

NeighborWorks® Insurance Alliance

# Available and Affordable Insurance: Protecting Communities' Greatest Assets

The NeighborWorks® system has established a reputation for helping lower-income and minority families achieve the dream of home ownership – and then sustain the gain.

Indeed, asset preservation is one of the most important steps in the home-ownership process, and insuring a home is one of the most important facets of asset preservation.

For years, NeighborWorks Full-Cycle Lending® has emphasized postpurchase counseling on financial literacy, home maintenance and repair, and adequate and appropriate insurance. The aim is to ensure that homeowners have the skills and

BY TODD PITTMAN ILLUSTRATION BY ERIC WESTBROOK

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knowledge they need to protect their investment.

However, insuring homes in lower-income and minority communities has faced challenges, such as older housing stock, lack of agents in those communities, and underwriting criteria that did not address the special needs of those homes.

In its quest to put NeighborWorks® homeowners on equal footing with conventional buyers, Neighborhood Reinvestment has been a leader in working with the insurance industry to address the challenges and highlight the opportunities.

## Initial Efforts

In 1994, Neighborhood Reinvestment convened a handful of leaders from the insurance industry and the NeighborWorks® network to discuss issues of insurance availability and affordability in NeighborWorks® communities. Given the heightened threat at the time of federal regulation of the insurance industry, the moment was right for the network to engage its insurance partners in discussing ways to enhance services to lower-income neighborhoods.

From those initial discussions, a national partnership was formed to address insurance issues of mutual concern between the network and the industry. The partnership became known as the National Insurance Task Force (NITF), and defined its mission as being “to develop partnerships between the insurance industry and community-based organizations to better market the products and services of both, for the benefit of the customers and communities they serve.”

What the founders of the NITF made clear was that they wanted substantial results from their efforts, not just good public relations. Executives from insurance companies, NeighborWorks® organizations, insurance trade groups, and insurance regulators invested time, travel and financial contributions in the NITF’s work. They tackled projects with enthusiasm and determination. Interest originally was focused on three areas, accessibility, education and research:

- ▶ Accessibility – how consumers can locate information,

- agents’ offices, and various products to serve them;

- ▶ Education – to help consumers better understand their insurance options and the contents of their policies, and help insurers better understand how to serve customers and neighborhoods that have been underserved; and

- ▶ Research – to help community-based organizations and insurance professionals gain information for future cooperative efforts.

## 10-Year Results

Since the NITF’s inception, insurance company contributions to individual NeighborWorks® organizations have tripled, the visibility of the NeighborWorks® network has significantly increased in the insurance arena, and the NITF has created the largest systematic partnership-building approach to address insurance issues in low-income communities.

Partners have found that the NeighborWorks® system is the most effective vehicle for meeting their missions and better serving low- to moderate-income communities.

As a result, the NITF has evolved beyond a task force into a broad program that is fully integrated into the NeighborWorks® system. Thus, its benefits are available to the entire NeighborWorks® network, rather than only a few organizations participating in pilot programs.

Lessons learned from the Loss Prevention Program and other efforts can be extended to whole communities.

## Capitalizing on Success

To capitalize on the success of this programmatic partnership, Neighborhood Reinvestment has created the NeighborWorks® Insurance Alliance (NIA) to succeed the NITF. The alliance, it is envisioned, will add value to the NeighborWorks® network by providing useful input, tools and resources to the programmatic, resource development, and marketing efforts of the NeighborWorks® system.

NIA’s mission is the same as the NITF’s, “to develop partnerships between the insurance industry and community-based organizations to better market the products and services of both, for the benefit of the customers and communities they serve.”



Insurance protects the homeowners' investment.

PHOTOS BY SEAN BENNETT

Its vision is to identify and provide tools and resources to solve the most important insurance issues that affect the safety and financial stability of NeighborWorks® communities. The NIA will provide the NeighborWorks® system with advice and resources to address insurance issues around small business, home ownership, multi-family, financial literacy, home safety, and community safety. In turn, the NIA will continue to be the vehicle to tell the NeighborWorks® story to the insurance industry.

