

Thank you for joining us for today's webinar:

Financial Capability for Rental Housing Stability:
A Webinar Presentation of a Pilot Program

The webinar will begin promptly at 12pm CT
(1pm ET, 11am MT, 10am PT)



Financial Capability for Rental Housing Stability: A Webinar Presentation of a Pilot Program



December 11, 2018

12pm-1pm CST

Brought to you by:

Center for Financial Security
at the University of Wisconsin- Madison



Hallie Lienhardt
Assistant Director
Center for Financial Security
University of Wisconsin-Madison

Financial Capability for Rental Housing Stability: A Webinar Presentation of a Pilot Program

- Welcome
- Presentations
 - NeighborWorks
 - AHC Greater Baltimore Inc.
 - Community Housing Works
- Q & A
- Sign off

Our Presenters



Janet Raffel
Senior Manager
Financial Capability
NeighborWorks America



Allison Pendell Jones
Assistant Director
Resident Services
AHC Greater Baltimore Inc.



Jorge Riquelme
Senior Vice President
Resident Services
Community Housing Works

Financial Capability for Rental Housing Stability

December 11, 2018

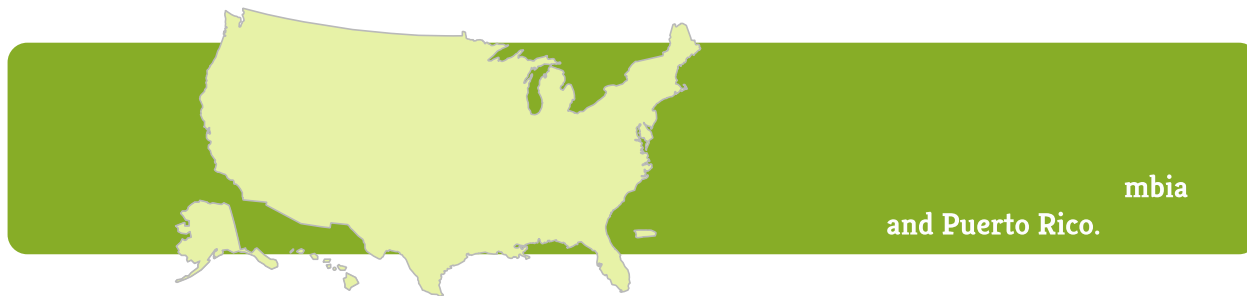


Working Together for Strong Communities®

NeighborWorks®
AMERICA



EVALUATION SUPPORT
THROUGH
SUCCESS MEASURES



mbia
and Puerto Rico.

Working Together for Strong Communities®



IMPACT

455,100

TOTAL HOUSING AND COUNSELING SERVICES PROVIDED

RENTAL HOMES OWNED AND/OR MANAGED

165,500

22,700

NEW HOMEOWNERS

HOMES
REPAIRED

71,300

Data from Fiscal Year 2017

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NeighborWorks®
AMERICA

Financial Capability for Renters Pilot

Residents and owners have a stake in families' financial stability and financial mobility:

- When residents can't pay rent, there are high costs for families and property owners;
- Residents with stable, affordable housing have a platform for improving their quality of life; and
- When families move to market-rate rental or homeownership, they free up affordable units for other families.

Rental Pilot Overview



Goal	Intervention		
	What	Who	How
To increase the financial health of the residents living in affordable multifamily properties owned by NeighborWorks organizations, and To improve the stability of those properties.	Financial capability services within resident services and/or Eviction Prevention Programs (EPPs) in affordable multifamily housing properties.	Low- and moderate-income renters in housing that is owned by NeighborWorks organizations, including: <ul style="list-style-type: none">Residents in financial crisis who were behind on rent, unemployed, underemployed, and/or unable to make ends meet and whose primary goal was housing stability, and/orFinancially stable residents seeking long-term financial goals, such as homeownership or college for their children.	<ul style="list-style-type: none">A continuum of financial coaching, counseling, and/or education services to meet residents where they were, andOptional financial products, including a matched savings product to incentivize emergency savings and rent reporting for credit building.

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Serving Rental Residents in Affordable Housing

Unique landlord-tenant relationship

Some residents very low income, vulnerable to eviction and financial crisis

Some residents are working and ready to build savings and credit

Required an approach that reaches residents at multiple levels of financial health

Rental Pilot Results

At the end of the project, pilot participants were more likely to report sound financial practices than they did at the start:

- ▶ **29 percent** began to set aside money for savings;
- ▶ **49 percent** increased their savings;
- ▶ **43 percent** reported feeling an increased sense of financial security; and
- ▶ **49 percent** improved their credit score, with an average increase of **32 points**.

