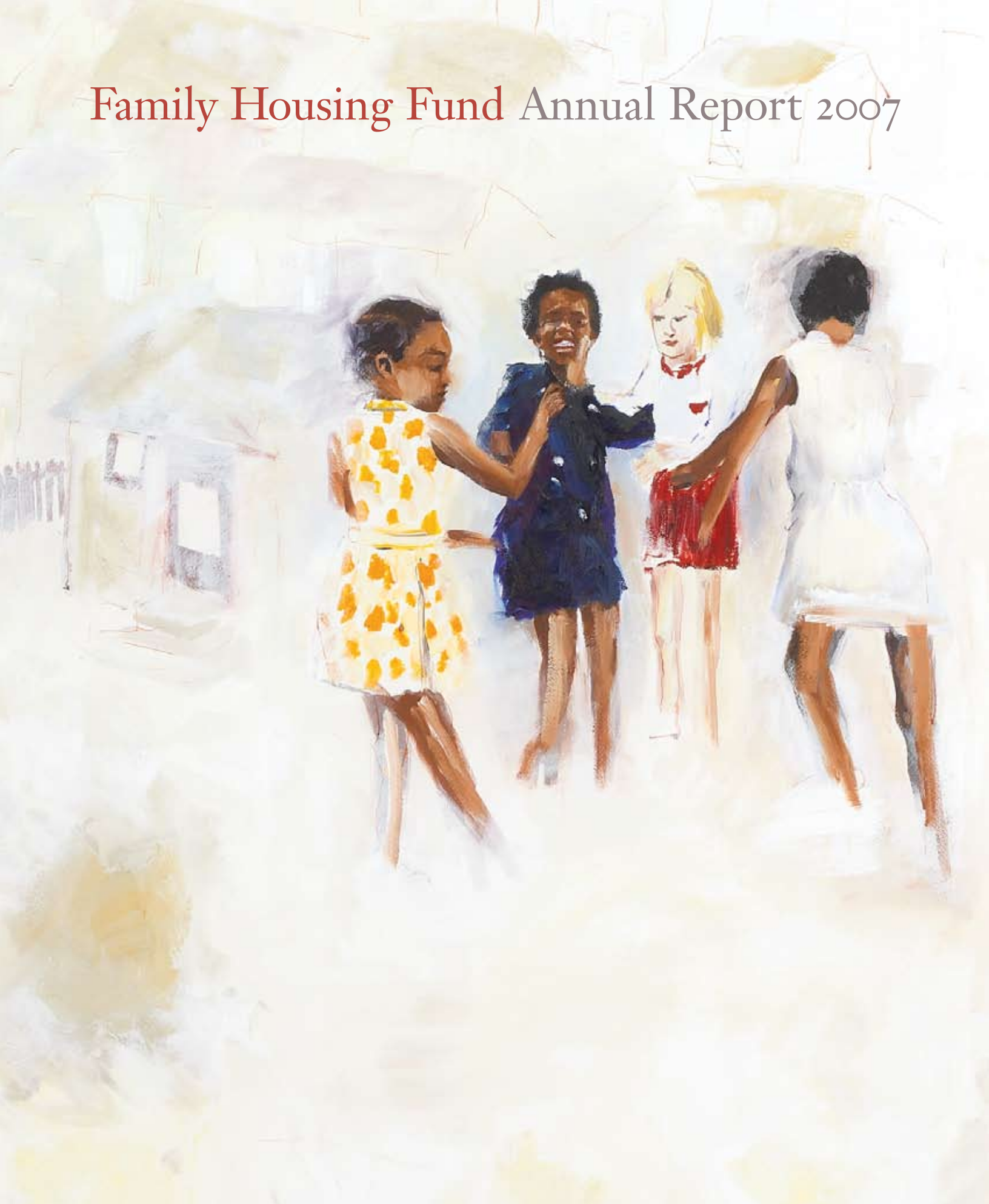


Family Housing Fund Annual Report 2007



Contents

Home Is Who You Are	1
Programs and Accomplishments	2–8
Support for Other Organizations	9
Acknowledgments	10–12
Financial Statements	13–14
Board of Directors and Family Housing Fund Staff	15



Home smells like freshly baked Christmas cookies on a cold December night.

Home feels like the warmth of a fireplace crackling in the silence of the living room.

Home looks like a family portrait hanging on the wall.

Home tastes like your favorite home-cooked birthday dinner that your mom makes every year.

Home sounds like the old records your parents play on quiet nights.

Home is a thousand memories, embedded in the colorful walls of each room.

Home isn't just living, sleeping, breathing, and working. Home is who you are.

The Family Housing Fund



Home Is Who You Are

CHILDREN SHOULD NEVER HAVE TO WONDER where they are going to sleep at night. But in Minneapolis alone, school buses pick up nearly 1,000 kids every day from shelters or transitional housing facilities, and more than 5,000 children in the city experience homelessness at some time during the year.

To raise awareness about this issue, the Family Housing Fund joined with Minneapolis Public Schools to sponsor a contest for middle and high school students, challenging them to create works about homelessness, affordable housing, or the meaning of home. This annual report highlights several of the winning entries, including the intro poem by a tenth grader that evokes the sense of peace and belonging that comes from having a safe and loving place to live. “Home isn’t just living, sleeping, breathing, and working,” the student concludes, “Home is who you are.”

If home is indeed who you are, what does that mean for children and families who are homeless in Minnesota or whose homes are at risk due to foreclosure, overcrowding, or substandard conditions? Without a home, how can a child’s or a family’s dreams take root and grow?

Unfortunately, the Twin Cities region, like many areas nationwide, faces an epidemic of foreclosures, with thousands of homeowners and renters losing their homes annually. And the loss is not only personal but also affects the stability of entire neighborhoods and communities. Given such difficult conditions—along with slowing employment rates and rising fuel and food costs—creating and preserving safe, stable, and affordable homes for low- and moderate-income individuals and families will become more critical than ever.

