



HEARTH / ANNUAL REPORT / 2009

MISSION STATEMENT Hearth is a non-profit organization dedicated to the elimination of homelessness among the elderly. This mission is accomplished through a unique blend of prevention, placement, and housing programs all designed to help elders find and succeed in homes of their own. To this end, all housing operated by Hearth provides a creative array of supportive services that assist residents to age with dignity, regardless of their special medical, mental health, or social needs. Hearth believes these goals are best accomplished through respect for elders and staff, with the desire to see both achieve their highest degree of potential.

“After my apartment burnt down
Hearth helped me find housing.
Thanks to Hearth I now have a
home and a safe place to live.”



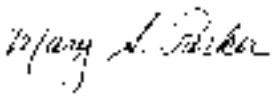
Dear Friends Even as we braced ourselves for what we knew would be a challenging year we were uplifted by the incredible support from so many partners, including individuals and public and private organizations who are committed to Hearth's mission and who believe in the work.

Hearth staff worked tirelessly to maintain and improve our programs, and with the help and guidance of the Board of Directors, and strength gained from our many valuable partnerships, we were able to continue to push ahead with our Strategic Initiatives highlighted on page two of this report.

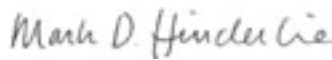
So many people found so many ways to support us, with generous grants from foundations and corporations, and through collaborations with public and private agencies completing research and advocating change. Members of our Board of Visitors, volunteers, Hearth Outreach clients, and Hearth residents pitched in and did what they could to help us. Many of these efforts are highlighted in the pages of this report. Resident Estelle Morris generously shared her story with us (page eight) to help illuminate the tragedy of homelessness and how much her home at Hearth means to her.

This year Hearth lost six beloved residents, three of whom were well known in the Boston community: Stella Weaco, Mary Bastien, and Bob Wright. All three had spent decades living on the street before ultimately finding a home at Hearth. Each one contributed in their own way to the Hearth Community – a gentle smile, a vibrant personality, a vocal advocate for the homeless. They are deeply missed, and we will honor them by continuing our work to end elder homelessness.

Sincerely,



Mary Parker
Hearth Board Chair



Mark Hinderlie
Hearth President & CEO





Strategic Initiatives for Boston and Beyond

The following is a snapshot of some of the exciting progress Hearth has made to date in 2009 on the Strategic Initiatives, with support from some of Hearth's many valued partners.

BOSTON LEADERSHIP INITIATIVE:

Grow and nurture current operations:

- Thanks to a generous gift from the Richard and Susan Smith Family Foundation, Hearth has been able to make technology upgrades that are critical to the strength and health of Hearth's ongoing operations.

Develop Hearth at Olmsted Green:

- The City of Boston awarded Hearth 59 section 8 vouchers, making the project "shovel ready."

Seize new opportunities as they arise:

- Hearth continues to work to identify and explore prospective properties to acquire to expand the number of Hearth units for homeless elders. These efforts are supported by a generous grant from the Boston Foundation.

Increase focus on prevention and outreach:

- Tufts Healthcare Foundation supported the Social Innovation Forum's 2009 Healthy Aging Track which connected Hearth's Outreach Program with new partners, helped shine a light on our Outreach Program, and accelerated the path for Outreach to grow to scale (more on page three).

MASSACHUSETTS LEADERSHIP INITIATIVE:

Conduct research to document the success of the Hearth model of service:

- With the support of Drs. Judith Gonyea and Sara Bachman from the Boston University School of Social Work and a grant from the Boston Foundation, Hearth completed research that helps demonstrate the importance and effectiveness of service-enriched housing for the elderly homeless in Massachusetts (more on page five).

Foster and support public commitment to the prevention and elimination of elder homelessness:

- Hearth participated in the Commonwealth's Interagency Council on Housing and Homelessness, with Mark Hinderlie co-chairing the Housing Production and Stabilization Working Group.

