

**HDC NEWS
Summer 2008**

Charles Barge, Board Chairman

Ruth A. Smith, President and CEO

**NEW PARTNERSHIP BRINGS FINANCIAL KNOW-HOW
TO THE MASSES**

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HDC partnered with Fifth Third Bank in July to host part of the four-day St. Louis Homeownership Mobile Tour.

The Homeownership Mobile is a 40-ft bus retrofitted as a mobile classroom that tours the U.S. spreading the word of homebuying education.

It combines the resources, experience, and commitment of Fifth Third with local community partners, such as HDC, to help underserved populations understand the benefits and opportunities of homeownership.

"This is a special day for HDC, Fifth Third and the entire St. Louis community," said Ruth Smith, president and CEO of HDC. "Financial information is difficult for economically disadvantaged individuals to obtain. Today they are being given the opportunity to learn about building a solid financial future."

HDC contributed staff, refreshments, and facilities for two days of the event, beginning on Wednesday, July 9 2008 at its

North East Gateway Center located at 935 Vandeventer, and again on Friday, July 12, 2008 at its South Side Center at 6827 S. Broadway.

The specific event themes included foreclosure prevention, credit awareness, financial literacy and homeownership.

According to the official Fifth Third Outcome Report, 276 individuals toured the bus during the days hosted by HDC, out of which, 131 received free credit reports and 36 participated in a one-on-one financial counseling session.

Jackie Hutchinson, director of HDC's energy department and co-chair of the event explained that these individuals have many reasons to be excited, because financial understanding is not widespread among low-income communities.

"Many people are afraid to deal

with their financial situations because they feel like it's hopeless. They will just keep digging a deeper and deeper hole for themselves because they simply do not know what else to do."

Royce Sutton, vice president of community development for Fifth Third, explained that the large barrier between impoverished populations and financial institutions is evident when looking at the deficiency of banks that exist throughout St. Louis City and level of people using existing services:

"Within many low-income communities more than 50 percent of individuals do not even have bank accounts. As a result, these people are turning to predatory lenders for the bulk of their financial needs, including cashing a paycheck."

While excitement and hope was the spirit of the day, the consensus among HDC and Fifth Third staff was that this was only the beginning of a long journey for the community.

"We have been working in these communities for forty-three years," Smith explained. "We understand that this process will not magically occur overnight. This is about planting seeds of change."

HDC TRANSPORTATION PROJECT VITAL TO SUSTAINING AFTER SCHOOL PROGRAMS FOR AT-RISK YOUTH

HDC Transportation Project Director, Willard Reeves, expresses both furrowed worry and fulfilled excitement while reeling off the year's accomplishments of his program.

On the one hand are hundreds of children who have benefited from the project's focus on sustaining reliable transportation for after school programs and out-of-school field trips within low-income communities; while on the other—thousands of children who have gone without.

The Project operates through a network of stakeholders who share a commitment to bettering the community through increased transportation for youth. Members meet monthly to discuss such topics as gaps in service, leveraging resources, and strategy development. According to Reeves, the network experienced great success during the year and sits poised and ready to move forward.

To begin, nine new partners joined the network including the Mental Health Board, Monsanto YMCA, Community Women against Hardships, First Student, Urban Futures, St. Theresa's Bridget Church, Girls Inc., Paideia Academy, and Operation Weed and Seed. Reeves explains that

growing in number is important to the network's ability to effect change.

"This is a large issue," he said. "We need involvement from the community in order to really make a difference."

In addition to increased partnerships, Reeves reports success in creating a needs assessment that pinpoints the various areas of St. Louis where after school programs and transportation are lacking. The project began with a survey that was mailed to several youth service providers to assess the true impact of transportation on after school activities.

The results indicated that reliable transportation would dramatically increase levels of program participation by estimates of 50 to 100 percent. In addition, the survey named lack of funding as the main source of insufficient transportation. One individual surveyed said, "Conventional and private transportation are too expensive for places with limited budgets."

As part of the information compiled from community surveys, the network created a visual representation of transportation needs based on information from the *2006 U.S. Census*. The map displays the population density of persons aged 5 to 18 residing in St. Louis City and Wellston, in relation to existing schools,

colleges, libraries and metro routes.

According to Reeves, "this information not only lets us know where we need to focus our efforts for the future, but demonstrates to the community the severity of the problem."

Network members are pleased with the progress they have seen since the program began in October 2005 and are eager to start on next year's agenda. According to network member, Peg Pedersen, community education center program director, the network plans to engage youth in solving community problems related to their environment, such as the need for more transportation. This effort will rely on additional funding which is being sought through grants and other community resources



Daryl Luster, Client Service Specialist for the St. Louis Community Credit Union, teaches financial management tools to HDC clients.

HDC's longtime Enhanced Skills program partnered with the St. Louis Community Credit Union to provide small-group workshops on everything financial.

