

Touching People's Lives



Manchester Neighborhood Housing Services
1998 Annual Report

A MESSAGE FROM THE EXECUTIVE DIRECTOR OF MANCHESTER NEIGHBORHOOD HOUSING SERVICES

I would like to tell you a short story involving a block in the Center City. The story encapsulates all that we at MNHS do. It is a story about people—how we touch their lives and how they touch ours. It's about how they change their lives and the neighborhood and about how we play a part in that transformation.

Several years ago, the block—like others in the Center City—was run down. Many of the buildings and houses were in tough shape; some were abandoned and boarded up. A couple of the buildings had become crack houses. Despite these problems, there were many decent, hard-working families on the block—families with a sense of community and the courage and willingness to fight back against the conditions that were ruining their neighborhood.

Fight back they did. The Manchester Police Department, working with these residents, succeeded in shutting down the two crack houses.

A neighborhood family (one that had worked hard to close the crack houses) decided to buy and renovate one of the houses. The MNHS, through its HOW Center, provided this family of seven with counseling and financial assistance, enabling them to become home owners. Now they are assured decent, affordable housing as long as they want to live in the neighborhood. The building was transformed from the neighborhood eyesore to a beautiful home and neighborhood asset.

The MNHS acquired and tore down the second crack house. Again, working with the residents, we built a neighborhood park. They designed the park, we raised the funds. Together with lots of volunteer help, we landscaped the new park. When it was finished, residents established the park rules, and they continue to maintain the park.



These were not the only properties on the block that needed help. Another vacant and boarded up building was purchased by MNHS and redeveloped as affordable rental housing. This opened the way for new residents to move onto the block, working families looking for a decent place where they could afford to live. The MNHS provided them an opportunity to raise their families without worrying about unfair evictions or large rent increases. This year we finally finished work on the block by buying the remaining problem properties to redevelop them as additional affordable housing.

The MNHS is proud to have been part of the transformation.
We touch people's lives, and they touch ours.

Felix M. Torres



INTRODUCTION

This has been an incredible year of growth for the MNHS with all of our programs turning in record levels of achievement. Credit goes to the wonderful partnership of residents, staff, government and business that is the MNHS. These diverse groups join hands to work in a successful collaboration and accomplish the important tasks that need to be done.

Our work has not gone unnoticed. In May 1998 we were honored with the Walter J. Dunfee Award for Excellence in Management.

Building on our success, MNHS has responded to this growth in several ways:

- New staff positions were created, including a second community organizer and a new real estate development project manager;
- A new strategic fundraising plan is being developed by the Board of Directors with the assistance of Carolyn Benthien and Linda Sirak of Benthien Associates.

These steps will assure that MNHS can meet all the neighborhood needs for the coming year.



COMMUNITY ORGANIZING

Our Community Organizing programs help residents develop the skills and provide them with the opportunities to transform the quality of life in the neighborhood. Resident participation is vital to the success of MNHS and its projects and vital to the life of the neighborhood.

The Sustainable Tenant Empowerment Program (STEP), launched this year with the support of the New Hampshire Charitable Foundation, is designed to educate and empower tenants and to encourage them to take an active, hands-on role as part of the MNHS family.

To date, STEP has held four workshops serving 33 tenants.

Active resident participation this year resulted in these important developments:

- A Resident Leadership program, designed by an area resident, held its first workshop, "Keeping People Motivated: Building Participation";
- The Neighborhood Concerns Committee tripled in size;
- Tenants established their own newsletter, with MNHS assistance, in order to build community among the residents of our properties;
- The third annual "NeighborWorks" Week Celebration drew over 300 participants to the festivities, which included music, children's activities, a barbecue and a community yard sale;
- Sheridan-Emmett Park development continued with ongoing cleanup and the addition of a crosswalk;
- Several other projects incubated at the MNHS have spun off as resident controlled and run events.



THE REAL ESTATE DEVELOPMENT AND ASSET MANAGEMENT

The current rise in the real estate market has priced many low-income families out of the market. The MNHS' real estate development projects strive to put comfortable, safe, affordable housing within the reach of these families, while improving not only the physical structures but also the quality of life in our neighborhoods.

The Real Estate Development and Asset Management Department at MNHS acquires and redevelops buildings and vacant land in the neighborhood, providing affordable housing for rent and for sale. The department also provides professional asset management to assure that MNHS properties are an asset to the community. The MNHS currently owns 64 rental apartments that have been completely renovated, and an additional 132 are in development.

