A Message from the President

The business model of Habitat for Humanity today is very different one from the one I joined 15 years ago. “Regulations, policies, standards” are words appearing with much more frequency. Although these are important concepts, there are times when they seem to become more important than serving families in need of housing solutions.

I think about the people of Israel and Nehemiah often. Their task to rebuild the walls of Jerusalem was huge and daunting. In order to get the work done, each tribe was assigned a portion of the wall. After working feverishly, they had only built half a wall and were under attack. Like us, they were tired and the work seemed too big to manage.

The people in Judah said, “The strength of the laborers is giving out, and there is so much rubble that we cannot rebuild the wall.” Nehemiah 4:10

How familiar the feeling. “There is so much regulation that we can no longer serve families…” is a phrase I hear often. The task is somewhat daunting, but together we have the tools to overcome.

Partnership is the key. While each affiliate is serving the families in their respective communities (building their part of the wall), HFH-NYS is working with the regulatory agencies, the Mortgage Bankers, community lenders, and NYS Housing Finance Agency to find compliant solutions to assist each of you in finding the one which matches the needs of your affiliate, the families you serve, and your community.

The work is slow and often difficult. So we pray with Nehemiah:

Now strengthen my hands. (Neh. 6.10)

As partners, we can build our “wall” of affordable housing solutions—founding it on God’s love and working in concert with one another. May we all seek God’s strength to continue fulfilling our vision of a world where everyone has a safe, affordable place to live.

Judith Nelson
President & CEO
Our History

Our Purpose

Highlights & Achievements

Moving Forward

Financials
Our History

2005
- HFHI announces Regional Office closures.
- NYS Affiliates discuss creation of SSO to provide Resource Development, Training & Technical Assistance.

2006
- HFH-NYS incorporated as a New York State nonprofit.
- HFH-NYS hosts its first statewide conference.

Looking Back
In 2005, HFHI announced it would close its regional offices. This announcement played a pivotal role in the creation of Habitat for Humanity of New York State.

Originally, HFHI’s regional offices served a similar purpose to state organizations. They provided training and technical assistance to affiliates in regions nationwide.

When HFHI announced the closure of its regional offices, NYS Habitat Affiliates met to discuss how replace these lost services—particularly conferences and training events. After several meetings, all agreed that New York needed to form a state support organization.

As 2016 begins, we want to celebrate our 10 years of partnership with NYS Habitat Affiliates.

2007
- HFH-NYS affiliated with HFHL
- We are awarded funding to implement an AmeriCorps VISTA program.

2008
- HFH-NYS awarded funding from the NYS Affordable Housing Corporation. The program began with 4 affiliates and supported 21 homes.

2011
- HFH-NYS awarded an AmeriCorps State Direct program to broadly meet affiliate needs.

2014
- HFH-NYS awarded Rural Community Development Initiative (RCDI) funding to build the capacity of rural affiliates.

2015
- To date, HFH-NYS has:
  - Procured $8.8 million and supported 241 affordable units through AHC.
  - Received funding for 4 national service programs.
  - Hosted 14 statewide conferences.
Our Purpose

Our Purpose
Our purpose as a state organization is to unite Habitat Affiliates and stakeholders under the banner of affordable housing in New York. We centralize services, research industry trends, monitor regulations, and forge strategic relationships. Combined, these efforts aim to furnish NYS Affiliates with knowledge, tools, and resources to operate with excellence—both now and in the future.

Community Building
Our responsibility is to build community based on our common mission, values, and identity. HFH-NYS strives to do this by making connections, fostering relationships, establishing networks, and extending our collective reach—so that our miniscule efforts can be multiplied to accomplish the magnificent.

Training & Technical Assistance
Each Training and technical assistance (TTA) program we develop involves these key actions:

- **Survey**: Each year, we survey NYS Habitat Affiliates to determine what their needs and goals are.
- **Analyze**: Pivotal events are always happening at the state and national level. Our office monitors these events, and analyzes patterns of nonprofit growth, best practices, industry trends, and legal developments.
- **Create**: Based on an assessment of affiliate needs and market analysis, we craft TTA to support the excellence and sustainability of 51 NYS Affiliates.