Fortunately, even during times of economic uncertainty, the private and public sectors continue to come together to abate foreclosures; end homelessness; create healthy, sustainable housing; and strengthen families and neighborhoods throughout the state. As part of this effort, the Fund has helped produce or preserve more than 31,700 affordable houses in the metropolitan area during its 28-year history, providing places to call home for thousands of people and generations to come.

Our hope is that this annual report—with its pages enlivened with the words and images of both student and professional poets and artists—will celebrate, challenge, and inspire our endeavors and those of our colleagues, partners, and the broader community throughout the coming months.

The Fund would like to give special thanks to The McKnight Foundation, whose leadership and vision continue to guide and motivate our endeavors, and to our many private and public partners, who are working with us to make safe, sustainable homes for all children and families in Minnesota.

Our mission is to provide safe, affordable, sustainable homes to families and children in the Twin Cities metropolitan area through ongoing partnerships with the public and private sector.

About the Fund

Established in 1980, the Family Housing Fund supports the cities of Minneapolis and Saint Paul, the Metropolitan Council, and Minnesota Housing in their efforts to meet the region's affordable housing needs. Originally created by The McKnight Foundation and the cities of Minneapolis and Saint Paul, the Fund officially extended its service area in 1997 to include the entire Twin Cities seven-county metropolitan area. This past year, the Fund added a new position: a vice president of regional housing initiatives to help build new alliances in suburban communities and ensure housing choice and prosperity for the entire metropolitan region.

As a *housing intermediary*, the Fund brings together people, money, and expertise to support the delivery of affordable housing. As a *funder*, the Fund raises money from foundations and corporations and uses those funds to make targeted grants and loans for the creation and preservation of quality affordable housing. As a *convener* and *facilitator*, the Fund brings together individuals and organizations from the private, public, and nonprofit sectors to develop ways to meet the growing demand for sustainable housing and to identify and tackle strategic housing issues. And as an *educator*, the Fund provides information to community leaders and the general public about affordable housing needs and opportunities.

Since 1980, Family Housing Fund investments of \$182.5 million have helped finance more than 31,700 units of affordable housing and leveraged an additional \$2.6 billion from government sources, private lenders, investors, and other contributors.

2007 Programs and Accomplishments

Last year alone, the Family Housing Fund gave nearly \$9 million of financial assistance to nonprofit organizations, government agencies, and private developers to assist in the production or preservation of more than 525 affordable housing units in the Twin Cities and to offer homeownership counseling and foreclosure prevention to individuals and families. The Fund also provided critical support to 21 local nonprofit and advocacy organizations whose work complements and supports the Fund's mission.

In 2007, the Family Housing Fund began implementing a new strategic plan that defines its values and states its goals through 2010. This plan captures the Fund's vision for the future—a vision that seeks to ensure that all families have access to safe, affordable, and sustainable housing; a vision that strives to end homelessness; a vision that aims to increase and honor diversity in our work; and a vision that places the needs of children at the heart of everything we do. For each child, individual, and family we assist, we come closer to achieving this dream, while also recognizing that our true accomplishments lie in the courage and success of those who call these housing units home.

With this initiative, the Family Housing Fund concentrates on four main goals: **Linking Workforce Housing and Regional Growth**; **Promoting Successful Homeownership**; **Ending Homelessness**; and **Reimagining Affordable Housing**. Accomplishments in each of these program areas from the past year follow on the next six pages.



The purpose of the Linking Workforce Housing and Regional Growth program area is to promote and preserve a full range of workforce housing choices for all Twin Cities families and link housing policies and programs to other regional systems and regional growth objectives.

Linking Workforce Housing and Regional Growth

Minnesota's economic vitality depends on having affordable, well-located workforce housing that correlates with such broader systems as transportation, mass transit, and education. The Family Housing Fund invests in affordable housing projects that visibly demonstrate the best practices of comprehensive community development. This includes sustainable mixed-use, mixed-income, higher-density housing along transit and transportation corridors and projects that feature walkable neighborhoods, healthy materials, cost reductions, and energy conservation.

Additionally, by recognizing that it is more cost-effective to preserve rather than to replace existing buildings, the Fund remains a leader in the preservation and stabilization of the region's supply of affordable housing. A few highlights from the Fund's 2007 accomplishments in this program area include:

- The Fund believes that safe, decent, affordable rental housing is an essential resource for working families and their children. In 2007, the Fund assisted several cities and housing developers with eight new sustainable projects containing 330 units of affordable housing. Since 1980, the Fund has invested more than \$61.5 million to aid in the construction or preservation of 288 developments containing nearly 13,500 units of affordable rental property.
- The Fund collaborated with the **Urban Land Institute Minnesota (ULI MN)** and the **Regional Council of Mayors** (representing 36 municipalities) on a major initiative to encourage economic prosperity by increasing the range of housing options and improving linkages between housing, transportation, and jobs. ULI MN and its partners work together to create a comprehensive, centralized, and sustainable learning community that provides money, resources, and practical solutions to community officials who recognize the importance of supplying housing for all income levels. The initiative has attracted national recognition and spurred the development of the **Opportunity City** pilot program and a new regional system for land banking.
- The Fund worked with the **Center for Transit-Oriented Development** to produce educational and technical information for communities and individuals interested in efficient development. The materials show how building along transportation corridors can positively influence the expansion of the metropolitan area, both at the regional and neighborhood level.

continued on page 4





- The preservation of existing affordable houses remains crucial to low- and moderate-income families in our state. To this end, the Fund continued to provide leadership and funding to the **Interagency Stabilization Group (ISG)**, which helps preserve thousands of rental units in Saint Paul and Minneapolis. Established in 1992, the ISG regularly monitors the performance of existing projects, prepares stabilization plans for troubled ones, and has system-wide strategies in place for maintaining such properties. The Fund also served on the **Stewardship Council**, which focuses on the stabilization needs of supportive housing projects.
- Manufactured homes represent another important type of affordable housing threatened with demolition or condemnation. In response, the Fund is partnering with **The McKnight Foundation**, the **Greater Minnesota Housing Fund**, **Minnesota Housing Partnership**, the **Housing Preservation Project**, **Minnesota Housing**, **All Parks Alliance for Change**, and the **Northcountry Cooperative Foundation** to preserve and rehabilitate manufactured home parks throughout the metropolitan area.

