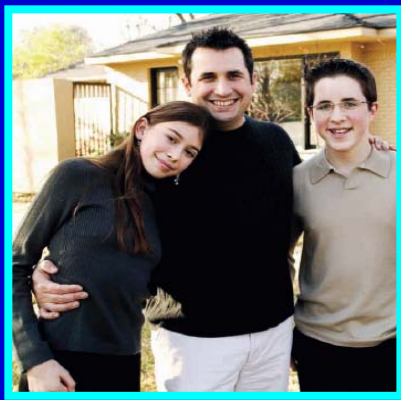




**Helping Families Build and
Keep Their Assets**

National League of Cities

October 2007



Our Public Purpose

The Department of Community Initiatives provides family strengthening, human development, and community safety net services to San Antonio residents to improve their quality of life



Defining Family Economic Success



- Having sufficient and predictable resources to meet basic family needs
- Being able to provide for emergencies
- Employed in work that pays a livable income
- Having capacity to make ongoing investments in lifelong learning for the entire family
- Having resources to build assets that grow, such as homeownership and retirement

Family Economic Success Strategies

Income Generation

Volunteer Income Tax Assistance (VITA)

Low Income Tax Clinic

ITIN Acceptance Program

Asset Protection

Mortgage Rescue & Foreclosure Intervention

Housing Counseling

Mortgage/Rental Assistance

Asset Building

Individual Development Account (IDA)

Vehicle Purchase

Debt Reduction

Credit Counseling/
Debt Management Plan Referral

Vehicle Refinance

Financial Fitness Training

Multi-Benefit Screening

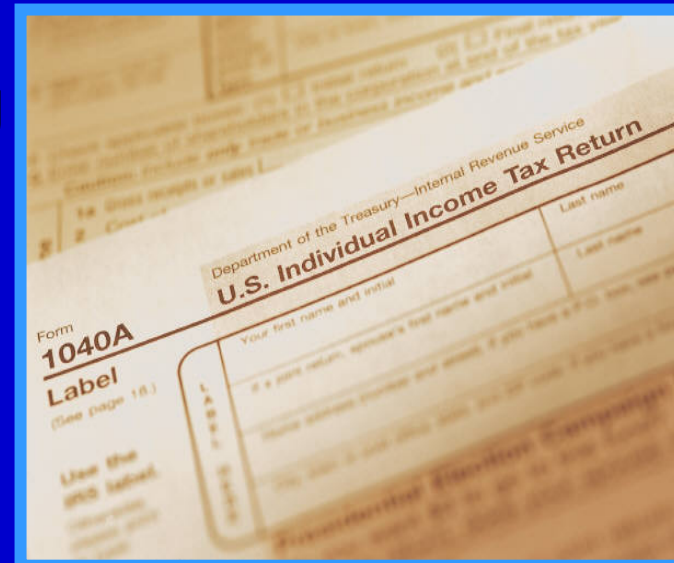
Income Generation Activities

Volunteer Income Tax Assistance (VITA) Program

- IRS sponsored national program
- Free tax filing assistance for low to moderate income working families
- Increases participation in Earned Income, Child Tax and other Credits
- Uses volunteers and seasonal staff
- Provides refunds within 7-10 days
- Alternative Refund Anticipation Loan (ARAL) provides refund in two days

San Antonio Coalition for Family Economic Progress

- SA Coalition for Family Economic Progress is a six year old public-private partnership
- Coalition evolved out of Annie E. Casey Foundation's work and IRS transition to community leadership
- Initial focus centered on the Earned Income Tax Credit Campaign
- Expanded to include asset building and multi-benefit enrollment
- Coalition includes IRS, City, United Way, Catholic Charities, and Casey Foundation



VITA Results 2003 - 2007

	2003	2004	2005	2006	2007
Coalition Results					
# of Coalition Sites	32	27	26	26	27
Total # of Returns	15,244	20,850	24,962	30,240	34,483
Total \$\$ Returned	\$21.8 mil	\$30 mil	\$39 mil	\$47 mil	\$53.5 mil
City Results					
# of City Sites	12	16	17	20	21
# of Returns	9,537	15,200	19,388	25,200	25,443
Total \$\$ Returned	\$12 mil	\$22.3 mil	\$30 mil	\$39 mil	\$39.5 mil

VITA Is Important to Cities

 Helps families take advantage of tax credits

- 20 – 25% of eligible filers do not claim EITC, which costs San Antonio families more than \$98 million

 Return on investment study found VITA:

- Returned over \$288 million to local residents
- Directly created 752 jobs and indirectly supported another 262
- Brought back \$2 million in additional sales tax revenue to the City

