



# **ANNUAL REPORT**

## **2009-10**

*Del Norte Neighborhood Development Corporation*



*First-time Homebuyer Ibrahim with his family in front of their new home*

*(Cover Story on inside page)*

## NSP Success

Ibrahim Murekatete and his wife Maidati first learned about the Neighborhood Stabilization Program (NSP) from Denver Housing Authority's Homeownership Program. Ibrahim and his wife are Ugandan refugees and parents of five children with a dream of becoming home owners. In May of 2010 they joined the DHA Homeownership Program. After meeting with a DHA Resource Advisor to review and assess the family's financial situation and stability, the advisor thought they were ready for DHA's Home Buyer's Club. The Murekatetes had already begun to practice good financial behaviors by saving \$1,000 for the future purchase of a home.

In June of 2010 the family started Homebuyer Club classes and opened a matching savings account, an Individual Savings Account. Ibrahim also had an educational IDA opened through the African Community Center. The ACC agreed to transfer the educational savings account to a homeownership IDA and transfer the management of the account to DHA.

After meeting with several agents and lenders, the Murekatetes chose Dan Villanueva from Volante Realty as their real estate agent and US Bank as their lender. Working with Larry Johnson of US Bank, they obtained a first mortgage loan through the American Dream Home Loan Program. The Murekatetes found the perfect home on the City of Denver's NSP web site "Take Root Denver." The home, offered by Del Norte, is a 4 bedroom, 2 1/2 bath home with a basement and attached garage offered through the NSP. NSP is funded with a grant from US HUD through the City of Denver.

Through DHA's partnership with Del Norte and Denver's NSP, the family was able to receive gap financing subsidy with 0% interest forgiven after ten years. The family earned \$4,000 through the IDA, saving \$1,230 and matched 4:1. The US Bank loan is a 30-year fixed interest conventional loan with a 4.25% interest rate. Ibrahim and his family worked hard to make homeownership a successful goal, and the NSP program provided the opportunity needed for success.

**Del Norte NDC**  
2926 Zuni St., #202  
Denver, Colorado 80211  
303-477-4774 [www.delnortendc.org](http://www.delnortendc.org)

<b>Alice Dent</b>	<b>x 10</b>
<b>Marvin Kelly</b>	<b>x 11</b>
<b>Deborah Spooner</b>	<b>x 12</b>
<b>Heidi Peterson</b>	<b>x 14</b>
<b>Jesusa Palma</b>	<b>x 16</b>
<b>Zenobia Garcia</b>	<b>x 17</b>
<b>Lucila Ramos</b>	<b>x 19</b>
<b>Diane Vollmer</b>	<b>x 22</b>

**mas á ti/Del Norte**  
4500 W. Colfax Ave.  
Denver, Colorado 80204  
720-880-7910 [www.delnortendc.org](http://www.delnortendc.org)

<b>Juan Carlos Vasquez</b>	<b>x 302</b>
<b>Rosa Madrigal</b>	<b>x 304</b>
<b>Dan Shah</b>	<b>x 305</b>
<b>Maria Melgoza</b>	<b>x 306</b>
<b>German Lopez</b>	<b>x 307</b>

### Board of Directors

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### Staff News

**Zenobia Garcia** recently joined Del Norte as an Accountant whose responsibility is the monitoring and reporting of the Neighborhood Stabilization Program 2. Zenobia holds a major in Accounting and is experienced with government entities, non-profit organizations, banking, and private enterprise.

**Heidi Peterson** joined Del Norte as the Neighborhood Stabilization Program 2 Manager. Heidi holds a BA in Public Administration and an MA in Geography from the University of Denver. Her experience includes planning and compliance duties with the City and County of Denver specializing in HUD grants.

## **Neighborhood Stabilization Program (NSP 1 & 2)**

Del Norte NDC worked in collaboration with five other nonprofits to fulfill the obligations of two Neighborhood Stabilization Program grants. One grant, through the City of Denver, started in late 2009, and the other, through the State of Colorado, was implemented in early 2010 for a combined total of \$5,560,673.

NSP 1 activities were carried out in areas of Denver most affected by the foreclosure crisis: predominately low-income and minority neighborhoods. All obligations under both contracts were met. Some of the accomplishments are: 1 land bank parcel acquired; 1 36-unit apartment building rehabilitated; 1 redevelopment parcel acquired; 12 single family homes acquired, rehabilitated and resold to low and moderate income families; and down payment assistance given to 9 families. Additional successes will be attained until the end of the grant period.

Del Norte is the recipient of two NSP 2 awards: one through the City of Denver and one through the National Association for Latino Community Asset Builders (NALCAB.) The COD contract, which started in late 2010, is for \$2,500,000 and is for single family acquisition, rehab and resale. The NALCAB award is for \$10,262,440 and will affect the communities of Northeast and Southwest Denver. Six activities will be carried out under this contract: down payment assistance; acquisition and rehabilitation of single-family and multi-family properties; land banking; demolition of blighted structures; redevelopment of multi-family units; and housing counseling for low- and moderate- income families wanting to purchase a home. Both contracts will be completed by mid-2013.



