

HILLTOWN

COMMUNITY DEVELOPMENT CORPORATION



ANNUAL REPORT

July 1, 2009 – June 30, 2010

Mission Statement

Hilltown CDC seeks to improve the quality of life for Hilltown residents by addressing economic, housing, educational, social and community needs while preserving the rural character of the area.

To advance our mission:

- We identify community needs through public participation, and we support appropriate solutions.
- We seek and sponsor programs that promote economic and social equality.
- We actively develop programs to help create opportunities for Hilltown residents.
- We advocate for services for Hilltown residents in particular and rural communities in general.
- We serve all who live and/or work in the Hilltowns, emphasizing support for low to moderate-income residents and businesses.



Hilltown CDC Spring Festival

Year in Review

Fiscal Year 2009 (July 1, 2008 – June 30, 2009) saw the country tip into its most severe financial crisis since the Great Depression, followed by a prolonged economic recession and continuing high unemployment. Hilltown CDC managed to continue delivering needed social services and small business assistance to Hilltown communities, though development of affordable housing and community facilities slowed considerably.

Hilltown CDC generated \$1.6 million in revenue to support its four major program areas in fiscal year 2009. These revenues fell significantly below the 2008 high water mark of \$5.5 million. However, fiscal year 2008 revenues included completion and sale of the CDC's largest ever affordable housing project – an 11-unit “green” condominium cluster on Laurel Road in Haydenville (now called Solar Circle). FY 2008 also included renovation of a building in Huntington containing four units of affordable rental housing, and completion of a public safety building for the town of Plainfield. FY 2009 revenues represent a return to the CDC's recent baseline – years in which program activity continues successfully without the additional revenue generated by completed development projects. Staffing and programs remained intact, and several new projects entered the pre-development phase.

Hilltown CDC's new projects included planning for expansion of the 7-unit Westhampton Woods Senior Housing complex built by Hilltown CDC in 2005 (eight additional units proposed), and planning for construction of senior housing in Chesterfield. The rural Hilltown population is aging far more rapidly than county or state averages, yet finding subsidies to create affordable senior rental housing has become more difficult as the recession has dried up funding pools and state priorities have shifted to dealing with homelessness and the housing needs of working families. Hilltown CDC also secured funding to design a handicapped access elevator for the 28-unit Nash Hill Place senior housing complex in Williamsburg, and entered into a contract with the town of Peru to manage construction of a new public safety building.

Our Economic Development program expanded its services to small businesses with fewer than 20 employees, growing from eleven to twenty towns in FY 2009, thanks to one grant from the Massachusetts Small Business Technical Assistance (SBTA) program and another grant from the Mass. Economic Development Fund (EDF). These grants enabled the CDC to provide workshops and individual consulting to 176 businesses at our training site in Chesterfield and a new site in Huntington. The Hilltown Spring Festival continued to grow as a showcase for Hilltown arts, food, music, local enterprise, and environmental sustainability education. The 3rd annual Festival gathered 1,500 people at the Cummington Fairgrounds for a sunny spring day of neighborly visiting and fun. The Festival gives faces and voices to the 300 local businesses in the CDC's Hilltown Business Directory, strengthening the ‘buy local’ ethic sustaining our rural economy.

Hilltown CDC continued to assist the Northern Hilltowns with community planning, grant writing and management services. We applied for a \$1.1 million 5-town CDBG grant in FY 2009 (which was subsequently funded at \$1.073 million). The ongoing CDBG program supported continuation of the First Time Homebuyer, Housing Rehabilitation and Social Service programs. Highlights of these programs are detailed in this report. Hilltown CDC also received a \$15,000 grant from the Massachusetts Service Alliance, enabling us to offer small stipends to three part-time Commonwealth Corps volunteers from Cummington, Plainfield and Worthington who brought able hands and fresh energy to our projects.

Hilltown CDC recruited five new community representatives to the Board of Directors: Jim Ayres (Williamsburg), Cynthia Magrath (Worthington), John Maruskin (Cummington), Margaret Parsons (Westhampton) and Sue Riley (Cummington). They replace five retiring board members: Laurie Breitner (Westhampton), Kristin Cole (Williamsburg), Hattie Plehn (Worthington), Pam Sanborn (Chester), and Noreen Suriner (Middlefield). Thanks to all for your dedicated service!

