



SACRED HEART VILLAGE II



2017 ANNUAL REPORT

DEDICATION

This annual report is dedicated to Charles B. “Chuck” Ryan, a partner in Homsey Architects Inc., who has served that respected, top-quality firm since 1979 and converged all his skills and experience to create the brilliant and effectively designed Sacred Heart Village II.

His deep experience with historic preservation served his keen eye to envision a structure that would complement its surrounding setting of classic urban row homes, pay tribute to the site’s historic role and meet strictest standards of modern construction for safe, affordable housing for the very low-income seniors who would become the residents.

Chuck more than met the challenge.

His selections of brick colors and designs, along with the artistic touches of window heads and sills, accent the building’s modulating facade and varying-height cornice to create a visually appealing and interesting structure with historic flavor and curb appeal.

With careful observation of the neighborhood and sensitive, compatible design, he created the three-story, 26-unit building with a look that feels original to the area.

His design also enhances the site’s sense of community by providing ample space for socializing, common rooms and laundry facilities on each floor, and a larger common area that features a snack bar, dining room and commercial kitchen.

That residents adore their building testifies to Chuck’s accomplishment.

And aside from dedicating the facility’s first annual report in his honor, we cannot think of a higher compliment than that of one resident who likened her new accommodations to those at Wilmington’s posh Hotel du Pont, saying she simply cannot believe she is lucky enough to live here – and feel about her move into Sacred Heart Village II that she is “home at last.”



*Charles B. Ryan
of Homsey Architects Inc.*

Sacred Heart Village II Staff

Br. Ronald Giannone, OFM Cap.
Executive Director
Sr. Margaret Mary Graney, OSB
Manager
ReeNee LaFate, Assistant Manager
Jamar Freeland, Security/Doorman
Victor Sanders, Security/Doorman
Torriss Portis, Security/Doorman

*On the cover from left to right - John Foreman and Mary
Hinson, Denise Windchester, Rosalie Minus*

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A LETTER FROM BROTHER RONALD



Dear Friends,

The year of 2017 is monumental for both Sacred Heart Village II and the Ministry of Caring.

In the ministry's 40th anniversary year, 26 apartments in a beautiful new brick building became the safe, dignified home of very low-income seniors. This project took longer than any other in ministry history.

Despite a total plan change and huge delays (caused by a national recession, legal battles and the unexpected need to remove bedrock granite), we are blessed that Sacred Heart Village II not only is open but is filled – with a waiting list – and enhancing Wilmington's East Side.

The grand opening included an emotional site dedication honoring beloved supporters, Julie Cawley and her late husband, Charles M. Cawley. They and so many others deserve recognition.

We thank Diane Lello and Connie Loukatos, U.S. Department of Housing and Urban Development regional officials, for their important role reviving the project when it stalled three years after the site purchase.

As economic recession paralyzed construction nationwide, including this site, their 2010 suggestion to shift from planned townhouses to apartments jump-started the project and sparked its transformation.

HUD funding was crucial, as were grants from Delaware State Housing Authority, City of Wilmington, New Castle County, JPMorgan Chase, TD Bank, Longwood Foundation, Welfare Foundation, Harry and Jeanette Weinberg Foundation, and Laffey-McHugh Foundation.

We appreciate help from our congressional delegation, Governor Jack Markell, Delaware State Housing Authority Director Anas Ben Addi and Director of Housing Development Susan Eliason. We also are grateful to Richards, Layton & Finger for defending us in a long, baseless legal fight.

Finally, beyond profoundly helpful ministry staff, we recognize three behind-the-scenes groups.

First are 118 neighbors who signed a petition to the city in favor of the project.

Second are members of the SHV II Board of Directors, whose leadership remains essential.

Third are the people of Sacred Heart Village – now Sacred Heart Village I – whose successful, caring community is the model for SHV II. Staff, residents and the village they share provide an outstanding example of housing that reflects the core principle of the sponsor organization:

That the poor should never be treated poorly.

Thank you and may God bless you all.

Gratefully,

A handwritten signature in cursive script that reads "Br. Ronald".

Brother Ronald Giannone, OFM Cap.
Executive Director

SITE DEDICATION

Sacred Heart Village II is dedicated to a very special couple, among the most stellar of ministry supporters until they were parted by death in 2015.

At this year's opening celebration of our facility, Brother Ronald Giannone, OFM Cap., aptly observed that its dedication to the late Charles M. Cawley and his widow, Julie Cawley, "was a perfect way to honor all the help he and his wife gave the ministry for so many years."

As founder and chief executive officer of the MBNA credit card bank, which he grew into the state's largest private employer, Charlie Cawley embraced the ministry, facilitating millions of dollars in grants and loans, including the crucial grant that funded the Ministry of Caring's purchase of the Sacred Heart Church property in Wilmington, as well as additional funding for renovation and new construction at the site that became the home of Sacred Heart Village I – the model for Sacred Heart Village II.