As the NeighborWorks® network continues to grow and its impact on communities increases, the NIA will work with other business units of the Corporation to support NeighborWorks® communities and address mutual

concerns of their insurance partners.

The NIA can also help explore how NeighborWorks® activities might involve other insurance industry business lines such as mortgage, life and auto insurance.

NeighborWorks® insurance partnerships over time have built a solid foundation, and through the NIA, growth and success can continue in educating consumers, improving safety, reducing premiums, and bringing increased revitalization to NeighborWorks® communities across the country. ■

*Todd Pittman (TPittman@nw.org) is director of the NeighborWorks® Insurance Alliance.*

## Insurance Scoring: The Link Between Credit and Insurance

Most people expect their credit history to affect a lender's decision about giving them a loan. However, many consumers are unaware that their credit history can also play a role in their insurance coverage. The process of credit-based insurance underwriting is often used to determine the price and amount of insurance for which individuals qualify.

In the late 1980s, research by Fair, Isaac & Co. determined that the manner in which people manage their finances is highly predictive of their likelihood of making a future insurance claim. Based on that research and their own experience, insurers are increasingly using credit-based insurance scores in the underwriting and/or pricing process.

In an effort to educate consumers about how their credit affects their insurance, the successful NeighborWorks® Financial Fitness Program will now include a lesson on insurance scoring.

The Financial Fitness program is a partnership among financial institutions, the insurance industry, and the NeighborWorks® network that helps consumers learn to make good financial decisions. It emphasizes having long-term financial goals, developing new skills to manage finances wisely, understanding and navigating the financial system, and developing wealth-building strategies.

The curriculum already includes information on asset protection, health insurance, auto insurance, renter's or homeowner's insurance, life insurance, and how to avoid insurance fraud. Insurance companies that are among the program's partners include MetLife and SAFECO.

There also are plans to develop an insurance-scoring module that will help consumers understand what an insurance score is and how it is used, with suggestions for how to improve individual insurance scores. ■

## The Industry's View

# Partners in Enhancing the Safety and Economic Viability of Communities

BY CLAYTON ADAMS

Businesses have long recognized the advantages of supporting the communities in which they operate, and philanthropic contributions are a common line item in corporate budgets. Insurers are no different, but in recent years our support of NeighborWorks® organizations has evolved into something more meaningful.



Clayton Adams PHOTO BY SEAN BENNETT

Through the NeighborWorks® Insurance Alliance (NIA), formerly the National Insurance Task Force, insurers have become integrally involved in the work of local NeighborWorks® organization in our communities, as well as in national campaigns to benefit those communities. Instead of a contributor-beneficiary relationship, insurers and the NeighborWorks® network are full-fledged partners, working to bring economic stability and

investment to the communities we both serve.

Insurers are involved on many different levels, including:

- ▶ Developing strategies, research and programs through the NIA;
- ▶ Teaching insurance and home-safety workshops for homeowners;
- ▶ Training community development corporation staff on insurance issues;
- ▶ Serving on the boards of local NeighborWorks® organizations;
- ▶ Placing additional agents in lower-income and minority communities;
- ▶ Volunteering for NeighborWorks® Week and other activities; and
- ▶ Providing financial support to individual network organizations and to national NeighborWorks® initiatives.

Our participation in educational efforts such as the Loss Prevention Partnerships (LPP), insurance education, and financial literacy training helps create well-informed

consumers and safer homes. Through these programs, insurers and NeighborWorks® staff and residents are developing lasting professional and personal relationships.

While these partnerships provide obvious benefits to a community by enhancing the ability of its residents to insure their homes, they also benefit insurers by increasing opportunities to do business. By lowering risk among consumers, we can reduce losses in these communities, enabling us to lower rates, write more policies, and be more competitive.

