EXECUTIVE SUMMARY

As Providence Housing’s 15th year comes to a close, we have much to be thankful for in what continues to be a challenging environment for the affordable housing industry. Our sincerest gratitude goes out to the many friends, partners, supporters, and volunteers who made our 15th year anniversary party such a resounding success. Not only did we enjoy your companionship on a glorious fall evening, together we raised nearly $80,000 for our Revolving Pre-Development Fund.

Our programs have thrived over the course of the year, with our First-time Home Owner-ship Program proving especially well-equipped to handle the drastic influx of new clients due to the federal first-time homebuyer tax credit. Despite our success over the last two difficult years, the economic fall-out during this time has left our industry at a crossroads. The economic and political environment at the state and federal levels is re-shaping the affordable housing industry as we have known it. Our current administrative leaders and policy makers seem to be more detached than ever from the reality of poverty in our upstate communities. The result is shifting resources and an underlying misperception that affordable housing is not a critical issue in the neighborhoods we serve, both urban and rural.

In the City of Rochester, 80% of the housing stock is more than 60 years old. Demolition alone does not solve this problem, nor does ignoring the thousands of working class individuals, families and seniors who live in this dilapidated housing – with no hope or means of moving. Additional supply is a necessity. Furthermore, current state policy fails to recognize the dire nature of rural poverty that exists in so many of our communities. Rural poverty is rooted in a lack of opportunity and resources so severe that it is unrivaled by any urban area in our state.

Collectively, we have much to do in 2010. We must communicate on behalf of the marginalized members of our community. We must educate our neighbors and partners on the state of the affordable housing industry. We must work to hold our government officials accountable for the creation of effective policies to serve the needs of our residents and clients. Now, more than ever before, it is crucial that we become informed and engaged to shape the next decade, or more, of affordable housing.

From Homelessness to Home Ownership: Programs Join Forces

In 2009, Valerie, a joint client of Providence Housing’s Shelter Plus Care (S+C) and Home Ownership programs celebrated the purchase of her first home. Valerie’s mom will be throwing her a housewarming party and family and friends can’t wait for a big cookout in the back yard.

Four years ago Valerie came to Providence Housing’s Shelter Plus Care program that offers assistance to those transitioning from homelessness. Valerie identified her goals and set a clear path to achieve them.

Her success through the S+C program gave her confidence. She discovered many things are possible when working through Providence Housing, and decided that her long-range plan was to own her own home.

Upon entering Providence Housing’s Home Ownership and Credit Restoration program, Valerie went straight to work clearing up a few blemishes on her credit and paying off debts. By attending the first-time homebuyer’s educational workshop,

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FINANCIAL SUMMARY
PROVIDENCE HOUSING DEVELOPMENT CORPORATION AND AFFILIATES

Combined Balance Sheet (unaudited)
December 31, 2009

ASSETS

Current Assets
Cash and Cash Equivalents $ 421,688
Accounts Receivable 291,245
Development Fees Receivable 823,821
Prepaid Expenses 1,739
Total Current Assets $ 1,538,493

Net Property and Equipment $ 2,531,876

Other Assets:
Cash--Restricted $35,647
Development Receivables--Long Term 2,412,156
Equity Investments--Limited Partnerships 2,692,473
Other Assets: 50,524
Total Other Assets $ 5,190,800

TOTAL ASSETS $ 9,261,169

LIABILITIES AND NET ASSETS

Current Liabilities
Accounts Payable $ 395,947
Accrued Expenses 144,856
Loans Payable 145,326
Deposits and Deferred Revenue 49,687
Total Current Liabilities $ 734,816

Long-Term Liabilities $ 3,510,865

Total Liabilities $ 4,245,681

Net Assets
Operating--Unrestricted 2,341,205
Equity Investments--Unrestricted 2,692,473
Paid In Capital (18,190)
Total Net Assets and Paid in Capital 5,015,488

TOTAL LIABILITIES, NET ASSETS AND PAID IN CAPITAL $ 9,261,169

Combined Statements of Activities (unaudited)
For the Year Ended December 31, 2009

SUPPORT AND REVENUE
Total Support $ 218,434
Revenue
Development Fees 841,100
Rental Income, Net of Vacancy Loss 77,010
Management Fees 312,292
Government Grants and Contracts 1,377,193
Other 120,843
TOTAL SUPPORT AND REVENUE $ 2,946,872

EXPENSES
Program Services $ 1,725,961
Management and General 536,665
Total Expenses $ 2,262,626

Excess of Support and Revenue Over Expenses 684,246
Disposition of Affiliate (110,516)
Net Assets--Beginning of Year 4,441,758
Net Assets--End of Year $ 5,015,488

TOTAL ASSETS 56%
Net Property and Equipment 27%
Total Current Assets 17%
Long-Term Liabilities 7%
Total Liabilities 42%
Total Net Assets And Paid in Capital 51%

Audited Financial Statements are available on request.