Resource Development
As a state organization, HFH-NYS is poised to procure and administer large-scale resources on behalf of NYS Affiliates. In this role, we:

- Increase affiliate participation in high impact programs—particularly among smaller affiliates, which lack the infrastructure and resources to do so on their own.
- Focus on grant administration and compliance so affiliates can do what they do best: build homes and serve families.

Advocacy
HFH-NYS devoted to advocacy and sector impact. In this role, we are responsible for:

- Building an advocacy community among NYS Habitat Affiliates
- Partnering with affordable housing stakeholders
- Leveraging our relationships to influence representatives
- Amplifying our voice to change systems, policies, attitudes and institutional behaviors that perpetuate poverty and inadequate housing.
Highlights & Achievements

Strategic Partnerships
HFH-NYS formed strategic partnerships with the following entities:

- **New York Mortgage Bankers Association (NYMBA):** With assistance from HFHI’s Government Relations & Advocacy (GRA) office, HFH-NYS connected with NYMBA—a statewide organization dedicated to the field of real estate finance.

- **New York State Department of Financial Services:** This is a state regulatory agency that seeks “to reform the regulation of financial services in New York to keep pace with the rapid and dynamic evolution of these industries, to guard against financial crises and to protect consumers and markets from fraud,” according to its mission statement.

- **New York State Rural Housing Coalition:** When someone says “poverty,” an urban image is often conjured. Yet, poverty rates and affordable housing challenges are highest in rural areas. Knowing this, HFH-NYS is working to cultivate tools, resources, and partners to support our rural affiliates. One critical partner moving forward will be the NYS Rural Housing Coalition. Similar to Habitat, the RHC is dedicated to providing safe, affordable housing for low- and moderate-income New Yorkers.

- **New York State Builders Association (NYSBA):** Our Board of Directors chairman, Lewis Dubuque, is the Executive Vice President for NYSBA. We sought his services because our organizations share a common goal: To provide quality housing for all New Yorkers.

- **New York State Association of Realtors (NYSAR):** Another board member, Jennifer Stevens, is a part of NYSAR—a nonprofit trade organization that represents more than 50,000 real estate professionals and provides legal representation, educational services, and publications.

Training & Technical Assistance
In 2015, we developed and offered a vast array of TTA services. Highlights include:

- **New Capacity Building Series:** In 2015, HFH-NYS pondered a key question: Once an affiliate transitions from being volunteer-led to staffed organization, what does the next stage of growth look like and how is it managed effectively? This served as the springboard for a new curriculum: Capacity Build Series, Level 2.

- **2015 ABLE Conference:** NBT Bank sponsored our 2015 ABLE Conference, the theme of which was “Imagine” and inspired by Lewis Carroll’s stories of Alice in Wonderland. In the spirit of imagination, we invited a local but nationally-recognized poet, Joe Weil, to serve as a keynote speaker at our conference.
Training & Technical Assistance (Continued)

- **Habitat Accounting & Financial Principles Symposium**: A frequent challenge affiliates identify is financing and house pricing. This is due to Habitat’s complex financial model; it draws from a variety of industries with a variety of accounting practices. In response to this learning need, HFH-NYS offered this summer symposium to illuminate issues, policies and practices to manage affiliate accounting and finances.

- **ABWK Learning Exchange**: A Brush with Kindness (ABWK) is a program that can help affiliates engage more volunteers, bolster their community presence, and support their overall growth. In recognition of this, HFH-NYS partnered with HFHI experts to host a daylong learning exchange.

- **Affiliate Policy Portfolio**: Participants in HFH-NYS’ Rural Community Development Initiative (RCDI) grant identified the need to create a comprehensive list of policies that NYS Habitat Affiliates are required to have. As a result, HFH-NYS created a list of required policies and began to build a policy template portfolio—both of which aim to enhance affiliate governance and compliance.

