

# Philadelphia Neighborhood Housing Services, Inc.

**Fiscal Year 2011**  
**July 1, 2010 through June 30, 2011**

## **ANNUAL REPORT**



*Prepared by*  
*Bernard Hawkins*  
*Executive Director*

The leading provider of homeowner services in the city of Philadelphia

*Contents*

**Message from the President..... 1**

**Message from the Executive Director..... 2**

**Vision Statement..... 3**

**Mission Statement..... 3**

**Program Description..... 5-6**

**Programs and Services..... 5-8**

**Testimonials ..... 9**

**FY 2011 Accomplishments..... 10-11**

**A Look Ahead..... 12**

**PNHS Board of Directors..... 13**

**PNHS Staff..... 14**

**PNHS Contributors & Stakeholders..... 15**

**Financial Statement..... 16**

## Message from the President

Greetings to all,

“I come to you with a message from our times... America, as well as the world has experienced dreadful financial times. Over the last several years, it has included bad mortgages, foreclosures, low housing starts, layoffs and unemployment. Non-profits such as Philadelphia Neighborhood Housing Services, Inc. (PNHS) have experienced a decline in support from our financial, corporate, foundation and philanthropic community. Subsequently, there is a double edge sword facing community development organizations.

Although this is a gloomy picture of our economy, I have faith and I am optimistic that the turn around is near. We have been fortunate at PNHS to have a staff that is committed and posses the skills and ingenuity to tread the waters of poor economic times and continue to provide the same level of excellent quality service to the Community. Our programs have expanded in some of the services we provide, such as the vacant property rehab program (HRP) and maintained in other areas such as Community Improvements, and Model Block programs.

Finally, we have embarked upon a new marketing and public relations strategy that will give us greater access to our targeted communities. This marketing effort will allow us to be a stronger community builder and give residents access to quality and affordable housing services. We want to thank all those partners, residents, and Government officials for their continued support for the Philadelphia Neighborhood Housing Services, Inc.”

*Michael B. Roepel,*  
President of the Board of Directors

## Message from the Executive Director

”As I sat down to begin drafting this message the lyrics to an old rhythm and blues song came to mind. Lyrics: The whole world is a stage, and everybody plays a part... What part does Philadelphia Neighborhood Housing Services, Inc. (PNHS), play in the grand scheme of things. Obviously there are bigger more significant actors.

The Federal government is presently in the midst of contentious negotiations about the federal budget and debt limits. Planned budgetary cuts will impact all of us. The State of Pennsylvania recently completed a new fiscal budget that included cuts to programs that many depend on for their livelihoods.

The City of Philadelphia continues to struggle to balance the needs of all its residents in the midst of declining revenues and increasing costs. All over the country people are experiencing lay-offs, having their unemployment compensation expired without any new job prospects. Home loss to foreclosure continues to be a serious issue facing many. Volatility in economic markets worldwide is wreaking havoc on retirement savings.

Then there is climate change, disease famine and war... You get the picture. No matter how bad you think things are its probably worse for someone, somewhere else.

The struggles of PNHS pale in comparison to the above, as I often remind myself, as executive director of a small, if not insignificant, non profit organization, how can I take my issues too seriously in the face of all these other problems? The thought gives me perspective and inspires me to keep going, much as people all over the planet must find the strength to keep going.

PNHS keeps going. We do so with a pride and commitment to high quality services to our customers, a value for honesty, integrity and teamwork. “We keep our heads to the sky (another R & B lyric)” hopeful of a future that will bring peace & prosperity, fairness & equity, love & blessings to us all... One can dream...”