This year was a particularly busy and successful one:

- The REBUILD Initiative, working with Citizens Bank, renovated and sold its first two homes and began construction on a third;
- The Three Corner Apartments development is the latest in MNHS' revitalization of the Center City area. With the support of the New Hampshire Housing Finance Authority (NHHFA), the Dime Savings Bank of New York, the Bank of New Hampshire, the Neighborhood Reinvestment Corporation, Federal Home Loan Bank of Boston (FHLBB) and the Community Improvement Program of the City of Manchester (CIP), the project was fully financed and is in construction. When completed, 20 apartments (newly built or renovated) will be available for residents—and five problem buildings will have been renovated or demolished.
- Tree Street Renewal represents one of the largest community-based, nonprofit, neighborhood revitalization projects in the history of New Hampshire. The MNHS, with support from BankBoston, NHHFA, CIP and the Cogswell Benevolent Trust, bought eight buildings, including 60 apartments, in the heart of our target area (these properties, most of them blighted or dilapidated, have been a significant factor discouraging investment in the neighborhood). Several will be converted to home ownership opportunities for low-income families. Others will become affordable MNHS-owned rental projects. The project will include a large neighborhood planning effort to solicit resident involvement and support.





• In the Elm Street Restoration project, the MNHS used innovative financing provided by Fleet Bank and the New Hampshire Community Loan Fund to buy four buildings and 100 units on Elm Street to preserve as a community affordable housing resource. The properties will become MNHS-owned rental projects. The Norwin S. and Elizabeth N. Bean Foundation has also provided generous support to make this project possible.

• Renaissance Homes, a new construction development of eight town houses, is nearing completion; most of the homes have been presold. This is the first privately financed for-sale project in the neighborhood in decades and was made possible by Citizens Bank, the Dime Savings Bank of New York, CIP, the FHLBB and Neighborhood Reinvestment Corporation.



HOME OWNERSHIP WORKS (HOW) CENTER

The HOW Center continues to grow and fulfill the mission of realizing new home owners for the Center City. The Center provides extensive counseling and training to help participants achieve their dreams of owning their first homes—dreams which, for many, long seemed well beyond their grasp.

Once these prospective buyers have received the training and counseling, they are eligible for a variety of mortgage programs and grants to assure affordability and long-term ownership of their new homes.





This year the HOW Center:

- Helped 35 families become new home owners;
- Awarded 168 buyers Certificates of Achievement for completing the Home Ownership Seminar;
- Offered the first home ownership seminars in Spanish and Vietnamese in New Hampshire.
- Financed the renovation of apartments of 35 families throughout the City of Manchester;
- Provided eligible home buyers \$40,000 in grants from Dime Savings Bank and almost \$150,000 in rehabilitation loans through the CIP;
- Originated over \$650,000 in First Mortgages for new home owners (up 59% over last year). Funds were provided by Fleet Bank and NHHFA, partially funded by a Warehouse Line of Credit from St. Mary's Bank;
- Increased the amount of second mortgages originated to over \$400,000 (up 52% over last year). Funding was provided by BankBoston, Bank of New Hampshire, Fleet Bank, NHHFA and St. Mary's Bank;
- Participated in a regional initiative with Fleet Bank to provide affordable first and second mortgages in Manchester;
- Became the first nonprofit to originate first mortgages for NHHFA and BankBoston.

MANCHESTER NEIGHBORHOOD HOUSING SERVICES, INC.

Consolidated Statements of Financial Position

June 30, 1998

(With Summarized Financial Information for the Year Ended June 30, 1997)



ASSETS

	Unrestricted		Temporarily Restricted	
	Operating	Capital Projects	Dime Bancorp	Other
Cash	\$ 292,722	\$ 91,836	\$ 66,372	\$ -
Cash — Restricted	54,107	-	-	5,000
Accounts Receivable	67,531	-	-	-
Interest Receivable	2,149	-	-	-
Prepaid Expenses	5,678	-	-	-
Pledges Receivable	293,643	-	720,000	-
Development Fees Receivable	58,800	-	-	-
Due From Related Organizations	61,332	-	-	-
Real Estate Owned	-	384,851	603,138	-
Home Ownership Construction in Progress	-	32,392	17,153	-
Furniture, Equipment and Leasehold Improvements	27,167	-	-	-
Loans Receivable	124,541	-	336,250	-
Mortgage Notes Receivable	88,484	-	-	-
Organization Costs, Net	-	-	-	-
Investments in Related Organizations	-	-	-	-
Total Assets	\$1,076,154	\$509,079	\$1,742,913	\$5,000

