

A Gathering of Minds Around Foreclosure

This year's HAPHousing annual event began with a symposium that focused serious local attention on Springfield's soaring foreclosure rates. More than 250 people attended. Due to the magnitude of the crisis, some local leaders were engaged by HAPHousing before and after the event in small-group updates and think-tank sessions.

HAPHousing Executive Director Peter Gagliardi delivered the difficult news: Springfield had more than 1,800 homes in the process of mortgage foreclosure at the time of the event – more than any other city in the state. That number is growing, and does not include many of the 1,942 homes recently taken or in the process of being foreclosed upon in tax title actions.

Symposium moderator Alan Mallach provided a national perspective through his work as senior fellow at the Center for Community Progress.

“Despite the seemingly overwhelming nature of this crisis, there are strategies that Springfield can adopt,” he said. “First and foremost, Springfield will need a collaborative team and a coordinated plan of action that targets resources carefully on practical activities that can realistically be accomplished.”

Matthew Perrenod, chief lending officer of the Housing Partnership Network, discussed other city models for “critical mass” improvements in targeted neighborhoods using high-capacity nonprofits to facilitate collaborative action and leverage private financing.

Panelist Yolanda Kodrzycki, vice president and director of the Federal Reserve Bank of Boston's Public Policy Center, described the process by which the Fed identified and studied Springfield and 25 peer cities and selected 10 as “resurgent cities” that may hold lessons for Springfield. This substantive study, *Toward a More Prosperous Springfield*, led to the recent City-to-City initiative that sent a group



of Springfield residents to Greensboro and Winston-Salem, N.C. to view progress there. The Community Foundation of Western Massachusetts collaborated with the Federal Reserve Bank of Boston to host the trip.

Activities witnessed there included the revitalization described at our symposium by panelist Evon J. Smith, Executive Director of the Goler Community Development Corporation in Winston-Salem. Smith, who grew up in Springfield, detailed the transformation in progress on a 15-acre tract where “massive collaboration” produced mixed-income housing, senior apartments and 700,000 square feet of retail space bordering a vibrant downtown.

The speaker over dinner for the annual event was noted author and journalist Alex Kotlowitz, whose stories of working in urban Chicago and Cleveland put a human face on the foreclosure challenge.

Visit www.communityintersections.org for updates on foreclosure, ending homelessness and Springfield revitalization.



Community Intersections

This year HAPHousing launched a new policy website as a forum for advocacy and discussion of affordable housing and other social and economic issues that are vital to restoring prosperity to our region. Visit us at www.CommunityIntersections.org. Add your calendar items, stories and expertise by emailing us at intersections@haphousing.org.

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R & C Painting, Inc.
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Regional Housing Network of Massachusetts
Saxon Mortgage
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Our Individual Donors will be recognized in our spring newsletter
*Includes Donations through June 30, 2010

Thank you to all who supported HAPHousing in fiscal 2010

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HAP, Inc. Financial Statements Highlights

Statement of Financial Position June 30, 2010

Assets:	
Cash	\$ 2,856,048
Restricted Cash	5,333,776
Accounts Receivable	1,206,347
Related Party Receivable	278,224
Work in Process	1,796,233
Fixed Assets, Net	1,942,230
Investments Long Term & Other Assets	383,537
Loans Receivable	653,247
Total Assets	\$ 14,449,642

Liabilities and Net Assets:	
Accounts Payable & Accrued Liabilities	\$ 1,572,506
Contract Advances	4,314,802
Escrow Liabilities	406,132
Loans Payable	4,240,990
Deferred Income	509,003
Total Liabilities	\$ 11,043,433

Unrestricted Net Assets	\$ 1,963,272
Board Designated Net Assets	1,011,701
Temporarily Restricted Net Assets	226,236
Permanently Restricted Net Assets	205,000
Total Net Assets	\$ 3,406,209

Total Liabilities and Net Assets	\$ 14,449,642
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Statement of Activities

