

Philadelphia Unemployment Project 2008 Year-End Update



PUP members protesting outside a Hope Now Alliance counseling session in April 2008.

“Foreclosures undercut housing costs and pull down neighboring property values. Until these mortgages can perform and make the securities that they underlie have some value, we are not going to resolve the financial crisis in this country.”

John Dodds
*Testifying before the
 Senate Judiciary
 Committee,
 10.24.08*

Advocates win major victory with Mortgage Foreclosure Diversion Program

For 8 years, Tania Harrigan and her husband were living the American dream as homeowners in South Philadelphia.

Unfortunately, troubles began when her husband was laid off and making their monthly mortgage payments became more and more difficult.

As the home moved closer towards a Sheriff Sale date, Tania went searching for help. Fortunately, she found PUP and heard of the Mortgage Foreclosure Diversion Program.

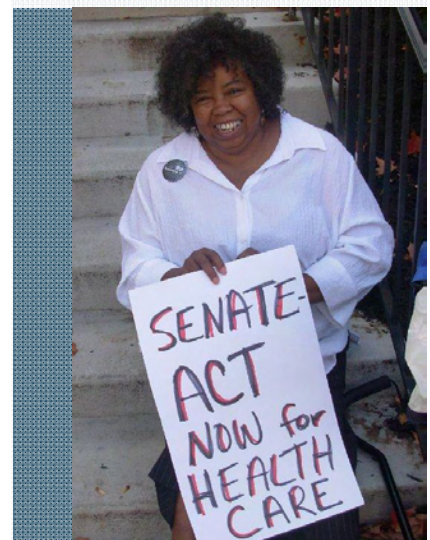
Tania's mortgage which had an adjustable rate hovering at 8%, was modified with a lower interest rate and the arrears were folded back into the mortgage loan. After months of no response from their lender via phone calls, a 1 hour conciliation meeting between the Harrigans, their Housing Counselor at PUP and a representative of the lender, a modification agreement was reached, thanks to the Mortgage Foreclosure Diversion Program. Today, the Harrigans have a mortgage they can afford with a lower, fixed interest rate. Without the Diversion Program, the Harrigans would have become another statistic in the rising numbers of families facing foreclosure.

Beginning in January 2008, PUP's Foreclosure Crisis Committee (FCC), comprised of homeowners facing foreclosure and a handful of housing advocates such as Community Legal Services, the Office of Housing & Community Development and ACORN, began calling on the Philadelphia courts and City Council to intercede on behalf of the rising numbers of struggling homeowners who were facing foreclosure, primarily due to sub-prime loans.

In April, a major breakthrough occurred when the Court of Common Pleas and the Sheriff implemented a moratorium on Sheriff Sales while a new program to put foreclosures under increased court scrutiny was created.

The new program is the Residential Mortgage Foreclosure Diversion Pilot Program.

This Pilot Program is the first court-supervised foreclosure prevention program in the nation. The program requires lenders to sit down with a homeowner who is in foreclosure, with a mediator present, and attempt to work out a reasonable solution to the default (such as a loan modification or other affordable workout).



Showing the Senate
 what we need!
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Our Service in Numbers

In 2008, PUP's sister organization, Unemployment Information Center received over 21,000 calls to its Benefits Rights Hotline.

The Hotline provides information, referrals and a spectrum of direct support to individuals who need help with access to healthcare, public benefits, unemployment compensation, job search assistance and mortgage foreclosure relief.

**If you or someone you know needs assistance, call our Hotline at
215-557-0822**

Mortgage Foreclosure Diversion cont'd

Since July, when the Conciliation Conferences started, PUP counselors have helped 55 homeowners; 27 (49%) have had their mortgages modified and 13 (24%) have a modification in process. These are families that were once facing Sheriff Sale; they now have a mortgage they can afford and home that they can maintain.

As the recession begins to reach more and more Philadelphians, hundreds, if not thousands will rely upon the Diversion Program for help.

John Dodds recently testified before the Senate Judiciary Committee at hearings called by Senators Casey and Specter. John spoke about the effectiveness and impact of the Diversion Program and called on legislators in Congress to put some of the \$700 billion bailout money toward helping families facing foreclosure.

Let's hope Congress will follow Philadelphia's lead and enact a Diversion Program before an estimated 4.5 million families lose their homes to foreclosure in the next year.

Healthcare Reform in PA: the fight continues....

Over the past 12 months, PUP has been leading a statewide coalition effort, known as the Pennsylvania Health Access Network (PHAN), to pass meaningful, comprehensive health care reform in Pennsylvania that would increase access to affordable health insurance for the nearly 900,000 uninsured individuals in the state.

Motivated by Governor Rendell's call for healthcare reform, PHAN has been engaging the public in the healthcare reform debate in every corner of the state.

As the public spoke, the State House listened.

In March, the State House passed a bill, known as Access to Basic Care (ABC) that would provide affordable health care coverage to 270,000 Pennsylvanians.

Throughout the Spring and Fall, PHAN held rallies, public forums, and lobby days with a focus to move ABC to a Senate vote. With Senate Republican leadership creating a wall of opposition, a vote in the Senate never took place during its lame duck session. Even Governor Rendell pressed the Leadership to no avail.

What can be done? PHAN will hit the ground running in January 2009 to move new legislation through despite a continued Republican majority in the Senate.

Additionally, with the new Administration in Washington DC, our efforts will also focus on moving national healthcare reform. To borrow a popular phrase.....Yes, we can!



PUP members Deborah Jackson and Tania Harrigan (at the end of the table) testifying at the Senate Judiciary Committee hearings in November.

Did you know?:

In 2008,

Our Housing Counselors served 325 families with mortgage foreclosure prevention counseling

Our Job Developer helped 260 individuals with their job search

Our Unemployment Compensation Project helped over 100 people with their unemployment compensation hearings.

Our Healthcare Navigator assisted 98 people access needed health care.

Commuter Options – getting City workers to Suburban jobs – continues to thrive!

Commuter Options, PUP's reverse commuting program continues to grow despite the economic downturn. At present, we have 31 vans and carpools taking Philadelphia workers to higher paying suburban jobs. The vans and carpools provide convenient and reliable transportation to employer locations not readily accessible by public transportation.

The purpose of Commuter Options is to ease the travel burden for workers who live in Philadelphia but have jobs outside the City, where pay rates are often higher and labor can be in short supply.

By offering transportation assistance, we knew that getting low-income Philadelphians out to higher paying jobs in the suburbs would allow individuals to earn more and ease the worker void for suburban employers who had difficulties filling entry-level positions.

Commuter Options began in March 2006 through a federal Jobs Access and Reverse Commuting (JARC) grant. PUP matched the JARC dollars with funding from the Pennsylvania Departments of Transportation, Labor and Industry and Public Welfare.

With the fluctuating cost of fuel, carpooling is becoming a popular option for many workers. We are beginning to market Commuter Options as a 'green' option for companies and a cost savings plan for workers.



Christine Carey heads to the PUPCO van that she uses to pick up 4 other women who work at the same telemarketing firm in Glassboro, NJ

Some of the companies where Commuter Options participants work are:

- Hartford Insurance Company in Fort Washington, PA
- Progressive Insurance Company in Eddystone, PA
- St. Gabriel's Hall in Audobon, PA
- Sythes Corporation in Goshen, PA

Salute our history and ensure our future by making a year-end contribution to PUP.

We make the most of each dollar and value even the smallest donations.

___ \$25 ___ \$50 ___ \$100 ___ other

Name: _____ Address: _____

City: _____ State: _____ Zip: _____ email: _____



Best Wishes for a Happy, Healthy 2009!