The purpose of the Promoting Successful Homeownership program area is to achieve sustainable homeownership for low- and moderate-income families, particularly first-time homebuyers, first-generation homebuyers, and communities of color.

Promoting Successful Homeownership

Most people dream of owning their own home. But while our state has one of the highest ownership rates in the country, too many minorities and low- and moderate-income families in Minnesota do not own their own residence. Additionally, foreclosure rates in the Twin Cities metropolitan area have dramatically increased over the past several years, turning the dream of homeownership into a nightmare and causing instability for both individuals and entire neighborhoods.

For a number of reasons, lower income families are at greater risk of losing their homes and have been hardest hit by the mortgage crisis. Frequently, they purchase houses in need of costly repairs and are more vulnerable to such economic setbacks as job loss and unanticipated medical bills. In addition, predatory lenders and scam artists target them intentionally, often leaving them with large balloon payments or rising interest rates. However, if provided with the necessary resources, existing homeowners and new buyers can avert foreclosure, and neighborhoods can prevent the abandoned and boarded houses that can quickly become a blight citywide.





Promoting Successful Homeownership (continued)

Through its homeownership programs, the Family Housing Fund works with public and private lenders and nonprofits to help low- and moderate-income families realize their dreams and experience the benefits of long-term ownership. The Fund's programs assist families before, during, and after the purchase of a house to ensure successful homeownership. Highlights from the Fund's activities in this area for 2007 include:

- The Family Housing Fund established the **Home Prosperity Fund**, a new financing tool to revitalize neighborhoods and increase housing opportunities in the metro area. The loan fund enables local nonprofits to create affordable housing initiatives and products and to acquire vacant buildings for repair and resale to responsible new owners. Minnesota Housing, Wells Fargo, U.S. Bank, TCF Bank, and Thrivent Financial for Lutherans all made significant inaugural contributions to the Home Prosperity Fund totaling \$16 million, with the goal to raise \$50 million by 2012.
- The Fund remained deeply involved in other collaborative efforts to stem foreclosures and renew key neighborhoods in the Twin Cities and throughout the state. The Fund continued to work with the **Minnesota Foreclosure Partners Council** to create a timely, coordinated response to the foreclosure crisis. In Minneapolis, the Fund provided money and leadership to the **Northside Home Fund**, which focuses on redeveloping boarded homes in six targeted cluster areas in north Minneapolis. As part of this effort, the Northside Home Fund and **Rebuilding Together** rehabilitated ten homes on the northside with the help of dozens of business and community volunteers. In Saint Paul, the Fund partnered with the **Invest Saint Paul Initiative**, a program to increase successful homeownership in underserved communities, especially recent immigrants and families of color. And on a statewide level, the Fund continued to support the efforts of the **Emerging Markets Homeownership Initiative (EMHI)**.
- In partnership with the Saint Paul and Minneapolis Public Housing Authorities and the Metropolitan Housing and Redevelopment Authority (HRA), the Fund continued to support **Home Ownership Made Easy (HOME)**, an innovative program of education, counseling, and financial assistance that enables families living in public housing or receiving Section 8 assistance to become homeowners (first-generation homeowners for many). The majority of buyers through HOME are families of color. In 2007, HOME counselors assisted 75 households in the metropolitan area and helped 19 families buy houses. During HOME's 18-year history, 429 families have purchased homes.
- The Fund also awarded several grants to create new opportunities for homeownership and counseling statewide, including its continued support of several area land trusts in their efforts to develop sustainable housing initiatives. Since 1980, the Fund has spent nearly \$61 million to help produce or preserve 12,375 affordable single-family dwellings. Additionally, the Fund has underwritten homeownership counseling programs that have assisted more than 8,000 families.

The purpose of the Ending Homelessness program area is to end homelessness by supporting strategies and programs that help individuals, families, and youth break the cycle of homelessness.

Ending Homelessness

On any given night in Minnesota, nearly 8,000 adults and children are homeless or living in transitional housing. Of that number, 2,726 are children (nearly half of whom are under the age of six), a particularly alarming fact given the known effects homelessness has on a child's physical health, mental development, and school performance.

To grow and thrive, families require stable, safe places to call home. Supportive housing often meets that need. By combining affordable rental housing with such services as childcare, employment assistance, educational opportunities, mental health support, and special programs for children and youth, families can often overcome the devastating effects of homelessness. The Fund's 2007 accomplishments include:

- The Family Housing Fund continued to administer the **Visible Child Initiative** (fka the Healthy Families Network), a partnership with 17 supportive housing organizations in the Twin Cities that provide housing and services to homeless families with children. The initiative promotes the mental and chemical health of all residents and the physical, emotional, and academic well-being of homeless children from birth through adolescence. In 2007, the Early Risers program for school-age children was fully implemented at eight sites, the Infant/Toddler Discovery Project was launched at ten sites, and a new Children's Environmental Project was piloted at three locations. St. Paul Travelers also hosted a special forum on "Engaging the Strengths of Families in Supportive Housing" for community leaders and sponsors.
- In partnership with Nan McKay and Associates/Learning Evolution and Hart Shegos and Associates, the Fund continued to develop **The Asset Manager**, a Web-based management training, support, and capacity-building program for owners and property managers of subsidized housing in the metropolitan area.
- The Fund continued its support of **Heading Home Minnesota, Heading Home Hennepin, and Heading Home Ramsey**: state and county programs aimed at ending homelessness by creating supportive housing and innovative prevention and outreach protocols. These initiatives represent unprecedented, coordinated partnerships among the public, business, nonprofit, and philanthropic sectors and the faith community. As part of this effort, the Fund administered the **Heading Home Minnesota Partners Fund**. In 2007, the Pohlad Foundation joined the Frey Foundation in making a \$1 million commitment to the Partners Fund, bringing its total assets to \$2.7 million. This support greatly enhanced the initiative's ability to develop new solutions to end homelessness and fill critical service gaps. In the past year, the Partners Fund financed 17 projects in support of service innovation.
- The Fund continued to assist **Project Homeless Connect**, a program to connect homeless men, women, children, and youth to the services they need to break the cycle of homelessness. In 2007, Minneapolis/Hennepin County and Saint Paul/Ramsey County each held events that served between 1,000 and 1,800 homeless people and involved hundreds of volunteers and providers. Services included health and dental care, employment assistance, legal advice, free clothing, and even books and haircuts.



2007 Programs and Accomplishments



Ending Homelessness (continued)

- The Fund is a founding partner and investor in an ambitious and novel enterprise called **The Network for Better Futures**. The Network promotes the recovery, resiliency, and prosperity of high-risk adults, especially African American men with histories of incarceration, mental illness, substance abuse, unemployment, and homelessness. The program sets high standards for its clients and helps ensure their success by providing direct access to housing, employment, and primary and behavioral healthcare. During 2007, 53 high-risk homeless men participated in the program and received housing subsidies, and 36 of them earned income through the Network's job bank.
- The Family Housing Fund provided financing and rent subsidies for supportive housing to families and individuals at risk of homelessness. In 2007, the Fund awarded more than \$800,000 to five supportive housing developments in the metropolitan area that created or preserved 116 units of family housing. The Fund also gave rent subsidies to 78 families or youth in supportive housing. Since 1980, the Fund has invested more than \$39 million to assist 150 projects, which have supplied nearly 4,150 units of supportive housing and 1,630 rent subsidies.

The purpose of the Reimagining Affordable Housing program area is to reimagine affordable housing in the context of larger cultural, political, and social issues.

Reimagining Affordable Housing

The Family Housing Fund's first three program areas largely focus on the creation and preservation of affordable housing: rental, owner-occupied, and supportive. The Fund recognizes, however, that significant social, political, and cultural systems affect these units and their availability. Taking this into account, the Fund has worked to reimagine affordable housing by developing strategies and programs that promote green building practices, focus on the needs of children, address the underlying issues of race and cultural competency, and incorporate the arts and the humanities in everything we do. Accomplishments in this program area from 2007 include:

- The Fund, in collaboration with the Greater Minnesota Housing Fund and Enterprise, continued to support **Minnesota Green Communities**, an initiative to foster the creation of affordable, healthier, and more energy-efficient housing throughout the state. Minnesota Green Communities is the largest green building program in Minnesota, with 190 units completed, 423 under construction, and another 1,223 under development. In 2007, Minnesota Housing and Minnesota Green Communities unveiled the "Minnesota Overlay to the Green Communities Criteria," a major policy change to ensure that all future multifamily affordable housing developments in the state meet green building guidelines. In spring 2007, Minnesota Green Communities presented its second annual "Green by Design" conference, which featured Robert Kennedy, Jr., as the keynote speaker and had more than 350 people in attendance.

continued on page 8





- The Family Housing Fund supported the development of **Speaking of Home**, a monumental public art project by artist Nancy Ann Coyne that will be on view in the skyway connecting the IDS Center and Macy's from August 4 to October 31, 2008. The project, presented in partnership with Forecast Public Art, the Family Housing Fund, and the Institute for Advanced Study at the University of Minnesota, explores immigration, celebrates diversity, and honors place through the portraits and stories of 23 newcomers to Minnesota. A Speaking of Home Community Advisory Board also convened in 2007 to ensure community involvement in this groundbreaking installation. To learn more about the project, go to www.speakingofhome.org.
- The Fund continued to travel the "Home Sweet Home Again" exhibition and to develop and distribute its fact sheets and reports. Together, the Fund and HousingLink published *Housing Counts: Measuring Affordable Housing Production and Preservation in the Twin Cities*, which provides an annual accounting of affordable housing projects in Minneapolis, Saint Paul, and the surrounding suburbs whose funding successfully closed during the year. *Housing Counts* reports are now available from 2002 through 2007. Additionally, the Fund, along with the Minnesota Home Ownership Center and the Minnesota Foreclosure Partners Council, created new marketing materials on foreclosure prevention for the "Don't Borrow Trouble Minnesota" campaign. And to participate in the Viva City celebrations, the Fund partnered with Minneapolis Public Schools to sponsor an art and poetry competition focusing on homelessness and the meaning of home.
- The Fund continued to support a number of key advocacy organizations that seek to augment and improve affordable housing in the Twin Cities. These groups lobby for increased public support; organize low-income tenants; challenge the NIMBY (Not In My Back Yard) syndrome and efforts to demolish or convert existing rental units; contact public officials about problem property owners; and educate citizens on the need for supporting affordable housing efforts.
- In partnership with the Twin Cities Local Initiatives Support Corporation and the Corporation for Supportive Housing, the Fund continued to finance and give communications support to **Changing the Face of Housing in Minnesota**. This diversity initiative seeks to improve the affordable housing system by including more people of color at all levels of planning and community development. In 2007, the initiative hosted a leadership institute led by The ProGroup Players that used theater and improvisation to delve into diversity issues and create strategies to produce more inclusive workplaces. Changing the Face of Housing also held its sixth annual event, which had an audience of nearly 600 and featured environmental justice advocate and artist Majora Carter. The initiative also sponsored two Public Policy Leadership trainings and continued to support the 21 organizations that signed on for the **Community Challenge**, a three-year commitment to increase diversity among staff and boards and improve organizational culture. Additionally, more than 80 mid-career professionals have completed the initiative's **Careership Program**, with 72 percent of them going on to secure employment in the housing or community-development field. For more information, please visit www.changingthefaceofhousing.org.

