



MODEL CITIES 2015 ANNUAL REPORT

A Message from Board Chair and Executive Director

Dear Friends,

At this time, we want to say thank you to our donors and supporters. Some of you have been with us for more than 30 years. You have seen us through the ups and downs of community service. Some of you may have recently donated your time, talents and resources. All of you, we consider our friends. And we want to thank you for your support.

In our 49 year history, we have strived to be a resource to the individuals, families, and communities that we serve. Over the years, we have provided primary health care, family support services, affordable housing, housing for homeless families, and affordable space for small businesses and businesses of color. We have tried to stay in touch with the community so that we can be helpful. And this has meant being willing to take strategic risks for the benefit of others.

We are close to being half of a century, and that in itself is a major milestone for an organization that was supposed to end after a 5-year demonstration. This would not have happened without the true support of loyal donors.

Thank you for joining us on this journey and please continue to venture with us.



*Francis Green, Esq.
Board Chairperson*



*Beverley Oliver Hawkins, Ph.D.
Chief Executive Officer*

Our Mission

To promote social and economic prosperity by providing access to opportunities that develop and stabilize families and communities.

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(Treasurer)

Boler-Ford, Brenda*

Green, Francis, Esq
(Chairperson)

Hawkins, Beverley Oliver, PhD
(Secretary and CEO)

Hicks, Jackie

King, Kenneth

Kuria, Mary

May, Peter

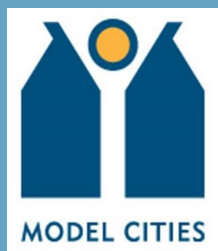
Porter, Marilyn

Snedeker, Karen

Waterhouse, Jamie
(Vice Chairperson)

*New members as of January 2015

Model Cities of St. Paul, Inc
Model Cities Community
Development Corporation
Model Cities Properties
MCASA, LLC



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Model Cities' Community Services

The **Families First Supportive Housing (FFSH)** program provides 20 units of safe, affordable, permanent supportive housing for single-parent families who meet the HUD definition of homelessness. This includes at least one family member with a documented disability. In 2015, a total of 100 individuals (30 families) were served through our FFSH program. Of those served:

- 53% identified as African/ African American
- 21% identified as Multiracial
- 18% identified as Caucasian; and
- 8% identified as Asian/Pacific Islander

Additionally, 35% of adults served through FFSH obtained and/or maintained employment opportunities and 20% were enrolled in an educational program or a post secondary institution.



Sankofa Residents posing Christmas Party

Sankofa provides 15 units of permanent supportive housing for youth and young adults ages 17-25 who are either pregnant or parenting a child under the age of 3 years old. Young families served through Sankofa must meet the State of Minnesota's definition of Long Term Homelessness, which includes households who lack a

permanent place to live continuously for a year or more or at least four times in the past three years. In 2015, we served 47 individuals (22 families) through our Sankofa program. Of those served in 2015:

- 83% identified as African American
- 66% obtained or maintained employment while in the program
- 53% were enrolled in an educational program or a post secondary institution.

In addition to supportive housing, Model Cities provides **Crisis Intervention** services to families referred through Ramsey County Human Services. This includes families with children at risk of out of home placement, children returning home from placement and children with severe mental health diagnoses. In 2015, Model Cities served:

- 321 individuals (122 families) through crisis intervention services and children's mental health case management.
- Many of the families received support with connecting to mental health services, family therapy, day treatment, housing, and respite care.

"Don't take programs like this for granted. You need to apply yourself. Don't let others...dictate who you are and what you are capable of doing [and] don't get discouraged just because of your past."

- Sankofa Resident

Family Coaching Program

In 2015, in partnership with the Saint Paul Promise Neighborhood, Model Cities began piloting the *Family Coaching Program*. The Family Coaching program is designed to support parents living in the Saint Paul Promise Neighborhood with addressing emotional, economic and educational barriers that negatively impact their children's ability to learn. Trained individuals, referred to as "Family Coaches" monitor, support and link families to culturally-specific community based services and activities that help them prevent crises and successfully navigate challenging life situations. Coaching services are short-term (3-6 months) and are tailored to meet the immediate needs of the family. The main goal of the program is to reduce children's absences from school, while also increasing family stability.

Community Coaching

In 2015, 111 youth in Ramsey County and 17 youth in Dakota County participated in the program. Youth successfully completed probation obligations and gained connections to pro-social activities while in the program.

Family Coaching

In 2015, 19 Families living in the Saint Paul Promise Neighborhood participated in the Family Coaching program. There were 19 families connected to community resources, including:

- Housing and Shelter support programs.
- Mental Health resources
- Extracurricular afterschool programs
- Community ELL Classes

In 2015, two bilingual Family Coaches were brought on to support services to Spanish speaking families served through the program.

Homeownership

Model Cities provides homebuyer education workshops and one-one-one pre-purchase counseling services to first-time buyers to help them learn how to successfully navigate the home buying process. In 2015, Model Cities provided a total of 296 households with homeownership services.