Our close relationships at the local level foster mutual understanding between insurers and the community. Not only are consumers better informed, but insurers are as well. For instance, by working closely with a community, insurers can make more-informed underwriting decisions. We become more familiar with the various types of housing stock, which helps us determine the level of risk.

By sustaining a relationship with a neighborhood, insurers are better equipped to meet that neighborhood's needs. Insurers are more confident serving a neighborhood when a NeighborWorks® organization is present.

Our participation also helps enhance the economic health of the neighborhood. For example, we believe the neighborhood location of some of our offices and those of independent agents has encouraged other businesses to locate nearby, thus stimulating economic growth in the community. This increase in commerce, in turn, attracts more customers for the agents located there.

Nine of the 10 leading writers of homeowners insurance are represented in the NIA. That kind of participation says a great deal about the professionalism, dedication, and track record for success of the NeighborWorks® network. We will continue to work side-by-side with these organizations and the remarkable people within them, to enhance the safety and economic viability of communities where we do business. ■

*Clayton Adams is vice president of community development at State Farm and chair of the NeighborWorks® Insurance Alliance*

# Insurance Partner Highlights

The participation of some of the nation's leading insurance companies has been integral to the success of NeighborWorks® insurance efforts. The following summary illustrates the breadth of insurer involvement with individual NeighborWorks® organizations and national initiatives.

## Allstate

**Allstate** Allstate is a major investor in the NeighborWorks® system, promoting locally directed community revitalization and affordable-housing opportunities across the nation. Allstate has invested millions of dollars in the NeighborWorks® system, providing funds to help families make necessary improvements to their homes or to become first-time homebuyers.

Allstate also provides support to 16 NeighborWorks® organizations through The Allstate Foundation. These grants supported efforts around neighborhood revitalization, home improvement, home safety, and youth community outreach programs. These programs have helped residents in Los Angeles, Chicago, New York, Kenosha, Wisconsin, Phoenix, and Boise, Idaho.

*"The NeighborWorks® system is the single largest nonprofit organization that we have invested in. They're good investments for us, and good investments in families and communities that need them."*

– Dee Even,  
senior managing director,  
Allstate Investments

## Liberty Mutual Group



Working with the NeighborWorks® Insurance Alliance (NIA) has helped Liberty Mutual to learn what community organizations are doing and how those activities fit with the insurer's goals. Liberty Mutual offers financial support and participates in community activities like home-safety and insurance education and National NeighborWorks® Week activities. Examples include:

- ▶ **NHS of Richmond** – Board membership and chaired the Insurance Committee.
- ▶ **NHS of Chicago** – Participates in the Home Safety Program.
- ▶ **CDC of Long Island** – Chairs the Insurance

Committee and serves on the board of directors.

Liberty Mutual has a small share of the homeowner market nationwide, at close to 3 percent. However, it dedicates staff to serve on the NIA and in local communities.

*"Progress can only be made if several companies are actively engaged."*

– Guy Douyon,  
assistant vice president and manager,  
Urban Market Development,  
Liberty Mutual Group

## Safeco



Safeco has an umbrella program focused on strengthening America's neighborhoods. Its work with NIA and the NeighborWorks® network is part of that mission.

Since 1998, it has focused on insuring homes and businesses in lower-income communities, in addition to giving back to communities with volunteerism and grants. Agents located in those communities teach homebuyer education. They're also increasing their presence in the Hispanic community.

▶ **Portland (Oregon) Housing Center** – Strong partnership with this NeighborWorks® organization for a number of years.

▶ **NHS of Baltimore** – Agency representation on the board of directors.

▶ **NHS of Hamilton (Ohio)** – Analyzed its products and the types of customers it had in this community. Discovered it had the right products, but needed to improve access. Brought more agents into the community and participated in efforts to educate consumers about what was available. As a result, more homes in the community were adequately insured.

▶ **Beyond Housing/NHS (St. Louis)** – Developed a home maintenance schedule to help first-time homebuyers; it tells them when to clean their gutters, clean chimneys, and so forth.