Stellar ministry supporters, the late Charles M. Cawley and his widow Julie Cawley

Since her husband's passing, Brother Ronald said, Julie Cawley continued to support the Ministry of Caring and was a special guest of honor at our opening day ceremony that included the emotional unveiling of the site's plaque honoring the couple.

"The Cawleys," Brother Ronald said, "have been true and generous friends."



Construction begins on Sacred Heart Village II at 625 East 10th Street in Wilmington.



The facade of Sacred Heart Village II was designed to echo the historic neighborhood's classic urban row homes.

ABOUT SACRED HEART VILLAGE II

Sacred Heart Village II was incorporated in Wilmington, Delaware, on June 27, 2012, as a nonprofit organization sponsored by the Ministry of Caring Inc.

The \$8 million facility opened this year at 625 East 10th Street in Wilmington.

The new brick building, created as a HUD Section 202 project, provides 26 apartments for very low-income seniors who are 62 or older – single individuals and couples – with specialized units for residents with disabilities.

Our facility and its operation are modeled

after the larger-scale Sacred Heart Village I, which the Ministry of Caring created on the renovated grounds of the former Sacred Heart School in Wilmington, where residents of that separately incorporated facility arrived in 2001.

In addition to clean, safe, affordable and comfortable apartments, Sacred Heart Village II provides residents with amenities including a convenience store/café, recreational activities, food program, off-street parking, security, meeting and community rooms, social outings, hair salon, medical/dental services and fitness center.

OF HISTORIC NOTE

The previous structure at the site of Sacred Heart Village II was Wilmington Public School No. 20, built in 1881.

The parcel of one-third acre, however, was owned since the 1950s by American Legion and home to the Brandywine Post No. 12 – long vacant before the Ministry of Caring bought it.

As Brother Ronald Giannone, OFM Cap., was evaluating the site for potential senior housing, he noticed the old school's stone marker and thought keeping it would be important to remember the history.

That became evermore poignant later, as he learned more of the site's history.

Under 19th century segregation, Public School No. 20 served only white children.

After decades of use, the building was so worn, it was condemned for school use by 1920. The school stood vacant as city schools for African-American children grew terribly overcrowded.

There was talk about fixing the old Public School No. 20 to ease that crowding, but area residents petitioned state officials not to, simply because they didn't want black children there.

In the 1940s, after funds finally were allocated, Public School No. 20 was improved but only to state standards for "negro schools." An outcry ensued.

African-American community leaders including Louis L. Redding, Delaware's first African-American attorney, successfully



The previous structure at the site of Sacred Heart Village II, Wilmington Public School No. 20

argued that the students deserved better, so the school's use should be only temporary.

The school soon closed and the site was sold to the American Legion just three years before the landmark 1954 Brown vs Board of Education case outlawed school segregation altogether.

The school's pivotal role in Wilmington's segregated education was both historic and moving, Brother Ronald said, adding he made sure the building's date stone was placed prominently at Sacred Heart Village II.

Its presence, he said, not only preserves the site's history, but reflects the ministry's and SHV II's shared principle that ***the poor should never be treated poorly***. And, he said, its thought-provoking presence serves as "a chance for healing wrongs of the past."



The interior space of Sacred Heart Village II is beautiful, clean and well-maintained.

IT TAKES A VILLAGE

Volunteers

Sacred Heart Village II welcomes volunteers and tax-deductible donations from individuals, families, clubs and other groups, all sizes of businesses, corporations and foundations.

A variety of volunteer opportunities are available from planning activities for residents to helping with maintenance.

Potential volunteers are asked to contact Human Resources Director Marie Keefer at mkeefer@ministryofcaring.org or (302) 652-5523.

Donations

Donations help Sacred Heart Village II provide and enrich its "refuge for people to call home."

Tax-deductible donations may be sent payable to Sacred Heart Village II in care of the Ministry of Caring, 115 East 14th Street, Wilmington, DE 19801-3209.

To inquire about sponsoring specific improvements or equipment, donating supplies or planning activities for Sacred Heart Village II residents, please call Sister Margaret Mary at (302) 300-3771.

THROUGH THE YEARS

2007

The Ministry of Caring buys the vacant site of the former Wilmington Public School No. 20 at 625 East 10th Street, between Kirkwood and Spruce streets, from the American Legion, which acquired the property in 1951 and used it as a post for many years.

2008

Plans are created for construction of Ministry Row, a group of seven new townhouses intended as affordable housing for eligible low-income families, as the national economy struggles in what later will be called the Great Recession.