**Resource Development**

In 2015, HFH-NYS renewed two significant grant programs.

- **NYS Affordable Housing Corporation**: The state awarded us AHC funding for the eighth consecutive year. Since 2008, we procured $8.8 million and used these funds to subsidize the cost of affordable housing units for 241 families.

- **AmeriCorps State Direct**: The New York State Office of Children & Family Services (NYS OCFS) awarded HFH-NYS a new AmeriCorps State Direct program. In the next three years, we will provide affiliates with skilled volunteers to help build capacity and serve more individuals.

---

**Welcome New Executive Directors!**

- Christine Schudde, Capital District HFH
- Jeff Clark, Glen Falls Area HFH
- Karen Haycox, HFH New York City
- Keith Albert, Rockland HFH
- Madelyn Thorne, HFH of Schenectady County
- Brian Drappo, Thousand Islands Area HFH

---

**Welcome New Board Member!**

- Philip Swetz
  NYS Mortgage Bankers Association
  First Niagara Bank
  Affordable Housing Solutions Manager
Highlights & Achievements

Advocacy

Most advocacy campaigns take significant time and effort before such work can bear fruit. This year revealed how we, as a Habitat community, can achieve sector impact when we work together. In the advocacy arena, we accomplished the following:

- **Residential Fire Sprinkler Mandate**
  * **ISSUE**: For years HFH-NYS, affiliates, and the NYSBA opposed the Residential Fire Sprinkler Mandate—a proposal to mandate fire sprinklers in all newly constructed 1 and 2 family homes. If enacted the mandate would increase construction costs by $6K—$15K.
  * **OUTCOME**: The NYS Fire Prevention & Building Code Council tabled the mandate last spring. Although the issue may resurface, our Habitat community proved that we are powerful advocates.

- **New York State Rent Renewal & Strengthening**
  * **ISSUE**: HFH New York City led our advocacy efforts to renew and strengthen rent regulations—a critical tool to preserving affordable units in high-cost areas statewide.
  * **OUTCOME**: Rent control was renewed with modest strengthening measures.

- **421a Tax Incentive Reform**
  * **ISSUE**: The 421a Tax Incentive program was created to incentivize developers to produce new affordable units. However in 2013, of $1.1 billion for 153,000 apartments, only 12,600 were affordable—less than 10%.
  * **OUTCOME**: Although 421a was initially renewed, the program expired in January 2016 because developers and labor could not reach an agreement on worker pay.

- **Labors Laws 240 & 241 (a.k.a. “Scaffold Law”):**
  * **ISSUE**: The Scaffold Law holds “property owners, employers, and contractors absolutely liable for ‘gravity related’ injuries that happen on the job.” If Habitat did not have Lockton Affinity insurance through HFHI, we would be unable to operate in New York State.
  * **OUTCOME**: In 2015, HFH-NYS joined a coalition calling for scaffold law reform.

Global Village

In January, HFH-NYS and several NYS Affiliates participated in our first Global Village Trip. It was called: The Guatemala Fair Trade Coffee & Housing Trip. The trip showed us a slice of Guatemalan life—we built smokeless stoves and latrines, met local families, visited coffee and weaving cooperatives, and discovered the rich and complex culture of Guatemala. Our team raised funds to serve approximately 25 families with “Healthy Home Kits,” a solution for the poorest families that consists of a smokeless stove, latrine, and water filter.
HFH-NYS First Global Village Trip

Photo Credit: Christina Di Stefano, Sam Hahn & HFH Guatemala.
Moving Forward in 2016

Strategic Partnerships
Working in concert with the Mortgage Bankers, HFH-NYS will be releasing a portfolio of mortgage compliance solutions to address the loan origination challenges experienced by affiliates.

Advocacy
Building on our efforts from the previous year, HFH-NYS will advocate for:

- Scaffold Law Reform (Labor Law 240/241)
- Increased funding for AHC

Our overarching goal with both agenda items is to enhance New York State’s capacity to build more affordable housing units.