## **PNHS' Vision Statement**

**“Philadelphia Neighborhood Housing Services, Inc. (PNHS) is a community builder focusing on quality affordable housing and neighborhood revitalization of low and moderate income communities in the City of Philadelphia.”**

## **PNHS Mission Statement**

**“Philadelphia Neighborhood Housing Services, Inc. (PNHS), is a private non profit community development corporation and certified Community Development Financial Institution, (CDFI). PNHS combines the resources of local and national business institutions, the City of Philadelphia, community groups and philanthropic organizations to halt the process of disinvestment and deterioration which threatens to destroy many of Philadelphia’s residential areas. PNHS targets specific neighborhoods low and moderate-income families city-wide to receive comprehensive revitalization services. PNHS is committed to continuing programs and services serving low and moderate-income homeowners and homebuyers in the City of Philadelphia. These services include: providing financial resources for home improvement and repair, grants and subsidies in support of home improvement and repair, community education programs designed to develop the skills of first-time homebuyers, low and moderate-income homeowners that will enable them to secure, manage and maintain quality, safe and affordable homes and to develop and preserve this and other assets for future generations.**



**The leading provider of homeowner services in the city of Philadelphia**

## Program Description

Philadelphia Neighborhood Housing Services, Inc. (PNHS) is a private non profit community development corporation and certified Community Development Financial Institution (CDFI), providing neighborhood preservation and revitalization services to targeted communities in the City of Philadelphia. Now in our 37<sup>th</sup> year of service to residents of the City of Philadelphia, the tools at PNHS' disposal include;

- A privately funded **Revolving Loan Fund** targeting, unbankable and low income homeowners providing funds for home improvement and purchase money mortgages. In addition, PNHS originates loans under agreements with the Pennsylvania Housing Finance Agency (PHFA).
- A **façade treatment subsidy program** for organized blocks in which qualified low-income homeowners receive subsidies for various improvements/repairs to the front facades of their properties. These treatments include: step replacement, sidewalk replacement, porch repairs, window and door replacement, wall treatments and main roof repair. Homeowners who participate in this program contribute financially to all projects.
- PNHS is a sponsor under the **Targeted Housing Preservation Program** providing low and moderate income homeowners on targeted blocks with forgivable grants for home improvements, basic systems repairs, major systems repairs and exterior faced treatments.
- PNHS is a developer of **affordable housing** working under two publicly funded programs, the Homeownership Rehabilitation Program (HRP) and the neighborhood Stabilization Program (NSP), providing affordable homeownership opportunities to low and moderate income homebuyers.
- PNHS conducts **Community Education Programs** providing free educational opportunities for homeowners and homebuyers that are designed to insure that they are fully capable and prepared to secure, and maintain their homes and informed about those financial issues that affect their quality of life.
- PNHS provides individual **housing counseling** services under contract with the city of Philadelphia, Office of Housing & Community Development (OHCD).

The leading provider of homeowner services in the city of Philadelphia

PNHS functions in partnerships with community residents, local government and the business community, philanthropic organizations and other service agencies to deliver quality affordable housing services to residents of the city of Philadelphia. Our service model involves collaboration with all partners and stakeholders in an effort to preserve and revitalize low income communities.

PNHS is committed to providing high quality services that reflect our values including resident participation, resident empowerment, high quality service and sustainability.

## **Programs and Services**

### **Loans**

Philadelphia Neighborhood Housing Services, Inc. (PNHS) is a certified Community Development Financial Institution providing financial resources for the maintenance, repair, renovation and/or purchase of homes in the city of Philadelphia. PNHS provides these services to unbanked, underbanked and unbankable low and moderate income homeowners and homebuyers. Resources at our disposal include funds from the Pennsylvania Housing Finance Agency (PHFA) under the Keystone Renovate and Repair Loan Program. PHFA Home Energy Efficiency Loan Program (HEELP) and the PHFA Renovate and Repair Grant Program. PNHS also utilizes our Revolving Loan Fund to make loans to homeowners unable to qualify for other products available through conventional lending institutions. Fiscal Year 2012 will be the first full year in which PNHS will make loans under the Mini-PHIL loan program which targets homeowners who would not qualify for a loan due to credit, equity or capacity issues, from conventional lending institutions providing them with an affordable option for essential home improvements and repairs. With these financial resources PNHS also provides or offers technical assistance in developing a scope of work, identifying qualified contractors, monitoring of construction activity and escrow services.

