

Stories of Home

ANNUAL REPORT
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WEDNESDAY, JULY 29, 2009

Family thankful for home

By PETER GOONAN
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Springfield - Karleen M. Ramos has no special plans for Thanksgiving.

Just being home is special. Ramos, 23, and her three children, ages 6, 5, and 2^{1/2}, moved into a new apartment on Nov. 2, after being homeless for about two years.

Ramos, a single mother and unemployed, who grew up in Springfield, said she sought help from HAP Housing of Springfield as a "last resort," never expecting to find a home in time for the holidays.

"That was my fear every night, going to sleep," Ramos said. "There were many nights that I cried. I just didn't want my kids to have to keep moving from place to place. It's not easy for kids."

A Thanksgiving Home
During an interview at her new apartment, she began crying as she spoke about the impact homelessness has had on her children including past stays in family shelters, a domestic violence shelter and a state-funded motel room, and being unable to afford an apartment.



HAP Housing found her a two-bedroom apartment in the North End within a day, and she moved in two days later. HAP Housing provided the money for the first month's rent and the security deposit. She receives other public assistance. She said she has moved from apartments in the past to escape from domestic violence and once after bullets were fired through her apartment window. She moved from one place to another because of code violations including mold and peeling paint. Ramos said she is grateful to HAP Housing for the other help she has received. She teaches her children what to do in case of an emergency. She knows

State aids

By JIM DA...
jdanko@re...
AGAWAM - ...
Kaitlyn M. Ch...
wheelchair, w...
her family fr...
kitchen tal...
A wall...
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Program puts people in houses

By JIM KINNEY
Business Writer

Springfield - Natisha M. Lopez, 12, and her 10-year-old sister, Ashley M. Lopez, hadn't moved into their new bedroom Tuesday before they got a chance to see their new home. Gov. Deval L. Patrick the large program important that is "Patrick's program."

Lopez family's new home in Springfield's North End. The program is designed to promote affordable housing and help the homeless.

Lopez family's new home in Springfield's North End. The program is designed to promote affordable housing and help the homeless.

The agency's loan program allows people to use the \$8,000 tax credit as either a down payment or to defray closing costs.

Helping Families

It will come as no surprise that this was a year of great need in Hampden and Hampshire counties. Homelessness skyrocketed, as did the number of families facing foreclosure or living in chronic poverty. Hard luck stories were easy to find, but there were also families whose lives took a much better turn.

Helping Homeless Families

One of these was the family of Karleen Ramos, a single, unemployed mother of three whose chronic homelessness ended with a last-ditch call to **HAPHousing** in November. Karleen, 23, and her children, ages 2-1/2, 5 and 6, had lived in shelters, state-funded motels and inadequate apartments for two full years. They kept moving, she said, to escape domestic violence, stray bullets, high lead paint levels and other frightening conditions.

Thanks to a timely new **HAPHousing** program, the Ramos family received the resources they needed to secure a safe new apartment almost immediately.

Their story touched hearts throughout the region when it ran prominently in *The Republican* over Thanksgiving. Reporter Peter Goonan also videotaped a heartfelt interview with Karleen and

posted it on MassLive.

“There were many nights that I cried,” she told him. “I just didn’t want my kids to have to keep moving from place to place. It’s not easy for kids.”

With resources provided by one of **HAPHousing’s** new initiatives to help homeless families, the Ramos family now lives in a two-bedroom apartment. The program that helped them is part of a renewed statewide emphasis on programs and services that focus on rapid re-housing and homelessness prevention.

‘Rapid Re-housing’:

A new response to homelessness

The state of Massachusetts, the Pioneer Valley region and the City of Springfield have all made commitments to mobilize resources to end homelessness for both single individuals and families. There have been major shifts in public policy. For homeless families with children, the state has shifted away from congregate shelters and reallocated resources to prevent homelessness, reduce the length of time families remain in shelter, move families quickly into permanent housing, maximize their income and ensure that they remain stable.

HAPHousing is playing an active role in these efforts, building on our past experience with both temporary shelter and homelessness prevention. In addition to Prospect House, **HAPHousing** now provides 46 temporary apartments in various locations throughout Springfield, where homeless families can stay while they work with program staff to obtain stable, permanent housing. Since starting in early spring 2009, the program has already helped 107 people complete the transition into permanent housing.

As a critical part of the process, said Program Director Bill Phelps, housing specialists are assigned to closely support the families. Chronic poverty and other family problems don’t just disappear with new housing, he noted, and family members often need links to employment, education, support networks and other services. **HAPHousing** continues to work with families long after their move to permanent housing to help them meet the next challenges in their lives.