BOARD OF DIRECTORS 2009-2010

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Home Ownership

Continued from Page 1

she learned what to look for when buying a home and what pitfalls to avoid. She became ready to purchase her very own first home.

Fortunately, at the same time, the Greater Rochester Housing Partnership (GRHP) rolled out their first suburban rehabilitated home through the Suburban Housing Opportunity Program (SHOP). These houses are purchased in the suburbs (Irondequoit, Greece, Gates, Brighton and Henrietta) through a variety of ways: private sale, tax foreclosure, bank foreclosure and through the National Community Stabilization Trust program. Houses must be vacant, and require less than $35,000 in repair work. The houses are then rehabilitated and placed on the market. The program is funded through New York State Affordable Housing Corporation.

Valerie’s search for the perfect house ended when she came across a completely rehabilitated home. It had all she was looking for: fresh paint, new carpeting/ flooring, new roof, new furnace, a tankless water heater (energy efficient), new kitchen and a new bath. She loved the fact that she didn’t have to repair anything, as she would have with the other homes she viewed.

As a result of good guidance by the Home Ownership program, her mortgage was approved without any issues. When asked which room in her new house is her favorite, Valerie exclaims happily, “the kitchen!”
DEVELOPMENT

UNDER CONSTRUCTION
Union Meadows II
North Chili
Work began on Phase II in July. Union Meadows II is developed by Rochester’s Cornerstone Group and sponsored and managed by Providence Housing. It offers forty-two 1-, 2-, and 3-bedroom townhomes for families and seniors.

Atwood Park
Gates
Providence Housing broke ground on December 15 for Atwood Park. 33 one-bedroom apartments for seniors 62 years and older. The property is funded by US Department of HUD (202) and Monroe County. Development partners for Atwood Park Apartments include LECESSE Construction, Stantec and SWBR Architects. (See photo above).

Jones Square Revitalization
Rochester
A partnership between Providence Housing, NCS Community Development Corp. and Interfaith Action resulted in the successful rehabilitation of two homes adjacent to historic Jones Square Park. These beautiful single-family homes are being sold to low-income families. Funding for this project was provided by NY State Senator Joseph E. Robach.

OPENED PROPERTIES
St. Salome Apartments
Irondequoit
The complex of six patio homes and 39 apartments for seniors was celebrated in June. The reuse of the parish school site has been lauded by many.

PROGRAMS

HOME OWNERSHIP
This Program includes: Monroe County
Home Ownership Program
Down payment and closing costs available to those buying in the County of Monroe.
Credit Restoration Program
Preparation for buying a home
• 100% home retention rate since 2004.
• Total family investment at an all time high of $367,464.
• Leveraged $4.8 million in affordable mortgages along with $1,118,059 in monies from various sources for 81 families in Monroe County.
• Seventy potential first-time homebuyers were assisted with credit restoration.
• Provided one-on-one counseling for 300 income-eligible families on home ownership/credit restoration.
• Packaged 72 family’s applications for the First Home Club.
• Served households from 13% to 80% of Monroe County’s Area Median Income.

SHELTER PLUS CARE
Under the Shelter Plus Care Program, Providence Housing provides rent subsidies and case management services to homeless persons recovering from drug/alcohol dependency.
• Sixteen residents attended college and 31 were employed in 2009.
• 88% of residents remained housed after 24 months.
• 91% of clients have increased educational and/or employment skills within twelve months of entering permanent housing.
• 100% of the parents that wanted to be reunited with their families have done so within 24 months of program participation.

You can help Providence Housing Strengthen Families!

Our United Way Donor Designation Number is 2388 and in 2010 those donations will be directed to our highly successful Shelter Plus Care program. You are invited to contact your favorite properties or programs to learn about specific in-kind donations and what volunteer opportunities exist.

As a 501(c)(3) not-for-profit organization, your donations are tax deductible. You may even underwrite a specific project. Providence Housing, its 17 properties, Home Ownership and Shelter Plus Care programs gratefully accept your contribution in the enclosed envelope.

Thank you!
If you wish to receive this and other announcements electronically, please share your email address with us at Lfoster@dor.org with ‘mailing list’ noted in the message line.