*"The beauty of these relationships is that it's not business, it's friendships. These personal relationships are flourishing."*

– Rose Lincoln,  
assistant vice president,  
director of community relations,  
Safeco Public Relations

## State Farm®



Over the last 21 years, State Farm® has contributed millions of dollars to local NeighborWorks® organizations across the country and to Neighborhood Housing Services of America (NHSA). State Farm® recently made multi-million-dollar investment to NHSA to help increase home ownership for low- to moderate-income families across America. Like other insurance partners, State Farm's support encompasses much more than financial contributions. Its involvement includes working with:

- ▶ **NHS of Chicago** – Helped form the Home Safety Program. This program sponsors inspections of potential safety hazards, such as furnaces and electrical systems, and provides loans, if repairs or replacements are needed. State Farm funds the loans through the NHS loan pool, once the homeowners have undergone training in repair and fire safety. State Farm established homebuying seminars in cooperation with NHS, and provides significant support for National NeighborWorks® Week activities. An investment by State Farm Bank® helped NHS of Chicago meet its goal.

- ▶ **NHS of Phoenix** – Provided classes on topics like insurance, financial fitness, and retirement. A State Farm representative serves on NHS's board of directors and is actively involved with State Farm agents across the Phoenix area to provide facilitators for the classes. State Farm also supports NHS's HomeOwnership Center® programs and its Media-rich Classroom Center.

- ▶ **NHS of New York City (Staten Island)** – Participated in National NeighborWorks® Week activities, where State Farm associates helped clean up more than 32 blocks.

Also, in February 2003, State Farm Insurance Companies and State Farm Bank® sponsored Neighborhood Reinvestment's first Latino Symposium in Atlanta. In addition to providing funding, State Farm also assisted with the development and coordination of the symposium.

*"Our partnership with the NeighborWorks® Insurance Alliance benefits the communities we serve in so many ways. Most importantly our work helps residents preserve one of their greatest assets...their home."*

– Clayton Adams,  
vice president of community development,  
State Farm®

## Travelers Property Casualty



Travelers Personal and Commercial Lines have dedicated urban markets teams. These teams are focused aggressively on the recruiting, training and appointing of multicultural and urban-based agencies. Travelers also supports and – along with the NIA director – serves on the boards of several insurance agency organizations that support increasing access to multicultural consumers through a diverse agency distribution.

- ▶ Represented on the steering committee and several subcommittees of the NIA.

- ▶ Participates annually in cities across the country in National NeighborWorks® Week initiatives.

- ▶ Conducts safety seminars in urban markets to help educate homeowners about home maintenance and fire and crime safety. In addition, some states have approved a program through which homeowners who attend a seminar may be eligible for a premium discount, helping make insurance more affordable.

*"At Travelers, one of our goals is to support initiatives that help consumers make better insurance decisions and take an active role in earning better coverages and rates. Our work with the NeighborWorks® Insurance Alliance and Neighborhood Reinvestment enables us to offer them viable opportunities to make those decisions."*

– Don Davis,  
director,  
national urban markets,  
Travelers Property Casualty

NeighborWorks® Risk Mitigation Program

# Turning Lessons Learned into Community Benefits

BY DAWN GREENE

There never was a question that, eventually, the benefits of the NeighborWorks® insurance initiative would be extended to the entire NeighborWorks® network. The question always was how to do it.

Now, the answer is a collaborative, the NeighborWorks® Risk Mitigation Program (RMP), developed by the NeighborWorks® Insurance Alliance (NIA), the Campaign for Home Ownership, the Multifamily Initiative, the Resident Leadership Initiative, and Neighborhood Reinvestment's research department. The NIA will serve as coordinator.

The key participants already are improving the economic standing of low-income families and communities. Incorporating insurance-related activities into their programs will add a new dimension – helping consumers protect the assets they've gained through various NeighborWorks® efforts.

The NeighborWorks® RMP's overall goal is to improve safety, provide insurance education, and preserve individual and community assets. The key participants will each play a role in spreading the practices and philosophies learned from the NeighborWorks® Loss Prevention Partnerships program.

