



NEIGHBORHOOD  
DEVELOPMENT  
ALLIANCE

# 2020-21 Annual Report

JUNE 1, 2020 -  
JUNE 30, 2021

# From the Director

Dear supporters,

In a year unlike any other, Neighborhood Development Alliance is proud to have met the needs of hundreds of people in our community.

Despite unforeseen challenges, our team of advisers, coaches and developers made great strides towards our mission of lessening Minnesota's homeownership and wealth gap for communities of color.

We provided hundreds of hours of counseling and education to 750 people last year—85% of whom self-identified as a person of color and 68% as Latino or Hispanic. NeDA's bilingual staff moved their work completely online, remaining flexible and nimble to the unique needs of our clients in a rapidly-changing environment.

I am proud to share our accomplishments in this Annual Report. Thank you for your support!

*Karen Reid*

Executive Director

## OUR MISSION

Neighborhood Development Alliance (NeDA) builds affordable housing and empowers communities to create sustainability through financial education and guidance.

As a HUD-approved housing organization we provide 1:1 counseling and workshops to help people make a financial plan to buy their first home. Our coaches walk alongside families to offer guidance to make their financial goals a reality.



# BY THE NUMBERS



PEOPLE SERVED

749

WORKSHOPS & MODULES PROVIDED

33

CREDIT BUILDER LOANS ORIGINATED

72

COVID-19 ASSISTANCE PROGRAM FUNDING DISBURSED

\$350,602



# HOME PURCHASE COUNSELING & EDUCATION



NeDA's HUD-approved home purchase counseling and Home Stretch classes help first-time buyers understand the homebuying process from start to finish: from understanding a credit report, learning about 1st time homebuyer and down payment assistance programs, managing money, to closing on a mortgage.

334

Households served with pre-purchase counseling, including long and short term clients

190

Participants who graduated from one of our 15 virtual Home Stretch classes

65

Households who successfully purchased their first home\*

\*Number tracked

“

*My sister and her husband will be moving to St Paul from Uzbekistan this year. I was so pleased to hear she listened to my ravings about the NeDA Home Stretch workshop that she will be taking it too... I am so grateful to know you. With your guidance, you have changed my life as well as my daughter's.*

-2020 Home Stretch and counseling participant





# ADRIANA'S HOME OWNERSHIP JOURNEY



**Adriana Galvan is a Community Outreach Worker in Saint Paul** and has spent nearly three decades serving under-resourced members of the Metro with access to educational opportunities. She connected with NeDA in July of 2020 to learn more about the home buying process.

As a renter for the last 20 years, Adriana didn't think home ownership was for her. "Honestly, I felt that at my age, it was just too late." But after meeting with Home Ownership Adviser, Graciela Mendez, Adriana learned that she had great credit and the income to qualify for a mortgage—all on her own.



Adriana started her home search in the fall of 2020. She took our Home Stretch class (twice!) and also enrolled in a Financial Literacy class. Given the pandemic and the influx of new buyers on the market, Adriana and her family saw nearly 50 homes and made 15 different offers before placing the winning bid on a 4-bedroom rambler in Saint Paul.

In the summer of 2021, Adriana moved into her new home with her parents (ages 83 and 81), her son, who is 26, and their dog. "It's given me a lot of self-confidence as a person. I felt like I was on the edge of the trampoline when I started this process and Graciela gave me the gentle push I needed to make the leap."



Adriana is grateful to have received down payment assistance from Minnesota Housing and says she couldn't have done it without the expertise of her real estate agent, mortgage lender, and of course, her home purchase counselor.

"NeDA comes before anything else," she says. Congrats, Adriana!



# FINANCIAL COACHING, EDUCATION & TOOLS



NeDA's certified counselors offer unbiased, relevant, and direct advice to help community members get on a bright financial path. We pair our counseling and classes with debt reduction and asset-building tools.

112

Households served with financial coaching & counseling

148

Participants who attended one of our 11 virtual financial modules in Spanish

74

Participants who completed one of our 7 Spanish financial literacy workshops (12-hours in length)

51

active Individual Development Accounts (3:1 matched savings accounts)

6

completed IDA pay-outs in the amount of \$23,040 for home purchase and college tuition

**Congrats to new homeowners and IDA participants, Rhea and Mike!** The couple qualified to open a matched savings account at NeDA and have been diligently saving their \$40/month to secure the 3:1 program match.

Last fall they were able to apply their \$3,840 of total savings as a down payment on their first home! "Thanks for everything NeDA does; you're all amazing!"





# CAMILA'S PATH TO HOME OWNERSHIP



Camila Mercado Michelli is an Advocacy & Community Building Project Manager with a Twin Cities non-profit, a job she acquired after graduating from Metropolitan State University. As a student there, Camila had taken NeDA's Financial Literacy workshop in 2015 where she was first introduced to the concepts of money management.

