

Waco Community Development

"We're revitalizing neighborhoods."



January 2010

254-235-7358

1624 Colcord Ave.

www.WacoCDC.org

Predatory Lending Learning Curve

by Gabriela Gatlin

During my first year as a housing and credit counselor at Waco Community Development, I traveled an immense learning curve in the complicated world of credit. And what a time to learn about credit, considering the national and global situation of our economies!

Credit is essentially a loan of trust that allows a person to act beyond their means with the obligation to ultimately repay that loan.

Problems in credit arise when individuals never gain the means to repay the loan. In my office, I meet with many individuals who find themselves unable to repay loans for a multitude of reasons. Sometimes these individuals need to learn the basics of financial literacy like starting with a monthly budget. Other times, these individuals need stable employment and a living wage.

Problems in credit also arise with predatory lending practices that exploit individuals and cause financial destruction. There are three primary sources of predatory lending:

Subprime mortgage market: provides mortgage loans to those who do not qualify for standard mortgages. The Mennonite Central Committee (MCC) U.S. Washington Office reports that subprime mortgages exploit homeowners with unfair fee structures, variable rates that rise quickly and fail to consider the homeowner's ability to repay the loan.

Payday lending: provides small, short-term loans with high interest rates and steep fees for late payments or bounced checks. The MCC U.S. Washington Office reports that an estimated \$793 is repaid for a payday loan of \$325. Today there are over 24,000 payday lenders in the United States.

Credit card industry: provides lines of credit to borrowers whose application for a card is approved. The MCC U.S. Washington Office explains that the credit card industry engages in predatory lending when it provides hard to understand disclosure agreements and disguises interest rate and fee structures. Sometimes credit card companies increase the likelihood that penalty rates over 30 percent or expensive fees will be triggered by missing a payment or simply signing up for a new card.

In my office at WacoCD, I see the terrible effects of predatory lending on individual lives and families. In the neighborhoods of our city, we can all see the effects of predatory lending on individuals and communities. What can we do about predatory lending?

I can teach people who sit down at my desk about monthly budgets and wise credit choices, but we all have a part to play in addressing the problem of predatory lending in our community. In keeping with the Biblical call to speak out against exploitation (Jeremiah 29:7, 1 John 3:17, James 2:15-17), people of faith can advocate for state and federal laws that promote just and transparent lending practices.

Public policy can address predatory lending in the subprime mortgage market, payday lending and the credit card industry by taking the following actions: acting on behalf of homeowners in danger of foreclosure, capping interest rates for payday loans, increasing regulatory oversight of credit card companies.

Looking back on my experiences in credit counseling during 2009, I learned that it takes a community effort to ensure safe lending and borrowing so that individuals have access to credit that builds healthy families and neighborhoods.

Resource: MCC U.S. Washington Office Guide to Predatory Lending

<http://washington.mcc.org/life/housing>

CALENDAR

*2010 Homebuyer Education

Homebuyer Education I.

6-8 PM for 6 weeks

Begins Thursday, March 4th

To register call (254) 235-7358.

Classes are free!

*February 20, 2010

Homebuyer Education II.

Saturday, February 20th, 1-6 PM

Call the office to register.

Classes are free.

Waco Community Development Board of Directors Meeting.

*Wednesday, February 10, 2010

Board of Directors:

Tim Holtkamp, President

Carolina Ramos, VP

Melvin Carter

Juan Castellano

Ken Cooper

Ada Nun

Rev. Steve Ramsdell

Bill Shirley

Jon Spelman

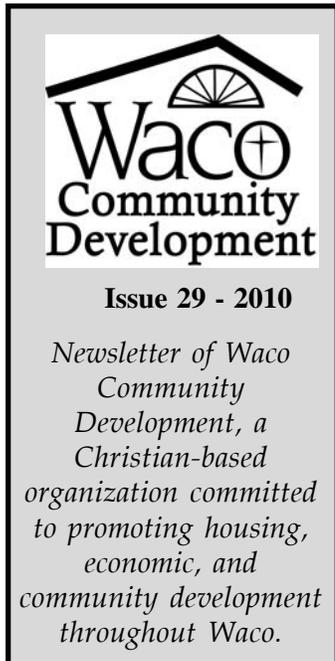
Dr. Gaynor Yancey

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A New Year - 2010 by Darrell Abercrombie

A new year is here, and there are so many things that come with a new year, like new years resolutions. People want to make changes at the beginning of the year. We want to start fresh with new ideas, behaviors and directions.

One of the greatest needs in our lives is the need for restoration. To restore means, "to bring something back into existence or effect again; to bring back to a former or original condition; to put back in a former place or position; to reinstate; to return." Restoration takes many forms from restoring relationships, renovating antique furniture, reinstating someone to their former position or returning something that was stolen or lost. These all demonstrate the idea of restoration. The meaning of Salvation is restoration. To be saved, means that we have experienced the miraculous restoring power of God, who makes all things new in our lives spiritually, psychologically, emotionally and relationally.

Talk is cheap. You can talk about what you are going to do for years. You can talk about how you are going to do it for years. You can keep rebuilding your life over and over again. You can keep getting new revelation and saying what changes you are going to make in your life. But until your revelation is activated, you will not move. You cannot sit around and do nothing and expect results at harvest time. How can you sit around and talk about all that you are going to do in this New Year but keep the same old work habits, same unfruitful friendships, and the same low self worth and expect to do better in 2010?

There are rules in this life. Until God moves your gift into operation, you must show diligence in your behavior. God's wants us to prosper, but first He wants us to show diligence in our business practices, financial planning, and life management. I know a lot of people who have all the talent in the world, but they do everything halfway. Although they cannot manage their limited financial resources, they expect a financial breakthrough.