Training & Technical Assistance
HFH-NYS will collaborate with insurance experts, lawyers, and builders to develop the following tools for affiliate use:

- **Hold Harmless Agreement**: With the assistance from insurance and legal experts, we be releasing Hold Harmless language for NYS Affiliates to use in a sub-contractor agreement.
- **Real Estate Contracts**: As we prepare to partner with third party lenders, HFH-NYS will collaborate with professionals to develop a Real Estate Contract template—allowing affiliates to perform this transaction in a transparent and compliant manner.

Short-Term AmeriCorps Positions
Based on conversations with HFHI and NYS Habitat Affiliates, HFH-NYS identified a new opportunity to strengthen Habitat’s collective service delivery model by offering full-time, short-term AmeriCorps positions. This will allow affiliates to:

- **Expand Access**: By administering an AmeriCorps State Direct program, we broaden access to this resource in our state. Since our program is smaller than HFHI’s, we are in the position to help new participants build an effective AmeriCorps program.
- **Broaden Recruitment**: Many AmeriCorps applicants cannot serve for a 48-week position. This is an opportunity to broaden recruitment efforts—particularly with college students.
- **Increase Summer Manpower**: Peak construction time is during the summer. Yet, this is also a time when volunteers are less available. This will allow affiliates to host a short-term AmeriCorps and maximize their efforts during peak construction season.
Moving Forward in 2016

Growth & Learning Opportunities
We have exciting growth and learning opportunities scheduled for 2016. They include:

- **Second Executive Director Retreat & Regional Training**: Based on requests, HFH-NYS is facilitating a second Executive Directors’ Retreat on April 1, 2016.
- **Preparing to Partner with a Third Party Lender**: We have spent years educating NYS Affiliates on mortgage regulations and compliance, forging partnerships, and seeking solutions—one of which is to partner with third party lenders. To help affiliates prepare for this critical transition, we will be hosting a daylong summer symposium called Preparing to Partner with a Third Party Lenders on July 16, 2016.
- **2016 ABLE Conference**: Our 2016 ABLE Conference will be at the Owego Treadway Inn & Conference Center from September 22-24, 2016. This year’s theme is “Shifting Gears”.

Global Village
Our first statewide Global Village trip was an incredibly insightful and inspiring experience—so much so that we want to do it again. Can you help us make statewide Global Village trips a new tradition?

Brothers and sisters, I have not achieved it, but I focus on this one thing: Forgetting the past and looking forward to what lies ahead. I press on to reach the end of the race and receive the heavenly prize for which God, through Christ Jesus, is calling us.

-Philippians 3:13-14
# Financials: The Numbers

<table>
<thead>
<tr>
<th>2014—2015 Financials</th>
<th>Revenue</th>
<th>Direct Resources to Affiliates</th>
<th>Operating Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONTRACT PROGRAMS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>AHC</strong></td>
<td>1,269,173</td>
<td>1,057,000</td>
<td>85,354 (7%)*</td>
</tr>
<tr>
<td><strong>AmeriCorps</strong></td>
<td>72,522</td>
<td>59,769</td>
<td>7,321 (10%)*</td>
</tr>
<tr>
<td><strong>OTHER PROGRAMS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Conferences</strong></td>
<td>22,465</td>
<td>-</td>
<td>32,508</td>
</tr>
<tr>
<td><strong>Training &amp; Technical Assistance</strong></td>
<td>55,900</td>
<td>-</td>
<td>124,474</td>
</tr>
<tr>
<td><strong>Tithe</strong></td>
<td>-</td>
<td>-</td>
<td>1,900</td>
</tr>
<tr>
<td><strong>NON-PROGRAM</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Affiliate Support</strong></td>
<td>40,550</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Donations &amp; Other</strong></td>
<td>8,880</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td></td>
<td>175,159 (12%)**</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,469,490</td>
<td>1,116,769</td>
<td>426,717</td>
</tr>
</tbody>
</table>

* = Percent of Program Revenue  
° = Previous Contract Close  
** = Percent of Total Revenue
**COST EFFECTIVE DELIVERY OF SERVICES.**

The cost to administer all of our services is 12% of our total revenue, or $175,159 out of $1,469,490. This is an extremely cost-effective services delivery model. In our contract programs, the percent of funds used to administer and manage these programs is even less.