Overview

Hilltown Community Development Corporation (Hilltown CDC) is a private not-for-profit corporation established in 1981 with an original charter service area of ten towns, including Chester, Chesterfield, Cummington, Goshen, Huntington, Middlefield, Plainfield, Westhampton, Williamsburg and Worthington. Most funding for the organization and its projects comes from state and federal grants and loans. Hilltown CDC also provides small business development services to neighboring communities, including Ashfield, Becket, Blandford, Hinsdale, Montgomery, Otis, Peru, Russell, Washington and Windsor.

Hilltown CDC currently has a staff of 10 and an annual budget ranging from \$1.5 - \$5 million per year to carry out the programs and projects listed below:

- **Affordable Housing Development:** Housing rehabilitation; first-time home buyer counseling, training and financing assistance; renovation and management of affordable rental housing; development of affordable homeownership housing, and development of senior housing.
- **Economic Development:** Small business training programs; small business consulting; Hilltown Business Directory; and Hilltown Spring Festival.
- **Social Services:** Hilltown Elder Network (HEN); securing CDBG funding for Health Outreach Program for Elders (HOPE), Families Together counseling program, and Hilltown Food Pantry.
- **Community Planning:** Public facilities/infrastructure projects; ADA construction projects; municipal planning; fee for service projects, including grant writing, planning, and project management.



Westhampton Woods Senior Housing

Affordable Housing

Hilltown CDC actively pursues opportunities to preserve and to create affordable housing to meet the range of housing needs of Hilltown residents. Hilltown CDC owns and manages affordable rental housing, has renovated and constructed first time homebuyer housing and has planned and developed senior housing. During FY 2010:

- Hilltown CDC continued its planning work to develop housing for senior citizens. HCDC began the process of seeking zoning approval to construct eight additional apartments at Westhampton Woods.

- Preliminary plans for a proposed senior housing development in the town of Chesterfield were developed and a public meeting was held to give town residents an opportunity to have input into the design.
- Hilltown CDC also began working with the newly formed Goshen Senior Housing Committee as it explores housing options for elders in Goshen.

Housing staff also continued to explore opportunities to develop rental housing for low and moderate income families and individuals in the Hilltowns.

Housing Rehab Program

HCDC's ongoing Housing Rehabilitation Program provides zero percent interest, deferred-payment loans to income-eligible homeowners for use in making a wide variety of repairs to their homes. The program also provides a source of steady year round employment for area contractors. The program's goal is to improve living conditions for low-moderate income households, and to improve the quality of the housing stock in the Hilltowns. During FY 2010 HCDC:



Recipients of HCDC's 500th House Rehab

- **Rehabilitated** 11 houses in the Towns of Chesterfield, Cummington, Goshen, Plainfield, Westhampton, Williamsburg and Worthington. The most common types of repairs needed were roofs, septic systems, electrical, plumbing, and heating. An additional 6 projects were started in FY 2010.
- Made deferred payment loans for **home repairs and lead paint removal** totaling \$223,574. Funding for this program is provided by the Massachusetts Department of Housing and Community Development through the Community Development Block Grant program.
- The newly created **Elder Small Home Repair Program (ESHRP)** completed 15 projects using funds from the Highland Valley Elder Services and the Eleanor Schwartz Foundation. This program provides grants of up to \$1,000 for homeowners over the age of 60 to have small repair projects completed in their homes.



Homebuyer Stephanie Bean

First-time Homebuyer Program

Finding affordable homes continues to be a hurdle for buyers in the area. The First-Time Homebuyer Program offers three types of assistance:

- **Individual Counseling** enables homebuyers to meet with a counselor in a confidential setting to discuss the homebuyer's financial situation and help prepare them for the homebuying process. In FY 2010, 46 households received individual homebuyer counseling.
- **First-Time Homebuyer Workshops** are offered several times a year. Participants learn the ins and outs of buying a home and receive a certificate of completion needed to obtain certain subsidized mortgage products. 69 households attended First Time-Home-buyer or Financial Literacy workshops in FY 2010.
- **Direct Financial Assistance** provides grants and deferred payment loans to income-eligible households buying a home in the target area. In FY 2010, 9 households received direct financial assistance to help purchase their first homes.

