



2007 Annual Report

Model Cities

Board Members

Akailvi, Ghazi

Barner, Pearl III, Ph.D.

Green, Francis III, Esq.

Hall, Rickey

Hardy, Shawntera

Hawkins, Beverley Oliver, Ph.D.

Kinney, Sarah

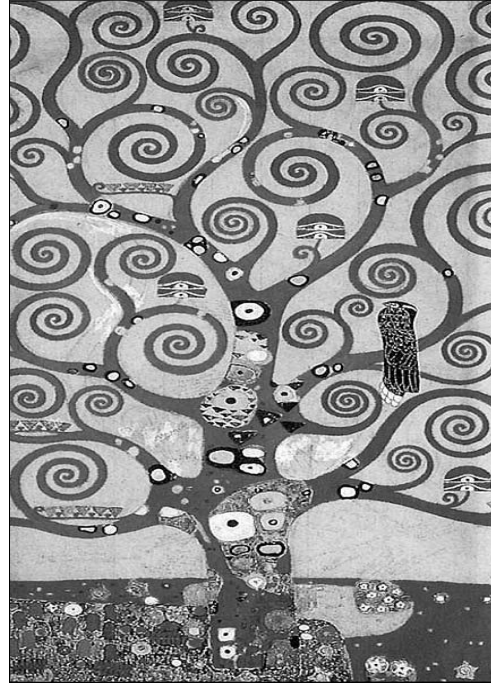
Moran-Stewart Rena

Oliver, Judith

Snedeker, Karen

Stone, George

Waterhouse, Jamie

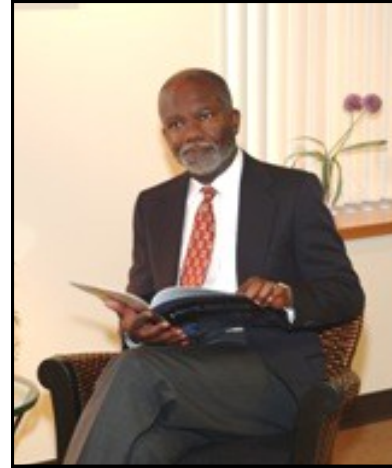


Tree of Life
Gustav Klimt, Artist

Artwork courtesy of Image Conscience and Agape Gallery

Unlocking windows of opportunity

In 2007, Model Cities of St. Paul, Inc. celebrated 40 years of culturally sensitive service to the people of St. Paul and Ramsey County. This is quite an accomplishment for an organization that began in the basement of a local church with one public health nurse as its only staff. Like many non-profit organizations, Model Cities has had to be resilient and resourceful in its ongoing quest to address the needs of the underserved and urban communities.



*Pearl Barner, Model Cities'
Board Chairperson*

Model Cities has journeyed down paths that at first thought, appeared to be impossible for a small non-



Beverley Oliver Hawkins, CEO

profit group, and has pioneered programs, built buildings, and unlocked windows of opportunity for people with limited vision and resources. Model Cities served over 1,000 families in 2006 and reached that number again in 2007.

The Board of Directors and staff of Model Cities are proud of the services provided in 2007, 2006 and earlier years. An analysis of demographic trends and community characteristics suggest that Model Cities' programs and services are still needed because many individuals and families will likely confront numerous

physical, emotional, spiritual, vocational and economic challenges.

We would like to thank all of those who have contributed to the health and stability of Model Cities, an organization with a rich history, and look forward to your continued support as we stay focused on assisting those most in need.

Sincerely,

Beverley Oliver Hawkins

Beverley Oliver Hawkins, Ph.D.
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'P. Barner'.

Pearl Barner, Ph.D.
Board Chairperson

Building family resilience to meet life's challenges

Helping individuals and families to rebuild their lives is Model Cities' purpose and ultimate goal. The organization offers an array of wrap-around programs and services designed to strengthen the assets of high risk individuals and families and help them gain a sense of family stability.

Family Support Services

Model Cities' Family Support Services (FSS) served 1,066 people in 2007. These services included home-based crisis intervention therapy for individuals and families, children's mental health case management, intensive parenting education, and youth enrichment services.

More than 592 parents and children at imminent risk of separation or facing termination of parental rights benefited from the Families First Crisis Intervention, Families of Strength, and Family Assessment Response services. Each of these services are geared toward family reunification and family preservation services. Model Cities' case managers and therapists provide intensive case-managed care on-site and in-home.

Through the Adult Crisis Intervention program, 36 vulnerable older adults and their family members obtained safe and affordable housing. These families received services to address current abuse, neglect and prevention of future episodes. In most cases, the families also needed support and protection from financial and emotional exploitation. The Adult Crisis Intervention program serves as a long term resource such as long-term care, elderly waivers and housing.