PNHS is seeking to develop additional sources of revenue and support for our specialized lending services. We are seeking bank partner(s) to team with PNHS in delivering the FHA Insured 203K loan product to homebuyers in need of funds for the purchase and renovation of properties in the city of Philadelphia. We seek a bank partner that would be willing to purchase excellent performing loans in order that PNHS may keep a sufficient supply of funds available for our lending activities.

### **Community Improvements/Model Block**

At the core of PNHS' programs and services throughout our history has been our exterior facade treatment programs funded by the city of Philadelphia, Office of Housing & Community Development, (OHCD). This program provides grant subsidies to low income homeowners for home improvements and repairs.

*The leading provider of homeowner services in the city of Philadelphia*

Available improvements under this program include step replacement, sidewalk repairs, porch repairs, window & door replacement, new heaters and replacement of main roofs. Homeowners pay 20% of project costs with the program picking up 80%. Participating homeowners are required to participate in a minimum of one home maintenance education workshop. This service will be available to qualified and eligible low income homeowners in the target area of Cobbs Creek.

### **Targeted Housing Preservation Program**

This program administered by the Philadelphia Housing Development Corporation (PHDC) provides secured grants to low and moderate income homeowners for repairs to properties in proximity to other development activity. The idea is to support existing homeowners in the maintenance and improvement of their homes in combination with new development for the overall improvement and beautification of the community. PNHS has been approved to provide the THPP services on the 1600 Block of West Page Street in North Philadelphia, the 1300 block of N. 59<sup>th</sup> Street in Carroll Park and the 4200 block of Viola Street in the East Parkside section of West Philadelphia. Mortgage secured grants of up to \$20,000 are available to eligible/qualified homeowners for interior and exterior repairs with priority given to major systems and exterior façade repairs.

### **Senior Housing Assistance Program (SHAP)**

In fiscal year 2011 this program funded by a local financial institution provided grants of up to \$1,000 for plumbing repairs. Recipients must have incomes at or below 80% of median in the Philadelphia Metropolitan Statistical Area. The owner occupant/head of household must be at least 55 years of age. In fiscal year 2012 the eligible grant has been increased to \$1,500 and the services will be available to income eligible households city-wide for as long as the funds last. In addition to the plumbing repairs we will also be able to subsidize roofing, heating and electrical repairs under the revised scope of eligible activities.

### **Major Systems Repair Program**

For the past thirteen years PNHS has been providing grants to low-income loan customers in the city of Philadelphia, grants for repairs to roofs, plumbing/heating and electrical systems. This very popular program has provided many needy low and very low income households with the resources and support they needed to provide adequate heat, repair leaking roofs and to upgrade faulty, dangerous electrical systems. PNHS has some remaining resources for this service and we remain hopeful that our corporate partners will again step up to fund this important program.



**Targeted Housing Preservation**



**SHAP**



**Major Systems Repair**

### **Housing Development**

PNHS is an approved developer of housing under the American Recovery Act Neighborhood Stabilization Program (NSP). Under this program PNHS acquires foreclosed properties from financial institutions and city government for renovation and sale to qualified homebuyers. The program eliminates blight from communities impacted by property foreclosure, abandonment and vandalism. These properties are restored removing from the neighborhood a potential source of blight, deterioration and disinvestment that could diminish property values and quality of life in the community.

PNHS also develops properties under the Homeownership Rehabilitation Program administered by the Philadelphia Housing Development Corporation. This program provides quality affordable housing opportunities to low-income first-time homebuyers in the City of Philadelphia. PHDC provides subsidies bridging the gap between market value and total cost of development of vacant properties on otherwise stable blocks. . This program provides quality affordable housing while addressing blight stemming the progress of decay and decline that threatens our neighborhoods.