Brother Ronald Giannone, OFM Cap., visits the construction site. (Photo courtesy of Delaware Today)

2009

Architectural plans are completed and receive final approvals. The old school building is demolished and the site readied for construction, but the national recession hits home. Banks have stopped construction loans.

2010

With financing unavailable, the Ministry of Caring is forced to leave the project idle,

although the site is “shovel ready.” Diane Lello, a regional coordinator in the U.S. Department of Housing and Urban Development – who commutes daily past the site – suggests to HUD Regional Multi-family Housing Director Connie Loukatos that it could be eligible for HUD Section 202 funds if the ministry shifts the project to apartment housing for very low-income seniors. Loukatos shares the idea with Brother Ronald, who decides to move forward with the new concept and set aside the Ministry Row plan.

2011

Plans are developed for Sacred Heart Village II, to provide 26 apartments for very low-income seniors age 62 and older. As ministry representatives go door-to-door explaining the new plan, eight neighbors submit pre-applications to become residents. In March, Wilmington Zoning Board of Adjustment unanimously grants variances needed for construction of the three-story apartment building. The plan is well-received overall, but two neighbors challenge the variances.

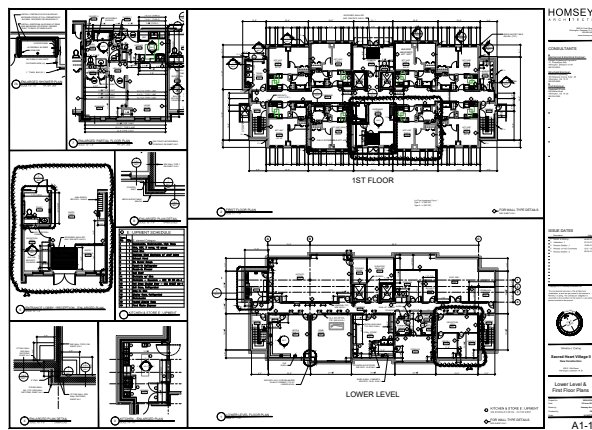
2012

After Delaware Superior Court decides against the critics’ variance challenge, they appeal to Delaware Supreme Court. That court remands the matter to Wilmington Zoning Board of Adjustment, which grants the variances – again unanimously. Brother Ronald thanks the Wilmington law firm of Richards Layton & Finger, which handled the long case pro bono. Sacred Heart Village II is incorporated June 27 in Wilmington, as a nonprofit organization sponsored by the Ministry of Caring.

THROUGH THE YEARS

2013

With legal hurdles clear, the project proceeds with funding being secured from HUD and other sources including Delaware State Housing Authority, City of Wilmington, New Castle County, JPMorgan Chase, TD Bank, Longwood Foundation, Harry and Jeanette Weinberg Foundation, Welfare Foundation and Laffey-McHugh Foundation. The anticipated opening is announced as February 2016.



Blueprints for Sacred Heart Village II

2014

After one of Delaware's most bitter winters on record – with 52.9 inches of snow – site prep is completed. Great weather and a big crowd grace the August 11 groundbreaking ceremony. But a problem arises in foundation work as earth-movers hit bedrock granite. The urban setting rules out dynamite use, so the stone must be ground out by automated chiseling machine.

2015

Stone grinding stone delays progress half a year, adding major costs such as \$14,000 a month for noise-monitoring machines alone. But in May, Delaware State Housing Authority announces \$557,000 in Downtown

Development District funding, offsetting granite removal costs. Other construction issues also delay the project.

2016

Construction progresses, with opening now expected in 2017. The ministry hires Sacred Heart Village II staff – Sister Margaret Mary Graney, OSB, as manager, and ReeNee LaFate as assistant manager, along with Jamar Freeland, Victor Sanders and Torris Portis to serve as security and doormen.

2017

Sacred Heart Village II opens on May 12 with a public celebration and the site dedication to longtime supporter Julie Cawley and her late husband, Charles M. Cawley. Among those welcoming the new residents are special guests from “across town” – residents of Sacred Heart Village I, another separately incorporated affordable housing complex the Ministry of Caring established for very low-income seniors on the grounds of the former Sacred Heart School. Residents of the two sites established what ministry leaders called an “East Side-West Side Connection” that they hope will continue with shared visits and activities among residents.



Residents Marcella Hartshorn and Leander Gardner play cards at a monthly game night.

HOW SENIORS BECOME RESIDENTS

Our holistic mission at Sacred Heart Village II is to provide very low-income seniors age 62 or older with safe and affordable housing, assist them with transportation as well as other needs and provide a range of services and activities that improve their quality of life while allowing and encouraging them to age in place.

We are devoted to each resident's care, which reflects the core philosophy that we share with our sponsor and its founder – the Ministry of Caring and Brother Ronald Giannone, OFM Cap. – that the poor should never be treated poorly but with love, dignity and respect.