Support for Other Organizations

Organizations that have received assistance from the Family Housing Fund 1980–2007



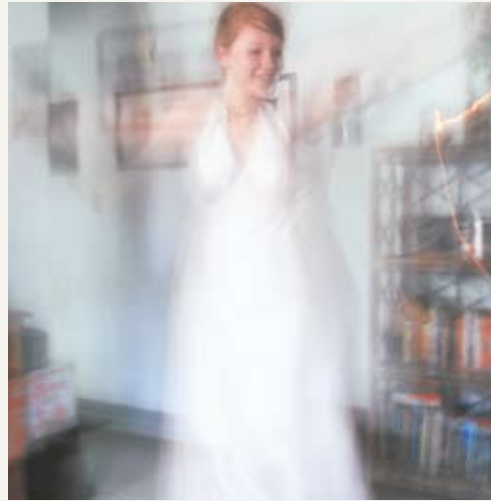
Aeon (fka Central Community Housing Trust)
Alliance Housing, Inc.
All Parks Alliance for Change
American Indian Housing Corporation
Amherst H. Wilder Foundation
Artspace, Inc.
Ascension Place
Asian Mutual Assistance Association
Avenues for the Homeless
Cabrini Partnership
Catholic Charities
Center for Neighborhoods
Central Neighborhood Improvement Association (CNIA)
Christian Restoration Services
Church of St. Stephen
Citizens League
City of Lakes Land Trust
CommonBond Communities
Common Space
Community Action for Suburban Hennepin (CASH)
Community Involvement Programs
Community Stabilization Project
Cooperative Training Program (Meridian Training Network)
Corporation for Supportive Housing (CSH)
Development Corporation for Children
East Side Neighborhood Development Corporation (ESNDC)
Elim Transitional Housing
Emerge Community Development
Exodus Community Development Corporation
Fairview Development Corporation
Family & Children's Services
Folwell Neighborhood Association
Greater Metropolitan Housing Corporation (GMHC)
Guild, Inc.
Hawthorne Area Community Council
Hearth Connection
HOME Line
Homes Within Reach (aka WHAHLT)
HousingLink

Housing Preservation Project (HPP)
Incarnation House
Interfaith Outreach & Community Partners
The Jeremiah Program
Jewish Community Action
Jordan Area Community Council
Lake Nokomis Homes, Inc.
Legal Aid Society of Minneapolis
Lexington-Hamline Community Council
The Link
Listening House
Local Initiatives Support Corporation (LISC)
Lutheran Social Services
Luther Place Corporation
Metropolitan Interfaith Council on Affordable Housing (MICAH)
Metro-Wide Engagement on Shelter and Housing (MESH)
Mid-Minnesota Legal Aid
Minneapolis Neighborhood Employment Network (NET)
Minneapolis YWCA
Minnesota AIDS Project
Minnesota Chapter of the National Association of Redevelopment Officials
Minnesota Coalition for the Homeless
Minnesota Fair Housing Center
Minnesota Home Ownership Center
Minnesota Housing Partnership
Minnesota Indian Women's Resource Center
Minnesota Senior Federation—Metropolitan Region
Minnesota Student Cooperative
Minnesota Supportive Housing Consortium
Mother Cabrini House
National Affordable Housing Corporation
National Association of Housing Partnerships
Neighborhood Development Alliance
Neighborhood Housing Services
Neighborhood Improvement Company
The Network for Better Futures
New Foundations
Nonprofits Assistance Fund
North Country Cooperative

Northpoint Health & Wellness
Northside Community Reinvestment Council
Northside Neighborhood Housing Services
Northside Residents Redevelopment Council (NRRC)
Northway Community Trust
Our Saviour's Housing
Person to Person
Perspectives, Inc.
Phillips Neighborhood Housing Trust
Phillips Neighborhood Improvement Association
Phillips Park Initiative
Phoenix Group, Inc.
Plymouth Church Neighborhood Foundation
Powderhorn Community Council
Powderhorn Residents Group (PRG)
Project 504
Project for Pride in Living (PPL)
Project Foundation
Rebuilding Together Twin Cities
Reuben Lindh Family Services
Rondo Community Land Trust
RS Eden Programs
Saint Anthony Block Club
Saint Paul Housing Information Office
Saint Paul YWCA
Salvation Army
Selby Area Community Development Corporation
Seward Redesign
The Shelter at Our Savior's
Simpson Housing Services
Southern Minnesota Regional Legal Services
South Metro Human Services
South Saint Paul Residential Property Owners
Spectrum Community Mental Health
St. Joseph's House
Sustainable Resource Center
Theresa Living Center
Tree Trust
Twin Cities Community Voice Mail
Twin Cities Economic Development
Twin Cities Habitat for Humanity
Twin Cities Housing Development Corporation (TCHDC)
Two Rivers Community Land Trust
University of Minnesota Foundation
Urban Coalition
Urban Land Institute Minnesota
Vail Place
Varied First Avenue Cooperative
West Bank CDC
West Seventh Street Federation
West Side Neighborhood Housing Services
Whittier Alliance/Whittier Housing Corporation
Women's Community Housing, Inc.