Team Leader Datsy Aponte said that parents traumatized by homelessness often appear numb to reality. Their eyes light up, however, when they walk into a newly furnished apartment supplied by **HAPHousing** staff. Later, finding a permanent place gives them a second boost, providing something to look forward to as they move out and make room for other families.

“ There were many nights that I cried. I just didn’t want my kids to have to keep moving from place to place. It’s not easy for kids. ”

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Flourish in a Year

Creating New Homeowners

This year, **HAPHousing** also began a Homebuyer Club to work with families over a longer period of time toward the goal of homeownership. While we have long provided basic educational workshops to those who are close to qualifying for a mortgage, our club now helps homeowners who need a year or more to improve their credit, overcome obstacles and learn how to go about getting financing and buying a home.

Melphy Antuna, hired to develop the club curriculum, enlist members, lead meetings and mentor participants, drew more than 100 people to a kickoff event in Springfield. New members who signed on there represent the best hope for restoring homeownership to the city's inner-city neighborhoods, he said.

Low home prices, high inventory and federal incentives for first-time buyers opened up many new affordable housing opportunities in 2009, said Melphy.

Among those who benefited: Carlos Lopez and his family, whose move into a beautiful new home in Springfield drew both media coverage and a surprise visit from Governor Deval Patrick.

Bragged daughter Ashley, 8: "I have my own closet now in my very own room!"



Violet Lopez (shown with her children) and her husband, Anselmo, bought one of nine homes developed by **HAPHousing** as part of an ambitious neighborhood revitalization program in the Six Corners and Old Hill sections of Springfield. **HAPHousing** encourages new homeownership in city neighborhoods by developing affordable, energy-efficient homes and providing extensive homebuyer education and counseling.



Governor Deval Patrick looks on as new homeowner Carlos Lopez welcomes press to the home he purchased from **HAPHousing**.

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Celebrating New Prospects

Can a shelter feel like home? Yvette Pedraza knows it can.

“My son Xavier addressed Prospect House as ‘My Grandmother Elba’s house,’” she wrote in a note penned in honor of the shelter’s 25th anniversary this year. Elba, of course, is longtime staff member Elba Gonzalez.

“Entering the Prospect House shelter, I found a family and a home I didn’t have,” Pedraza recalled. Her letter as a former resident was read to the crowd of staff members, residents, friends and volunteers who attended a party to mark the anniversary.

As one of the first family-oriented shelters in our area, Prospect House has been home to thousands of local children in the past 25 years. While it is now only one component of a much larger program to help homeless families get back on their feet, it continues to give new hope to many.



HAPHousing staff members Erika Matos, Datsy Aponte and Wanda Pierce celebrate the 25th anniversary of Prospect House at a party for shelter residents, staff, volunteers and supporters.



Back from the Brink of Foreclosure

The foreclosure crisis, of course, also put many more families in the news. Bill Sevene bought his modest home in Springfield five years ago, when the housing market was brisk. As a business owner, he could well afford the fixed rate mortgage he was offered. Confident of the deal, he moved in before the closing. Then his broker turned up with an adjustable mortgage at a higher interest rate, promising him he could refinance later.

Fast-forward three years to a looming foreclosure crisis, a \$2,200 monthly payment and an escalating interest rate of 10.5%. Bill, stretched to the point of financial ruin, was not able to refinance or to sell his home. He was about to walk away.

As a last resort, he contacted the Western Massachusetts Foreclosure Prevention Center, which opened in spring 2008 with **HAP**Housing as lead partner. At last count, Bill was one of more than 1,300 homeowners in crisis to seek foreclosure help from a **HAP**Housing counselor.

Bill, who is both well organized and employed, was able to modify his mortgage down to \$1,400 a month with the help of his **HAP**Housing counselor. While such wins feel good, said Foreclosure Prevention Center Manager Jennifer Kinsman, many families remain at risk. Of those whose cases have been completed, 60% achieved a positive outcome with the help of **HAP**Housing.

Restoring Prosperity

National policy leaders challenge Springfield Metro to be an “engine of economic vitality.”

If ever there were a time to funnel energy into urban centers like Springfield and Holyoke, it is now. That message, delivered in person by a principal architect of the Obama administration’s community development policy, emerged as a key theme at a recent **HAPHousing** conference.

Held at the Log Cabin in Easthampton in lieu of our usual annual dinner, *Restoring Prosperity: Housing’s Role in a Western Massachusetts Economic Recovery* drew several hundred local and regional leaders involved in housing, lending and economic development. The conference opened with Congressman John Olver and ended with keynote speaker Bruce Katz of the Brookings Institution.