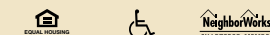
Revenues:	
Contributions	\$ 244,401
Grants & Grant Assistance Payments	35,585,221
Grants - NeighborWorks America	282,500
Grants & Grant Administration Fees	8,709,721
Program Fees	909,092
Investment Income	72,128
Total Revenues	\$ 45,803,063

Expenses:	
Rental Assistance	\$ 2,940,982
Client Services	2,943,051
Homeownership Programs	517,962
Real Estate Development	1,630,222
Assistance Payments	35,585,221
Depreciation and Amortization	164,711
Administration	1,422,511
Total Expenses	\$ 45,204,660

Change In Net Assets	\$ 598,403
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Building Strong Communities One Family at a Time

ANNUAL REPORT

2010

Building Strong Communities One Family at a Time

2010

At a Glance

Rental Assistance. 2,000 landlords received more than \$32 million in rental assistance payments, helping 4,532 households afford decent, safe housing. Still, 20,452 households remain on the waiting list.

Family Self-Sufficiency. 151 heads of households worked toward economic independence from public assistance through the Section 8 Family Self-Sufficiency Program.

Homebuyer Education. 533 potential homebuyers received individual pre-purchase counseling this year, and 515 also attended homebuyer education courses. 68 enrolled in the Homebuyer Club to take steps like working to improve their credit scores which will help them become ready to buy. This year 435 current and past participants purchased homes, including 103 who used the Massachusetts Housing Partnership's Soft Second Loan Program.

Foreclosure Help. The Western Massachusetts Foreclosure Prevention Center provided in-

depth counseling to help 703 at risk families avoid foreclosure, including 585 new clients.

Homelessness. We helped 1,026 families avoid becoming homeless by providing direct financial assistance and supportive services. In addition, we helped 276 homeless families (132 who had been placed in motels by the state and 144 from emergency shelters) move into apartments of their own. Our counselors continued working with these families to support their transition to self-sufficiency. We also provided transitional housing and support to 35 survivors of domestic violence and their children and 15 pregnant and parenting teens.

Housing Consumer Education Center. HAPHousing serves as the region's Housing Consumer Education Center. This year, 6,572 people received help with housing questions and problems, including 4,356 tenants, 520 homeowners, 871 homeless households, 442 homebuyers, 149 rental property owners and 234 others. This year, much of the center's focus was on helping families avoid becoming homeless.

Landlord Education. 59 rental property owners attended one of six educational workshops and 187 purchased the HAPHousing Property Management Manual.



The Homebuyer Club coordinator Melphy Antuna presents a housewarming gift to Marisol Torres of Springfield, one of 435 participants in HAPHousing homebuyer education programs who achieved the goal of buying a home this year.

Neighborhood Action

Neighborhood renewal efforts, slowed by recession, are rapidly moving forward in Springfield's Old Hill neighborhood. The housing partners of the Old Hill Revitalization Collaborative – Springfield Neighborhood Housing Services, Habitat for Humanity and HAPHousing – have been working alongside City officials to complete plans for new homes, rehabs and new green space on Quincy Street.



Foreclosure conference panelists Alex Kotlowitz and Allan Mallach tour Quincy Street with members of the revitalization team.

The call to action: The block running from Hancock to Eastern Avenue, where shuttered properties sit in striking contrast to the progress made along the State Street corridor just blocks away.

As we started work in Old Hill during the early 2000s, this block was relatively sound, with few abandoned properties. In contrast, by 2010, the single block of 48 parcels had 12 boarded or vacant buildings and 10 vacant lots. Now a collaborative plan of action has emerged for the entire street, and hammers will be heard by the spring of 2011.



This year required major league work for the HAPHousing staff, shown here at the Naismith Memorial Basketball Hall of Fame.

All Hands on Deck

The staff of HAPHousing stepped up to the challenge this year, as we ramped up our services to stem the swelling tide of homeless families.

For 37 years, our emphasis has been on preventing homelessness, keeping families with children safe and sound at home. This year too, we negotiated with landlords, helped families scour the area for affordable housing and provided direct financial assistance for items like utility arrears, security deposits or back rent. In some instances, we provided short-term rental support.