Rental Pilot Key Lessons

Resident Engagement

- Building trust
- Creating deliberate marketing and outreach
- Offering incentives

Program Structure

- Designing with multiple stakeholders
- Integrating financial products at the right moments

Service Delivery

- Researching where residents are
- Adjusting approach to meet residents where they are

Eviction Prevention

- Serving residents in crisis
- Involving property managers, asset managers, and financial coaches in eviction prevention

Resident Engagement

Outreach and engagement requires
the right mix of building trust,
marketing and incentives.

Coaching: A Powerful Tool for Achieving Results

“Experiencing coaching from the client perspective helps me feel and internalize how and why it matters. I also have more confidence that a small amount of support, done well, can make an actual difference.”

Program Structure: Stakeholders

Staff from different divisions bring different perspectives and motivations to program design.
Different perspectives could come from:

Property
Managers

Asset
Managers

Resident
Services
Staff

Financial
Capability
Team

Service Delivery

A continuum of financial capability services meets the needs of families, whether they are in crisis or seeking to improve their financial situation.

Service Delivery: Matched Savings Integration

EARN 2:1 match: \$150 saved earns \$300

Hypothesis: A total of \$450 in savings would help a resident avoid a payday loan.

Eviction Prevention Services

Support
organizations'
missions

Can improve
financial viability of a
property

Challenge
organizations to
move residents from
crisis intervention to
long-term asset
building

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Promising Practices

NeighborWorks America recommends investments in resources based on this pilot, including:

- Training for building trusting relationships
- Replication tools for program design
- Eviction prevention training and toolkit
- Evaluation support

More Information

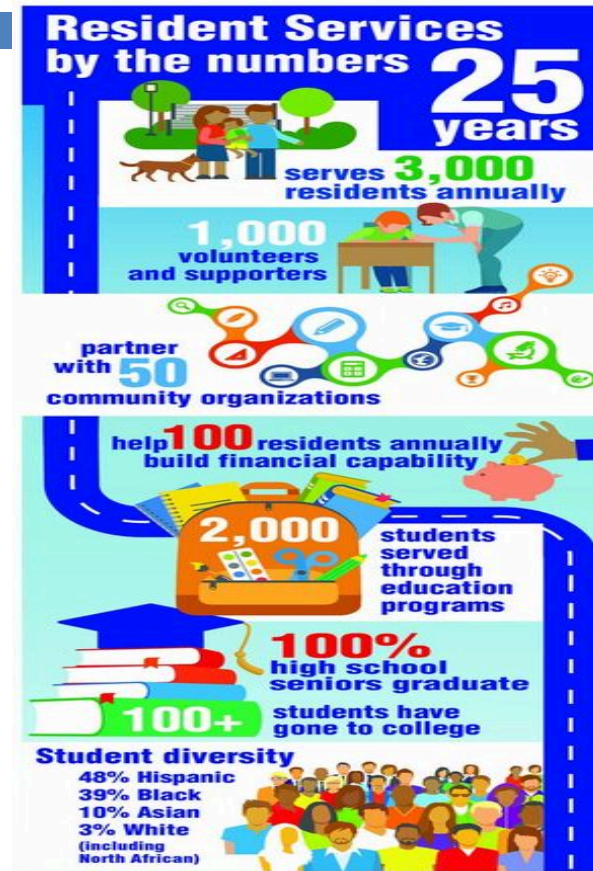
- Rental Pilot Brief: [available online](#)
- Rental Pilot Blog Post: [available online](#)
- Contact Janet Raffel: jraffel@nw.org



AHC's Resident Services

Building Futures for Children & Families

40 Years of Building Affordable Housing



Why Resident Services?

Win-Win for Residents and Community

- Educational Gains for Youth
Break the Cycle of Poverty
- On-site Centers Build Ties
Among Neighbors
- On-site Programming Builds
Ongoing Relationships
Between Families, Seniors
and Staff
- Stable Families Mean
Fewer Evictions, Less
Turnover, Stable
Neighborhoods and Stable
Schools



Who We Serve

- ❑ 98% Very or Extremely Low Income Approx.
- ❑ 85% are single-female headed households
- ❑ 98% are African-American
- ❑ 50% rely on benefits as a sole source of income
- ❑ 40% of our residents are un- or underbanked
- ❑ Most, if not all, are liquid asset poor (well above the City average of 55%, according to Family Assets Count study)

Liquid asset poverty is a measure of the liquid savings households hold to cover basic expenses for three months if they experience a sudden job loss, a medical emergency or another financial crisis leading to a loss of stable income.