Community Facilities

Hilltown CDC works with municipalities and a wide range of community groups in the public and private sector. The Community Facilities Program provides project management services for development and the construction of buildings or infrastructure projects, large or small. We provide guidance to building committees and town officials. We also assist by researching and completing applications for project funding. In FY 2010, the Community Facilities Program:

- Procured architectural services to develop construction documents for an elevator project at Nash Hill Place. Worked with an Advisory Committee appointed by the town of Williamsburg to oversee the project's development. An application was submitted to the CDBG Program for FY10 funding to construct the project.
- Entered into a fee for service contract with the town of Chesterfield to provide project management services for the construction of a new Highway Garage. Procured architectural services and coordinated funding applications with USDA Rural Development and with The Recovery Zone Economic Development Bond Fund Programs.
- Assisted the town of Plainfield with the procurement and delivery of a new police cruiser valued at \$35,041.



New Plainfield Police Cruiser

Economic Development

Hilltown CDC provides assistance to small and micro-businesses, which includes almost all the businesses in the Hilltowns. We provide both training and consulting assistance on many subjects, from business planning to website design, from computer software to marketing. Our goal is to encourage the start-up and growth of local businesses, thereby strengthening the local economy and creating more local jobs. In FY2010 we:

- Published the 2010 Hilltown Business Directory, distributed to 13,000 Hilltown households in 20 towns, listing 290 Hilltown businesses by town and by category, plus information about 80 regional resource agencies and contact information for officials in 20 towns. The Business Directory is also online at www.hilltowncdc.org in a searchable format.
- Produced the fourth annual Hilltown Spring Festival at the Cummington Fairgrounds. 2,000 people attended to enjoy 17 local music and dance groups on two stages, food from 7 local vendors, and displays by 55 local businesses and 15 non-profit organizations.
- Held 43 training workshops in Chesterfield and Huntington on subjects ranging from marketing to website design. 72 local businesses received a total of 400 hours of classroom training on business subjects.
- Provided individual consulting assistance to 82 Hilltown businesses.
- Twenty-two new local jobs were created by Hilltown businesses receiving assistance from Hilltown CDC.



Local Business at Hilltown Spring Festival



Mark Pollard of Bread Euphoria

Business Profile: Bread Euphoria

Mark and Geri Pollard bought Bread Euphoria eight years ago when it was located in the basement of a home in Cummington. The wholesale business employed Mark and one part-time employee to deliver to local restaurants and other customers. “The business depended on my physical strength and on sixteen hour work days,” says Mark. “I knew I had to expand the business and hire other people.”

Mark says he didn’t know enough about the nuts and bolts of running a business, and had never written a business plan, so he took a business planning course at Hilltown CDC. In addition, Hilltown CDC provided him with a marketing consultant to create a detailed marketing plan.

Six years ago, Bread Euphoria moved to its current location in Haydenville. Sales increased, and more employees were hired. Then the business needed to expand further to accommodate the growth in sales. Three years ago, Mark started working with Seth Isman, Hilltown CDC’s Economic Development Director, to prepare a loan application for the equipment and fixtures necessary to expand into additional space in the same building.

After a long process, Mark got his loan from Legacy Bank in Haydenville, and Bread Euphoria expanded its space and increased its retail business. “People keep coming through the door asking to buy stuff,” says Mark. Sales are now twelve times what they were in the basement in Cummington, and Bread Euphoria employs 22 people. Mark is hoping to find a way to expand his space again. And, when he needs business advice, he knows whom to call.

Social Services



HEN Participant & Caregiver

Hilltown CDC seeks to support the highest possible quality of life for the most vulnerable residents of our Hilltown community. We work to bring social services to the residents of the Hilltowns through *organization, advocacy, resource development and direct program administration*. During FY 2010 Hilltown CDC:

- Delivered over 7,000 hours of in-home caregiving services, primarily chore and transportation assistance, to over 120 low-income Hilltown elders through the **Hilltown Elder Network (HEN) Program**. HEN staff provided almost 20,000 miles of transportation for medical and other necessary purposes. 600 hours of supervision by town HEN coordinators was provided, creating a total of over 7,600 hours of elder services delivered by HEN to eligible elders. HEN also provided \$10,000 in snow removal services.