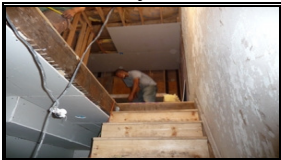
### **Community Education Programs**

These programs empower residents and consumers enabling them to secure and maintain safe affordable housing for themselves and their families by providing them with information and access to resources that provide them with the tools and resources they need to make good informed decisions in their efforts to secure and maintain housing, preserve and grow wealth for themselves and future generations of their family. Free workshops are provided addressing those issues involved with purchasing a home, home maintenance and financial fitness. PNHS seeks to deliver these services to large groups while incorporating the expert participation of our corporate and community partners.

### **Housing Counseling**

PNHS is an approved Housing Counselor providing individual pre-purchase, home maintenance and foreclosure prevention counseling under contract with the City of Philadelphia, Office of Housing & Community Development (OHCD). In addition, PNHS provides pre-purchase counseling under agreement with the Pennsylvania Housing Finance Agency, (PHFA).

In FY 2012 PNHS will continue efforts to re-establish our status as a HUD approved housing counseling agency. This will require that PNHS redesign space on the first floor of our office complex to accommodate more private meeting space and handicapped accessibility.



**Housing Development**



**Community Education**



**Housing Counseling**

**The leading provider of homeowner services in the city of Philadelphia**

### **Technical Assistance**

PNHS is entering our second year of providing comprehensive home improvement and project management services on a fee for service basis. Services may be secured a la carte from a menu that includes home inspection and detailed work write-up, contractor referral, contract development, construction monitoring and escrow services including project accounting and contractor invoicing and payments. PNHS expects demand for this service to increase in FY 2012 with the potential of an agreement to provide these services to borrowers using the PHIL-Plus Loan product.

### **Membership Program**

PNHS has begun marketing our new Membership Program to consumers. The membership program will offer homeowners a comprehensive array of home maintenance, home improvement, educational and informational services based on multiple levels of services.

### **Neighborhood Leadership Development**

An underlying goal in all PNHS' work within the designated target area neighborhoods is to develop local leadership for the task of ongoing maintenance, development, improvements and management that includes; community organizations; advocacy; assuring public services and providing information and referral services. PNHS will continue to work to improve the target neighborhoods in these areas of responsibility.

PNHS shall work with institutions serving the homeowners and the neighborhoods including government agencies, financial institutions, insurance companies and other stakeholders to design and support initiatives, programs and services that will both accommodate special circumstances and conditions impacting the viability and vitality of the neighborhoods. PNHS shall work with neighborhood associations and groups to improve living conditions of residents. PNHS is collaborating with the PHILLY 311 Hotline with the executive director serving as, a "Neighborhood Liaison" identifying and reporting dangerous conditions, maintenance and repair issues via online access.



**Technical Assistance**



**PNHS Membership Program**



**Neighborhood Leadership  
Development**

The leading provider of homeowner services in the city of Philadelphia

## TESTIMONIALS

### First Time Homebuyers Workshop

“I found out about the workshop at the YWCA. I am glad I decided to come to the workshop, and I plan on using the services that are offered. I plan to purchase a home by the end of 2012 and with the help of PNHS and the speakers, I believe it will all workout.

Thank you!”  
S. P.

“Keep up the good work! I learned a lot and the class was very informative.”  
K.B-F.

“I have learned a great deal before becoming a first time homeowner.”  
L. L.

“Thanks.”  
A.W.

“It was very informative, great speakers and I will refer friends.”  
Anonymous

“The sessions were very informative and the staff as well. Also, the speakers were very knowledgeable.”  
R.R.

“Very informative and helpful, they check credit score and show how to improve. I am looking forward to buying a house. Thank you for all the workshops.”  
C.B.

“This is a very good service that you are providing and I wish you much success.”  
Anonymous

“Glad I attended all the workshops. Looking forward to more information.”  
S.P.

“Great service”  
A.J.

“Yes, I’ve learned more than I knew about homeownership & insurance.”  
K.O.