- 68% of households served identified as a person of color;
- 20% of households served had incomes at or below 100% of poverty;

- 56% of households served lived in Ramsey County.
- 65% of households served through pre-purchase counseling increased their savings and/or improved credit scores while participating in the program.

MCASA

- Construction completed and home sold on one of the house move projects
- One housing rehabilitation has signed purchase agreement pending closing in March 2016
- Two families with contract for deeds progressing towards closing before summer 2016

HOUSING OPPORTUNITIES MADE EQUITABLE COLLABORATIVE (HOMECO)

People of color, especially African-American households, are most marginalized when it comes to building housing security and sustainable personal assets. In 2012, the Housing Opportunities Made Equitable (HOMECO) collaborative was formed in order to help combat the wealth and economic disparities that continue to grow in our community. The collaborative is currently made up of four community nonprofit partners: Aurora/St. Anthony Neighborhood Development Corporation (ASANDC); Build Wealth Minnesota (BWM); Camphor Fiscally Fit Center; and Model Cities. Together these four distinguished organizations represent more than 80 years of community service in the Twin Cities. Our mission is to create opportunities for wealth creation among populations of color through advocacy, financial education and the development of comprehensive housing solutions.

In keeping with our mission to "promote social and economic prosperity by providing access to opportunities that develop and stabilize families and communities,

Model Cities has been actively involved to carry out the mission and goals of HOMECO. In 2015, through funding received from Minnesota Housing's Homeownership Capacity Program, a pilot initiative targeted towards supporting low-income renters and households of color with achieving homeownership, Model Cities provided 21 households of color with comprehensive one-on-one homebuyer counseling services.



From left to right: Nieeta Presley, Dr. Sylvia Bartley, Dr. Beverley Oliver Hawkins, Lorna Petltice

Success Stories



Kelly Ray (name changed to protect the privacy of our client), three months pregnant, moved from Chicago to start a new life in Minnesota. She found temporary housing at a local shelter in Minneapolis, that helps women, children and families struggling with relationship violence, substance abuse and mental health. Ms. Ray was recommended to apply for supportive housing at Model Cities Sankofa! Apartments.

Before becoming a mother herself, Kelly raised a step daughter in a neighborhood where she often feared for her own safety. Now, she has an opportunity to improve her lifestyle for herself and her young son. She desires for better educational opportunities for him so he can “grow up as a strong educated black man”. “Having an apartment was a stepping stone for me. I dream of being a homeowner,” she stated. “Now I have even bigger dreams [to be a business owner] building cabinets...for kitchens and bathrooms.” Her future goal is to do real estate business to purchase, redevelop and renovate homes. Kelly completed her Associates Degree, has skills in carpentry and soon electrical work and is working on a Bachelor’s Degree in Business Management. Proud of her success, hard work pays off with a \$14 salary increase.

“I asked my case manager for my [first] goal plan in which I completed everything.” Her advice is “Don’t take programs like this for granted. You need to apply yourself. Don’t let others...dictate who you are and what you are capable of doing [and] don’t get discouraged just because of your past.”

Family Coaching Success Story

Diego (name changed to protect the privacy of our client) and his family was referred to the Family Coaching program due to ongoing concerns with his school performance and attendance. Diego’s parents (both Spanish speakers) reported that their son was having issues with his homework and was falling behind in school. Due to their limited English speaking skills, it was difficult to support him. A Family Coach began working with the family and was able to connect the parents to both community-based and online English Language Learners courses to support them with improving their English speaking skills. Additionally, Diego was connected to a homework

help program at a local library near his home. He began showing improvement in his self-esteem and school performance. Reports from Diego's teachers were also positive and stated that he showed steady improvement in the number of homework assignments submitted and an overall improvement in his academic performance.



JDAI Celebration



Photos above: Residents at a holiday party event.

Photo below: Residents at Parent-to-parent session



Model Cities Redevelopment

Model Cities continued to move forward with the Model Cities Redevelopment project in 2015. This project includes two sites, BROWNstone and Central Exchange, which will provide quality housing that is affordable, commercial and retail uses, public art and green space close to the Victoria Street Light Rail Transit (LRT) Station along University Avenue. The MCR project will produce a number of benefits for the community that include bringing economic vibrancy to the area, creating new opportunities for business development and expansion, generating stable jobs, and providing safe, affordable housing with easy access to transit. In particular, much progress was made with the BROWNstone site in 2015 in terms of finalizing the new building's design and securing major funding commitments for the project to get underway. Model Cities will begin construction in Spring 2016. BROWNstone will consist of 35 units of housing, and close to 20,000 square feet of commercial space, including Model Cities' offices. Central Exchange will follow BROWNstone, with construction slated to begin in 2017. Model Cities will be working with Sand Companies, a partner developer with much experience carrying out similar projects in St. Paul, in order to develop the Central Exchange site.

