Building strength, stability and self-reliance through affordable homeownership in Hampshire and Franklin Counties

Annual Report
Fiscal Year 2016

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Letter from the Executive Director

Dear Habitat Community,

Last year when our annual report went to print, Pioneer Valley Habitat for Humanity’s board of directors had just completed a strategic planning process to chart our course for the next 3 years. In fiscal year 2016 we got the chance to set sail upon this course. We sold two zero-net-energy-potential homes in Easthampton at our Women Build project; construction began on a duplex in Amherst; we closed on a low-interest loan from a local community development financial institution; we affirmed the next steps for partnering with the USDA Rural Development 502 mortgage program; we hired a new volunteer coordinator; and we set our sights on the not too distant shores of two projects set to break ground in spring 2017.

While the story of this voyage may not be new to those of you who have supported our local Habitat for many years, there are some key elements to our current strategy that will help many find refuge on the shores of a home to call their own.

Our house production has become more predictable, we have diversified funding sources, improved procedures and we are working to build on past successes. These investments in our operations mean that on the horizon we will be building in multiple locations, engaging hundreds of volunteers and making a deep difference in the lives of future homeowners.

Thank you to the wonderful volunteers and staff who have helped keep us on course as we build strength, stability and self-reliance in our community. We hope in the year ahead we can continue to count on all hands on deck.

In gratitude,

Megan McDonough
Executive Director

“Common Capital recognizes that strong and vibrant communities also include opportunities for people of all incomes to have access to safe neighborhoods and suitable housing.

We are proud to have assisted Pioneer Valley Habitat for Humanity with financing that enables them to develop additional properties for their clients.”

– Michael Abbate
Chief Operating Officer
Common Capital
Fiscal Report 2016

Statement of Financial Position 6/30/16
Source: audited financial statements

<table>
<thead>
<tr>
<th>Description</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$160,844</td>
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<tr>
<td>Short-term investment</td>
<td>200,000</td>
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<tr>
<td>Grants receivable</td>
<td>1,052</td>
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<tr>
<td>Property escrow receivable, net</td>
<td>3,644</td>
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<tr>
<td>Property and equipment, net</td>
<td>2,917</td>
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<tr>
<td>Construction in progress</td>
<td>104,519</td>
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<tr>
<td>Prepaid expenses</td>
<td>3,881</td>
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<tr>
<td>Inventory</td>
<td>14,960</td>
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<tr>
<td>Mortgages receivable, net</td>
<td>775,098</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>1,266,915</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>FY16</th>
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<tbody>
<tr>
<td>Accounts payable</td>
<td>$12,706</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>24,868</td>
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<tr>
<td>Notes payable</td>
<td>243,500</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>281,074</strong></td>
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<table>
<thead>
<tr>
<th>Description</th>
<th>FY16</th>
</tr>
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<tbody>
<tr>
<td>Unrestricted net assets</td>
<td>957,241</td>
</tr>
<tr>
<td>Temporarily restricted net assets</td>
<td>28,600</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>985,841</strong></td>
</tr>
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</table>

**Total Liabilities and net assets** $1,266,915

Sources of Funding, Excluding Proceeds from Home Sales and Debt
Source: audited financial statements

<table>
<thead>
<tr>
<th>Description</th>
<th>FY16</th>
<th>FY15</th>
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<tbody>
<tr>
<td>Contributions</td>
<td>$103,490</td>
<td>$121,809</td>
</tr>
<tr>
<td>Special events</td>
<td>35,232</td>
<td>32,151</td>
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<tr>
<td>In-kind and other</td>
<td>42,794</td>
<td>16,464</td>
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<tr>
<td>Mortgage payments received</td>
<td>114,666</td>
<td>102,445</td>
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<tr>
<td>Grants</td>
<td>103,381</td>
<td>95,043</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$399,563</strong></td>
<td><strong>$367,912</strong></td>
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Sources of funding excludes proceeds from sale of house(s) and borrowing

Expenses FY16
Assembled from audited financial statements

Programs, 87%
Contributions, 26%
Preliminary and other, 11%
Mortgage payments received, 29%
Grants, 26%
Special events, 8%
Fundraising, 8%
Administration, 5%

Program expenses are offset by the proceeds from the transfer of house(s)
Family Selection Committee

The ultimate goal of the 2016 Family Selection Committee was to assist the Board in selecting two families for the Hawthorne Farm site in Amherst. The committee is pleased to report that those families have been identified, and “sweat equity” is progressing as the homes are being constructed.