NATIONAL LEADERSHIP INITIATIVE:

Help inform and provide leadership nationally in the mission to end elder homelessness:

- By invitation, Mark Hinderlie spoke about homelessness and older adults at the National Conference on Homelessness in Washington D.C.
- Organizing a panel with researcher Dennis Culhane at which he will share findings from his soon-to-be-released report on homelessness among older adults.
- Anna Bissonnette traveled to Washington DC where she spent a week with fellow Robert Wood Johnson Foundation Community Health Leaders. While there she visited Capitol Hill, advocating with the staff of both John Kerry, and Senator Kennedy's former HELP committee, for support to amendments that require mental health services be included in the Health Care Reform Bill, which is of particular importance to the well-being of our elderly homeless population.
- Provided technical assistance to Zion Hill Community Development Corporation in East Point, Georgia for their first supportive housing project which will house 18 formerly homeless women over 55.

The Opportunity for Increased Social Impact

Hearth's Outreach Program was selected as a 2009 Social Innovator by the Cambridge-based Social Innovation Forum, a Root Cause initiative.

Hearth's track was sponsored by the Tufts Health Plan Foundation.

The Social Innovation Forum selected Outreach for its innovative and highly effective solution to addressing elder homelessness. In addition to a financial grant Outreach received many important services, including coaching and consulting, that culminated with an opportunity to present at the Social Innovation Forum in May. The Forum is modeled after venture capital forums in which entrepreneurial organizations present goals and strategies to potential investors of money, time, talent, and relationships.



THE NEED

Elders are a vulnerable, but often overlooked, segment of the homeless population. Homeless elders often have physical, mental, social, and emotional problems that compound financial troubles and contribute to chronic homelessness.

- About a third of Boston's homeless adult shelter population, totaling 3,800, is over 50 years old.
- One in five elders in Boston lives below the poverty line.
- With little or no safety net, a health crisis or other problem can compound financial difficulties and lead to chronic elder homelessness.

THE OPPORTUNITY

Elder homelessness has existed "under the radar" of many homelessness programs and funding sources. Hearth Outreach is uniquely positioned to increase its impact by expanding its services.

- Hearth Outreach currently serves over 250 homeless elders annually and has dozens of referral and service partners.
- Since 1995, the Team has placed over 1,000 elders in permanent housing and assisted over 3,000 elders.
- Over 96% of elders placed maintain their housing for at least a year, surpassing HUD's benchmark retention rate of 77% after six months.

The Hearth Outreach Program has developed two year goals aimed at expanding capacity to meet the scale of the problem. To learn more, visit our website www.hearth-home.org.

HEARTH OUTREACH MODEL



Homeless Elders 50+



Safe, Affordable, Permanent Housing

1. Hearth case managers reach out to homeless elders living in shelters and work to build close relationships, becoming active participants in shelter life so staff and shelter residents feel comfortable seeking them out for information and help.
2. Outreach case managers help clients navigate through the subsidized housing application process. They provide clients with access to health treatments, address substance abuse, apply for benefits, or obtain other vitally needed social services.
3. Once a housing unit has been found, Outreach case managers help elders with all aspects of getting settled. Case managers continue to support clients to maintain their home, stay healthy, and remain connected to the community.





Making Hearth's Case:

Hearth has just completed a report called: **Ending Elder Homelessness: The Importance of Service-Enriched Housing**. The goal of this report is to not only shine light on the complexities and challenges of elder homelessness, but to offer research based strategies for ending elder homelessness in our state.

Homeless elders face challenges that are very different from those experienced by younger adults or families. For seniors, the ravages of homelessness can accelerate and magnify the effects of aging. Together, we can ensure that all Massachusetts seniors can age with dignity in a safe and secure home environment.

The report, as well as the research informing it, was supported by a generous grant from the Boston Foundation. Hearth is indebted to Drs. Judith G. Gonyea and Sara S. Bachman of Boston University School of Social Work for both conducting the research and writing the report.

This important report demonstrates what Hearth has always known, that service-enriched housing represents a cost-effective strategy for providing safe and permanent housing to some of the Commonwealth's most vulnerable elders.

In a recent speech, Nan Roman, president of the National Alliance to End Homelessness, talked about the emerging issue of aging in the homeless population:

"As the entire population ages, the age of the average homeless person also goes up. In addition, more elderly people are finding themselves vulnerable to homelessness. As we move forward we need to plan for this aging population – hopefully by strengthening the programs that assist older people, because the last thing we want to do is improve our shelter systems so that older homeless people can live in them."