LIABILITIES AND NET ASSETS

Accounts Payable	\$ 798	\$117,317	\$ -	\$ -
Accrued Expenses	30,013	-	-	-
Other Liabilities	2,830	-	-	5,000
Due to Related Organization	-	-	-	-
Notes Payable	405,630	191,762	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	439,271	309,079	-	5,000

CONTINGENCIES

NET ASSETS

Unrestricted	396,883	-	-	-
Unrestricted — Board Designated	240,000	200,000	-	-
Temporarily Restricted	-	-	1,742,913	-
Permanently Restricted	-	-	-	-
Total Net Assets	636,883	200,000	1,742,913	-
Total Liabilities and Net Assets	\$1,076,154	\$509,079	\$1,742,913	\$5,000

Neighborhood Reinvestment Capital Fund	Permanently Restricted			1998 Totals	1997 Totals
	CDBG	HOPE 3	Other		
\$ -	\$ 57,181	\$ -	\$ 69,749	\$ 577,860	\$ 715,928
105,241	-	-	-	164,348	64,463
-	-	-	-	67,531	70,000
-	-	-	-	2,149	3,617
-	-	-	-	5,678	6,728
100,000	-	-	-	1,113,643	1,335,000
-	-	-	-	58,800	93,800
-	-	-	-	61,332	3,864
91,608	210,164	24,503	-	1,314,264	683,798
8,232	222,386	-	-	280,163	88,709
-	-	-	-	27,167	25,774
8,419	221,013	231,293	-	921,516	398,952
142,970	300,000	-	67,000	598,454	298,454
-	-	-	-	-	58
-	-	-	476,000	476,000	261,000
<u>\$456,470</u>	<u>\$1,010,744</u>	<u>\$255,796</u>	<u>\$612,749</u>	<u>\$5,668,905</u>	<u>\$4,050,145</u>
\$ -	\$ 850	\$ -	\$ -	\$ 118,965	\$ 9,058
-	-	-	-	30,013	15,652
-	-	-	38,814	46,644	49,546
-	-	-	217,755	217,755	2,505
-	530,410	231,293	-	1,359,095	285,753
-	479,484	24,503	-	503,987	364,487
<u>-</u>	<u>1,010,744</u>	<u>255,796</u>	<u>256,569</u>	<u>2,276,459</u>	<u>727,001</u>
-	-	-	-	396,883	395,256
-	-	-	-	440,000	440,000
-	-	-	-	1,742,913	1,805,500
456,470	-	-	356,180	812,650	682,388
<u>456,470</u>	<u>-</u>	<u>-</u>	<u>356,180</u>	<u>3,392,446</u>	<u>3,323,144</u>
<u>\$456,470</u>	<u>\$1,010,744</u>	<u>\$255,796</u>	<u>\$612,749</u>	<u>\$5,668,905</u>	<u>\$4,050,145</u>

MANCHESTER NEIGHBORHOOD HOUSING SERVICES, INC.

Consolidated Statements of Activities

For the Year Ended June 30, 1998

				Permanently
	Unrestricted	Temporarily Restricted	Neighborhood Reinvestment Capital Fund	CDBG HOME
SUPPORT AND REVENUE:				
Corporate Contributions	\$ 58,800	\$ -	\$ -	\$ -
Foundation Contributions	187,500	-	-	-
Individual Contributions	1,259	-	-	-
Affordable Housing Program Grant	-	-	-	-
Governmental Grants	38,552	-	-	90,144
Neighborhood Reinvestment:				
Expendable Grants	59,200	-	-	-
Capital Grants	-	-	100,000	-
Development Fees	30,151	-	-	-
Other Revenue	86,856	-	-	-
Net Assets Released from Restrictions:				
Satisfaction of Program Restrictions	5,500	(5,500)	-	-
Total Support and Revenue	467,618	(5,500)	100,000	90,144
EXPENSES:				
Organizing	63,834	-	-	-
Real Estate Development	63,186	57,087	-	90,144
Home Ownership	217,722	-	-	-
Management and General	99,721	-	-	-
Fundraising	21,528	-	-	-
Total Expenses	465,991	57,087	-	90,144
Change in Net Assets	1,627	(62,587)	100,000	-
Net Assets, Beginning of Year	835,256	1,805,500	356,470	-
Net Assets, End of Year	\$836,883	\$1,742,913	\$456,470	\$ -