In 2015, Model Cities accomplished the following:

- Completed the final design for the BROWNstone site
- Solidified funding commitments of over \$5 million from the City of St. Paul for the BROWNstone project, including a \$2.3 million loan for the commercial portion of the project funded by the St. Paul Foundation
- Received an award of \$200,000 from LISC for the BROWNstone project's commercial space
- Secured site plan approval for BROWNstone, as well as a conditional use permit and variance to allow for additional height and surface parking at the back of the building
- Secured Letters of Intent from Anchor Bank as a lender for the residential portion of the project, as well as from the Midwest Housing Equity Group for Low Income Housing Tax Credits. These funds will represent an approximately \$4.8 million investment into the project.

BROWNstone Project



839/849 University Ave



BROWNstone Rendering

Central Exchange Project



771-785 University Ave

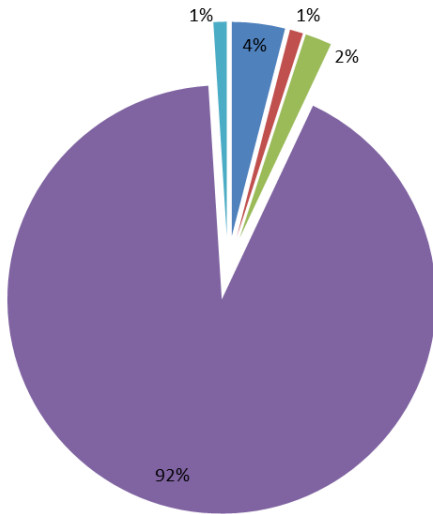


Central Exchange Rendering

2015 CONSOLIDATED FINANCIAL PROFILE

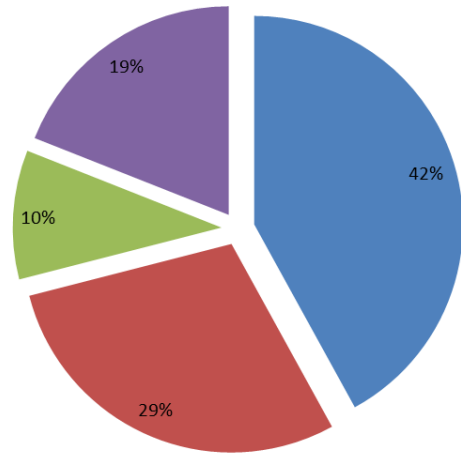
For the year ended December 31, 2015

Assets



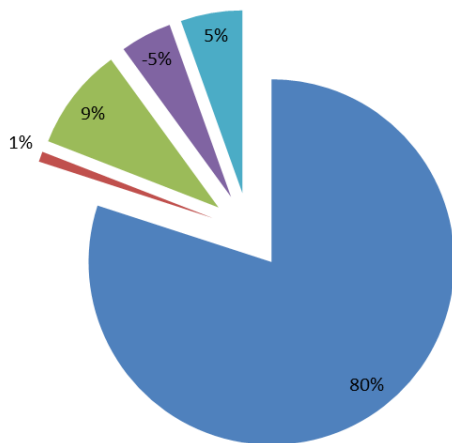
- Cash
- Investment
- Receivable
- Property Equipment
- Other Assets

Support and Revenue



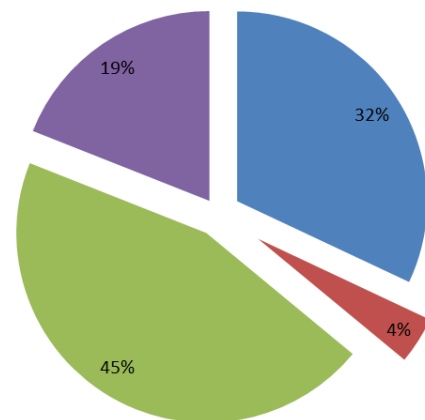
- Government
- Foundation & Corporation
- United way
- Earned Income

Liabilities



- Note and Mortgage Payable
- Accounts Payable
- Security Deposit & Other Accrued
- Unrestricted Net Assets
- Temporarily Restricted Net Assets

Expenses



- Program Services
- Economic & Community development
- Facilities management & Other
- Management & General

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Associated Bank
F. R. Bigelow Foundation
Family Housing Fund
Larkin Hoffman Daly and Lindgren Foundation
Mardag Foundation
Minneapolis Area Association of Realtors
Northwest Area Foundation
Palisade Asset Management, LLC
PACE of The Saint Paul Foundation
The Emil and Emily Slowinski Fund of The Saint Paul Foundation
The McKnight Foundation
The Scoular Foundation
The Saint Paul Foundation
Greater Twin Cities United Way
Western Insurance Agency

Organizations

Thomson Reuters Community Program
Twin Cities LISC
Twin Cities Community Land Bank
Camphor United Methodist Women
Camphor United Methodist Church

Government

Capitol Region Watershed District
Dakota County Community Corrections
Metropolitan Council
Minnesota Department of Education
Minnesota Department of Human Services
Minnesota Housing
Ramsey County Children's Mental Health Collaborative
Ramsey County Community Human Services
Ramsey County Corrections
Ramsey County Environmental Response Fund
St Paul Department of Planning and Economic Development
U.S. Department of Housing and Urban Development
U.S. Department of Human Services , Office of Community Services

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