Windy Hill Development Company

The Windy Hill Development Company was created 10 years ago as part of the Windy Hill Foundation’s efforts to learn about and use VHDA Low-Income Housing Tax Credits. To protect the Foundation from liabilities connected to large construction projects and also to manage unrelated income from these projects, it was decided that the Development Company should be an independent subsidiary of the Foundation. At the end of each year, the financial statements for the Development Company are rolled into the consolidated financial statement for the overall Foundation.

This structure has worked well. When the Development Company makes money, initially from fees earned for developing new projects, a portion of this funding is returned to the Foundation to support its general fund. The Foundation does not have to take on risky, real estate-related loans. And, the Foundation stands to benefit greatly in the future from its equity interest in these buildings.

Washburn Place in Marshall

Washburn Place was made possible by a generous gift of land from Lisa and Zohar BenShalom. This project will be situated on the south side of the extension of Salem Avenue, which runs behind the old IGA and past the Ruritan building. The new home of the Middleburg Humane Foundation will be across the street on the north side of Salem Ave. Walking trails will connect this property to Main Street on the south and to a new community pool on the north. All of the businesses in Marshall, new and old, are within reasonable walking distance of this site. The site plan is very traditional with front yards, guest parking on the street, and resident parking in back, reached from an alley. Construction is scheduled to take about a year, with occupancy planned for the fall of 2017.

Heronview Wins VHDA Funding for Eastern Loudoun Housing

In June, Windy Hill won funding from the Virginia Housing Development Authority (VHDA) to support the construction of Heronview, 96-units of affordable workforce housing to be built at Kincora, at the corner of Route 7 and Route 28. The Windy Hill Development Company makes money, initially from fees earned for developing new projects, a portion of this funding is returned to the Foundation to support its general fund. The Foundation does not have to take on risky, real estate-related loans. And, the Foundation stands to benefit greatly in the future from its equity interest in these buildings.

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This apartment building will be the largest built by Windy Hill. It will be a four-story elevator building of traditional wood frame construction sitting on top of a raised concrete “pedestal” with open-air parking beneath. As shown in the rendering below, the building will be a block long facing west. In a unique design, north and south sections of the building will be 1-story apartments, called “flats,” while the center of the building will be 2-story town homes stacked one on top of the other, called “2 over 2s.” The building is roughly 80% brick and will be built to “green building platinum” standards.

Windy Hill Foundation began in 1981 in the living room of Irene “Rene” Llewellyn. She had gathered a handful of the leaders of Middleburg for one purpose, to address the terrible living conditions on Windy Hill Road, an all-black neighborhood on the west edge of Middleburg that had been segregated for generations. The entire community of 15 families, some in homes with dirt floors, shared six outhouses and two cold water spigots. All household water had to be carried home in buckets or jugs. Repeat: 1981. Today, Windy Hill Foundation owns 184 rental units with another 126 rental units in design or under construction. 67 of those rental units are in Middleburg, which collectively house about 1135 residents, or 20% of Middleburg’s census 676. Windy Hill is now a bustling (fully integrated) community with two community gardens, an after-school tutoring program, and an on-site summer camp for resident children. This has happened because of Rene’s vision and a very generous community of donors. Thank you!

Bob Dale as New Executive Director

Virginia native and long-time CPA Bob Dale, who previously served for 25 years as Windy Hill Board Treasurer, has now started a second career as Windy Hill’s Executive Director. Bob’s appointment allows Kim Hart to work full time at the Windy Hill Development Company. Bob’s main focus will be to expand resident services to Windy Hill’s “core” properties in Middleburg, The Farms, and Marshall. “I’m very honored to have been approached to take this position," said Dale. "I’m very excited once again to be part of this great organization.”