Camila reached out to NeDA for 1:1 help in 2017 to take a deeper look at her budget and credit report. She had some old credit card debt she was ready to pay off and wanted to learn about the best way to move forward. Through our partnership with Lutheran Social Service, Camila took advantage of a Debt Management Plan (DMP) that rolled all her credit cards into one payment with much lower interest rates. She even took her tax refund to pay down the balances with the hopes of one day buying a home.



After three years of coaching and budgeting, Camila was ready to start her home search in earnest. Camila and her partner, Hector, met with NeDA's Roxanny Armendariz to take a look at their combined capacity to buy a home together. The couple set a savings goal for their down payment and a targeted start date to begin their home search.

Camila is proud to share that she and Hector successfully bought their home in the fall of 2021! "You truly helped me when I was new to all this financial world. You were so kind and patient with me... Thanks to the DMP plan I was able to pay off debt and get approved on a very good loan with a 2.35% interest rate!!!"



For Camila, one of most enriching aspects of receiving financial counseling and education was to share the knowledge she learned with other people. "NeDA helped me take control and share what I learned with others in my community, so passing on the skills has also helped my family and community members who needed financial resources and education. I've been able to advocate on financial causes as a result and thanks to NeDA, have been empowering others. There's a real transformational quality to what I've learned, other than the tangibles of good credit and purchasing a home. So, thank you!"

Felicidades, Camila!



# CENTRO DE FINANZAS



NeDA's lending department, Centro de Finanzas, is a certified Community Development Financial Institution through the U.S. Department of Treasury, and is dedicated to providing financial services to meet the needs of economically-disadvantaged individuals.

**72** new Credit Builder Loans of \$120 each originated

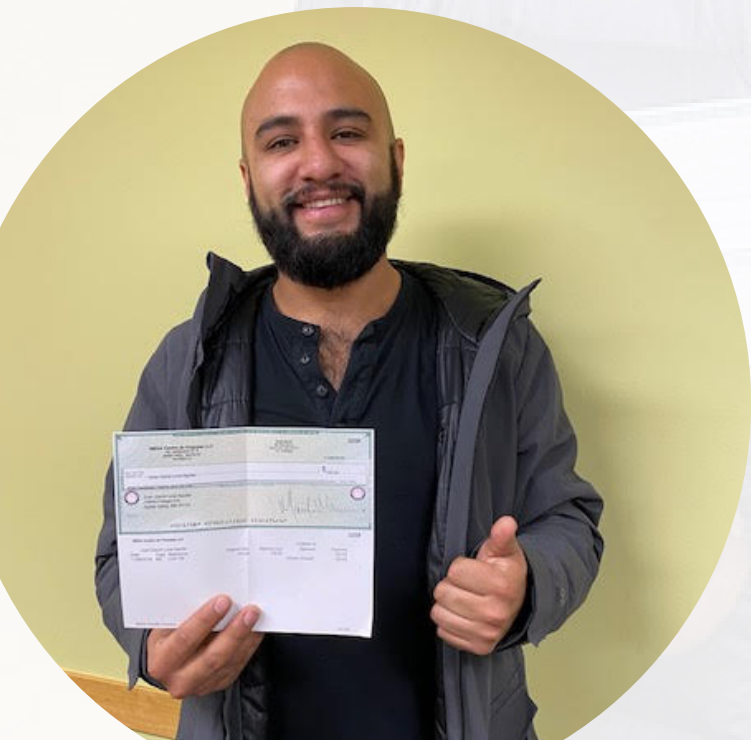
**47** existing loans paid in full in the amount of \$5,640

**0** number of late payments or charged-off accounts, despite the pandemic



**60 points**

Average increase in FICO credit score for paid-in-full borrowers



*Centro de Finanzas received generous support last year from the following organizations:*

**Driscoll Foundation**

**Minnesota Council on Foundations**

**Mortenson Family Foundation**

**Old National Bank**

**United States Department of Treasury**

# REAL ESTATE & COMMUNITY DEVELOPMENT



NeDA actively builds and manages real estate development work on the West Side of Saint Paul, with a focus on housing that is affordable. We are licensed with the state of Minnesota as a General Contractor.

## STRYKER SENIOR HOUSING



NeDA moved forward on the design for Stryker Senior Housing. After extensive energy modeling to ensure efficiency and landscape planning, construction documents have been completed. This building, to be located at 617 and 605 Stryker Avenue, will provide 57 units of affordable rental housing for seniors aged 55+. 75% of the units are set aside for those earning less than 30% of area median income (AMI), and an additional 14 units reserved for those with incomes below 60% of AMI. The site will feature community gathering space, sculpture art, and native pollinator gardens.