In 2007, 128 children (ages of 5-17)

and their families were served by our case managers who are trained to serve children with Severe Emotional Disorders (SED). These case managers worked with families to develop service plans and identify community resources for children and their families.



Family Support Services help families develop parenting skills

Model Cities' Youth Enrichment Services (YES), an academic enrichment program served 95 high-risk teens. Many of these young people lack stable family environments and are often challenged by negative influences such as violence (domestic and community), drugs, crime and poverty. Through its year-around programming, YES offers tutoring and homework assistance, college preparation activities, career exploration, community service opportunities, summer enrichment activities, and social and recreational events.

Housing Services

Model Cities houses homeless single parent families with a decent, safe and stable place to live and raise their children. In addition to housing, supportive services address the immediate and long-term needs of the family.

Services include the following:

- Early and ongoing primary care;
- Family support and mental health services;
- Chemical health aftercare support services;
- Parenting and anticipatory guidance;
- Independent living skill building; and
- Work readiness/career planning.

Model Cities has five supportive housing sites with 37 units of two, three and four bedroom apartments. Programs under Housing Services includes:

- Families First Supportive Housing
- The ROOF Project
- Sankofa Program

Families First Supportive Housing

Families First Supportive Housing (FFSH) focuses on helping families affected by mental illness and addictions attain stability, maintain sobriety, and lead independent productive lives. These parents are committed to sober living and establishing healthy, nurturing and financially stable environment for their families. In 2007, Families First provided housing and services to 31 families (101 individuals).

The ROOF Project

Model Cities works in partnership with Amherst Wilder Foundation's ROOF Project to provide supportive services to young women (ages of 17 to 25) who are living in transitional housing. In 2007, 18 young women with 22 children obtained permanent housing, improved their employment skills, and increased their income. The intent is to

stabilize these young families so as to prevent future episodes of homelessness.

Sankofa

Sankofa is Model Cities' newest supportive housing program serving young single parents between the ages of 17 and 25. The purpose of Sankofa is to reduce repeated episodes of homelessness and increase self sufficiency among these homeless young families. This is accomplished by providing comprehensive supportive services that assist participants in completing their high school diploma or GED, securing gainful employment, and connecting with quality health care. In 2007, 29 parents and children were assisted under the Sankofa program with case-managed services in scattered site housing.



Sankofa apartments stabilizes young families

In 2007, Model Cities received funding from Minnesota Housing to rehabilitate two apartment buildings (16 units) for Sankofa families. Renovations completed in 2008 will provide clean affordable housing along with comprehensive services to these families.

Mustard Seed Project

For almost a decade, Model Cities' Mustard Seed Project has provided donations of cash, supplies, and clothing to underprivileged people in poor, underdeveloped countries.

In the mid 1990's following a trip to China by one of Model Cities' Board members and the Chief Executive Office, the Mustard Seed Project was

conceived as a way to involve Model Cities in international development activities. It took on new birth in 1999, when the President of a Ugandan charity, St. Paul's Day and Boarding School, visited the United States and was introduced to Model Cities. A partnership was established that has continued to this day, and another charity has been included since that time.

St. Paul's Day and Boarding School is located in Jinja Uganda. It was founded in 1998 by Jonathan Nkaire, a retired school teacher who wanted to help the many orphans whose parents had died from HIV/AIDS and political violence in Uganda.

St. Paul's Day and Boarding School helps these children access the education they need to improve their lives and enjoy a better standard of living. The school started with 36 orphans, and now serves 320 children, 220 who are orphans. These children have no one to assist them or send them to school.

Their relatives are too poor even to support their own families. These orphans have hope today because of the friends of Model Cities. Thanks to the generosity

of our donors, a teaching facility, girls and boys dormitories have been constructed, and a library is now under construction. Cash contributions and donations of school supplies

and clothing for the children have been provided by friends of Model Cities.

Model Cities has also extended assistance through the Mustard Seed Project to We Care International. We Care, located in Kerala, India, is a housing facility for widows and orphaned children, who are among the most vulnerable in groups in their society.



Children of St. Paul's Day and Boarding School acknowledge their U.S supporters



Construction of the girls dormitory in Jinja, Uganda

We Care International was founded in 2004 by Pastor Don Hargate of True Life Christian Church, of Stillwater Minnesota. During a visit to establish a ministry in India, Pastor Hargate re-

sponded to a need for ministering to and caring for the orphaned, widowed, homeless, neglected or otherwise disadvantaged members of the village of Amboori. This village is located in the beautiful mountainous region of Kerala, South India. The unified and enthusiastic support of the True Life Christian Church that led to the creation of We Care International continues to spearhead the material and financial contributions to the orphanage.