## **Fiscal Year 2011 Accomplishments**

During fiscal year 2011 PNHS successfully increased housing production utilizing the resources of the Redevelopment Authority of the City of Philadelphia, Neighborhood Stabilization Program and the Homeownership Rehabilitation Program administered by the Philadelphia Housing Development Corporation. These programs committed funds for the **development of seven (7) properties** for low and moderate income homeownership opportunities. **Public funds committed to these projects amounted to \$1,005,628.** These properties are currently under construction and will be available for purchase during FY 2012. Construction was completed on two properties during FY 2011 and these properties have been sold to low and moderate income homebuyers.

From July 1, 2010 through June 30, 2011 PNHS made sixteen **(16) home improvement loans totaling \$403,355.** Each of these borrowers also received comprehensive technical assistance services directly from PNHS in the form of home inspections, detailed work write-ups, contracting services, construction escrow and monitoring services. We facilitated **one purchase money mortgage in the amount of \$90,000.** We expanded our partnership with the Pennsylvania Housing Finance Agency entering into agreements to originate and provide technical assistance services to borrowers utilizing their Home Energy Efficiency Loan Program and Renovate and Repair Grant. We also joined a consortium of lenders making loans available to low income homeowners in the city of Philadelphia through the Urban Affairs Coalition Mini-Philadelphia Home Improvement Loan.

Under our signature Community Improvements program PNHS provided #48 low income homeowners in our targeted neighborhoods of Cobbs Creek and Moris Park with subsidies for home improvements for weatherization & heating and exterior facade repairs. This program funded by the City of Philadelphia Office of Housing & Community Development **served #48 households providing grants totaling \$195,409 completing #73 projects and leveraging \$48,869 in homeowner reinvestment.**

PNHS provided **individual housing counseling services to 99 homeowners** during FY 2011. These activities provided homeowners with information that would assist in preventing foreclosure improving their financial fitness so as to better position them to maintain the condition of their homes and afford their families a high quality of life.

PNHS performed **106 home assessments.** The home assessment was a tool that provided homeowners with professional inspection of their homes and a conditions report that afforded them knowledge about what if any maintenance or repairs might be needed immediately or in the near term that would assure their safety and well-being and that of their family. Much thanks to Citizens Bank, PNC Bank for their support of this activity.

[The leading provider of homeowner services in the city of Philadelphia](#)

The Targeted Housing Preservation Program is a fairly new initiative of city government designed to provide low-moderate income homeowners with assistance in making repairs to their homes. This particular effort targets homeowners with properties in proximity to other development activity such as housing development, commercial development and capital improvements. In 2011 PNHS provided services to three blocks under this program; 1300 N. 59<sup>th</sup> Street, 1600 W. Page Street and 4200 Viola Street. Presently we have been able to qualify **six (6) homeowners** for this program. Collectively these homeowners have been awarded **\$102,775** in grants for essential home repairs and improvements.

PNHS continues to seek to develop new partnerships and new relationships that will result in additional resources being brought to bear on problems affecting the quality of life for targeted residents and target areas of our city. In FY 2011 PNHS received support from BNY Mellon which provided funding to assist low-income senior homeowners with plumbing repairs. The Senior Housing Assistance Program was only able to assist four seniors with \$1,000 grants during FY 2011. However, the program will be continued through FY 2012 with modification that we expect will afford us the opportunity to assist at least a dozen others.

PNHS has expanded our partnership and collaboration with the Urban Affairs Coalition entering into an agreement to provide loans to otherwise unbankable homeowners for essential home repairs. PNHS expects to receive referrals under the Mini-PHIL loan program beginning in FY 2012.

## A Look Ahead

Where do we go from here? It is PNHS' intention to stay the course established in our 2009 Strategic Plan. We will continue our endeavor to be the leading provider of homeowner services in the City of Philadelphia. We will continue our focus on housing development as a key component of our efforts to generate more self sustaining revenues. PNHS' loan program and services will continue in partnership with the Pennsylvania Housing Finance Agency (PHFA). We will continue efforts to enhance and expand our programs and services while remaining true to our core values and beliefs.

PNHS has expanded our Community Improvements Program to include all of the Cobbs Creek community. Morris Park is no longer a designated PNHS target area. In addition, Community Improvement subsidies will now be made available to eligible PNHS loan customers as an incentive and resource for the completion of comprehensive repairs to the interior and exterior of their homes.

