     | Person Responsible          | Status      |
|---|---------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|-----------------------------|-------------|
|   | 1             | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |  |                             |             |
| go with participant to talk with loan originator            |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | mortgage application package and income verification | IDA saver, project director | in progress |
| find sympathetic real estate agent(s) to work with refugees |               |   |   |   |   |   |   | x | x |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  | project director            | in progress |
| assist participant in looking at houses                     |               |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | ride, home inspector,                                | PD or HC                    | in progress |

**Staffing Pattern:**

As Project Manager for the Supported Refugee IDA for Home Buying Project I am a volunteer community member. The project manager did outreach to locate participants and committed mentors, conducted surveys and focus groups; community needs assessment and mentoring throughout the savings period. Once ready to buy a home, the project manager assisted participants in applying for mortgages, seeking additional subsidies, home inspections and working with real estate agents. I also attended closing to assure participants' understanding of documents when they so desired.

The only paid staff was the Homeownership Counselor of the Laconia Area Community Land Trust (LACLT). LACLT provides affordable housing and support services for households in the greater Laconia area. The homeownership initiative, which it undertook beginning in 2000, seeks to transition those families and households which desire to become homeowners. It does this through education, training, individual counseling and down payment and closing cost assistance.

**Refer to Appendix 2** – staff job description

**Budget:**

This project dove-tailed with an existing IDA program currently in operation, adding intensified counseling and mentoring on a volunteer basis. Because of this, the cost of administration of the program was relatively low, the largest portion being grant funds to match IDA savings. We estimated one-quarter of the staff time (FTE) of the homeownership counselor at LACLT to be dedicated to this project.

There were no start-up costs or professional service contracts needed.

The total cost for two years for this project is budgeted at \$80,200, of which \$60,000 is the matching funds for savers.

**Refer to Appendix 3** – pro-forma income and expense statement

**Refer to Appendix 4** – Project Implementation Gantt chart

## V. Monitoring/Evaluation

As the actual participant numbers in this project are small and it is very “high-touch,” we anticipated progress measurement would be relatively easy, as we cultivated an intimate working relationship with participants.

Performance Indicators were developed as follows:

We measured outputs:

1. Number of participants enrolled
2. Number of mentoring partners participating
  - i. Ongoing
  - ii. Newly recruited
3. Number of participants successfully attending/completing training
4. Dollars saved
5. Participant impact – number of households who succeeded in attaining their financial goal of buying a home.

Management Information System:

We tracked detailed information about the individual participants kept in confidential files at the LACLT office regarding their participation eligibility, income, training and counseling notes. The IDA program administrator, NH Community Loan Fund, provided the savings recording and training tracking.

The tracking of availability and areas of expertise of volunteers was accomplished with a simple spreadsheet design. As the Refugee Connections committee developed a formal “bank” of community resources, we incorporated them into the website referral bank as well. However, that website is still in design stage and not available to the public yet.

We interviewed each participant as training was received to ascertain their comfort level with the presentation method and ability to understand the material.

The specific data regarding each participant’s eventual goal attainment – home purchase – was tracked through review of their transaction documents.

It was during this period, however, that one glitch came up. The project director, myself, originally the homeownership counselor at LACLT, left that organization. As originally designed, I had access to tracking of confidential information regarding the participants. Once no longer in that position, the volunteer “project manager” role did not allow for distinct information sharing. From that point forward, the savings tracking was through interviews with the participants themselves and made it a little harder to keep this information timely.

It was I, not the new homeownership counselor, who maintained significant personal relationships with the participants. After discussion of roles, I assumed the mentor role and the new homeownership counselor assumed responsibility for future training and savings tracking.

We anticipated a correlation between consistency of counseling and mentoring hours and participants success at sticking to their savings plan. We monitored how many contacts per month; not necessarily the time spent, but the contact. Our goal was to have two contacts per family each month, as well as incidental contact in the community. For some this was very difficult. In fact, one family moved out of town and was forced to withdraw from the program because they could not keep up with the training required by IDA rules, nor could we keep in touch with them on a regular basis due to work schedules, size of their family (they had a baby – their seventh) and there was no room in the IDA savings program in the city they moved to – Manchester, NH. However, we monitored number of contacts with each of the others and make a point to reach each twice a month.