The participants and their roles follow:

## NeighborWorks® Campaign for Home Ownership

The Campaign for Home Ownership is the largest initiative of its kind to bring families of modest means into the economic mainstream by helping them achieve home ownership. Through Financial Fitness training and HomeOwnership Centers®, the campaign will implement insurance education, home safety education and home safety inspections.

## NeighborWorks® Multifamily Initiative

Renters insurance is an important aspect of Neighborhood Reinvestment's affordable housing efforts. However, a recent national survey found that nearly two-thirds of U.S. renters were living without it. The



Insurance protects investments such as homes. PHOTO BY SEAN BENNETT

Multifamily Initiative, which works to raise capacity and resources for multifamily housing throughout the network, will raise awareness and provide renters insurance education at its learning centers.

## NeighborWorks® Resident Leadership Initiative

Many individuals who learned home-safety strategies through the Loss Prevention Partnerships program became advocates in their neighborhoods, sharing their newfound knowledge. The Resident Leadership Initiative, which works to strengthen and develop the leadership skills of individuals in NeighborWorks® communities, will capitalize on that type of involvement. The initiative will assist NeighborWorks® organizations in implementing and sustaining community safety and community loss prevention efforts. It also will work with NIA's risk management committee to develop a community safety/loss prevention curriculum and encourage network organization engaged in community organizing to use it.

## Research

Neighborhood Reinvestment's research department will work to quantify the benefits of the NeighborWorks® RMP,

to both communities and insurance partners. Among the information sought will be the number of insurance personnel on network organization boards and committees; households receiving insurance education, home safety counseling, and home maintenance counseling; coverage for network organization properties; contributions and grants by insurance companies; and other data.

### **NeighborWorks® Insurance Alliance**

The NIA will be the central coordinating entity for the NeighborWorks® RMP, providing ongoing management and oversight. It will secure funding for the National Home Safety Loan Fund, work with other RMP participants to design and maintain curricula, identify and review data, maintain and increase the program's partner base and resources, and explore opportunities for network

discounts and product development.

Over time, insurance companies have been invaluable partners to the NeighborWorks® system. The NeighborWorks® RMP will engage them in supporting broader efforts in a single program. This effort also reflects insurers' desire to share lessons from programs such as the Loss Prevention Partnerships with a wider audience.

The NeighborWorks® Risk Mitigation Program can play an important role in increasing the network's visibility, as well as in bringing additional resources to the NeighborWorks® system. ■

*Dawn Greene (dgreene@nw.org) is with the NeighborWorks® Insurance Alliance at Neighborhood Reinvestment Corporation.*

## Training Nonprofit Staff on Insurance Issues

An important part of the NeighborWorks® Insurance Alliance's (NIA) mission is to assist the NeighborWorks® network in providing insurance education – not just to consumers, but also to other community development professionals. To that end, NIA created the Certified Community Insurance Counselor Certification Training Program. The program trains employees of community-based organizations to educate consumers about insurance, how it works, and how to effectively manage potential risk.

The course is intended for home-ownership counselors, insurance counselors, loan officers, executive directors, and marketing specialists. Participants gain a better understanding of how to effectively address the insurance needs of the community, as well as the skills and resources needed to develop insurance education seminars locally. Upon successful completion of the two-day course and an exam, NIA grants a Certified Insurance Counselor Certificate.

The program is typically offered through the NeighborWorks® Training Institute. It has become so popular, though, that NIA also has created a one-day training that it offers locally outside the Training Institutes.

Known as Insurance Education Day, it takes the training program “on the road” to meet the needs of as many nonprofit staff as possible. Insurance Education Day has been conducted in Atlanta (in conjunction with the Atlanta Association of Insurance Professionals) and Philadelphia (in conjunction with Philadelphia NHS).