Restricted

HOPE 3	Other	Totals
\$ -	\$ -	\$ 58,600
-	-	187,500
-	-	1,259
-	30,570	30,570
104,177	-	232,873
-	-	59,200
-	-	100,000
-	-	30,151
-	-	86,856
-	-	-
104,177	30,570	787,009
-	-	63,834
104,177	-	314,594
-	-	217,722
-	308	100,029
-	-	21,528
104,177	308	717,707
-	30,262	69,302
-	325,918	3,323,144
\$ -	\$356,180	\$3,392,446



**BOARD OF DIRECTORS
MANCHESTER NEIGHBORHOOD
HOUSING SERVICES**

Sgt. Ronald Robidas, Chair
Government Member
Manchester Police Department

Diane Privey, Vice-Chair
Resident Member

Richard Duckoff, Secretary
At-large Member

Quentin Keefe, Treasurer
Business Member
Regency Mortgage Corporation

Mayela Celone
Resident Member

Bruce Croteau
Business Member
St. Mary's Bank

Peter Dudek
Resident Member

David Green
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Fleet Bank

Kathy Philbert
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Government Member

Hon. Mary Sysyn, Alderman
Government Member

Tina Simpson
Resident Member

Carol Thomas
Resident Member

Hector M. Velez
Resident Member

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MANCHESTER NEIGHBORHOOD
HOUSING SERVICES**

Sr. Carol Descoteaux, CSC, Ph.D.

Dr. Sylvio L. Dupuis, O.D.

Mr. William T. Frain

Mr. David Goodwin

Mr. Fred B. Kfoury, Jr.

Ms. Clairra P. Monier

Mr. Paul Shea

Earle Tryder

Donna Wilson

**MEMBERS OF PARTICIPATION
LOAN POOL**

BankBoston

Bank of New Hampshire

Fleet Bank

St. Mary's Bank

New Hampshire Housing
Finance Authority



CONTRIBUTOR

Bean Foundation
CFX Bank
New Hampshire Charitable Foundation
Bank of New Hampshire
BankBoston
Cogswell Benevolent Trust
Madeleine G. von Weber Trust
Fleet Bank
Housing Futures Fund
New Hampshire Housing Finance Authority
New Hampshire Corporate Fund
Michael LaFontaine
Associated Grocers of NH
Diane Privey
Tina Simpson

REAL ESTATE

HOW CENTER

STEP

REAL ESTATE DEPARTMENT

TREE STREETS

GENERAL OPERATING

VARIOUS

City of Manchester
United Way of Greater Manchester
Neighborhood Reinvestment Corporation

Agway
Shop n' Save
Alley Cat Pizzeria
Alluring Creations
Applebee's Restaurant
Boyea-Fassetts, Inc.
Center City Market
Coca-Cola, Inc.
Communication Ink.
Dagmar Arruda
Dave's Septic

Dunkin Donuts
Elm Street Automotive
Freed's Bakery
Good Sents Candles
International Imports
Jac-Pac Foods
Johanne Dallaire
Lahey Clinic
Luxury Look
Manchester Flower Studio
Marathon Sound
Micheal's School of Hair Design
Papa John's Pizza
Pizza Express
Poly-Vac, Inc.
Queen City Restaurant
Ron's Toy Shop

Sam's Club
Santoro's Pizza
Two Guys Food Market
VISTA Foods
Sweeney Post
Yero's Pizza
U-Haul

NEIGHBORWORKS WEEK 1998



Manchester
Neighborhood
Housing Services

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Executive Director

John Flanders
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Sal Steven-Hubbard
Real Estate Development & Asset Manager

Patricia Randall Berry
Director of Community Organizing

Dawn Stanhope
Administration and Finance Manager

Linda Dallaire
Loan Officer

Chip Meany
Construction Specialist

Susan Brosseau
Homeownership Counselor

Jennifer Lovy
Administrative Assistant

James Gamache
Community Organizer

Scott Cornett
Project Manager

Special Thanks to:

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Maureen Pascoal / NeighborWorks Week Photography

Cindy Weber Stave / Creative, Design & Digital Imaging

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NeighborWorksSM member

United Way
of Greater Manchester