**Formative Evaluation:**

The evaluation of this project measured the success of the intervention based on the assumption that refugees arriving in our community can become financially savvy in the United States by assisting them with learning American financial systems and traditions. We used personal interviews to determine the perceived value of the project, having collected data to determine parameters of our project. We included the stakeholders in evaluation as well.

The American credit culture can be learned best through a mentoring relationship with community volunteers and program staff who help them individually. They were able to accumulate savings dedicated to the purchase of homes through participation in an IDA savings program that accompanied this tutoring and mentoring.

The purpose and scope of this portion of evaluation determined the level of priority our refugee residents place on assimilation to our/their new country, including value placed on permanent housing security through ownership. We sought to:

- 1) Learn the needs which are not being met through other services
- 2) Learn commitment level to assimilate in American financial culture, and
- 3) Learn desire level to advance to homeownership within 2-4 years.

Initially we conducted a needs assessment to determine what our refugees needed to learn, wanted to learn, and what was being taught to them by the resettlement agencies. This was done through visits to the ESL adult education classes being conducted by Lutheran Social Services. (These classes have since been eliminated in Laconia and so this same qualitative analysis becomes more difficult as there is no central source to reach the same group.) Included in this were personal interviews to determine what they could understand, acknowledging very limited or no English language skills.

We conducted a survey to determine the level of financial knowledge before entering our program with each of the refugee participants. We also determined through these interviews the delivery method needed by each participant to most easily learn our financial culture.

We collected a written questionnaire survey from stakeholders to determine their assessment of needs. The stakeholders included in this survey were:

- Refugees and immigrants who have been here longer and/or have become successful homeowners
- Social service agencies that work with refugees and immigrants
- Financial institutions that serve refugee and immigrant customers

The financial literacy objectives of our project were to:

- 1) Empower refugees and immigrants to become financially savvy community members
- 2) Enable refugees and immigrants to avoid getting stuck in un-banked, sub-prime lending culture
- 3) Avoid developing negative credit and money management habits
- 4) Develop successful homebuyers who will be able to maintain their homes and personal finances as homeowners.

The activities to accomplish this aspect of the project were to provide education and one-on-one counseling in cooperation with credit counselors and community volunteers, to mentor them to become financially savvy and establish savings and assets.

We measured the efficiency and usefulness of this program through tracking of:

- Hours spent by credit counselor or project director on one on one counseling
- Number of contacts per participant
- Hours spent by community volunteers and mentors with participants
- Savings rate and consistency
- Length of time it takes participants to become mortgage-ready

We also conducted 6 month reviews to establish the effectiveness of the program; “how well we are doing our work”?

- How well do participants understand banking, budgeting, and establishing credit?
- We said we would conduct a focus group with the community volunteers and mentors to determine their perceptions of the project's goals, methods and responses of participants and stakeholders with whom they've had contact however this did not take place

During the formative evaluation, which concluded the first 18 months of the project we also evaluated the sustainability of the project through interviews and/or surveys with participants to determine their level of enthusiasm and willingness to change role to mentors, and with community volunteers to determine their level of ongoing commitment.

We determined through monitoring and review of the counseling sessions that there is a steeper learning curve for those coming to the US from cultures less similar to ours; those from Africa. They have much more to learn about daily

living skills such as language, employer expectations, keeping track of their money, health care, and outside the home child care. They depend on each other and learn “how to deal...” from each other. They are likely to call each other family when they’ve only met here, because that is so important to them. However, they have spent year, generations, in refugee camps and are not as quick to become independent. They have relatively little experience with a monetary system.

The refugees from Bosnia come from an only recently war-torn country. They remember a life quite similar to that in the US and assimilate more quickly. This gives them the advantage of being able to become ready to buy homes more quickly. Their families are smaller, more of them are dual-income and they knew a banking and credit culture in their homeland. They are more independent.

The Hispanics, who were accepted into this project because they did need language and financial literacy assistance, were quite used to a similar financial culture and had little or no learning curve there; just guidance. They were the first two families to buy homes, followed by the Bosnians.