Every disciple Jesus chose was a hard working, diligent, businessman. Even Judas was a pretty good money manager, and he was associated with Satan. Whether you are a president of a bank or work at a fast food restaurant, be diligent in what you do. Dr. Martin L. King Jr. stated, "If it falls your lot to be a street sweeper, sweep streets so well that the Heavenly Angels will pause from what they are doing and proclaim that here live a great street sweeper who has swept his job well." What you do in the natural life is a reflection of how you govern spiritual things.

In 2010 we should transform our folly and failure into wisdom, our frustration into fuel, and our denials into deliverance. Our failures of yesterday should have toughened us up to make better decisions. They teach us that transformation is a lengthy process that begins with the understanding that we can prevail over adversity if we refuse to accept the average or ordinary. We have been trained to win, conditioned to prevail, called to conqueror. Change is inevitable, but growth through change is optional.

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Meet Anastasia Collier - Baylor MSW Intern

My name is Anastasia Collier. I grew up in Houston, Texas. I received my Bachelor of Social Work in May 2009 from Baylor University. In 2008 I interned at Talitha Koum Institute as an assistant teacher. As an intern at Waco Community Development, I will work with management and residents at Parkside Village and the Villages apartments to analyze resident perceptions of issues like safety, maintenance, and management. I will also work with Communities in Schools at Brook Avenue Elementary, leading a group of girls to organize a community service project. During this semester, I hope to acquire skills in working with communities to aid in my dream of opening a community center in a low-income area that provides music education.



AVAILABLE PROPERTY



826 N. 15th St.
\$83,000



713 N. 13th St.
\$550.00 / mo
OR \$50,000



726 N. 13th St.
\$80,000.



CONSTRUCTION IN PROGRESS



CHANGING EXPECTATIONS

by Walker Moore

100% participation, "Every parent!" that is the goal at Brook Avenue Elementary for their 3rd through 5th grade Parent/Teacher conferences this February.

"There were so many parents there, that we ran out of food!" That was said after West Avenue Elementary hosted the Family Learning Night in February, 2009. One hundred plus parents and children attended the Family Learning Night that evening.

Expectations are definitely changing at West Avenue Elementary and Brook Avenue Elementary.

The Parental Engagement Project began two years ago to bridge the gap between parents and the schools. Parental involvement was low; teachers and parents did not trust each other; and there seemed to be no hope. Two years later the Parental Engagement Project is uniting parents and teachers to strengthen the education of this neighborhood's children.

Tired of poor parent relationships, teachers at West Avenue Elementary make personal home visits to meet the parents of their students. These conversations allow the teacher and parent to discuss ways they can work together to improve the child's education.

Tired of poor attendance at parent activities, Brook Avenue Elementary now uses multiple forms of communication to help parents feel welcomed to parental involvement activities offered at the school. As a result, parents now attend these activities in numbers that were only dreamed of before. In short, through the Parental Engagement Project, both schools go the extra mile to involve parents in their child's education.

This is not to say that parent/school relationships are perfect. It is to say that parental involvement is no longer looked at as a lost cause. Instead Brook Avenue Elementary and West Avenue Elementary desire and expect for parents to be involved in their child's education. And parents also hold the same desire to be involved in their child's education. Expectations are changing, and as a result, the schools are better, families are stronger, and the neighborhood is working together.



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“ Courage is the ladder on which all other virtues mount.”
Clare Boothe Luce

Issue 29 - 2010

Newsletter from Waco Community Development.
Waco Community Development is a Non-Profit, Christian-based organization committed to promoting housing, economic, and community development throughout Waco.

UPDATE ON THE WACO FAMILY HEALTH CENTER

On Wednesday, December 9, 2009 the Waco Family Health Center received notification that it received a stimulus grant in the amount of \$5.3 million. The Waco Family Health Center has started planning the construction of a three-story facility that will house medical and dental clinics, a health food store and a fitness center.

This facility will be located at 18th Street and Colcord adjacent from the main Family Health Center. The new construction will have the capacity to serve 4,000 patients a year and employ up to 55-65 medical and administrative staff.

Along with the medical facility they are also planning to construct two four-story buildings that will serve as housing, leasing space and space for small restaurants.

Waco Community Development congratulates the Waco Family Health Center on this significant accomplishment and looks forward to watching the construction as it progresses.

FREE TAX PREPARATION SERVICES

- *A.J. Moore Academy: Start Jan. 25th. M, T, TH 5-8pm. 753-6486
- *NeighborWorks: Start Jan. 27th. M, T, W, TH 12:30-4:30pm. 752-1647
- *Sacred Heart Catholic Church: Start Jan. 27th W, TH, F 1-5pm. 666-9459
- *Harrison Center: Start Feb. 2nd. T, TH 11-3pm 772-9317
- *Providence Hospital in the pavilion: Start Feb. 1st. M, W 12:30-4:30. 751-4701
- *R.B. Hoover Library: Start Feb. 1st. M, F 10-2pm and Sat. 10-5pm. 745-6018
- *McLennan County Library: Start. Feb. 2nd. T, TH 1-5pm. 750-5990
- *Hewitt Community Center: Start Feb. 1st. M 1-5pm. 666-2442

By the Numbers

Housing:	
New Homeowners	128
New Homes:	39
Renovated:	9
Opportunities:	
Counseled:	1612
Active:	196
Maintenance:	
Volunteers:	4,289
Vol. Hours:	22,928
Lots Mowed:	1,378

Donations-Pledge Donations Memorials- Honorariums
Waco Community Development offers you the ability to support our ministry through the giving of donations. Your generous donation, pledge, memorial or honorarium allows us to continue our mission of revitalizing one of Waco's historical neighborhoods.