Ibrahim with wife Muidati Murekatete and five children in the living room of their new home



5089 Utopia Court  
3 Bedroom 3 baths

### **Multi Family Development**

Del Norte operates several programs benefiting low-income families and individuals. Del Norte has developed hundreds of multi-family units for low-income and special needs populations and has a long history of developing housing to benefit seniors, the homeless, persons living with physical or mental disability and persons living with HIV/AIDS. For instance, Del Norte's Dave's Place, located in the heart of Capital Hill is a 15-unit Single Room Occupancy home that provides support for persons living with HIV/AIDS. One of Del Norte's most recent multi-family projects, the Juan Diego Apartments, was completed and occupied in 2008 after 10 months of construction. The project is a new construction, 17-unit green-built apartment building housing 21 chronically homeless persons living with HIV/AIDS, all earning no more than 30% of the Denver Area Median Income (AMI). Del Norte will begin construction of its Veterans Apartments to be located at 2635 Federal Boulevard in the near future. These 27 newly built apartments will house homeless veterans and their families.

## HUD HOMES PROGRAM

Currently the large number of foreclosures in Denver provides opportunities for Del Norte to help first time and income qualified buyers achieve homeownership. HUD operates a program whereby Del Norte, as a non-profit housing developer, is able to purchase foreclosed homes from HUD at a price 10% less than Del Norte's accepted bid allowing us to pass these

savings along to buyers who earn up to 115% of the Area Median Income.



Buyer Ala-Eddin Mohaisen along with Debbie Spooner, Program Mgr. for the HUD Home Program



3831 Otis St.  
3 Bedrooms 2 baths

Additionally, when Del Norte makes a "bulk purchase" of five houses at a time the discount rises to 15%. Purchased properties to date have all been located in incorporated cities within metro Denver served by the RTD and within close proximity - either within walking distance or public transportation service - to community amenities such as retail centers, schools, churches, etc.

While Del Norte typically purchases properties that do not need a lot of work, modest repairs are necessary to bring homes to safe, sanitary and market attractive standards. For instance, systems, including roof, plumbing, electrical and HVAC are brought up to the local code and efficiency requirements; insulation, fixtures and floor coverings installed and fresh paint applied as needed; hazardous materials, including radon gas is mitigated if found. Each home is outfitted with new Energy Star appliances.

Del Norte has operated this specific program since 2007 and has to date put over 50 families into their own homes. Buyers are first time homeowners and all qualify within HUD's guidelines and requirements. While available to all qualified first-time buyers, the program targets Latino households as well as disabled clients of the Home Access Program. Currently Del Norte is ready to list 8 recently rehabbed properties for sale. For information on the homes currently available call Deborah Spooner at 303 477-4774 x12 or Larry Nelson at 303-987-8812.



4773 Durham  
3 Bedrooms 2 1/2 Baths

## más a ti/Del Norte

Through a joint effort of Del Norte and The National Council of LaRaza (NCLR), Denver's first Economic Mobility Center (EMC), más a ti, opened in December 2008. The purpose of the project is to build upon Del Norte's highly successful Down Payment Assistance program by offering a combination of financial products and services: check cashing, check insurance (money orders), money transfer with remittances, mobile money, mainstream banking, financial literacy education and credit counseling designed to promote wealth accumulation among low-income families/individuals. The más a ti storefront contains pre-and post-



Financial Literacy class taught at Centro Umanitario Para los Trabajadores (Humanitarian Center for Workers)

purchase counseling offices and a classroom for group pre- and post-purchase education and financial literacy education.

Pre-and post purchase homebuyer counseling and pre-purchase education workshops provide homebuyer education and incubation services in English and Spanish for clients. Last year 711 individuals completed homebuyer education and counseling including group education and pre-and post-purchase one-on-one counseling.

Del Norte conducted a total of 24 seminars during 2010 covering various topics of financial education including predatory lending avoidance.

286 clients completed the Credit Smart Espanol class. This class is spread out over a 2 week period covering various topics including budgeting, financial goal setting, savings and investments, credit, predatory lending and fraud avoidance. Currently, 2331 clients are enrolled in one-on-one financial counseling to avoid foreclosure and bring mortgages current. Only 103 clients subsequently had mortgages foreclosed with 1728 still being counseled.



Home Rescue Fair held at the PPA Event Center

On August 1, 2009 and June 12, 2010 a total of 348 participants attended Del Norte's Home Rescue Fairs sponsored by NCLR in collaboration with the National Urban League, Bank of America, The Alliance for Stabilizing our Communities (ASC), and National Coalition for Asian Pacific American Community Development (CAPACD). These organizations and their affiliates serve the Black, Hispanic, and Asian communities, which have been heavily impacted by subprime lending and increasing foreclosure rates. The objective of the Fairs were to provide families needing help with their mortgage the tools and resources to make informed choices in regard to the options available. Over 100 volunteers including staff from Bank of America supplied their time and expertise to families in need.