- Secured Community Development Block Grant (CDBG) funding and provided monitoring oversight for three additional locally-based social service programs:

The Health Outreach Program for Elders (HOPE) is administered by Hilltown Health Centers. HOPE Nurses and a Podiatric Specialist provided in-home nursing care and podiatric services to nearly 250 homebound elders throughout the Hilltowns. These services are at no cost to the patients.

Families Together, also administered by Hilltown Health Centers, offers activities which focus on family issues such as parenting, family dynamics, family health education and family well-being in general, at no cost to participating families. 52 individuals were served during the year.

The Hilltown Food Pantry served eligible residents of the northern Hampshire County Hilltowns by providing monthly distributions of supplemental foods. In FY 2010, regularly scheduled supplemental food distributions were made to 287 eligible individuals. Nearly 32 tons of emergency supplementary foods were distributed during the course of the year. The Hilltown Food Pantry is administered by the Northampton Survival Center at a site located in Goshen. Call 586-6564 or 268-7578 for information.

Hilltown CDC also accessed other funding for the HEN Program from Hampshire County United Way, The Katherine Pierce Trust, The Boynton Fund, the Schwartz Trust, the Town of Williamsburg, various Church committees and private donations.

Community Planning

Hilltown CDC works closely with municipalities and community groups in our service area to plan for, raise funds for and/or manage a range of projects. During FY 2010 HCDC:

- Provided planning assistance to the Northern Hilltowns of Chesterfield, Cummington, Goshen, Peru, Plainfield, Williamsburg, and Worthington for preparing and updating their Community Development Strategies. A number of new community needs were identified, along with projects to be included in future CDBG funding applications.
- Secured a \$15,000 grant from the Mass. Service Alliance to engage three part-time Commonwealth Corps volunteers from Florence, Plainfield, and Richmond who provided planning and logistical support to local arts and health services groups.



*Commonwealth Corps Volunteers,
Patricia Corley, Barbara Solow & Rachel Coll*

Board of Directors

Robert Persing, President
Plainfield

Cynthia Magrath, Vice President
Worthington

David Kielson, Treasurer
West Chesterfield

Susan Riley, Clerk
Cummington

Bill Adams
Plainfield

Jim Ayres
Haydenville

Robert Baker
Plainfield

Don Boisvert
Goshen

John Maruskin
Cummington

Michele Morris
Williamsburg

Andy Myers
Chester

Margaret Parsons
Westhampton

Cathy Roth
Middlefield

Sienna Wildfield
Chesterfield

Hilltown CDC Staff

Catherine Roegge
*Interim Director and
Director/Finance & Administration*

Jacquelyn Burgin
Community Facilities Director

Mary Ellen Dearstyne
Grants Accounting Manager

Seth Isman
Economic Development Director

Paul Lischetti
Housing Director

Sherry Loomis
Office Manager

Sarah Szczebak
Housing Rehab Manager

Consultants:

Charlie Hayes
Hilltown Elder Network Manager

Bea von Hagke
First-Time Homebuyer Counselor

FY 2010 Commonwealth Corps Volunteers:

Rachel Coll
Patricia Corley
Barbara Solow



Hilltown CDC Staff

Program and Operating Funds

Hilltown CDC receives support from a wide variety of public and private sources. Our programs and operations in Fiscal 2010 were funded by:

Local:

- Membership dues and contributions from community residents and businesses
- Rent payments from Davenport Child Care and HCDC rental housing tenants
- Loan from the Town of Williamsburg Brassworks Reuse Fund
- Deferred Payment Loans from the Town of Williamsburg through the CDBG Program
- Deferred Payment Loan from the Town of Chesterfield through the CDBG Program
- Deferred Payment Loan from the Town of Huntington through the CDBG Program
- Contribution from the Town of Williamsburg Council on Aging
- Sponsorship contributions to the Hilltown Spring Festival from area banks, businesses, and local cultural councils

Private:

- Contributions from Bank of America
- Contributions from Berkshire Bank Foundation
- Contributions from Citizens Bank
- Contributions from Easthampton Savings Bank
- Contributions and loans from Florence Savings Bank
- Contributions from TD Bank North
- Contributions from United Bank Foundation
- Contributions from the United Way of Hampshire County
- Grant from the Katherine Pierce Trust
- Grant from the Eleanor Schwartz Charitable Foundation
- Grant from Highland Valley Elder Services (HVES)
- Subsidy from the Federal Home Loan Bank Board
- Loans and grants from the Massachusetts Housing Partnership (MHP) Fund
- Pro-bono legal services by Felicity Hardee of Bulkley, Richardson and Gelinas through the Lawyers Clearinghouse on Affordable Housing and Homelessness
- Grant from the Housing Assistance Council (HAC)
- Grant from the Housing Assistance Partnership, Inc. (HAP)
- Weatherization Grant Support from Community Action