Boling Passes WHF Leadership to Catherwood

After a decade of inspired leadership and sound fiscal management, Joe Boling handed off the Presidency of the Windy Hill Foundation (WHF) to Jonathan Catherwood at the April Annual meeting of the Foundation’s Board of Directors. “Joe watched over a period of phenomenal growth for the Foundation,” said Kim Hart, “from only 47 units when Joe took over in 2005, to 300 units built or in the pipeline today and an annual budget that grew from $130,000 to roughly $2 million.” “Those are very big boots to fill,” said Jonathan. “I will attempt it with a great deal of humility.”

Middleburg Bank Wins $500,000 for Washburn Place

With Middleburg Bank as Sponsor, the Federal Home Loan Bank of Atlanta has awarded a $500,000 grant to Washburn Place out of the bank’s Affordable Housing Program (AHP). This is the maximum grant possible and is available only to local, bank-sponsored projects. “Happy to do it!” said Browning Herbert, who made the application.

Inside this report... • 2015 Financial Summary • President’s Letter • 35 Years of Windy Hill • Meet Our Staff • Fabulous Programs for Families • Windy Hill Development Company Update

WINDY HILL MISSION: To provide safe, decent, and affordable housing to low and lower income families and the elderly in Loudoun, Clarke, and Fauquier Counties and to encourage self-improvement and self-sufficiency among tenant residents.
WINDY HILL FOUNDATION 2015 AUDIT
A Consolidated Statement of Windy Hill Foundation, Windy Hill Development Company, and All Subsidiaries

**Balance Sheet**

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<th>Liabilities</th>
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<tr>
<td>Endowment Investments 5%</td>
<td>Subsidiary Lines of Credit 15%</td>
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<tr>
<td>Other 3%</td>
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<tr>
<td>Cash 3%</td>
<td>Mortgage 4%</td>
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<tr>
<td>New Projects 7%</td>
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<tr>
<td>Property (less depreciation) 82%</td>
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<tr>
<td></td>
<td>Accounts Payable, Security Deposits 1% &amp; Credit 3%</td>
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<tr>
<td></td>
<td>Current Portion Mortgages 3%</td>
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<td>Long Term Mortgages 78%</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>$14,237,260</td>
<td>Net Assets: $8,448,589</td>
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**Income Statement**

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<thead>
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<th>Income</th>
<th>Expenses</th>
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<tr>
<td>Annual Giving (14%)</td>
<td>Fundraising 2%</td>
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<tr>
<td>Fashion Show (6%)</td>
<td>WHF Rental Income 29%</td>
</tr>
<tr>
<td>Grants (5%)</td>
<td>Depreciation 9%</td>
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<tr>
<td></td>
<td>Subsidiaries 20%</td>
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<tr>
<td></td>
<td>Subsidiary Costs 18%</td>
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<tr>
<td></td>
<td>Rental Operations 28%</td>
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<td>Resident Services 15%</td>
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<td></td>
<td>Interest 5%</td>
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<tr>
<td></td>
<td>WHF Rental Income 29%</td>
</tr>
<tr>
<td>Foundation Management 3%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Net Income: $10,537</td>
</tr>
</tbody>
</table>


**FAMILY DEVELOPMENT PROGRAMS**

Healthy Eating: From Master Gardeners to Emily Tyler

This past summer, the Children’s Garden at Windy Hill went up to a whole new level. Thanks to the Children’s Education Team (CET) of our local Master Gardeners Program, our on-site summer camp for elementary-aged children included a beautifully planned and executed gardening program. Each week for eight weeks our resident campers first spent 30 minutes “in class” in the Community Room and then it was out to the garden to apply what they had learned.

Eleven different Master Gardeners looked over 30 hours of volunteer time presenting lessons including: “Garden Pests and Pals,” “The Importance of Worms,” and “Parts of the Plant You Eat.” A session on composting, presented by Master Gardener Deborah Wilson, had the children layering crushed cookies (for soil), green dyed coconut (for grass), blue gelatin (for water), cereal, and other ingredients in clear plastic cups to show how to compost in layers. Once the children understood the concept of composting, many of them happily devoured their “compost pile.”