## **Asset Management, Administrative & Financial Services**

Del Norte's various programs, with funding coming from a variety of sources, require a great deal of complex cash management and segregation of funds due to various restrictions. Proper control and allocation is critical to be able to account for income and expenditures and comply with multiple funder requirements.

Del Norte's financial team of Lucila Ramos, comptroller, Jesusa Palma, accounting assistant, Zenobia Garcia, accountant and Deborah Spooner, Deputy Director of Del Norte and asset manager, are charged with monitoring the financial health of the organization. Lucila and Jesusa prepare and maintain Del Norte's financial records; Zenobia is responsible for the financial management of the NSP 2 program and Deborah Spooner is responsible for the long-term financial health of Del Norte's property portfolio and the proper operations of property management to ensure property viability.

Alice Dent, Administrative Assistant is responsible for office support. She is active in grant writing and communication. Alice produces Del Norte's newsletter, "The Messenger", Annual Report and other marketing materials. She administers miscellaneous employee benefits, and is the event and volunteer coordinator for Del Norte.

## **Property Management Continental Divide**

Continental Divide Management Company was created in 1995 by Del Norte and Northeast Denver Housing Center to manage properties owned by the two organizations. Continental Divide, is a full service management company that specializes in serving the needs of property owners of housing for low-income families and special needs persons. Continental Divide employs an approach that combines training, property management, state of the art technology and resident participation to improve living conditions, reduce resident turnover and enhance the economic viability of properties that it manages.

In November of 2010 Donovan Jacobs joined the Continental Divide Management team as the new Chief Operating Officer and Director of Operations. Prior to joining the team at Continental Divide he spent the last 31/2 years with Mercy Housing Inc. While at Mercy he held the position of Area Director of Property Operations. Donovan comes to Continental with a well versed background in property management that spans the last decade. Prior to working with Mercy Housing, he worked with other management companies such as Equity Residential, Simpson Property Group and The Morgan Group. His experience with these conventional development and management groups coupled with his knowledge and experiences in the affordable housing industry makes him a great candidate to lead the Continental Divide team.

Del Norte would like to thank the following individuals, businesses, organizations and foundations who contributed to Del Norte's endeavors. Their generous support has helped us continue to provide much needed services to low-moderate income families and individuals.

Bank of the West  
Chapel of Our Merciful Savior  
Chicanos Por La Causa, Inc.  
City and County of Denver Office of Economic Development  
Colorado AIDS Project  
Colorado Association of Realtors Housing Opportunities Foundation  
Colorado Coalition for the Homeless  
Colorado Housing and Finance Authority  
Comcast Foundation  
Continental Divide Management Company  
Cornerstone Financial Realty  
Dan Morgan & Associates  
The Denver Foundation  
Denver Housing Authority  
Denver Police Department  
Denver Urban Renewal Authority  
Enterprise Community Partners, Inc.  
Enterprise Social Investment Corp.  
Fannie Mae Foundation  
The Federal Home Loan Banks  
FirstBank of Denver  
Freddie Mac  
Holland and Hart, Attorneys  
Home Depot  
Humphries Poli Architects  
IronStone Bank  
Key Foundation  
Land Title Guarantee, Co.  
Metro Denver Homeless Initiative  
Midtowne Spa and Apartments  
Mile High Community Loan Fund

National Association of Latino Community Asset Builders  
National Council of La Raza  
NeighborWorks America  
NEWSED Community Development Corp.  
Northeast Denver Housing Center  
Northern Trust Bank  
Schlessman Family Foundation  
State of Colorado Division of Housing  
Studio Completiva  
Urban Land Conservancy  
US Bank  
US Dept of HHS  
U.S. Dept of HUD  
Vectra Bank  
Wells Fargo Bank/Foundation  
West Colfax Business Improvement District



Lisa Spatafore, VP Financial Sales Mgr. and Ron Trujillo, Service Operation Supervisor of IronStone Bank present a check to Marvin Kelly, Executive Director and Rose Madrigal, Mgr. Homeownership Services in support of Del Norte's Homeownership Counseling Workshops.

### ***Mission Statement***

***Del Norte's mission is to create and preserve housing and other opportunities for underserved households including those that are low and moderate income, Spanish speaking and those with special needs.***

***"The good neighbor...discerns those inner qualities that make all men human and therefore brothers."***

***Rev. Martin Luther King , Jr.***

***Del Norte is committed to ensuring that no individual or organization is excluded from participation in or denied the benefits of its programs, activities or services, or subject to discrimination on the basis of race, color, religion, sex or gender, pregnancy, national origin, ethnicity, age, marital status, familial status, veteran status, mental or physical disability, sexual orientation, gender identity or any other characteristic protect by law.***



DEL NORTE  
Neighborhood Development Corporation

2926 Zuni Street, #202  
Denver, Colorado 80211

Phone: 303-477-4774  
Fax: 303-433-0924  
TDD: 1-800-659-2656  
[www.delnortendc.org](http://www.delnortendc.org)