

March 9, 2011

2011 IDA AWARDS ANNOUNCED

Oregon Housing and Community Services (OHCS) and Neighborhood Partnerships (NP) are pleased to announce awards to the network of organizations that provide Individual Development Accounts (IDAs) to Oregonians in 32 counties.

“We’ll be awarding the largest amount ever in the history of the Initiative,” explains Rick Crager, Acting Director of OHCS. “Over **\$7.3 million** will be awarded in 2011 to IDA providers across Oregon to match savings for successful IDA graduates. In addition, the IDA providers offer essential financial education and counseling to help IDA participants realize their dreams – a new home, a business start-up or a valuable education.”

“IDA’s are one of the key, proven strategies that OHCS uses to create pathways of opportunity for low-wealth Oregonians to build financial assets,” explains Janet Byrd, Executive Director of Neighborhood Partnerships. “Through our partnership with the network of IDA providers, more than 1700 Oregonians have graduated from the IDA program and have purchased their home, started or expanded a small business in their community, or are gaining a post high school education to improve their skills and employability. The impact goes well beyond the individuals and families – homeowners help stabilize their neighborhoods and expand the tax base, new businesses enrich their communities and it all contributes to greater economic vitality in Oregon.”

Awards range in size based upon the scale and capacity of the IDA provider. The Community And Shelter Assistance Corporation of Oregon (CASA of Oregon) has been awarded \$3,278,075. CASA of Oregon is noteworthy for their work with educational IDA’s through the Matched Education Savings Account (MESA) program. The Umpqua Community Development Corporation (UCDC) has been awarded \$2,032,425. UCDC has been successful with the full range of IDA’s, building new businesses; creating homeowners; and helping participants save for an education. CASA and UCDC subcontract with networks of more than 70 non-profits to provide IDA services and ensure broad geographic access to the program, especially in coastal, central, northeastern and southern Oregon.

Mercy Corps Northwest has been awarded \$328,000 and specializes in small business development – a number of their graduates have developed innovative food cart restaurants which are popular in Portland. The Portland Housing Center effectively focuses on first time homebuyers and will be awarded \$303,400. The Native American Youth and Family Center (NAYA) works to enrich the lives of Native youth and families through education, community involvement, and culturally specific programming. NAYA offers educational and small business opportunities for IDA participants and has been awarded \$328,000. Entrepreneurial Development Services (eDev) in Eugene/Springfield focuses on

micro-enterprise development and has been awarded \$155,488. They helped an entrepreneurial IDA graduate launch the "Off the Waffle" restaurant in Eugene; one of the patron reviews rated the restaurant as "uncompromising in quality..." The Warm Springs Community Action Team is also a vital partner in the Initiative.

"The network of non-profits that work with participants in the IDA program play several crucial roles," explains Janet Byrd, executive director of Neighborhood Partnerships. "They go out into urban, suburban and rural communities and recruit Oregonians to the IDA program. They provide the vital financial education to teach IDA participants how to budget and save. They coach IDA participants through the hard process of changing their financial behavior so they build their financial assets and financial stability. They also educate participants about the specific asset they have chosen to save for, such as homeownership classes that help aspiring homeowners learn about all the costs in owning a home and small business courses that help participants develop a workable business plan to launch or expand their businesses. Finally, when a participant has reached their savings goal, the IDA provider utilizes award funds to match their savings three to one, giving them the jump start toward financial stability and the middle class."

A recent independent evaluation by the Portland State University Regional Research Institute concluded that "Oregon's IDA Initiative is recognized as one of the strongest in the nation." Dr. Diane Yatchmenoff, lead evaluator, stated "It reflects the state's commitment to increasing financial resilience among low-income residents." In addition, the evaluation found consistent changes in the financial practices of participants. "We found significant, positive financial behavioral changes, including increased use of budgets and savings," continued Dr. Yatchmenoff. A full copy of the evaluation may be found at http://ida.neighborhoodpartnerships.org/assets/files/Oregon_IDA_Evaluation_2010.pdf

Matching funds are generated by contributions from individual Oregonians; the contributions are then eligible for a 75% Oregon state tax credit. "2010 was a generous year for contributions," explains Mr. Crager, "Oregonians contributed the resources that will provide the vital education, coaching and matching funds to move more Oregonians from the precipice of poverty to financial stability."

More information about the Oregon IDA Initiative is available at <http://ida.neighborhoodpartnerships.org/>

####