Acknowledgements: Grants and Contributions

Since it was established, the Family Housing Fund has received grants and contributions from the following private organizations and individuals.



Northwest Area Foundation
 Norwest Foundation
 Piper Jaffray Companies Foundation
 The Carl and Eloise Pohlاد Family Foundation
 The Carl and Eloise Pohlاد Family Foundation
 on behalf of Marquette Banks
 Reliant Energy
 Luther I. Replogle Foundation
 Residential Funding Corporation
 Saint John's Abbey
 The Saint Paul Foundation
 Securian Foundation
 St. Paul Companies
 Target Foundation
 TCF Foundation
 Thrivent Financial for Lutherans
 Travelers
 Turner Family Foundation
 United Way of Minneapolis
 U.S. Bank
 Wells Fargo Foundation on behalf of:
 Wells Fargo Bank Minnesota
 Wells Fargo Brokerage Services
 Wells Fargo Institutional Investments
 Lowry Hill
 Wells Fargo Private Client Services
 Xcel Energy Foundation

Alpha and Omega Family Foundation
 Hugh J. Andersen Foundation
 Anonymous
 The Basilica of Saint Mary
 John and Ruth Bergerson Family Fund of
 the Minneapolis Foundation
 Bieber Family Foundation
 F. R. Bigelow Foundation
 Born Information Services
 Bremer Bank
 Otto Bremer Foundation
 Bush Foundation
 Butler Family Foundation
 The Cargill Foundation
 CenterPoint Energy
 Faegre & Benson
 Faith United Methodist Church
 Fannie Mae Foundation
 Federal Home Loan Bank
 Firststar Bank of Minnesota, N.A.
 First Bank System Foundation
 Fletcher Family Foundation
 Ford Foundation
 Frey Foundation
 H. B. Fuller Company Foundation
 General Mills Foundation
 The Home Depot Foundation
 Honeywell Foundation
 Emma B. Howe Memorial Foundation
 Morton and Merle Kane Family
 Leslie J. Kraus in honor of:
 DeeDee Foster, MarcomNordic, Inc.
 Scott Mitchell, MackayMitchell
 Envelope Company
 Kim Nelson and Max Kurnow,
 Kelber Catering, Inc.
 Louise Skogstad, Dakota County
 Receiving Center, Inc.
 Local Initiatives Support Corporation (LISC)

Lutheran Brotherhood
 The MAHADH Foundation
 The Mardag Foundation
 The McKnight Foundation
 Medica Foundation
 Metris Companies Foundation
 Miller & Schroeder Financial, Inc.
 The Minneapolis Foundation
 Minnegasco
 Minnesota Mutual Foundation
 National City Bank Foundation
 Northern States Power Company



Acknowledgements: Special Public/Private Initiatives

The Fund periodically serves as the lead organization for public/private initiatives with various community partners. Contributors to collaborative projects through the Fund are listed below.



Changing the Face of Housing in Minnesota

Otto Bremer Foundation (via LISC)
Annie E. Casey Foundation (via LISC)
Corporation for Supportive Housing
The McKnight Foundation (via LISC)
Minnesota Housing Finance Agency
The Saint Paul Foundation (via LISC)
Twin Cities Local Initiatives Support Corporation (LISC)
Greater Twin Cities United Way (via LISC)

Don't Borrow Trouble Campaign

Public/Private Contributors

ACC Capital Holding, Inc.
All Regs Mortgage Resource Center, Inc.
Ameriquest Mortgage Corporation
Anoka Hennepin Credit Union
Beacon Bank
Bremer Bank
Otto Bremer Foundation
City-County Federal Credit Union
City of Minneapolis
City of Saint Paul
Energy Family Credit Union
Fannie Mae Foundation
Fletcher Family Foundation
Freddie Mac
Glaser Financial
Guaranty Bank
Hiway Federal Credit Union
IBEW 110 Federal Credit Union
Lutheran Brotherhood
Minnesota Association of Mortgage Bankers
Minnesota Association of Mortgage Brokers
Minnesota Bankers Association
Minnesota Department of Commerce
Minnesota Housing Finance Agency
Mortgage Association of Minnesota
NWA Federal Credit Union
PMI Foundation
Prime Mortgage Corporation
Ramsey County
SMW Federal Credit Union

TCF Foundation
Thrivent Financial
TopLine Federal Credit Union
U.S. Bank
U.S. Department of Housing and Urban Development
Voyager Mortgage Corporation
Wells Fargo

Individual Contributors

Larry Albert
Robert C. Arneson
Bradley E. Bakken
Thomas P. Dolphin
R. James Gesell
Dan Hardy
F. Donavon Kuehnast
Daniel H. Nicolai
Tom Olson
Tom Porter
Cathryn Thrash
Holly Wicklund
John S. Wisniewski
Myron A. Zaruba

Heading Home Minnesota Partners Fund

Fannie Mae Foundation
Frey Foundation
The McKnight Foundation
The Carl and Eloise Pohlada Family Foundation
St. Paul Travelers

Home to Stay

Federal Home Loan Bank
Firstar Bank
Hennepin County
Marquette Bank
Minneapolis Community Development Agency
Minnesota Housing Finance Agency
TCF Bank
Twin Cities Habitat for Humanity

Housing Plus Campaign

Alliance to End Homelessness
Anonymous
Carmichael Lynch
Dunbar Development Corporation
Faegre & Benson
Federal Home Loan Bank Board
First Bank System Foundation
General Mills Foundation
Great Lakes Management Company
Lutheran Brotherhood
Marquette Bank
Minnegasco
North American Life & Casualty
Northern States Power
Norwest Foundation
NWC Ltd. Partnership
The Jay and Rose Phillips Family Foundation
Piper Jaffray Hopwood
David M. Sanders
Short Executives, Inc.
Towle Real Estate Company
Waldorf Paper Corporation
The Whitney Foundation
David E. Willette