Four Primary Service Areas

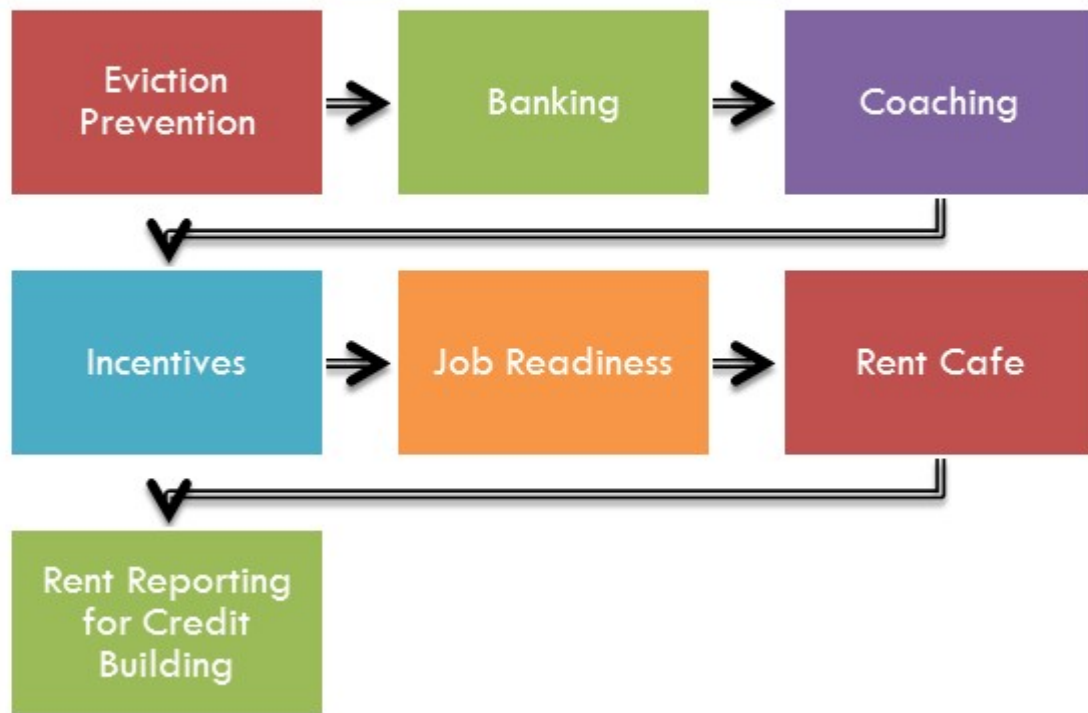


Financial Capability Program At Work...Success story

Shakia has been a client of our financial capability program since we began. Her story is an example of how the drive to succeed for herself and her family, coupled with the tools and resources provided through our program can yield inspiring results!



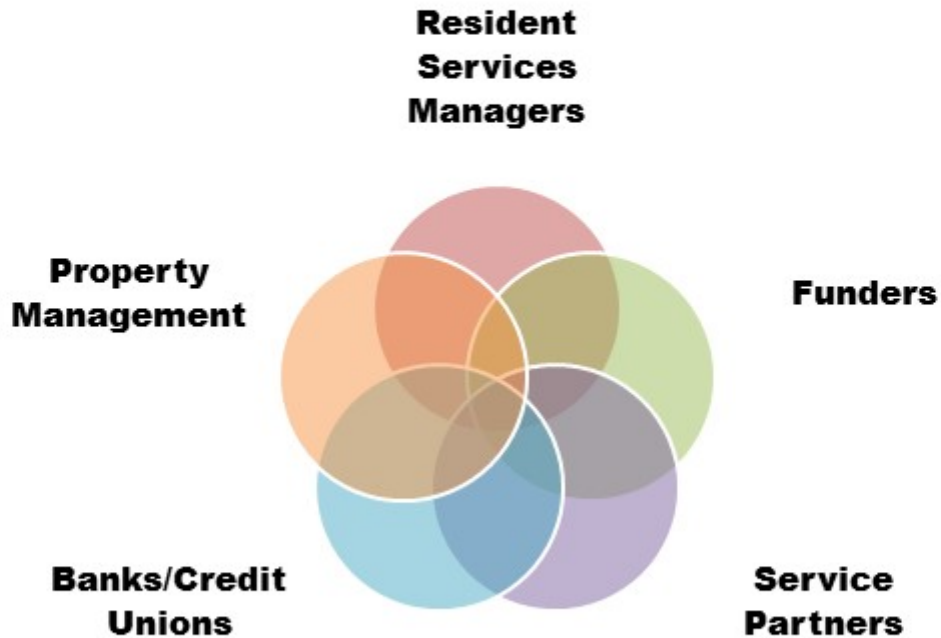
Evolution of the Program 2012-2018



Trust: the Most Important Program Component



It's a Team Effort



What's Next for AHC



Lessons For the Field



Contact us...