The intensity of mentoring and support should be increased for those Africans who were newly arrived and able to save money slowly, having to work in such menial jobs while they learn English skills, that this target group requires a whole different set of expectations within the project. An anecdotal accomplishment of the Refugee Connections committee is formation of a Sudanese and Sierra Leone self-help group. This was made possible through the networking of a few refugees and the representative of LSS.

So while the project has proceeded as planned, the level of education for one group of participants has been significantly different than the others and the appropriateness of enrolling them into an IDA account, which requires purchase of the asset within three years, was probably premature for them. If they do not purchase a home within three years, they are withdrawn from the program, savings not matched, and cannot enroll in the future, by federal regulation. There is an option within the IDA program to change the asset which they pursue to that of post-secondary education. For some of our participants this may end up being more valuable in the short run than buying a home. In either case, in terms of community economic development, either buying a home or obtaining education will heighten their socio-economic status.

We will also evaluate the success of the project period by reviewing the numbers of participants enrolled, dollars saved, percent that become mortgage-ready, and number who are able to buy homes.



**Summative Evaluation:**

As a summative evaluation we measured the outcomes of this project against the original goals to successfully prepare five families for homeownership and assist them to purchase homes within two years.

- 2 families purchase homes by September 2005
- 3 additional families purchase homes by September 2006

Four families bought homes between August 2004 and March 2005; two of these were refugee families, one an immigrant family, and one family arriving from Puerto Rico. We consider the success of these families to be our success.

We still anticipate two additional families will be able to purchase homes by September 2006, the expiration date of their IDA savings enrollment. The IDA program is clearly ongoing in the Lakes Region, as a community partner in the statewide coalition. The most valuable lessons reported by participants generally have been in the area of budgeting, credit and finance management. However, the refugee community reports the support and friendships/trust formed as well as the actual asset purchase as the most valuable

The most successful components of this project were peripheral to our original goals, that our participants are invested in the project, helping others to gain from the IDA savings plan as well, and helping one another. They are friends and family now. They have kept in touch with each other, offered to provide translation and mentoring to others following their path, and are thrilled to own their own homes.

Doing such an intense support of participants depends on community volunteers. Many of the initiatives undertaken by the RCC are not directly related to individual financial empowerment. They are addressing underlying social concerns and show our refugee residents that Laconia community members care about them, thus encouraging them to stay here, make their new life here, and become participating members of our community. When they feel this support they get excited about making things work in our community.

In this project the outcomes are clear – to produce financially savvy homeowners. It is therefore quite easy to measure. Because of this I place more weight on the formative evaluation. That our participants learn our financial culture and are able to successfully participate in economic success is our ultimate achievement.

## **VI. Sustainability Plan**

The sustainability of the matched savings (IDA) accounts is completely dependent on procurement of grants now and ongoing. The New Hampshire Community Loan Fund is committed to the coalition and raising the grant funds needed to sustain the program. This statewide organization has a solid reputation for providing the necessary expertise to support the collaborations it undertakes, and raise the funds through grants and donations to sustain its programs.

However, the value-added financial literacy training and mentoring is designed to be independent of this. We worked to develop mentors from the participant base, who are committed to assisting refugees as they arrive in our community. The community support of this project determines the level of ongoing assistance that is provided, and development of a supporting organization from within the community is an integral part of making this project sustainable. We are fortunate to have City support of our work and expect it will continue without waiver. The City of Laconia chartered the Human Relations committee in 2001 and is committed to its ongoing work.

This is a good structure, as the support and mentoring capacity of these committee members are bolstered by each other. We have the participation of community residents who have done this for years through their church organizations, and appreciate the commitment of the City to this endeavor. We are also enjoying the participation of refugees on the committee who are committed to creating community within their own friends and acquaintance circles, and work to better their lives in their new country.

These mentor friends maintain relationships with their contact families and we expect this will continue long after home purchase, providing our participants with the support needed to be successful homeowners.

## **VII. Appendices**

1. Implementation Plan Gantt chart
2. Staff Job Descriptions
3. Program Budget and detailed Pro-forma income and expense statement
4. Project Power Point presentation

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