ENHANCED SKILLS PROGRAM TEACHES TOOLS FOR SELF-SUFFICIENCY

The partnership is part of a mutual passion between both organizations to see low-income clients learn to build wealth and protect themselves against financial predators.

The first session was held at HDC's South Side Gateway Center in April. The three-hour course introduced 20 clients to basics of checking and savings accounts, the importance of budgeting, and negative truths about payday lending.

Course attendees were mesmerized by the duo performance of the credit union's financial literacy team which includes, Daryl Luster, Client Service Specialist, and Treina Lynd, Assistance Vice President of Community Development.

"It is such a shame to see people lose money to predatory lenders because they feel there are no other options," said Lynd. "Our company is unique in helping with this issue because we provide community education and offer the financial tools as a pathway to change."

The initial event resulted in 12 clients opening a checking or savings account with the credit union.

Since then, HDC has welcomed the credit union back each month to present at other Gateway Centers and assisted living facilities.

ENGLISH AS A SECOND LANGUAGE (ESL) REACHES VIETNAMESE IMMIGRANTS

Upon realizing gaps in services for Vietnamese immigrants in St. Louis, John Galatoire, director of immigrant services at HDC, customized an English as a Second Language (ESL) to meet the need.

“Many of the community groups I am involved with came to me with the need for this service,” said Galatoire. “So, I started working with Catholic Charities and the Vietnamese Association and we made it happen.”

The class meets every Wednesday at the Catholic Charities building in South St. Louis and is instructed by Hannah Hoang.

According to Galatoire, the average attendance is 15 to 20 students, most of which are from an elderly population.

“This is an important service for the community,” said Galatoire. “Vietnamese immigrants are the third largest foreign-born population in the area.”

According to studies from the National Right to Read Foundation, illiteracy and language barriers have large economic costs in terms of unemployment, welfare, and job training efforts.

Specifically, it states, these barriers cost \$6 billion annually in terms of welfare programs

and unemployment compensation.

Similar research from the National Institute sites these issues as causal factors of impoverishment, explaining that nearly half of all illiterate individuals live in poverty and seven out of ten work either part-time or not at all.

Literacy and English proficiency are exactly what the class seeks to address for the Vietnamese students, and what Galatoire believes is the necessary step towards breaking the cycle of poverty for this population.



Vietnamese immigrants gather for a customized ESL class.

WOMEN, INFANTS, AND CHILDREN (WIC) EXPERIENCES HIGHEST VOLUME IN PROGRAM HISTORY

With the troubled economy on the rise, Missouri residents in need of nutritious food are turning out in record numbers for assistance through Women, Infants, and Children (WIC).

Stan Miller, director of family services for HDC, says his WIC resources are being stretched to the limit, and there does not seem to be an end in sight.

“Several factors are contributing to this growing need,” he said.

“On the one hand you have food and gas prices going up and up, while the housing market is crashing all around us; people really have no other place to turn.”

HDC is one of four agencies with WIC offices in the St. Louis area. The program services pregnant women, new mothers, infants and children up to their 5th birthday based on nutritional risk and income eligibility.

According to the U.S. Department of Health and Human Services, there are several positive outcomes associated with participation including reduced incidents of low birth-weight, infant mortality, and anemia.

“The services we provide are vital for giving children the right start in their lives,” said Miller. “We are glad to see that people are coming in for services and getting the help they need.”

HDC PARTNERS WITH U.S. DEPARTMENT OF TREASURY

The U.S. Department of Treasury has extended the opportunity for St. Louis leaders to participate in a Community Financial Access Pilot (CFAP).

This initiative is designed unite efforts to increase access to financial services and financial education for low- and moderate income families and individuals through a five-part strategy involving partnerships, coordination, outreach, data collection, and information sharing.

Jackie Hutchinson, Director of Energy for HDC believes that this project is the right

step towards breaking the cycle of poverty in St. Louis.

“This pilot is bringing everyone to the table,” she said. “We are going to streamline the variety of community services and make the best of what is already working.”

The first community meeting was hosted by the United Way of Greater St. Louis and included depository institutions, community-based agencies and educational institutions.

After accepting the offer to participate in a pilot program, a small steering committee was convened for the purpose of developing a strategy for action.

As part of the steering committee, Hutchinson explained that the consensus was to develop smaller groups to target specific areas of the pilot.

“I will be heading up the policy and research sub-committee,” said Hutchinson. “We will work to develop institutional changes that sustain long-lasting change.”



Human Development Corporation
of Metropolitan St. Louis

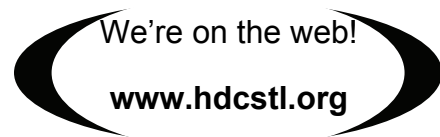
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Human Development Corporation of Metropolitan St. Louis

Our Mission is to work within the community with compassion and dignity by providing leadership and opportunities that will enable disadvantaged individuals and families to reach their full potential.



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