PNHS will continue our city wide efforts to preserve low income housing and to revitalize neighborhoods utilizing the Targeted Housing Preservation Program in conjunction with vacant property rehabilitation.

PNHS' staff remains ever committed to delivering the highest quality professional services to our customers and constituents.

Thank you in advance for your support.



The leading provider of homeowner services in the city of Philadelphia

## **PNHS BOARD OF DIRECTORS**

### **OFFICERS**

**Michael Roepel, President  
Resident-at-Large**

**Shirley Randleman, Vice President  
52<sup>nd</sup> Street Business Association**

**Paulette Carter, Secretary  
Retired**

**James Connor, Treasurer  
Retired**

### **MEMBERS**

**Doris Gwaltney, President  
Carroll Park Neighbors Advisory Council**

**Deborah McColloch, Director  
City of Phila., - Office of  
Housing & Community Development**

**Andrew Meloney  
Philadelphia City Planning Commission**

**Carolyn L. Irvin, Public Affairs Manager  
State Farm Insurance**

**Sinclair S. Cooper Co-President  
Hunt Development Group**

**Rosemary C. Thomas,  
Human Resources Manager  
The Bank of New York Mellon**

**Victoria Floyd Brimm, Branch Manager  
M&T Bank**

## **PNHS STAFF**

**Bernard Hawkins, Executive Director**

**Bernard Williams, Controller**

**Denise Jefferson Bailey, Loan Officer II**

**Curtis Riley, Rehab Manager**

**Bernard Savage, Housing Development Coordinator**

**Sarah Clewell, MIS/Contract Administrator**

**Henry Moore, Loan Officer/ Marketing Coordinator**

**Akinsheye Sellers  
Rehab Specialist**

**Thelma Smallwood  
Administrative Assistant**

**Monique Jenkins  
Rehab Department Assistant**

**Leslie Villiness  
Receptionist**

## PNHS CONTRIBUTORS & STAKEHOLDERS

*City of Philadelphia Office of Housing & Community Development*

*The Redevelopment Authority*

*The Philadelphia Housing Development Corporation*

*The Pennsylvania Housing Finance Agency*

*PNC Bank*

*Bank of BNY Mellon*

*State Farm Insurance Company*

*Citizens Bank*

*Beneficial Bank*

*Sovereign Bank*

*M&T Bank*

*The Philadelphia Foundation*



**PHILADELPHIA NEIGHBORHOOD HOUSING SERVICES, INC.**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 2010 with comparative totals for 2009**

---

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Cash	\$ 377,041	\$ 354,647
Investments	338,791	365,911
Accounts receivable	16,518	38,377
Grants Receivable	86,951	83,856
Loans receivable, net of allowance of \$107,000 at June 30, 2010 and 2009	1,091,105	1,160,442
Furniture and equipment, net	372,230	6,404
Acquisition and construction costs	52,204	104,641
Prepaid expenses and other assets	<u>4,755</u>	<u>28,029</u>
<b>Total assets</b>	<b><u>\$2,339,595</u></b>	<b><u>\$2,142,307</u></b>
 <b>LIABILITIES</b>		
Lines of credit	\$ 50,000	\$ 50,000
Note payable	327,124	-
Accounts payable and accrued expenses	105,942	104,152
Homeowners' escrow	167,934	117,591
Recourse liability	<u>10,000</u>	<u>10,000</u>
<b>Total liabilities</b>	<b><u>661,000</u></b>	<b><u>281,743</u></b>
 <b>NET ASSETS</b>		
Unrestricted	(253,382)	(122,361)
Temporarily restricted	104,965	155,913
Permanently restricted	<u>1,827,012</u>	<u>1,827,012</u>
<b>Total net assets</b>	<b><u>1,678,595</u></b>	<b><u>1,860,564</u></b>
 <b>Total liabilities and net assets</b>	 <b><u>\$2,339,595</u></b>	 <b><u>\$2,142,307</u></b>