Minnesota Green Communities

Blue Cross and Blue Shield of Minnesota Foundation (via GMHF)
Bush Foundation (via GMHF)
Enterprise
Greater Minnesota Housing Fund (GMHF)
Marbrook Foundation
Travelers (via GMHF)

More Than Shelter Campaign

Hugh J. Andersen Foundation
F. R. Bigelow Foundation
Otto Bremer Foundation
The Croixwood Trust
Dain Bosworth, Inc.
H. B. Fuller Company
General Mills Foundation
The McKnight Foundation

Miller & Schroeder Financial, Inc.
 Northwest Area Foundation
 Northwestern National Life
 Insurance Company
 Norwest Bank
 Piper Jaffray
 Ramsey Action Program
 Saint John's Abbey
 The Saint Paul Foundation
 Westminster Presbyterian Church

Project Homeless Connect Minneapolis/Hennepin County

Adath Jeshurun Congregation
 Alliance Pipeline, L.P.
 Bethel University
 Canadian Mental Health Association
 The Caridad Corporation
 Central Lutheran Church
 Finnegans Community Fund
 First Barber Stylists Company
 Medica Foundation
 Plymouth Congregational Church
 Private Bank Minnesota
 South Minneapolis Quilters
 Target Foundation
 Thrivent Financial for Lutherans Foundation
 Thrivent Financial for Lutherans Foundation
 in honor of Daniel Miller

Individual Contributors

Stuart Anderson and Joellen Ouradnik
 Anonymous
 J. and E. Cabak
 Gary Elfert
 Sheila Foster
 Elaine N. Frankowski
 Moira Gaidzanwa
 Barbara J. and Stephen R. Greenhalgh
 Lynn Vander Haar
 Patricia Haas
 Anne R. Heilman
 Thomas J. Heinz
 Kevin R. Horne
 Christina D. Huck
 Michelle L. Jackelen
 Mark H. and Jennifer A. Johnson
 Philip G. and Susan C. Jones
 William and Pamela Kapphahn
 Granville P. and Rosemary Lenore Lawrence
 Alice Meadow in honor and appreciation of
 Kathleen Zukerman
 Louise S. Miles
 Robert Odman
 Benjamin J. Paar
 Joseph F. and Mary S. Palen

Anita Pierce
 Edward J. and Peggy L. Pluimer
 Rachele Pratt
 Susan and Giuseppe Puppini
 Lyn B. Rabinwitch
 Jodi S. Rogness
 Molly A. Root in honor of Daniel Miller
 Herve and Jennifer Sarteau
 Stacy Seeland
 Dana Smith in the name of Dion Irwin
 Danelle T. Smith
 Michael and Trista Starkey
 Diana Valentine
 Judy Waeschle
 Rebecca E. Weaver
 Joan Wernick
 Roger Worm

Saint Paul/Ramsey County

Church of St. Odilia
 Finnegans Community Fund
 Kowalski's
 Medica Foundation
 Open Your Heart to the Hungry and Homeless
 Sam's Club
 Second Harvest Heartland
 Sisters of St. Joseph of Carondelet
 St. Paul Area Coalition for the Homeless
 St. Paul Police Federation
 Target Foundation
 3M Foundation

Individual Contributors

Philip E. and Donna D. Zingsheim Bauer
 Marilyn J. Bruin
 Bret T. Byfield
 Chris and Connie Gannaway
 Phylis Haag
 Becky J. Hicks
 Jane Lawrenz
 Mary Alice Lee

Both Campaigns

In honor of Rachel Yost-Dubrow:
 Rachael Lipkin
 Karine and Paul Swensen Moe
 Allison Moyers
 Linnea Stenson
 H. Jeanie Taylor
 Lisa Yost

Speaking of Home

The Charlson Foundation
 CommonBond Communities
 The John S. and James L. Knight Foundation
 Minneapolis Community Planning and
 Economic Development
 Minneapolis Foundation

Spectrum Trust of The Saint Paul Foundation
 Wells Fargo Foundation

Supportive Housing for Families Initiative

F. R. Bigelow Foundation
 Blue Cross and Blue Shield of
 Minnesota Foundation
 Otto Bremer Foundation
 Bush Foundation
 Patrick and Aimee Butler Family Foundation
 Frey Foundation
 John S. and James L. Knight Foundation
 The Mardag Foundation
 The Jay and Rose Phillips Family Foundation
 The Saint Paul Foundation
 Sheltering Arms Foundation
 Sundance Family Foundation
 Travelers

Wet/Dry Housing Campaign

Allianz Life Insurance Company
 Best & Flanagan
 Brookfield Development Company
 Bush Foundation
 The Cargill Foundation
 Carlson Real Estate Company
 Coopers & Lybrand
 Cowles Media Foundation
 Dain Bosworth Foundation
 Dayton Hudson Corporation
 Doherty, Rumble & Butler
 Faegre & Benson
 Firststar Bank
 First Bank System Foundation
 Franklin National Bank
 John Holten
 Honeywell Foundation
 David Hyslop
 KPMG Peat Marwick
 Le Jeune Investments
 Loop Parking
 Lutheran Brotherhood
 Minnegasco
 National City Bank
 Northern States Power
 NWC Limited
 100 E. 22nd Association
 Oppenheimer Wolff & Donnelly
 Opus Corporation
 Pan-O-Gold Baking Company
 Piper Jaffray
 Price Waterhouse
 TCF Foundation
 Tennant Foundation
 Timberwolves (Target Center)
 Towle Real Estate Company
 Archie D. & Bertha H. Walker Foundation