To read Hearth's full report visit: www.hearth-home.org

Facts that tell the Story

In 2000, 13.5% of Massachusetts citizens were age 65 or older. By 2030, the U.S. Census Bureau projects that the 65 and older group will constitute 20.9% of the Commonwealth's citizenry.

32% of US retirees have less than \$10,000 in savings.



Ongoing Research Efforts that demonstrate the importance of addressing the needs of homeless elders and Hearth's work

Hearth is looking forward to a study being released by **Dennis P. Culhane, PhD**, a renowned researcher and professor from the **University of Pennsylvania** who studies homelessness and housing policy. Dr. Culhane's research has been instrumental in a national shift in how society addresses homelessness. His new study is on aging in the homeless population. Dr. Culhane has graciously agreed to participate in a Panel with Hearth in early 2010 to discuss his important findings.

Hearth is pleased to have **Kelly Mills-Dick**, a doctoral candidate at the **Boston University School of Social Work**, doing her dissertation research with Hearth's Outreach Program. Kelly is one of nine doctoral candidates nationwide to recently receive a HUD Doctoral Dissertation Research Grant. Her project, *Voices From the Street: Exploring How Older Adults and Outreach Workers Define and Mitigate Problems Associated With Urban Elder Homelessness* aims to contribute to understanding and resolving elder homelessness. Kelly's goals are to enhance relationships between practitioners and homeless elders, inform program planning and policy making to address this complex and multifaceted problem, and ultimately, improve the lives of some of our nation's most vulnerable older adults.

Hearth Board member **Dr. Rebecca Brown**, a fellow in geriatric medicine at **Harvard Medical School**, is studying the health needs of older homeless adults. In collaboration with **Dr. Susan Mitchell** of **Hebrew SeniorLife** and **Drs. Monica Bharel** and **Jessie Gaeta** of **Boston Health Care for the Homeless Program**, Rebecca is determining how many homeless adults age 50 and older have geriatric conditions. Geriatric conditions include memory loss, hearing loss and vision loss, and are usually more common in adults age 65 and older in the general US population. However, research has suggested that homeless adults in their 50s may be physically similar to housed adults age 65 and older. By learning how common these conditions are, Rebecca hopes to increase screening and medical care directed at these important medical problems.

Young professionals from the **Analysis Group** who came to Hearth through the Social Innovation Forum have been donating their time and expertise to work on a cost-benefit analysis for housing homeless elders, as well as on a report that better measures the real number of homeless elderly in Boston.



Facts that tell the Story

Nationally, according to data from HUD's 2008 Annual Homeless Assessment Report to Congress, July 2009, while the number of homeless Individuals in emergency shelter was down by 3.7% overall from 2007 to 2008, the number of individuals in the 51+ category was up by 4.5%.

VOLUNTEERS



The youth group of St. Peter's Church in Weston gave the residents of Ruggles a Nintendo Wii. Group member John taught Lucille how to play Wii Bowling.

At this year's Invaluable Volunteers Reception, Hearth honored three volunteers with long-standing ties to Hearth: ❶ Grant AME Church (with site director Mary Himmelberger, center) who has embraced the Ruggles residents as part of their community and helps them out in countless ways; ❷ Liz Baum (with Director of Behavioral Health Debbie Cutler, left, and nurse Sue Jones, right) who sits on the Human Rights Committee and has been a good friend to Hearth for many years; and ❸ Shawmut Construction (Nina Columbaro of Shawmut Construction with site director Bob Jordan) who has celebrated Christmas with the ladies of Bishop Street for nearly 12 years.



Employees from Harvard Pilgrim Health Care continued their partnership with Hearth and volunteered several times, including sponsoring a cook-out for the residents of ABH.