Strengthening the committee infrastructure in order to be more responsive to applicants was an important behind-the-scenes activity in almost every facet of the committee’s work. Activities this year included:

- Revising the Family Selection Policy to be in compliance with the mortgage industry, Habitat International, and PVHH’s mission;
- Recruiting new committee members to expand the knowledge base, especially in marketing, outreach and application review;
- Instituting American Bankers Association training for all committee members with application review responsibilities;
- Expanding marketing and outreach, resulting in 20+ applications;
- Dividing the applicant reviewers into two teams for more efficient screening, analysis, and communication with applicants;
- Re-focusing the job of the Home Visitors from determining applicants’ qualifications to verifying application specifics and addressing applicants’ questions; and
- Conducting two application cycles in order to obtain applicants in compliance with our Family Selection Policy.

In the coming year, the committee will likely be recruiting families for two construction projects. Members hope to expand outreach to Spanish-speaking applicants, clarify marketing materials consistent with selection criteria prioritizing family size, and continue to strengthen the committee through broad delegation of responsibilities.

Committee Reports

Family Support Committee

This past year the Family Support Committee updated the Mentor Handbook and the Handbook for Partner Families, reflecting changes in policy. The committee also strove to make the information in the handbooks as simple and clear as possible.

In February, Family Support organized dedications for the two families who bought the East Street homes in Easthampton. The families moved in in March. Family Support also worked with them to complete their sweat equity hours, and their mentors are continuing to support them through their first year as homeowners.

Two members of the committee retired: Jean Miller and Marybeth Bridegam. Jean was on the committee for twenty years! We have one new member: Lucia Spiro.

The committee has assigned mentors for the two families who have been chosen to buy the Hawthorne Farm homes in Amherst.

The committee’s agenda for the future includes holding a joint meeting of Family Support and Family Selection, and assigning mentors for the new homes that are in the pipeline. Committee members continue to advocate for site selection decisions that benefit the families in the long run, and contribute to them being successful homeowners.
Building Committee

In addition to overseeing the design and construction of four homes, the Building Committee developed and implemented a review and approval process for new construction design.

Planning and construction was under way at three sites (six homes total) during the 2016 fiscal year:

246 & 248 East Street, Easthampton

Construction was completed in February 2016 on two homes that began in July 2014. The city of Easthampton donated the land for this project. This was a Habitat Women Build site where over 50% of the volunteers were women.

The design and construction goal was a net zero energy potential building, meaning the estimated total amount of energy used by the building on an annual basis is roughly equal to the amount of renewable energy created on the site.

To achieve this, each home was designed and constructed to minimize the amount of energy required for heating and cooling and the photovoltaic panels installed on the roof were sized to produce enough electricity to provide all of the heating, cooling and other electrical needs.

235 & 237 East Pleasant Street, Amherst

In April 2014 the Town of Amherst selected Habitat as the developer of an affordable housing duplex on the site of the former Hawthorne Farm at 235 East Pleasant Street. The design and construction goal was a duplex that evoked the look of the original farm house and met or exceeded Energy Star requirements.

Site preparation began in September 2015 with the foundation, slab and two sheds completed before construction was halted for the winter. Construction resumed in April 2016. The units are targeted for completion in June 2017.

“My life is going to change in so many positive ways. Owning this house is going to set the pace. Maybe one day I’ll be able to get a nice car. Maybe I’ll be able to finish my Master’s degree. It’s amazing what you can accomplish when you’re not in survival mode.”