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Opportunity begins with a stable home

Improving Financial Well-being of Low-income residents

December 11, 2018

Jorge Riquelme, SVP Resident Services

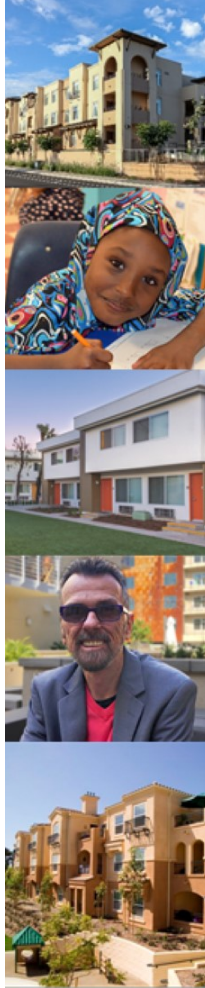


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CHARTERED MEMBER



CHW's Mission



Opportunity begins with a stable home

Community HousingWorks provides and builds life-changing affordable apartment communities with resident-centered services for working families, seniors, and people with disabilities to forge stronger futures.

Affordable Apartment Communities



38 Communities
3100 Apartments
>1200 Apartments in
Pipeline



CHW Resident Demographic & Financial Profile



CHW Residents = 9,672

Race/Ethnicity	Total (%)
Latino	5,585 (61.7)
African American	934 (10.3)
White	914 (10.1)
Asian & Pacific Islander	352 (3.9)
Native American	56 (0.6)
Other	544 (6.0)
NA	671 (7.4)
TOTAL	9,056 (100)

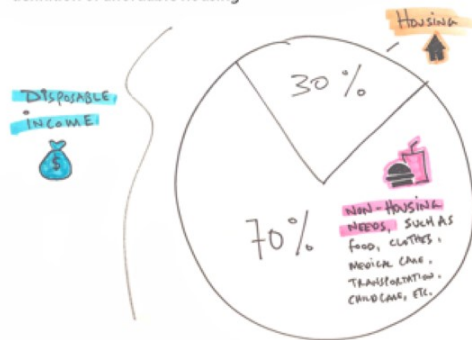
Age Range	Total (%)
0-5	954 (11.7)
6-12	1,551 (19.0)
13-17	1,065 (13.1)
Transitional Age Youth: 18-24	1,096 (13.5)
25-54	2,210 (27.2)
Older Adults: 55+	1,245 (15.3)
TOTAL	8,121 (100)

Income Category	Income Range AMI	CHW HH (%)
Extremely Low Income	0-30%	1,166 (39.4)
Very Low Income	30—50%	1,110 (37.6)
Low Income	50-80%	581 (19.7)
Moderate Income	80-120%	99 (3.3)
TOTAL		2,956 (100)

Housing & Poverty in CA

- California residents have deep housing needs that are among the most critical in the nation. California has the highest percentage of poverty in the nation when housing costs are factored in—rents have increased by 21% since 2000, while renter incomes have dropped 8% over the same period.
- Access to decent and affordable housing is a central element for what we understand to be a good quality of life. Affordable housing means that you as an owner or renter pay no more than 30% percent of your HH's income for gross housing costs, including utilities.

U.S. Department of Housing and Urban Development's definition of affordable housing





Housing as a platform for resident success

- Our stable, affordable homes provide a platform for our residents to forge life-changing paths through and beyond poverty, in this generation and the next
- With our financial capability programs we want to help our low-income residents maximize the opportunities to improve their financial well-being

Improving Residents' Financial Well-Being

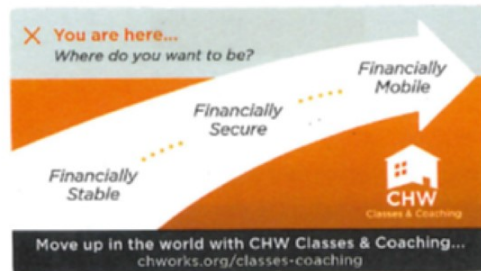


- A central component of CHW's Impact Framework is the committed to improving the financial well being of its residents.
- CHW has adopted CFPB's consumer-driven definition of financial well being: "A state of being wherein you:
 - Have control over day-to-day, month-to-month finances;
 - Have the capacity to absorb a financial shock;
 - Are on track to meet your financial goals; and
 - Have the financial freedom to make choices that allow you to enjoy life."