People Making a Difference volunteers celebrated Martin Luther King Jr. Day with the residents of Ruggles. Some elders, like Ms. Annie Beasley (right, with PMD volunteer Katrina), shared their remembrances of the civil rights leader.



copyright 2009 PMD



Karin Mensing, a graduate student at Lesley University, became Hearth's first art therapy intern, working with elders from Uphams Corner ElderHouse and Ruggles Affordable Assisted Living. Ruggles resident Eric worked on several projects with Karin. Residents also held an art show at the Volunteer Appreciation Reception, displaying their works of art.

Artist Peter Phelps continued to paint and raise money for Hearth. His art show at the Jamaica Plain Open Studios was a great success. Hearth hosted it at the Burroughs Street House, made lots of new friends, and raised over \$3,000.



Board of Visitor member Param Roychoudhury organized a collection drive for Outreach. Her colleagues at BNY Mellon generously donated \$2,800 worth of food, gift cards and direct cash donations, and BNY Mellon matched this with a gift of \$2,800. (Pictured right is Param, center, with some of her colleagues: Susan Butts, Elena Long, Ranjit Rajamani, and Bill Newsham.) Her children, Ankur Eagar and Anavi Eagar, helped organize a drive at their summer camp program, Pre-School Experience in Newton, and Param's neighborhood collected donations as well. In all, nearly \$8,000-worth of food and donations was raised for Hearth.



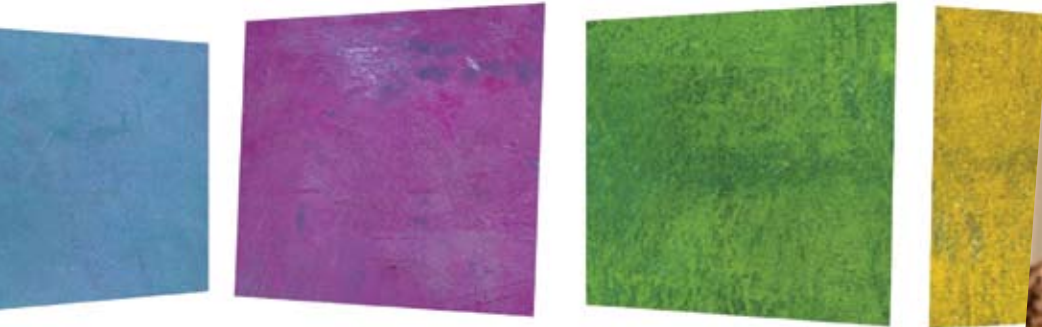
Residents of Ruggles and ABH took a trip to Fenway on October 1st to see the Red Sox beat the Cleveland Indians 3-0. Although it was a very brisk fall night, the residents bundled up and enjoyed themselves immensely. For several of the seniors, it was the first baseball game they'd ever been to.



This is an excerpt from a project that Hearth board member Jennifer Davis Carey has embarked upon to document, in stories and photographs, the lives of some of Hearth's residents.

Estelle's Story

Estelle was raised on a farm near Macon, Mississippi. The Delta region was known throughout Estelle's youth as an epicenter of racism, and so she packed her bags in search of a better life and stepped off of a bus in the city of Boston. When she left Macon in 1964, she was earning \$12.00 a week as a housekeeper and \$3.00 per hundred pounds of cotton during the harvest.



“Dad said, ‘You have to work, nothing will come on a silver platter. Work and hope it multiplies.’” For many years after Estelle arrived in Boston her happiness did multiply. “I remember when I got my first paycheck from the family I was working for. Two hundred dollars. It was more money than I had ever seen in my life! I saved most of it. The woman I worked for took me to the bank and helped me to open an account.”

Estelle fell in love and married. A son came along, and for the next twenty years she had a good life. Things began to fall apart when her son was struck by a car in a devastating accident. “The doctor told me the best hope was to get a prayer line. My son was so bad...it was a miracle that he lived.”