– Angelique, Habitat Homeowner
North Pleasant Street, Amherst

In February 2015 the Pioneer Valley Habitat Board of Directors agreed to work with the Amherst Community Land Trust (ACLT) as the developer of an affordable duplex on land the ACLT was negotiating to purchase from the North Amherst Community Farm. A detailed evaluation of the site began in July 2015 and concluded that an antiquated wetlands drain would need to be relocated from the property onto the adjacent farm property in order to build. The goal is to break ground on a duplex based on the Hawthorne Farm design in April 2017 and to complete construction before the end of 2018.

FY 2016 Site Selection Squad

The Site Selection Squad looked at 9 different parcels of land which represented over 20 potential homes sites in 5 Pioneer Valley communities. In conjunction with the Amherst Community Land Trust, Habitat secured a building site on North Pleasant St. in Amherst. Design is in progress and we are close to submitting a plan for Site Plan Review.

In Northampton, the thoughtful folks in the Planning Department turned us on to several possibilities, all of which were evaluated for their suitability from a number of perspectives. Habitat was selected to develop a 4-unit parcel on Glendale Road with a projected land transfer date of December 2016 or January 2017. Other possible building sites in Northampton are currently under consideration.

In Greenfield, a potential home donation presented our first opportunity to renovate and sell. While this specific donation ended up not working out, it prompted us to create a rubric to evaluate an existing property and determine a scope of work and budget.

Also in Greenfield, we evaluated a building lot for sale on the open market. It was officially purchased in August 2016 and is the first project where our future homeowner will apply for USDA Direct Mortgage loan and fulfill part of Habitat’s long-term sustainability plan.

“Both globally and locally, Coca-Cola is committed to improving the quality of life in the communities where we do business. Through our support of Pioneer Valley Habitat for Humanity, we are not only helping to build homes for families in need — but also helping to make the Pioneer Valley an even stronger, better place to live, work and play.”

– The Coca-Cola Company
Committees and Community Engagement

FY16 Board of Directors
John Ebbets, President
Rev. Janet Bush, Vice President
Emily Schwarz, Treasurer
Paul McDonough, Asst. Treasurer
Steve Harrington, Clerk
Keith Woodruff, Assistant Clerk
Jane Andresen
Allie Brady
Marybeth Bridegam
Anna Novey Cook
Jeff Hutchins
Tom Jones
Walt Kohler
Libby McLarty
Tara Palkoski

Finance Committee
Emily Schwarz, Chair
Lorenzo Bonino
Ken Bordewieck
Steve Harrington
Maureen Mahar
Paul McDonough

Family Selection Committee
Annalee Wulfkuhle, Chair
Allie Brady
Myra Carlow
Ed Larson

Family Support Committee
Jane Andresen, Chair
Marybeth Bridegam
Myra Carlow
Bob Carroll
Sheila Klem
Carole Manning
Susan Roznoy

Site Selection Committee
Anna Novey Cook, Chair
Chuck Dauchy
Carl Guepel

Building Committee
Walt Kohler, Chair
Michael Broad
Bruce Coldham
George Hollywood
Tom Jones
Charlie Klem, scribe
Libby McLarty
Bill Noel
Gary Snyder
Aaron Walker
Chuck Witham

WomenBuild/ MJ Adams Legacy Project Build Team Leaders
Edy Ambroz
Lynne Badgett
Libby McLarty
Rachel Stevens
Chuck Witham

WomenBuild Media Committee
Peggy MacLeod
Alicia Ralph

Hospitality Committee
Marybeth Bridegam, chair
Sandi Ameden
Dot Cary
Ginny Fuhringer
Patricia Haber
Margaret Humbert-Droz
Heather Huot
Julie Kinsman
Cheryl Mattocks
Mary McDonough
Paul McDonough
Libby McLarty
Spice McLarty
Benedict Neusselein
Christina Neusselein
Elizabeth O’Neil
Lucia Spiro
Millie Zweir

Hawthorne Farm Build Team Leaders
Walt Kohler, Chair
Chuck Dauchy
Charlie Klem

Gingerbread Build Chairs
Janet Bordwin, Registration
Betty Duprey, Corporate Team Recruitment

Feast for Habitat Chairs
Fred Andresen, Registration
Jennifer Hudon, Food & Beverage
Kyle Kraus, Logistics & Decorations
Colleen Osten, Silent Auction