State & Federal:

- Grants from the Mass. Department of Housing & Community Development (DHCD):
Community Development Block Grant (CDBG) Program
Economic Development Fund (EDF)
- Deferred Payment Loan from the Massachusetts Housing Finance Agency (MHFA) utilizing a federal Affordable Housing Trust Fund Grant (AHTF)
- Loans and grants from the U.S. Department of Agriculture (USDA) Rural Development Program
- Volunteer Staff through Senior AIDE Program, City of Springfield
- Grant funds from the Massachusetts Office of Small Business and Entrepreneurship, Small Business Technical Assistance (SBTA) Program
- Grant from the Massachusetts Service Alliance passed through the Quaboag Valley Community Development Corporation for the Commonwealth Corps Program
- Grant from the State Attorney General's Office

Fee for Service:

These include fees for research, grant writing, grant administration, project management and other special projects, including:

- Fee for service projects in the towns of Chesterfield, Peru and Tolland
- Program fees from the Hilltown CDC Business Development Program
- Listings and ads from the Hilltown Business Directory

Hilltown Community Development Corporation & Subsidiaries

Statement of Activities

For the Year Ended June 30, 2010 with Comparative Totals for 2009

	2010		2009
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Support:			
Grants income	\$ 1,243,944		\$ 1,243,944
Contributions	64,063	\$ 100,000	164,063
Direct subsidy revenue	20,000		20,000
Property management income	245,202		245,202
Fee for service and other income	93,341		93,341
In-kind services	14,130		14,130
Interest income	2,015		2,015
Net assets released from restriction	46,352	(46,352)	-
<u>Total Revenue and Support</u>	1,729,047	53,648	1,782,695
Expense:			
<u>Program Expense:</u>			
Business Assistance Program	179,429		179,429
Housing Rehabilitation Program	407,422		407,422
Public Facilities Program	81,699		81,699
Social Service Program	238,030		238,030
Real Estate Development	646,667		646,667
<u>Total Program Expense</u>	1,553,247		1,553,247
<u>Support Services:</u>			
Management and general	238,895		238,895
<u>Total Expense</u>	1,792,142		1,792,142
<u>Change in Net Assets</u>	(63,095)	53,648	(9,447)
Beginning net assets	146,451	67,000	213,451
<u>Ending Net Assets</u>	\$ 83,356	\$ 120,648	\$ 204,004

2010 Audited Financial Statements are available upon request.

Hilltown Community Development Corporation & Subsidiaries

Statement of Financial Position

For the Year Ended June 30, 2010 with Comparative Totals for 2009

	<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
<u>Current Assets:</u>			
Cash		\$ 304,380	\$ 400,415
Accounts receivable, less allowance of \$-0- for 2010 and \$13,594 for 2009		207,708	48,061
Prepaid expense		18,560	21,490
<u>Total Current Assets</u>		<u>530,648</u>	<u>469,966</u>
<u>Property and Equipment:</u>			
Land		286,238	286,238
Buildings and building improvements		4,494,142	4,478,469
Equipment		16,001	9,501
Furniture and fixtures		2,610	2,610
		<u>4,798,991</u>	<u>4,776,818</u>
<u>Less - accumulated depreciation</u>		<u>733,326</u>	<u>620,624</u>
<u>Total Property and Equipment</u>		<u>4,065,665</u>	<u>4,156,194</u>
<u>Other Assets:</u>			
Real estate tax escrows		27,660	16,818
Tenant security deposits escrow		21,041	22,358
Reserve for replacement		46,136	56,303
Deposits		1,324	1,324
Investment in property		3,323	-
<u>Total Other Assets</u>		<u>99,484</u>	<u>96,803</u>
<u>TOTAL ASSETS</u>		<u>\$ 4,695,797</u>	<u>\$ 4,722,963</u>
	<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>			
Accounts payable		\$ 83,057	\$ 70,338
Current portion of notes payable		26,680	26,680
Accrued expenses		23,585	25,706
Deferred revenue		21,028	5,423
<u>Total Current Liabilities</u>		<u>154,350</u>	<u>128,147</u>
<u>Long-Term Liabilities:</u>			
Notes payable		1,496,378	1,522,728
Deferred payment loans		2,818,729	2,838,729
Tenant security deposits payable		18,962	19,908
<u>Total Long-Term Liabilities</u>		<u>4,334,069</u>	<u>4,381,365</u>
<u>Total Liabilities</u>		<u>4,488,419</u>	<u>4,509,512</u>
<u>Net Assets:</u>			
Unrestricted		86,730	146,451
Temporarily restricted		120,648	67,000
<u>Total Net Assets</u>		<u>207,378</u>	<u>213,451</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>		<u>\$ 4,695,797</u>	<u>\$ 4,722,963</u>