Who is eligible

The U.S. Department of Housing and Urban Development (HUD), which subsidizes resident housing, limits eligibility to those whose annual gross income meets federal standards defining very low income. Residents must be at least 62, but may file pre-applications at the age of 61½.

How to apply

Pre-applications may be picked up or requested

by mail from Sacred Heart Village II, 625 East 10th Street Wilmington, DE 19801-4039 or requested from SHV II's manager, Sr. Margaret Mary Graney, OSB, at (302) 300-3771 or TTY (302) 458-0801. Pre-applications also are available online: Sacredheartvillage2.org.

Please remember

Eligibility for apartments at Sacred Heart Village II is determined by review of potential residents' pre-applications.

Eligibility, however, does not in any way guarantee or imply any guarantee of housing in the facility. Nor does being added to the Sacred Heart Village II's waiting list promise that housing will be provided.

At no point in the application process can housing – or any time frame for potential housing – be guaranteed, in part because our facility typically has a substantial waiting list of possible residents who have been determined to be eligible for subsidized housing here.

Sacred Heart Village II also has facility rules and regulations that apply to all residents and visitors.

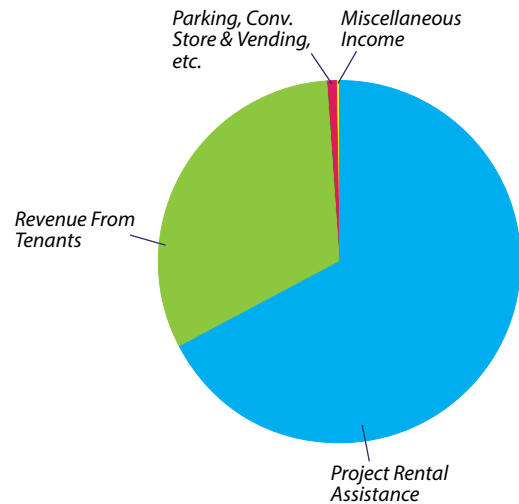


Ministry of Caring Development Director Priscilla Rakestraw, right, and Maureen Lesutis, a member of Sacred Heart Village II's Board of Directors, help a new resident move in to Sacred Heart Village II.

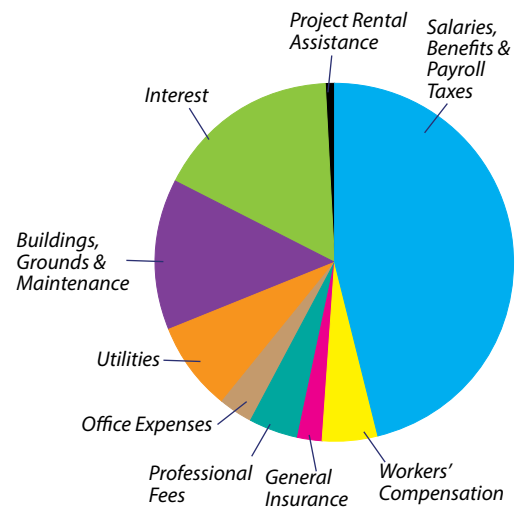
AUDITED FINANCIAL STATEMENT

Fiscal Year Ended December 30, 2017*

Revenue	Total
Project Rental Assistance	\$149,977
Revenue From Tenants	70,408
Interest Income	10
Parking, Conv. Store & Vending, etc.	2,263
Miscellaneous Income	66
Total Revenue	\$222,724



Expenses	Total
Salaries, Benefits & Payroll Taxes	\$129,281
Workers' Compensation	13,728
General Insurance	6,608
Professional Fees	11,950
Office Expenses	8,957
Utilities	22,358
Buildings, Grounds & Maintenance	38,174
Interest	46,761
Miscellaneous Expenses	1,718
Total Expenses	\$279,535



Surplus (Deficit) – Operating	(56,811)
Start-up Costs	(69,141)
Non-Operating Contributions	14,415
Net Surplus (Deficit) – Net	(\$111,537)

*Depreciation expenses are excluded from this data, derived from audited financial statements prepared by Belfint Lyons & Shuman, PA.

OUR MISSION

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ABOUT OUR SPONSOR

The nonprofit Ministry of Caring, founded in 1977, operates a network of services for the homeless and poor. These services include food for the hungry, emergency shelter for the homeless, housing with supportive services toward self-sufficiency and permanent housing for those with disabilities and those living with HIV/AIDS. Other ministry services provide child care, clothing, medical and dental care, job assistance for the unemployed, furniture and other home goods, and help for the unsheltered homeless.



Sacred Heart Village II Inc.

Subsidized housing for very low-income seniors
625 East 10th Street
Wilmington, DE 19801-4039
(302) 300-3771
Fax: (302) 543-6211
TDD: (302) 428-0801
Sacredheartvillage2.org