Regular Office Volunteers
Fidela Blank
Janet Elmassian
Lyn Heady
Jodi Kirschner
Lucia Spiro

Staff
LaVae Allard, Bookkeeper
Mariah Kurtz, Volunteer Coordinator
Amy Landry, Director of Resource Development
Megan McDonough, Executive Director

Interns
Blithe Archibald
Emily Behn
Jeannine Haendiges
Kate McAteer
Kayla Fontaine

“Working with Habitat gave us the skills and confidence to build our own home…Not only did volunteering give us the opportunity to learn concrete skills in construction, but connecting with other volunteers and the site leaders gave us confidence in fostering community involvement in building our house. We intend to continue volunteering and hope that one day we are able to serve as Crew Leaders to mentor others!”

– Jana, Habitat construction volunteer
Community Support

Keystone Sponsors ($10,000+)
Community Foundation of Western Mass
Florence Bank
Lowe’s Home Improvement – National
MA Department of Energy Resources
Massachusetts Clean Energy Center

Cornerstone Sponsors ($5,000-$10,000)
Donor Advised Fund of the Boston Foundation
Mass Save

Foundation Sponsors ($2,000-$5,000)
Anonymous
Berkshire Bank Foundation
Bike & Build
Marybeth Bridegam
Janet and Booker Bush
Coca-Cola of Northampton
Irwin Friman
Greenfield Cooperative Bank
Lyn and Jean Miller
Sinauer Associates

Future Builders ($1,000-$2,000)
Anonymous
A-Z Storage and Properties, LLC
Lois Ansett
Sanford and Elizabeth Belden
Dietz & Company Architects, Inc
John Ebbets
Walter and Wendy Kohler
Libby and Spike McLarty
Northampton Vision Specialists
The Northeast Sustainable Energy Association
UMass-Amherst Chapter, Habitat for Humanity
VIVINT Solar Developer, LLC
Westhampton Congregational Church

Dream Builders ($500-$1,000)
Alina’s Ristorante
Anonymous (4)
Association of Amherst Students
Bova, Harrington & Associates, P.C.
Charlemont Federated Church
Coldwell Banker Upton-Massamont Realtors
Sarah and Roy Darling
Edwards Church
First Congregational Church, Amherst
First Congregational Church, Southampton
Phyllis and Alexander Flandreau
Freedom Credit Union
Thomas and Janine Giles
Michael and Jette Goldman
George Goodwin
Greenfield Savings Bank
Helping Hand Society
Ken Heitner and George Lipkowitz
Integrity Development & Construction, Inc.
KW Home
Charles and Shelia Kiem
Doris and Donald Mcleod
Kay Moran
Ellen Morrison
Sharon Moulton

Golden Hammer Contributors
(Monthly Donors)
Anonymous
Dorothy Cresswell
Sarah and Roy Darling
Jeffrey Galbraith
Philip and Jane Hall

Donors of In-Kind Goods & Services (over $500)
Bacon Wilson, P. C.
Berkshire Design Group
Beyond Green Construction
Marybeth Bridegam
Cowls Building Supply
Jeffrey Defeo
Doctor Drywall
The Dow Chemical Company
Eastworks
Energia, LLC
Esselon Café
Fierst, Kane & Bloomberg LLP
Hondrogen Design & Construction
Hunter Douglas Blinds
MurDuff’s Jewelry
Nicky D’s
Paradise Copies
Professional Drywall Construction, Inc.
Puffer Printing
River Valley Co-op
UMass-Amherst Catering
Whirpool
White Appraisal Service
Wagner Wood
Westover Building Supply, Inc.

Thanks to our many generous supporters!

“Freedom Credit Union supports Pioneer Valley Habitat for Humanity’s mission of championing families, building neighborhoods and growing our communities with annual event sponsorships.

We recognize that it takes strategic partnerships among local financial institutions and nonprofit organizations to create lasting change and we want to be part of the work of Habitat to change the future for and with low income families in the communities we mutually serve.”

– Glenn Welch
President & CEO,
Freedom Credit Union