We Care housing facility, Kerala, India

The facility is in a spacious building with plenty of room for 50 women and children, located on five beautiful acres of fruit and rubber trees.

Phase one of the project provided care of those in need, currently Phase two, involves developing a vocational school for up to 25 adults. This education will include preparing young ministers to return to their communities to work in their local churches. Phase three will be the development of a screening and vitamin distribution clinic, targeting women and children in the local villages.



We Care International serves orphaned children and homeless women

Model Cities intends to extend the Mustard Seed project to yet another country. Working in conjunction with other local partners, Model Cities will also develop an exchange program to bring students and teachers from St. Paul's Day and Boarding School and We Care International to the United States for training in instruction, computer technology, health care and safety, and English.

2007 Consolidated Financial Profile

Balance Sheet

December 31

Assets

Cash and Cash Equivalents	\$364,258
Investment Securities	127,122
Receivables	435,271
Property and Equipment (net)	5,980,037
Other Assets	76,975
Total Assets	\$6,983,663

Liabilities and Net Assets

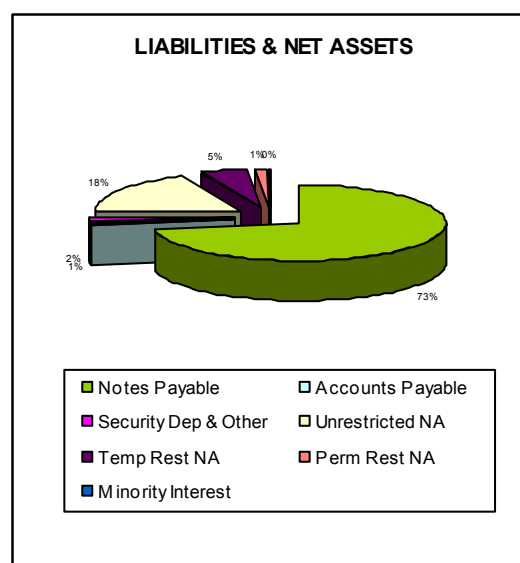
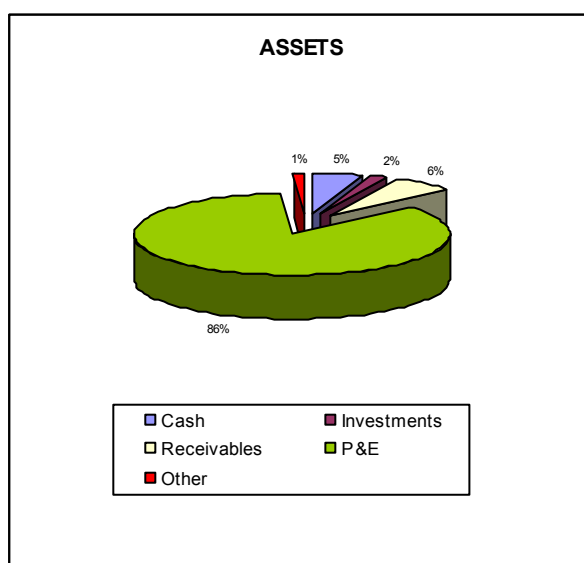
Mortgage and Note Payables	\$5,061,697
Accounts Payable	66,472
Security Deposits and Other Accrued	117,519
Total Liabilities	5,245,688

Minority Interest

\$26,607

Net Assets

Unrestricted Net Assets	1,276,284
Temporarily Restricted	349,720
Permanently Restricted	85,364
Total Net Assets	1,711,368
Total Liabilities and Net Assets	\$6,983,663



2007 Consolidated Financial Profile

Income Statement

December 31

Support and Revenue

Government Agencies	\$958,117
Foundations and Corporations	359,248
United Way	415,632
Earned Income	449,534
Unrealized Gain on Assets	34,256
Interest and Other Income	24,504
Total Support and Revenue	\$2,241,291

Expenses

Program and Client Services	\$1,190,601
Property and Facility Management	290,976
Economic and Project Development	305,385
Management and General	368,005
Fundraising	24,423
Total Expenses	\$2,179,390

Minority Interest

(22,050)