- AHC operating costs represent 7% of the total program revenue.
- AmeriCorps operating costs represent 10% of the program revenue.

**PROGRAM COSTS EXCEED REVENUE.**

Though we have two significant contract programs, we also offer a variety of programs and services that generate no revenue or not enough revenue to cover the costs to deliver them. These programs include:

<table>
<thead>
<tr>
<th>Tools &amp; TA</th>
<th>Training</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage Documents</td>
<td>ABLE Conference</td>
<td>Advocacy</td>
</tr>
<tr>
<td>Mortgage Origination</td>
<td>Symposia/Regional Training Events</td>
<td>Disaster Preparedness</td>
</tr>
<tr>
<td>Checklists</td>
<td>Capacity Building Series</td>
<td></td>
</tr>
<tr>
<td>Professional, Phone &amp; Web</td>
<td>Board Development Training</td>
<td></td>
</tr>
<tr>
<td>Support</td>
<td>On-Site Training Programs</td>
<td></td>
</tr>
</tbody>
</table>

**AFFILIATE SUPPORT < 10% OF OPERATING COSTS.**

For ten years, we have maintained an Affiliate Support fee scale that is cost-effective for all NYS Affiliates and its range of fees has not changed since our affiliation.

We continue to be grateful for affiliate contributions, which have grown significantly over the years. Yet, since support fees cover less than 10% of our operating costs, we will continue to evaluate and diversify our finance strategies to meet community needs and deliver key services.
Supporting Affiliates

Adirondack HFH
Broome County HFH
HFH Buffalo
Cayuga County HFH
Champlain Valley HFH
Chautauqua Area HFH
Chemung County HFH
Columbia County HFH
Delaware County HFH
HFH of Dutchess County
Flower City HFH
HFH of Fulton County
HFH of Genesee County
Herkimer County HFH
HFH Livingston County
HFH Lockport
HFH Nassau County
HFH of Greater Newburgh
HFH New York City
Niagara Area HFH
North Country HFH
Oneida County HFH
HFH of Ontario County
Orleans HFH
Raquette Valley HFH
Rockland County HFH
HFH of Schenectady County
HFH of Seneca County
Southeastern Steuben County HFH
HFH of Suffolk
Syracuse HFH
Thousand Islands Area HFH
HFH of Tompkins-Cortland Counties
Ulster County HFH
HFH of Wayne County

*I pray that your partnership in the faith may become effective as you fully acknowledge every blessing that is ours in the Messiah.*

*Philemon 1:6*
Board of Directors

Lewis Dubuque, Chairman
NYS Builders Association
Executive Vice President

Antonios Kireopoulos, Vice Chairman
National Council of Churches USA
Associate General Secretary
Faith & Order and Interfaith Relations

Joan Spilman, Secretary
US Dept. of Housing & Urban Development
Field Office Director

Kevin Centore, Treasurer
Ernst & Young
Staff Accountant

Kerry Quaglia
Home HeadQuarters, Inc.
Executive Director

Jennifer Stevenson
NYS Association of Realtors
Housing Opportunities Foundation
Blue Heron Realty
Broker/Owner

Philip Swetz
NYS Mortgage Bankers Association
First Niagara Bank
Affordable Housing Solutions Manager

Staff Members

Judith Nelson
President & CEO

Christina Di Stefano
Director, Training & Development

David Morgan
Chief Financial Officer

Carrie Tocheny
Office Manager

Mary Vivona
Director, Grant Programs

Michael Mones
AmeriCorps VISTA Member

A Special Thanks!

We want to thank all of our partners who have supported Habitat for Humanity’s mission, vision, and sustainability.
AS PARTNERS, WE CAN BUILD IMPACT