The Master Gardener Program is part of the Virginia Cooperative Extension run out of Virginia Tech. Our special summer program was designed and run by CET team leaders Diane Bayless and Cynthia Falconer, out of Leesburg. According to Bayless, “this garden is a valuable resource and a source of pride for the community as it provides families with fresh produce they might not have access to otherwise.”

“Weekly sessions let us build on previous lessons,” said Falconer. “For example, children could marvel at how the seeds they examined using magnifying glasses for the first lesson could develop into huge plants that produced seeds of their own by the end of the summer.”

And if that wasn’t enough, at the end of the summer, long-time friend of Windy Hill Emily Tyler treated all of our gardening campers to a cooking class where they learned how to cook the vegetables they had just spent the summer growing. There were big smiles all around as some very proud children took home dinner they had prepared themselves from the vegetables they had grown themselves.

**Joshua Castro**

This was an exciting summer for Windy Hill sophomore Joshua Castro. He was hired for his first work experience ever, helping man the snack and entry booth at Middleburg Community Center’s pool. Josh’s friendly smile and bubbly personality quickly made him a favorite among guests and fellow staff at the pool, and he was soon being assigned extra hours and responsibilities. Halfway through the summer, Josh received a private scholarship from an anonymous donor that enabled him to successfully complete lifeguard training. From then on, he spent several hours a day, keeping watch over his friends and neighbors in the pool. Though the season has now ended, Josh’s career with the Community Center will not. He so impressed Community Center Managers that they promised to bring him back to help with special events during the off-season and December holidays. Talk about making a splash!
MEET THE STAFF

Alyn Beauchamp

Alyn grew up in Michigan, received her BS in Public Affairs Management from Michigan State University, and MS in Applied Economics from the University of Delaware. She worked with the US Department of Agriculture, US Agency for International Development and Moving Comfort (women’s athletic apparel) before coming to Windy Hill, where she works on both the Development Company’s building projects and Foundation fundraising events.

Kristina French

Kristina grew up in Connecticut, attended the University of Connecticut (economics), and received her Interior Design degree from the Sheffield School of Design in New York City. She moved to Virginia in 1997 and ran an antique mall and interior design studio in Luray for 12 years. Tiring of self-employment, Kristina redirected her diverse skills toward property management. As a contractor with TM Management, Kristina’s responsibilities include marketing, leasing, housing program compliance, budgeting, contracting and rent collection.

Maintenance Staff: Dave Radwell and Mike White

Both from Ohio, Dave (left) is Maintenance Manager and daily applies his plumbing and electrical skills learned in various union-hall-sponsored classes before coming to Virginia. Dave orders parts, makes repairs, and manages monthly preventative maintenance on the dozens of pumps, fans, and HVAC units that keep Windy Hill humming. As Maintenance Assistant, Mike (right) focuses more on the out of doors. He paints, picks up, prunes, and polices the grounds of Windy Hill. Sound easy? Our two properties in The Plains alone account for 98 trees and 204 shrubs in 39 separate beds.

Claire Louis

Claire earned both her B.A. in Journalism and Masters of Education in Counseling from Howard University and Child Welfare and Gerontology post-graduate certificates from USC. Based on her years of experience as a social worker in Los Angeles, Loudoun, Prince William, and Fairfax Counties, Claire often describes herself as a “knock on the door social worker.” In addition to facilitating all resident services and programs for older adults, Claire also supervises the development and implementation of all child and family programs and services at Windy Hill.

Thomas Garnett, Jr.

A native of Liberia, Thomas came to the US at age 14 and grew up in Delaware. He has his BA in Communication from Delaware State University and his Masters in Conflict Transformation from Eastern Mennonite University in Harrisonburg. Thomas came to Windy Hill after several years as Youth and Family Programs Coordinator at Wesley Housing in Alexandria, VA, At Windy Hill, Thomas is in charge of Study Buddies tutoring, summer camp, middle and high school counseling, and family programs.