NIA research shows that once counselors have completed the program, they have a better understanding of the insurance industry and are better prepared to help consumers make more-informed decisions about protecting their homes. Although counselors provide valuable information, consumers still should speak with a licensed insurance agent before purchasing insurance. ■

## Building a Record

# Loss Prevention Partnerships Program: Expanding Across the Network

BY DAWN GREENE

The NeighborWorks® Insurance Alliance (NIA) will expand the Loss Prevention Partnerships program (LPP), a five-city pilot to educate homeowners about home safety and reduce insurance risk, to other sites in the network.

From 2000 through 2003, NeighborWorks® organizations in the five participating cities – Chicago, Denver, Richmond, St. Louis and Staten Island – endeavored to educate consumers and reduce risk. Each city focused on a specific peril: Chicago and St. Louis, fire; Staten Island, water damage; Richmond and Denver, home theft and burglary.

In three years, the program –

- ▶ Educated more than 6,000 individuals in home safety seminars;
- ▶ Conducted more than 1,300 home safety evaluations (home inspections);
- ▶ Made at least 600 loans and grants; and
- ▶ Granted or loaned more than \$2.5 million for home safety.

The demonstration included a strong educational component in which residents were informed of ways to protect their investment and guard themselves against potential losses. Additionally, each site financed home-safety improvements for residents within targeted communities for needed repairs and/or improvements to their properties.

The program, which is conducted in partnership among NeighborWorks® organizations and insurance representatives, is funded by the Ford Foundation, insurance companies and Neighborhood Reinvestment.

### Successful Strategies

As the program expands, the pilot organizations will share successful strategies they developed individually to increase the effectiveness of their programs. For instance:

- ▶ Staten Island created a “show and tell” display board with plumbing parts and valves mounted on it, so workshop participants could view those items with which they should become familiar in the home.
- ▶ Richmond created a home-safety video as well as a display board. The display board contained examples of items that could make a home safer (e.g., deadbolt locks,

door peep holes, door lock reinforcements, window stops, and sensor lights).

- ▶ St. Louis collaborated with the public school system to provide home safety seminars as one of the evening adult education programs offered to local citizens. A member of the St. Louis fire department also speaks at home safety workshops.

- ▶ Denver involved a police officer in seminars to discuss crime prevention.

- ▶ Chicago provided in-depth home evaluations in the presence of a household member so that the inspections effectively became on-the-spot learning experiences.

An added benefit was that once consumers became educated about home safety, some have emerged to provide leadership for neighborhood crime prevention and to address other obstacles that have made communities less insurable. Also, through rehab services, homeowners have been able to preserve and increase the worth of their homes.

The Loss Prevention Partnerships program now begins an additional two years of data collection and analysis to document change in the participating communities. Roosevelt University’s Institute for Metropolitan Affairs in Chicago will collect and analyze the data to demonstrate whether the program resulted in greater awareness and reduction in losses.

As the program moves forward, program partners will design a measurement process that can be easily adopted by other NeighborWorks® organizations to measure the success of their insurance partnerships across the country. ■

*Dawn Greene (dgreene@nw.org) is with the NeighborWorks® Insurance Alliance at Neighborhood Reinvestment Corporation.*

## Agents as Committed Volunteers

# 'Giving Back to the Community': Profiles from New York and St. Louis

BY CLAUDIA ASKEW

Glen Mancuso is a very enthusiastic partner of NHS of Staten Island. An exclusive agent with Allstate Insurance and head of the Mancuso Agency, Mancuso regularly volunteers to teach insurance education classes at NHS. While he is proud that his work provides a valuable service to the community, he is quick to point out that it also brings him business.

"For anyone who owns a business, the bottom line is generating business. I come away with two policies a month on average," Mancuso says of his work with NHS. In addition, customer loyalty is high, so customers stay with him for the long haul.

"When an agent spends an hour or two out of their evening or weekend, it breeds loyalty," according to Mancuso. In five years of working with NHS, he's lost only one or two clients, and only because they relocated.