Increase In Net Assets

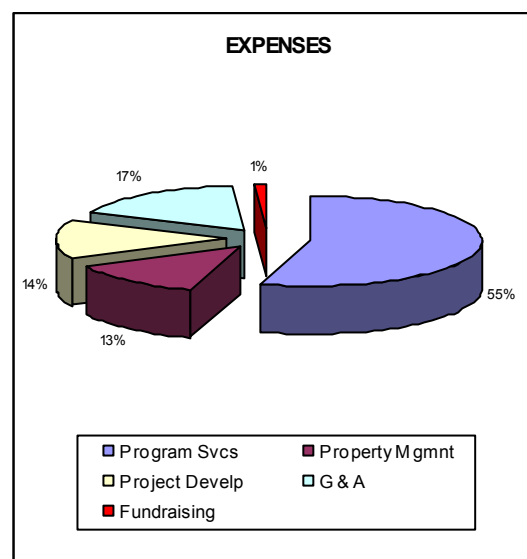
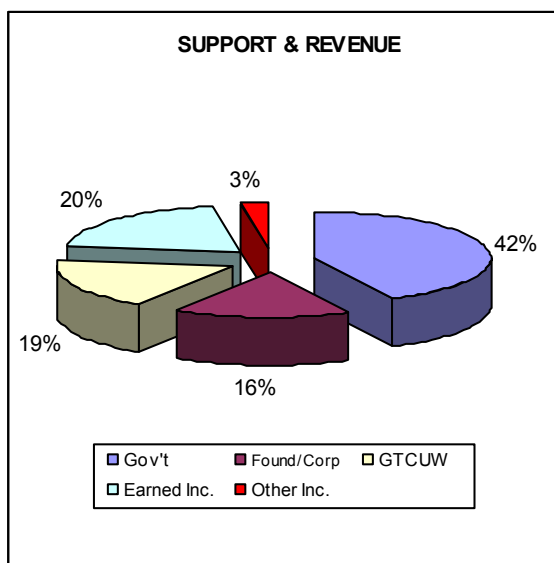
\$39,851

Net Assets, Beginning of Year

1,671,517

Net Assets, End of Year

\$1,711,368



Grants and Cash Donations

Bruce Nelson Plumbing and Heating
Camphor Memorial United Methodist Church
Camphor Memorial United Methodist Women
Carl and Eloise Pohlad Family Foundation
Christ Temple Apostolic Church
Corporation for Supportive Housing
Crosby and Associates
Emil Slowinski Fund
Federal Home Loan Bank of Des-Moines
Iowa
F.R. Bigelow Foundation
Fabulous Ferns
Family Housing Fund
Fidelity Charitable Gift Fund
Flannery Construction
Greater Twin Cities United Way
Hart-Shegos and Associates
Larkin Hoffman Daly & Lindgren, Ltd.
LISC
McDonald's Franchise Food Systems
Medtronic
Minnesota Housing Finance Agency
Minnesota Housing Partnership
Mount Olive Lutheran Church
Robins, Kaplan, Miller and Ciresi, LLP
St. Paul Foundation
Steinel America, Inc
The McKnight Foundation
Travelers Foundation
U.S Department of Housing and Urban
Development
Wal-Mart
Wells Fargo Foundation

Product Donations

3M
AGAPE Gallery
American Hotel and Suites
Andersen Corporation
Arthur Murray Dance Studio
Bacchus Society Package
Benson Carpet
Bloomington Civic Theatre
Drum Major Bldg, Inc.
Estetica Salon and Spa
Excel Painting
First Grand Liquor
Five Two Six Salon Spa Gallery
Fuji Ya Restaurant
General TeleCommunication
HealthPartners
Holiday Inn Select Bloomington
Integra
Joan Breen Interior Design
Kelley Frame & Fine Art Galleries Ltd
Lettus Services
Minnesota Timberwolves
Minnesota Vikings
Nina's Coffee Café
Pamper me Nails
Point of View Optical
Sears Commercial Sales
Scoular Company
Solo Vino
St. Paul Hotel
Steps to a Healthier Saint Paul
Steve Kjelland & Associates
Summit Brewing Company
Ucare Minnesota

Unity Church Unitarian
University of Minnesota
Victory Fitness
W.A Frost & Company
Weber Electric
Wuollet Bakery, Inc.

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Ms. Barbara Jeanetta
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Mr. Charles H. Williams
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Mr. James Steven
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Mr. Jeff Dahlberg
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Ms. Judith Oliver
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Ms. Nancy Viking
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Mr. Steven E. Landberg
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Mr. Thomas Krebs
Mr. Thomson West
Mr. Timothy and Mrs. Suzanne Andersen
Ms. Trish Sackrison
Ms. Velma Schuck
Mr. Walter T a
Ms. Wesley Griffin
Mr. William Flannigan and Ms. Nancy Zingale
Ms. Yumi Kayama

Model Cities' Mission Statement



Human services mission

to carry out culturally sensitive services that promote the physical, mental, spiritual, social and economic well-being of individuals, families and communities

Community development mission

to carry out community-based development that improves the quality of life and contributes to the revitalization of urban communities

Model Cities of St. Paul, Inc.

Model Cities Community Development Corporation

Model Cities Enterprises

Model Cities Families First, LLC

Model Cities Sankofa, LLC

MCASA, LLC

Model Cities
839 University Avenue
St. Paul, Minnesota 55104

www.modelcities.org