Hilltown CDC Core Service Area:

Chester

Chesterfield

Cumington

Goshen

Huntington

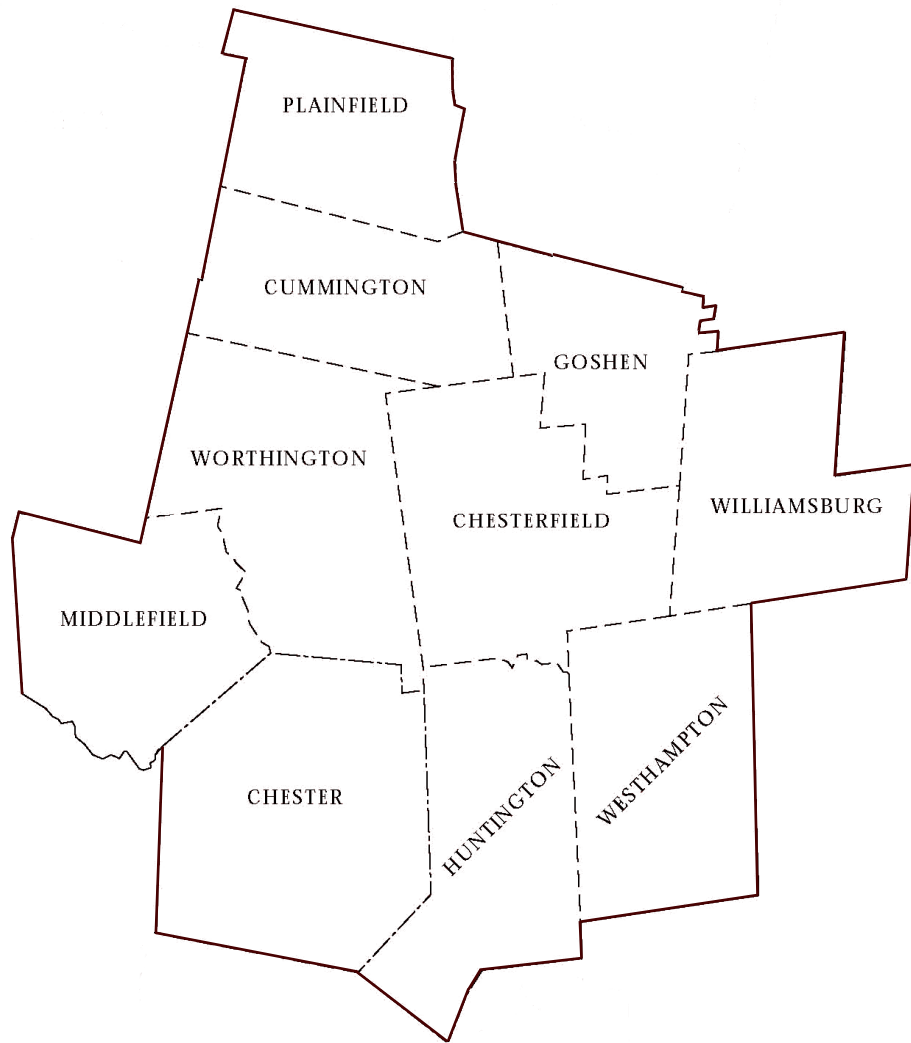
Middlefield

Plainfield

Westhampton

Williamsburg

Worthington



H I L L T O W N

Community Development Corporation

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~ Visit our Website - www.hilltowncdc.org ~