VITA is Important to Taxpayers

1040A

+

EITC

+

CTC

\$148

\$20

\$20

+



\$12

+



**Total
>\$335**


\$135

Alternative RAL


Refund Express

- A low cost alternative to high cost refund loans:
- Partnered with San Antonio City Employees CU
 - 0% interest
 - \$5 administrative fee
 - \$5 initial deposit for new accounts
 - 1,130 families assisted in TY 2006
 - \$2.8 million loaned
 - < 1% bad debts experienced
 - 157 un-banked became banked without using ARAL
 - After 6 months:
 - 770 accounts remain open after 6 months
 - 630 accounts have >\$5 minimum balance

Low Income Tax Clinic (LITC)

- 
- Expanded tax assistance to serve taxpayers beyond traditional VITA season
- Correct and file prior year tax returns
 - Mediate and resolve controversies with IRS
 - Provide free legal representation for issues involving the IRS
 - Since January 2005, 700 working families have filed prior year returns

ITIN Certified Acceptance Agent (CAA) Program

 IRS sponsored program to assist eligible persons obtain Individual Taxpayer Identification Number (ITIN)


ITIN

- Tax processing number issued by IRS
- Issued to resident/non-resident aliens, spouses, and dependents not eligible for a Social Security Number
- Must have a tax filing requirement
- ITINs used for filing tax returns, establishing savings accounts


 San Antonio designated CAA in March 2007

Asset Building Activities

Individual Develop Account (IDA)

- 
- Matched savings program for low to mid-income individuals/families:
- Income eligible = 200% of the Federal Poverty Level
 - City/Fed matches every \$1 saved with \$4
 - Maximum individual savings capped at \$1,000
 - Funds can be used for post-secondary education, first-time homeownership, micro-enterprise
 - Requires financial education training

Working Family Vehicle Purchase Plan

- 
- Matched savings program for low to mid-income individuals/families:
- Income eligible = 300% of the Federal Poverty Level
 - City/Ford matches every \$1 saved with \$2
 - Maximum individual savings capped at \$1,000
 - Funds can be used for new or certified pre-owned Ford or Mercury
 - Requires financial education training

Working Family Vehicle Purchase Plan

Melissa, 36, Single Mom, 3 Children



Individual Development Account Results

- 149 families enrolled and actively saving
 - Homeownership 29
 - Education 96
 - Micro-enterprise 6
 - Auto Ownership 18
- 434 families have completed the program requirements and purchased their asset
 - Homeownership 165
 - Education 233
 - Micro-enterprise 18
 - Car Ownership 18

Community Partners



United Way of San Antonio

- Presa Community Center
- Antioch Baptist Church
- YWCA








Goodwill Industries






Local banks and credit unions

Debt Reduction Activities





Auto-Refinance Referral

-  Partnership with two credit unions
-  Part of VITA intake interview
-  Referral criteria of APR > 9%
-  40% of those referred are refinanced
-  Monthly savings of \$50 - \$250/month

Credit Counseling & Debt Management Plan

-  Partnership with Consumer Credit Counseling Services of San Antonio
-  Declined Auto Refinance referrals offered:
 - Free Credit Report and Review
 - Debt Management Plan
-  Declined IDA applicants offered free credit review

Community Partners

-  Consumer Credit Counseling Services of San Antonio
-  City Employees Credit Union
-  FirstMark Credit Union
-  Non-City VITA sites








Asset Protection Activities

Mortgage/Rental Assistance

 **Payment of one month's rent or mortgage if:**

- **Uncontrollable financial situation**
- **Prepare a family budget**
- **Show ability to continue payments**

Foreclosure Prevention Activities

-  HUD certified counselors
-  Pre- and post-occupancy counseling
-  Default mortgage counseling
-  Family budgeting
-  Home equity conversion counseling
-  Reverse mortgage counseling
-  Home improvement counseling

Loss Mitigation Activities

 **Special forbearance**




 **Loan modification**

 **Partial claim**






 **Short sale**

 **Deed-in-lieu**

Fair Housing Activities

-  HUD designated Fair Housing agency for San Antonio
-  Fair Housing counseling
-  Tenant/Landlord counseling
-  Plan reviews for accessibility

Community Partners

-  U.S. Department of Housing and Urban Development
-  Annie E. Casey Foundation
-  NeighborWorks – 995-Hope Program
-  Lenders and local banking institutions
-  Local housing providers and community organizations

Multi – Benefit Outreach

Connect Families to Resources



Benefit screening to connect families to:

- Subsidized Child Care - Head Start, Public Pre-K
- Food security - WIC, Food Stamps, Food Fair
- Health care - Medicaid, CHIP, Women's Health, Care-Link
- Mainstream financial services - Financial education, VITA, IDAs, Banks, and Credit Unions
- Emergency Assistance – Utility
- Homeowner assistance – Counseling, financial assistance

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