We Need to Think ‘Metro’

It was Katz who predicted that economic recovery will be metropolitan-led, echoing the President’s view that metro areas are the nation’s “engines of economic vitality.” The urban cities at their center have the infrastructure America needs for recovery, Katz said.

For the first time in decades, he noted, America has a leader with a well-articulated community development strategy and dollars earmarked for urban reinvestment. Those dollars, he emphasized, will go to metros that place regional strength above parochial interests. His advice:

- Work across city and county lines as a unified metropolitan area
- Embrace urban reinvestment and the recovery of older industrial cities like Springfield, using European successes as a model
- Take innovative approaches to increasing exports
- Show leadership in new technologies such as renewable energy, smart grids, high-speed rail and sustainable building

Springfield Needs Reinvestment

Katz pointed to the Springfield metro area as one of four Massachusetts metros that generate 96% of the state’s economic output. The Springfield metro ranks among the top 100 metropolitan areas nationwide.

Other speakers testified to the urgent need for reinvestment in Springfield as the city at our metro’s core. Quoting new research, Ben Forman of MassINC said Springfield’s economy is fairly strong, but its inner city neighborhoods are weak relative to that economy. Highly concentrated poverty, low rates of labor force participation and distressed housing stock all signal the need for new, transformative efforts to help people out of poverty and into the workforce.

Executive Director Peter Gagliardi and featured speaker Bruce Katz talk with Paul Tuthill, Pioneer Valley Bureau Chief for WAMC/Northeast Public Radio and business reporter Jim Kinney of The Republican.

Sprawl Is Not Sustainable

Congressman Olver’s view: Expect to see national funding for housing linked to reduced energy use and transportation efficiencies – a directive that favors urban over suburban or rural options. The average working American family now spends nearly 60% of their income on housing and transportation, he said.

“The uniquely American dream of single family homes on double housing lots as far as the eye can see is over,” he added. “My charge to you is this: I believe all affordable housing should have affordable transportation integrated into its process, and energy conservation and efficiencies built into its development.”

HAPHousing, a central participant in Springfield neighborhood revitalization, is now working to incorporate these and other conference messages into policy recommendations for further regional action.

Work in Progress

We laid groundwork this year for new affordable housing in three communities:

Stevens Memorial Building, Ludlow. Named preferred developer by the town, **HAPHousing** is assembling financing to convert this former factory into 28 apartments for seniors. It sits across from the park at the center of town, near the Senior Center.

Senior Housing, Holland. The town named **HAPHousing** preferred developer to construct 20 new apartments for seniors and those with disabilities on a site next to the Holland Senior Center. Partial financing and a rental assistance commitment from USDA Rural Development have been secured. Construction is planned to begin in spring 2011.

Cady Brook Apartments, Charlton. Federal stimulus dollars will help **HAPHousing** rehabilitate a distressed, privately owned family housing development consisting of 39 apartments. **HAPHousing** assumed an existing USDA Rural Development mortgage and secured Tax Credit Exchange funds from the American Recovery & Reinvestment Act as part of the funding package. Work begins in February 2010.

Thank you to all those who supported HAP Housing in fiscal 2009*

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HAP, Inc. Financial Statement Highlights Statement of Financial Position June 30, 2009

Assets:	
Cash and Cash Equivalents	\$ 4,918,605
Accounts Receivable	735,151
Related Party Receivable	263,298
Work in Process	3,418,783
Fixed Assets, Net	1,853,330
Investments Long Term & Other Assets	447,897
Loans Receivable	670,135
Total Assets	\$ 12,307,199
Liabilities and Net Assets:	
Accounts Payable & Accrued Liabilities	\$ 1,317,848
Contract Advances	2,964,155
Escrow Liabilities	268,426
Loans Payable	4,101,104
Deferred Income	847,860
Total Liabilities	\$ 9,499,393
Unrestricted Net Assets	\$ 1,895,344
Board Designated Net Assets	768,984
Temporarily Restricted Net Assets	143,478
Total Net Assets	\$ 2,807,806
Total Liabilities and Net Assets	\$ 12,307,199

Statement of Activities For The Year Ended June 30, 2009

Revenues:	
Contributions	\$ 284,487
Grants & Grant Assistance Payments	34,280,705
Grants - NeighborWorks America	156,500
Grants & Grant Administration Fees	6,232,155
Program Fees	1,678,166
Investment Income	90,554
Total Revenues	\$ 42,722,567
Expenses:	
Rental Assistance	\$ 2,806,847
Client Services	1,678,808
Homeownership Programs	556,713
Real Estate Development	1,375,059
Assistance Payments	34,280,705
Depreciation and Amortization	131,289
Administration	1,301,488
Total Expenses	\$ 42,130,909
Change in Net Assets	\$ 591,658



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