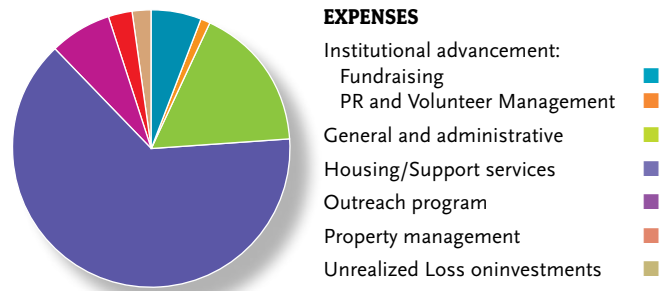
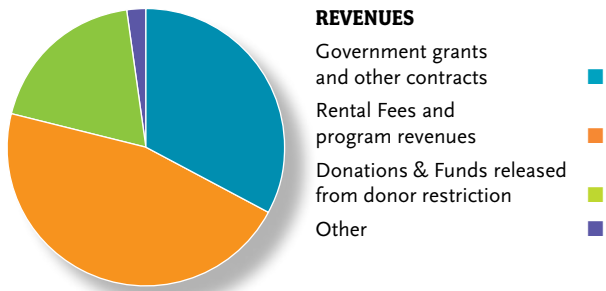
During his long recuperation, Estelle was his primary caregiver and asked for a leave of absence from work. Weeks stretched

into months and her employer's patience waned. First there was unemployment, then she used her savings. Then eviction. And then the streets.

The most basic activities were a struggle. Estelle recalls “I drank coffee all the time, cup after cup, just to keep warm in the winter. I am still sick of coffee” Anything beyond the basics was a luxury not to be contemplated. “You are so hungry that your stomach hurts. And sometimes so cold that your feet and hands are numb.”

All that ended when Estelle came to Hearth six and half years ago. Now she has the basics— food, an address, a key to her own place—and more. She has her “Obama Scrapbook Project” and her quilting and is improving her reading. She can cook food for her son and correspond with her friends and family. Estelle has her life again.

“There was a group of us. All homeless ladies. We found each other and slept, lived really, under bridges. When you are homeless you are tired all the time. You have to keep moving, keep walking. People look at you like you are dirty, like you smell. They tell you that you are bad for business. You can't linger anywhere. And so you walk, and walk, and walk.”



STATEMENT OF ACTIVITIES

Revenues	Total in Dollars	% of Total
Government Grants and other contracts	1,194,822	33
Rental Fees and Program Revenues	1,693,017	46
Donations & Funds Released from Donor Restriction	699,913	19
Other	87,637	2
Total Revenues	3,675,389	100
Expenses		
Institutional Advancement:		
Fundraising	222,979	6
PR and Volunteer Management	38,000	1
General Administrative	609,434	17
Housing/Supportive Services	2,263,669	64
Outreach Program	258,284	7
Property Management	82,826	3
Unrealized Loss on Investments	74,169	2
Total Expenses (before depreciation)	3,549,361	100
Net Surplus/(Deficit) before depreciation	126,028	
Depreciation/amortization	134,831	
Net Surplus (Deficit)	(8,803)	

STATEMENT OF FINANCIAL POSITION

Assets	Total in Dollars
Current Assets:	
Cash and Equivalent	778,595
Receivables	386,154
Funds Held in Trust	45,330
Prepaid Expenses and Deposits	71,603
Total Current Assets	1,281,682
Property and Equipment	3,422,921
Other Assets	1,043,665
Total Assets	5,748,268
Liabilities and Net Assets	
Current Liabilities	315,496
Long-term debt, deferred interest and payables	2,407,101
Net Assets	3,025,671
Total Liabilities and Net Assets	5,748,268

Combined Statement of Activities and Operations

Hearth, Inc. partly owns and fully operates two for-profits: The Ruggles Assisted Living Limited Partnership facility and the East Concord Street Limited Partnership supportive housing facility. These limited partnerships are designed to create managed operating losses which the original investors use to offset operating profits in their general operations under the Federal Low Income Housing Tax Credit program (LIHTC). The combined activity fully represents the financial condition of Hearth, Inc. and related parties.

Hearth, Inc. Net Surplus (Deficit)	(8,803)
Ruggles Assisted Living Limited Partnership Net Income (Loss)	(136,078)
East Concord Street Limited Partnership Net Income (Loss)	(224,710)
Combined Net Surplus (Deficit)	(369,591)

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Adam Subber
Bruce Taylor
Shirley Thorne
Sara Tribe
Jim Wayman
Gretchen Woodruff

* *Deceased*



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