Financial Statements

Consolidated Statement of Financial Position* December 31, 2007

	2007	2006
Assets		
Cash and Cash Equivalents	\$ 651,610	\$ 1,225,330
Investments	7,507,819	4,470,787
Funds Held in Trust	344,810	186,805
Accounts Receivable	135,008	41,842
Contributions Receivable (Net)	14,243,144	8,181,067
Loans Receivable	72,394,173	65,597,157
Less: Allowance for Loan Losses	(38,497,837)	(38,234,840)
Other Assets	15,432	13,832
Furniture and Equipment	236,358	201,534
Less: Accumulated Depreciation	(170,970)	(143,911)
Total Assets	\$ 56,859,547	\$ 41,539,603
Liabilities and Net Assets		
Accounts Payable	\$ 193,789	\$ 156,030
Accrued Payroll and Vacation	89,391	71,041
Accrued Interest	109,978	57,866
Other Liabilities	155,535	256,830
Grants Payable	1,593,750	1,577,750
Loans Payable—The McKnight Foundation	1,485,613	1,485,613
Loans Payable—Minneapolis/Saint Paul	2,342,041	2,342,041
Loans Payable—Home Prosperity Fund and Foreclosure Remediation	7,680,045	—
Total Liabilities	\$ 13,650,142	\$ 5,947,171
Net Assets		
Unrestricted	\$ 7,696,039	\$ 6,092,012
Temporarily Restricted	35,513,366	29,500,420
Total Net Assets	\$ 43,209,405	\$ 35,592,432
Total Liabilities and Net Assets	\$ 56,859,547	\$ 41,539,603

continued on page 14

	2007			2006
	Unrestricted	Temporarily Restricted	Total	Total
Support and Revenue				
Contributions	\$ 1,503,407	\$ 13,774,810	\$ 15,278,217	\$ 5,185,091
Investment Income	517,008	2,503,059	3,020,067	890,941
Grant Income	282,502	—	282,502	102,618
Grants Returned	116,887	—	116,887	225,547
Miscellaneous	15,114	—	15,114	48,397
Total Support and Revenue	\$ 2,434,918	\$ 16,277,869	\$ 18,712,787	\$ 6,452,594
Net Assets Released from Restrictions				
	\$ 10,264,923	\$(10,264,923)	\$ —	\$ —
Expenses				
Program Services	\$ 10,264,923	\$ —	\$ 10,264,923	\$ 8,666,494
Support Services:				
Management and General	\$ 702,202	\$ —	\$ 702,202	\$ 574,807
Fundraising	128,689	\$ —	\$ 128,689	\$ 120,268
Total Support Services	\$ 830,891	\$ —	\$ 830,891	\$ 695,075
Total Expenses	\$ 11,095,814	\$ —	\$ 11,095,814	\$ 9,361,569
Change in Net Assets	\$ 1,604,027	\$ 6,012,946	\$ 7,616,973	\$ (2,908,975)
Net Assets—				
Beginning of Year	\$ 6,092,012	\$ 29,500,420	\$ 35,592,432	\$ 38,501,407
Net Assets—				
End of Year	\$ 7,696,039	\$ 35,513,366	\$ 43,209,405	\$ 35,592,432

*Please Note: The full audited financial statements are available by calling the Family Housing Fund at 612-375-9644.

Board and Staff Family Housing Fund



Board of Directors

Officers

Chair

Karen J. Anderson
Former Mayor, City of Minnetonka

Vice President/Treasurer

Patricia L. Hanson
Wells Fargo Bank Minneapolis, N.A.

Vice President

Beverley Hawkins
Model Cities of Saint Paul, Inc.

Vice President

A. William Sands
Western Bank

Vice President

Paul Williams
Local Initiatives Support Corporation

Directors

Robert Alpers
Commissioner, Dakota County
Community Development Agency

Elizabeth Anderson
Thrivent Financial for Lutherans

Cecile Bedor
Saint Paul Planning and Economic
Development

Toni Carter
Commissioner, Ramsey County

Melvin Carter III
Saint Paul City Council

Chris Coleman*
Mayor, City of Saint Paul

Lisa Goodman
Minneapolis City Council

Charles Hanley
U.S. Bank

Pat Harris
Saint Paul City Council

James Hovland
Mayor, City of Edina

Shawn Huckleby
Emerging Markets Homeownership
Initiative (EMHI)

Carolyn E. Olson
Greater Metropolitan Housing Corporation

Gloria Perez
The Jeremiah Program

Marilyn Porter
Porter Consulting, LLC

R. T. Rybak*
Mayor, City of Minneapolis

Gary Schiff
Minneapolis City Council

George Stone
Corporation for Supportive Housing

Tom Streitz
Minneapolis Community Planning and
Economic Development

Beverly Turner
Travelers

Maureen Warren
Amherst H. Wilder Foundation

Stella Whitney-West
North Point Health and Wellness Center

* The mayors of Minneapolis and Saint Paul
have appointed representatives (Tom Streitz
and Cecile Bedor, respectively) to serve on
their behalf.

Staff

Thomas P. Fulton
President

Pamela J. Zagaria
Vice President

Elizabeth Ryan
Vice President, Regional Housing Initiatives

Anita Pierce
Director, Finance and Administration

Angie Skildum
Research and Policy Director

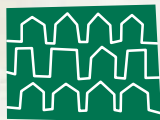
Shawna Lynn Nelsen
Communications Director

Miko Salone
Office Manager

Moira Gaidzanwa
Evaluation and Special Projects Director

William N. Mask
Finance Manager

Lowell Yost
Program Director



**FAMILY
HOUSING
FUND**

801 NICOLLET MALL
SUITE 1650
MINNEAPOLIS
MINNESOTA 55402
TEL 612-375-9644
FAX 612-375-9648
WWW.FHFUND.ORG

November 2008