When NeighborWorks® staff from other organizations ask him for advice on attracting agents as volunteers, Mancuso answers frankly: "Go to agents and tell them if they give you an hour, people will come to them for insurance. If they don't want to work with you, you don't need to woo them. Find someone else."



Claire Mitchell-Dumas, NHS of Staten Island's executive director, agrees that providing insurance education is a good source of business, but she is careful not to endorse one company over another.

"I allow agents to give their card," she says, "but I don't

recommend any particular company. But agents bond with the people in the class, so people usually go to the agent who taught their class when they're ready to purchase."

Although increased business is a definite benefit, Mancuso says agents must be aware that volunteering cannot be solely business-driven. In his words, "You have to believe in what these organizations do. I see what they do for people, the heart and soul they put into it, and I want to put my heart and soul into it too."

### In St. Louis

Demetrius Stewart, an agent for American Family Insurance in St. Louis, is another prime example of a committed volunteer. Beyond Housing/Neighborhood Housing Services of St. Louis enjoys strong relationships with several agents, but Stewart is a star among them.

Stewart serves as a volunteer for Beyond Housing's speakers bureau, focusing on the insurance education portion. Beyond Housing requires potential homebuyers or those who are refinancing to take the insurance class. Stewart enlightens them about what to look for when shopping for insurance, what guidelines insurers use in decision-making, and other important topics. He also offers pointers on ways to maintain the electrical systems, plumbing, heating and roof to lower the cost of insurance and cut down on claims.

In addition to his work as an instructor, Stewart also was recently elected co-chair of Beyond Housing's Insurance Services Committee. He also volunteers for Block Aid, Beyond Housing's annual event at which volunteers spend a day doing repairs to a block in the communities. "I'm one that truly believes in giving back to the community, espe-

**"When an agent spends an hour or two out of their evening or weekend, it breeds loyalty."**

— Glen Mancuso

cially when the community gives so much back to you,” he said.

Insurance education benefits the entire insurance industry and ultimately lowers premiums, according to



**“I’m one that truly believes in giving back to the community, especially when the community gives so much back to you.”**

**– Demetrius Stewart**

Stewart. “The clients that take our classes turn out to be some of my better clients,” he said. “They’ve been educated in insurance and they know how to take care of their home and keep things in order.”

Stewart is just one of 35 agents from several different companies who participate in the speakers bureau. Eric Madkins, insurance services manager for Beyond Housing, relies on agents’ expertise. “Our staff is knowledgeable about insurance, but the agents know the trends and keep us abreast of new developments,” Madkins says.

“We have a pretty good deal of information,” he says, “but they have all the intricacies nailed. The voice of the insurer brings credibility to the message.” While Beyond Housing staff can often provide solid background information, they do not take the place of a licensed agent, and all customers should talk to an agent before purchasing insurance.

Like Mitchell-Dumas, Madkins notes that agents are unable to make a specific pitch for their company, but once consumers see an agent’s genuine concern for their well-being and that of their community, they want to work with that agent.

“Residents see that the agents are really dedicated and not just interested in taking their money,” said Madkins. “They really do care about the communities where they do business.” ■

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Preserving Assets, Protecting Homes, Educating Owners

## CDC of Long Island and Insurance Partners Share Common Mission

BY MARIANNE GARVIN

My daughter is in her early 20s, and as I observe her weave her dreams for the future, home ownership is a major theme, as it was for me at her age. My mom, on the other hand, is in her early 80s, and remaining in her home until the day she dies is her overwhelming desire. To a broad spectrum of people along the generational continuum, home ownership means security, both financial and emotional.

Community Development Corporation (CDC) of Long Island, like other NeighborWorks® organizations, strives to assist families to purchase their first home, while also assisting other families, particularly seniors, to preserve the home they purchased years ago.

In the insurance industry, CDC found a partner whose mission coincides with its own. We both want to preserve assets, make homes safer, and educate consumers to be more aware of what they can do to protect themselves and their home. These commonalities of mission help make CDC's insurance partnership strong and enduring.

