

## Home HeadQuarters

I represent Home HeadQuarters, a private, not-for-profit 501(c)(3) organization established in 1996. Over the past twelve years, Home HeadQuarters has been committed to creating housing and related opportunities and services in Upstate New York that improve the lives of underserved people and revitalize the communities in which they live.

Home HeadQuarters was founded in 1996 to address the declining owner-occupancy rate and overall disinvestment in all city neighborhoods. Home HeadQuarters initially focused on implementing a Home Improvement Lending Program to combat decreasing investment in city homes and neighborhoods. Through this program, homeowners received financing to make critical repairs and improvements to their homes. Home HeadQuarters also focused on helping to create new city homeowners through the provision of homeownership education and down payment and closing cost assistance.

In 1999, Home HeadQuarters became part of the national NeighborWorks® Network, which allowed it to access additional resources to establish itself as NeighborWorks® HomeOwnership Center, or a one-stop-shop for all homeownership needs from pre-to post-purchase. Services expanded to include pre-purchase education, down payment and closing cost assistance, access to a network of local lenders who would provide affordable financing to our customers, post-purchase counseling and home improvement lending.

The year 1999 marked an additional turning point for Home HeadQuarters with the advent of the Syracuse Neighborhood Initiative (SNI) program created by former Congressman James Walsh. Home HeadQuarters' lending expertise, combined with its track record of successfully implementing comprehensive homeownership programs and services led to the request for Home HeadQuarters to administer the majority of the SNI programs in more than a dozen individual neighborhoods or target areas in the city of Syracuse. SNI is now in its eighth round of funding and has brought over \$50 million in investment in the city's housing stock and neighborhoods through acquisition and redevelopment strategies combined with loan and grant programs tailored to each neighborhood.

Home HeadQuarters' experience in real estate development through SNI has allowed it to develop the capacity to sell rehabilitated vacant properties to first-time homebuyers, which adds to the comprehensive set of homeownership programs Home HeadQuarters offers. Additionally, Home HeadQuarters has been able to undertake many significant real estate development projects, including the rehabilitation of the historic "Five Sisters" in the Park Avenue neighborhood and the demolition of the Shady Willows complex, which is a site that is now prime for future green housing development centered around a new school and Onondaga Creek. Home HeadQuarters has also completed the renovation of a historic 13 unit apartment building for low- and moderate-income residents and has completed construction on fifteen new single family homes with more planned this year. In addition, Home HeadQuarters has recently completed construction and sold four

market rate townhouses, with a budget of \$2,000,000 in the Tipperary Hill neighborhood.

Over the last 13 years, HHQ has become a complex organization that possesses a comprehensive set of programs and services aimed at strengthening the lives of individuals, neighborhoods, and communities. Home HeadQuarters is a Community Development Financial Institution (CDFI), a Community Housing Development Organization (CHDO), a Community Development Entity (CDE), a HUD-certified counseling agency, a U.S. Green Building Member and Home HeadQuarters holds the distinction of being the first organization in the country to become a Community Based Development Organization (CBDO).

Home HeadQuarters provides products and services through three primary lines of business, including (1) Lending, (2) Planning & Real Estate Development, and (3) Homeownership Services. First and foremost, Home HeadQuarters is a home improvement lender, and our key products in this line of business (which is the focus of our CDFI application) include (a) the FlexFund Home Improvement Loan (for homeowners who have limited equity but need to make repairs or improvements to their homes); (b) the NYSERDA Energy Home Improvement Program (provides a reduced interest rate and up to \$5,000 in matching funds for income-qualified homeowners making repairs to improve energy efficiency); and (c) Other Home Improvement Products that provide specialized assistance, often in the form of partially deferred loans, to special populations (i.e. elderly, disabled, very low-income) who need to make urgent repairs affecting their health and safety. In addition, through our Real Estate Development line of business, Home HeadQuarters redevelops vacant properties for sale to new homebuyers in targeted neighborhoods. We also provide homeownership education and counseling services, which often support our lending customers, through our Homeownership Services line of business.

Since its inception in 1996, Home HeadQuarters has assisted more than 1,700 first-time homebuyers with down payment and closing cost assistance totaling \$5 million; counseled more than 5,900 prospective homebuyers, with over 4,100 graduating from our Homebuyer Education Course, and prevented 255 foreclosures in the city of Syracuse. Nearly 3,000 customers were assisted with major home repair projects totaling \$39.8 million, with nearly 3,600 units rehabilitated, and more than 1,080 families received assistance with minor home repairs through the Syracuse Homeowner Assistance Repair Program (SHARP) totaling over \$960,000. Home HeadQuarters has completed substantial rehabilitation efforts on 109 formerly vacant homes, resulting in over \$6.5 million in rehabilitation contracts, for owner-occupants and demolished 297 distressed and blighted properties. In total, Home HeadQuarters has generated more than \$117 million in home purchase mortgage financing and \$7.9 million in realtor commissions through its homeownership programs. Through these efforts, Home HeadQuarters has generated an additional \$30.4 million in rehabilitation contracts for local vendors through our home improvement programs. Home HeadQuarters had provided homeowners in targeted

neighborhoods with more than 960 curb-appeal mini-grants totaling over \$4 million. 20 Syracuse residents completed apprenticeship training in the construction trade through Opportunity HeadQuarters. Through our Home Value Protection plan, 145 were sold totaling \$9.5 million.

Home HeadQuarters has also experienced success in its home improvement lending programs. In 2007, Home HeadQuarters ranked number 1 out of 240 NeighborWorks® America organizations nationwide for its overall home improvement lending production. And since 2005 Home HeadQuarters has helped more than 300 customers through our New York State Energy Research and Development (NYSERDA) Home Energy Loan program with more than \$2.8 million in financing. In 2006, Home HeadQuarters' lending activity accounted for more than 16% of all lending activity statewide through the NYSERDA Energy Program, capturing nearly a 50% market share in Onondaga County alone, which experienced the highest production of loans in New York State.

The Community Development Financial Institutions Fund defines underserved markets by geography, race and income. The two largest underserved populations are defined as Black or African American and the Hispanic/Latino population. Through the 1990s, the Hispanic/Latino population [in Onondaga county] grew by 66%. According to the 2000 census 25.3% of the population of the city of Syracuse were Black or African American.

Home HeadQuarters would like to see the Banking Development District Program marketed in Central New York where there are many opportunities for lending institutions to partner with municipalities to serve underserved communities. Home HeadQuarters believes that the BDD Program should be expanded to include credit unions and that they should be held to similar standards as other participating financial institutions. In Syracuse, credit unions are often the primary resource for banking needs in underserved communities.

Thank you for the opportunity to comment, Home HeadQuarters looks forward to participating in future Banking Development District Program discussions.