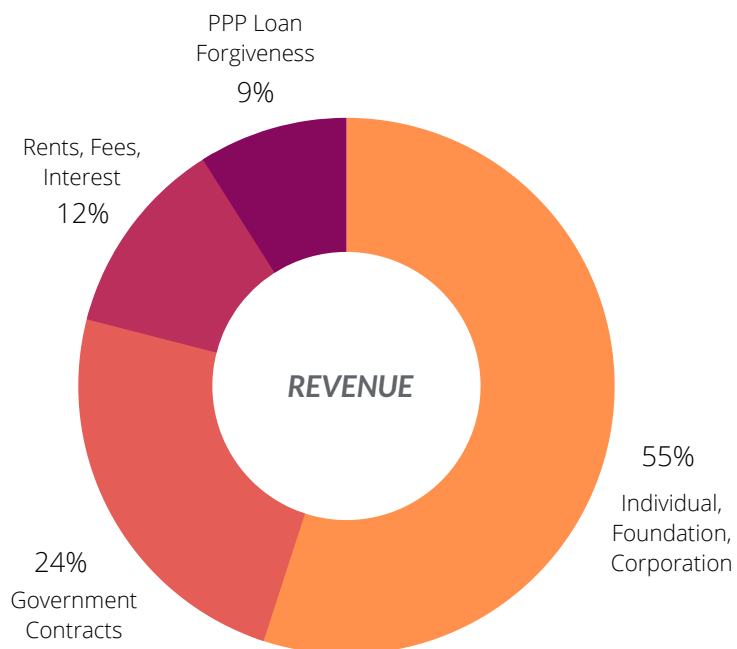
## CITY OF SAINT PAUL STAR PROGRAM



NeDA accessed STAR grant and loan program funding to assist small businesses in our community improve the exterior and interior of their buildings. We supported four businesses along Smith Avenue, George Street, and Stryker Avenue: Icy Cup, Rascher Plumbing and Heating, the Minnesota Birth Center, and Beautiful Laundrette. Businesses made upgrades with a unique grant/loan/self-funded product.

# FINANCIALS\*

## NeDA & NeDA Centro de Finanzas

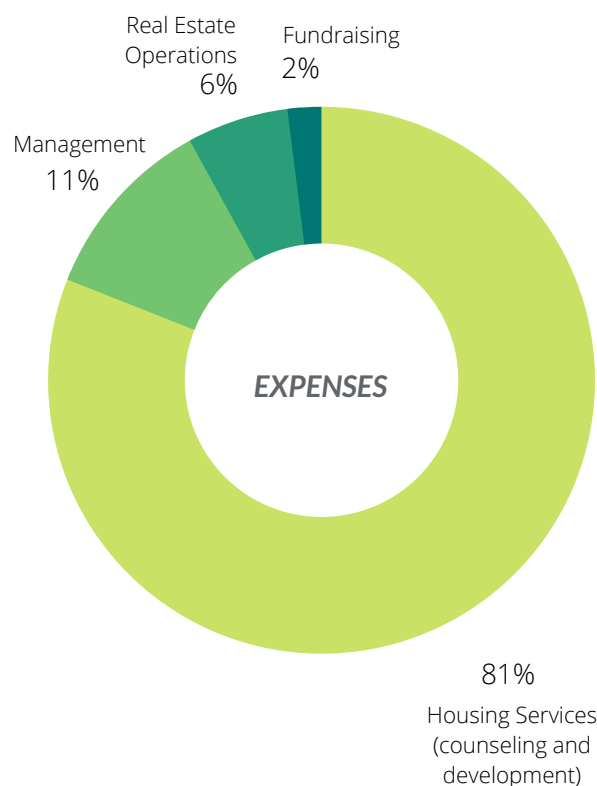


### REVENUE

Government Contracts	\$ 317,574.00
PPP Loan Forgiveness	\$ 116,358.00
Individual/Foundation/Corporation	\$ 724,017.00
Rents, Fees, and Interest	\$ 162,854.00
<b>Total Revenue</b>	<b>\$ 1,320,803.00</b>

### EXPENSES

Housing Services (counseling and development)	\$ 732,257.00
Real Estate Operations	\$ 49,487.00
Management	\$ 99,847.00
Fundraising	\$ 17,887.00
<b>Total Expenses</b>	<b>\$ 899,478.00</b>



Current Assets (Cash)	\$ 677,716.00
Receivables	\$ 213,719.00
Development in Progress	\$ 383,774.00
Loan Receivables	\$ 262,318.00
Net Property and Equipment	\$ 204,096.00
<b>Total Assets</b>	<b>\$ 1,741,623.00</b>

Current Liabilities	\$ 134,463.00
Deferred Revenue	\$ 104,950.00
Long-term Debt	\$ 243,699.00
<b>Total Liabilities</b>	<b>\$ 483,112.00</b>

**Total Net Assets** **\$ 1,258,511.00**

\*Report does not include the housing rental properties NeDA owns, through specific LLCs. Thus annual report financials were not performed under GAAP, rather figures complied to inform regarding NeDA's general operations.



# OUR SUPPORTERS

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The Most Livable  
City in America



Hugh J. Andersen  
Foundation



# THANK YOU!

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