MESSAGES FROM THE LEADERSHIP

Outgoing President

Joe Boling

With great pleasure, I once again report that the Windy Hill Foundation is in sound financial condition. As indicated in the financial data (at left), the value of rental units owned greatly exceeds the mortgage debt on that property and income is solidly ahead of expenses. Given the incredible growth of the Foundation over the last decade, maintaining both a strong balance sheet and a strong income statement has been a challenge for the Foundation’s Board. It has been made possible only through your very generous financial support, successful grant writing, and innovative financing from the Virginia Housing Development Authority (VHDA). Changing lives must start with a roof overhead. We have done that for our local community. Now, it is time to expand resident programs at our properties while helping neighboring jurisdictions build the units they need. It is with pride that I leave those jobs to Jonathan, Bob, and Kim.

Incoming President

Jonathan Catherwood

The future is looking bright for the Windy Hill Foundation. After thirty five years of determined effort, the Foundation is now a recognized force for good in affordable housing, providing a suite of program services to our current residents, and developing new units that will become available over the coming years, including units that are reserved exclusively for veterans and those who suffer from disabilities. This success has not come without a cost. The Board is inordinately grateful to Kim Hart and Alyn Beauchamp for their willingness in recent years to successfully juggle the demands of our service offerings with the heavy workload that has been required to complete new projects. With the arrival of Bob Dale we will now have dedicated leadership for each vital function, and all Board members will be supporting Bob and Kim as they serve the community we all love.

New Windy Hill Executive Director

Bob Dale

I am very excited as I begin my duties as the Executive Director of the Foundation. Kim has done a great job leading the Foundation through a period of growth both in number of housing units and programs for the tenants. I look forward to focusing on the programs as well as the other administrative responsibilities that come with running a non-profit organization. This includes working with the various committees comprised of board members who are dedicated to the Foundation’s mission. In the beginning, Rene Llewelyn raised a tremendous amount of money from just a few of her friends. The support from the community is now more broad which enables more people to take ownership and be proud of what the Foundation has accomplished. Part of my job will be to continue broadening that support by making new and current residents of our community aware of the Foundation and its mission. Making a difference in people’s lives, I could not ask for a more rewarding job.

Windy Hill Development Company

Kim Hart

For the first 25 years, Windy Hill built new rental units “on our own account.” Every one dollar donated was one dollar invested in a new unit. Then, we discovered “leverage.” By studying existing Federal and state programs, we learned how to obtain both Low-Income Housing Tax Credits and low-interest state loans earmarked for workforce housing. With these programs, we can now leverage every donated dollar into $4 or $5 invested into new units. In short, four times more units for the same dollars donated. We have used these programs to deliver Levis Hill House in Middleburg, Piedmont Lane in The Plains, and soon, Washburne Place in Marshall. My new job is to use what we have learned to help neighboring jurisdictions build the workforce units they need and, in the process, earn some money that can come back home to help Windy Hill.
As shown on the time line above, Windy Hill spent its first 15 years cleaning up the housing on Windy Hill Road and bringing water and sewer facilities to this neighborhood. The next decade brought the addition of Llewellyn Village Apartments, Kaye House, and Barton Place—a total of 24 more units—and Windy Hill was solidly into the affordable rental business. It is the most recent decade where Windy Hill has really stepped up to try to meet the overwhelming need for affordable workforce housing in our area, building 150 new units in that period. The need remains great. There is a 2-year waiting list at Levis Hill House in Middleburg and there are 200 households on the waiting list for Shreveport Ridge.

Although former teacher and Town Council member Eura Lewis started Windy Hill’s Family Development Committee and the Good Grades/Study Buddy tutoring program in the 1990s, it is only in the last 10 years that Windy Hill has been able to build donations to the point where full-time staff can now provide a full range of student, family, and elderly resident educational and self-help programs. As Windy Hill approaches “build out” in our Middleburg-The Plains-Marshall area “core,” continuing to add or enhance programs that change lives will be a growing focus in the decade to come.