CDC formed the Long Island Insurance Services Committee in 2000. Allstate, Liberty Mutual, Nationwide, State Farm and Travelers joined CDC, and together we developed our Insurance Education and Loss Prevention Program. Our Insurance Education and Home Safety Seminars are co-taught by Christie Custodio, CDC's insurance educator, and by one of our insurance partners.

First-time homebuyers attend the seminars to learn how to use insurance as an asset-preservation tool, and also to learn how to maintain their home and keep it safe.

Existing homeowners who attend the seminars learn the same thing, but also are offered a free home safety eval-



uation by a CDC rehabilitation specialist. If the evaluation reveals hazards, the homeowner is offered a combination of grants and low-interest loans to make needed repairs. The rehabilitation work done constitutes the loss-prevention component of the committee's work.

We share our insurance partners' interest in helping low-income homeowners to be eligible for cost-effective, comprehensive insurance coverage, and to limit losses, thereby preserving assets. Further, the benefits accruing to the individual homeowner spill over to the neighborhood. Investment spurs more investment. Private dollars follow public dollars.

CDC's clients and neighborhoods have benefited tremendously from this partnership. Active involvement of insurance industry representatives, from executives, agents, claims persons, and public affairs personnel in all phases of program development, implementation and evaluation has ensured a vibrant, effective program with identifiable results. ■

Marianne Garvin ([mgarvin@cdcli.org](mailto:mgarvin@cdcli.org)) is executive vice president, Community Development Corporation of Long Island.



CDC of Long Island's first fully completed house under the WRAP (weatherization, rehab, and asset preservation) program, part of its insurance partnership under the loss-prevention component.

PHOTOS COURTESY CDC OF LONG ISLAND

In Southern California

# Regional Approach Simplifies Partnership Efforts

BY MARGARET GRAYSON

How do you handle a situation where there are several NeighborWorks® organizations in one region that all want to work with the same industry partners?

In Southern California, six NeighborWorks® organizations joined forces to work as a group with the area's leading insurers. This collaboration is the Southern California NeighborWorks® Insurance Partnership, which has been in effect for more than 15 years.

While this regional group is very effective, we also maintain our individual local relationships. For example, one organization may have a local insurance committee whose members are different from those in the larger insurance partnership.

Our activities have included home-safety fairs and a one-day symposium for insurance companies on the benefits of partnering with community organizations. We recently sent to our customers a region-wide mailing, which consisted of brochures that our insurance partners provided on water damage. The mailing is raising awareness among homeowners about this important issue and remedies to address hazardous conditions.

This ties in closely with a related project we're undertaking as a group. With funding provided by our insurance partners, graduate students from Pitzer College in Claremont will examine all the information that the insurers provided and synthesize it into three age-appropriate curricula for students – high school, middle school and elementary school. Each NeighborWorks® organization will focus on a specific age group, depending on our local connections. In many cases, volunteer agents will

present the material. We will prepare materials for the children to take home in the hope that their families will take interest, and call us for more information.

Even elementary school kids take this issue seriously when they are exposed to the information, and there are some things children can do to prevent problems. For instance, we remind families to change their smoke detector batteries in the fall, when they change their clocks. Getting the kids to get the parents interested is more appealing than sending out a flier that says, "Come and learn about insurance."

The Southern California NeighborWorks® Insurance Partnership allows us to maximize our ties with insurers in our region. Here's how we all benefit:

- ▶ Efficiency – one quarterly meeting rather than multiple one-on-one meetings.
- ▶ Simplified fundraising – one coordinated funding request rather than six individual requests. Each insurer issues one check and we distribute it equally.
- ▶ Regional insurance representatives can help us make connections on the local level when we lose a key volunteer because of turnover within the company.

Because of structural differences, this type of approach doesn't work with every type of corporation, but thanks to the Southern California NeighborWorks® Insurance Partnership, all our jobs are just a little bit easier. ■

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## Southern California NeighborWorks® Insurance Partnership

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