In all, we helped 1,026 families avoid homelessness.

We also aggressively stepped forward to help those who did become homeless regain their footing. While we have sheltered families for more than 25 years, the scale and complexity of our new initiatives is daunting. At the beginning of 2009, HAPHousing added 46 scattered apartments to our nine emergency shelter units at Prospect House, we now shelter up to 55 families at any given time.

One of our first hurdles: Finding furniture and housewares for all 46 apartments, plus a continuous supply of bedding and other household items as new families move in. Families remain in emergency shelter very briefly, usually no more than four months.

HAPHousing also helped 276 families move from shelters or motels into appropriate permanent housing in the 2009-2010 fiscal year.

Every family we work with receives support to be successful based on a needs assessment and detailed service plan, plus short-term rental support wherever possible. Even more challenging is helping families obtain needed services, such as:

- Transportation and childcare
- Financial literacy, language and work readiness training
- Employment or other new financial resources
- Medical, mental health or emotional support
- Additional services for those with a disability

Helping large numbers of families move from homelessness to their own apartments requires a remarkable amount of work by staff in many programs, but the reward – restoring family stability – is great.

Family homelessness is a tragedy. It's a lack of stability particularly for children and how they see the world. The unpredictability of their lives."

BOB PULSTER, MASSACHUSETTS DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

HOMERUN X 2

"Somebody's going to have to pinch me," says Gladys Morales with a huge grin on her face. "I've struggled a lot in life. I never thought I could make it happen."

"It" is a lovely ranch house in Springfield's Sixteen Acres neighborhood, with hardwood floors, a large deck on the back and a two-car garage. Gladys has just wrapped up her last HAPHousing homebuyer class, and has her fingers crossed to ward off anything that might thwart her closing, two weeks away.

For HAPHousing, Gladys' success story is now a doubleheader. Five years ago she graduated from our Section 8 Family Self-Sufficiency program, which helped her work her way off of public assistance and regain her financial footing as a single mother raising two daughters – one with disabilities.



This year, Gladys decided she was ready for homeownership and spent months shopping for a new home and affordable financing. Frustrated by the process, she once again turned to HAPHousing. Thanks to our Homebuyer's Club and homeownership classes, she not only found the right home; she found new resources for credit improvement, downpayment assistance and financing that included capital for needed repairs and modifications.

"There was a lot of information I was not aware of," she said. "This assistance had a huge impact." She was one of 435 known to have purchased a home this year with HAPHousing education and assistance.

A Close Brush with Homelessness

You wear out your welcome fast when you move in with friends. And it's a whole lot faster when you're a family of five.

So, despite the kindness of others, Jocelyn Villavicencio and Luc Decessard found themselves truly homeless in the summer of 2009, with three young children in tow. He, out of work; she, with a disability; their children, feeling displaced and anxious.

Two years ago, this family's most likely next step would have been a state-funded motel room, where, isolated, cramped and without so much as a stove, they would have struggled to raise their children and rebuild their lives.

Instead, they were referred to the HAPHousing Rapid Re-housing program for placement in a furnished Springfield apartment that is one of 46 we use for emergency housing. After being linked to job training, financial assistance and other critical services, the family of five was then matched up with a more permanent place of their own, where they celebrated their first "real" Christmas together.

This year, HAPHousing had 276 similar stories of families helped out of homelessness and into affordable homes of their own.

Working closely with those living in motels or other untenable circumstances, our staff contributed significantly to the 47% decline in the number of families living in Western Massachusetts motels, from 312 in January to 164 in early July 2010.

The stark news as we go to print: That number has climbed again.

Jocelyn Villavicencio and Luc Decessard with their children, (left to right) Ebony, Dillon and Matthew.

The shelters are filled, and families are living in motels across the state. It's really important that we not only get those families out, but that we prevent more from going in."

PETER GAGLIARDI, EXECUTIVE DIRECTOR, HAPHousing