Meeting people where they are financially to...



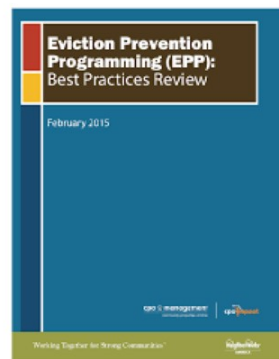
- Address a current financial crisis (Financial Stability): Rental Home Stability Program
- Meet their day-to-day financial obligations (Financial Security): Financial Fitness Program
- Plan for the future (Financial Mobility). Asset Building Program



RHSP: Eviction Prevention



- **Eviction Prevention** is the process of identifying residents who are at risk of losing their housing for non-payment or other lease violations, and providing support and resources for immediate resolution of the issue as well as longer-term housing stabilization.
- **Eviction Prevention Programming (EPP)** is the complete set of targeted intervention strategies which site staff coordinates to deliver to residents in order to prevent eviction.
- **Rental Home Stability Program (RHSP)** is CHW's eviction prevention program.



RHSP: Financial Impact



- Property costs of eviction-related turnovers and property financial benefits in retaining residents.
- Measure the extent to which the RHSP is impacting the organization's bottom line.
- NWA provided a cost-benefit analysis tool that nonprofit affordable housing owners could use to establish an owner-specific benchmark for the minimum retention of a resident that would constitute net financial savings to the rental complex
- The tool focuses solely on a calculation of the financial benefits to the property.
- Using 2015 data CHW tested the tool.

20
rental
communities

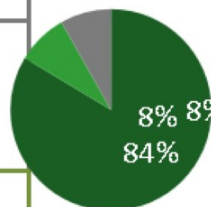
61
households
assisted

92%
avoided eviction



Financial Impact of Eviction
LEGAL FEES \$987 per unit
BAD DEBT \$3,004 per unit
TOTAL PROPERTY COST \$3,991 per unit
POTENTIAL SAVINGS \$223,496

Household Retention



- Households retained
- Households evicted

EARN-NWA Match-Savings Pilot



- The six-month program used a combination of in-person financial coaching, cash incentives, timely "nudges" and tips from EARN to help participants establish a savings habit.
- Each month, savers received a 2:1 match for every dollar they save (up to \$25 a month each). This allowed participants to build an emergency fund of \$450—including \$150 of their own funds and \$300 in matches.

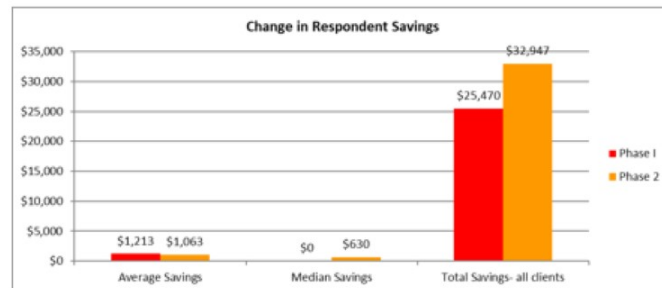
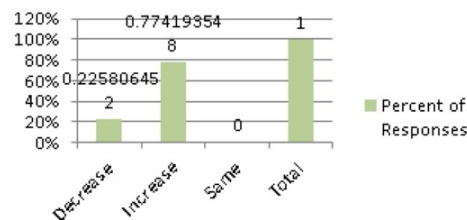


- **31 participants completed Match-savings pilot program.**

- Johnathan Rodriguez, married with children, resident at Las Serenas Apartments

"I am so happy that I made my \$50 monthly savings automatic! I have been able to save over \$300 in six months, and I have invited my wife to start doing the same. Together we can save for our children's future and launch off our oldest daughter for higher education."

Change in Respondent Savings



Opportunity begins with a stable home



- Our stable, affordable homes provide a platform for our residents to forge life-changing paths through and beyond poverty, in this generation and the next
- With our financial capability programs we want to help our low-income residents maximize the opportunities to improve their financial well-being

Looking Ahead

- Designing and delivering impactful, scalable and sustainable resident services programs
- New Pilot: Credit Building through Rent Reporting
- Integrating Financial Capabilities Services with Career Pathways Program
- Measuring Financial Well-being with CFPB Scale
- Build and preserve more affordable homes so that we can continue using as a platform for improving our residents' financial well-being!

Q & A



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Please remember that today's webinar was recorded and will be posted
on our website: cfs.wisc.edu
within two business days.



Please contact Hallie Lienhardt with questions:

Hallie.lienhardt@wisc.edu

608-890-0229