

**LOPEZ HOUSING OPTIONS  
(LOHO)**

**THE HAMLET  
2014 ANNUAL REPORT**



**PO Box 785  
Lopez Island, WA 98261  
(360) 468-2620  
LopezHamlet@rockisland.com  
Web: lopezhamlet.com**

**This Organization is an Equal Opportunity Provider and Employer**

# TABLE OF CONTENTS

## Page Number

---

<b>LOHO ORGANIZATION</b> .....	1
<b>LOHO 2014 STRATEGIC GOALS</b> .....	2
<b>1. Maintain Occupancy</b> .....	2
<i>Chart: Cottage Rentals</i> .....	2
<b>2. Pursue Financial Sustainability</b> .....	3
<i>Chart: All LOHO Debt: 2011 – 2014</i> .....	5
<b>3. Provide Resident Support</b> .....	5
<b>4. Continue Transition from Volunteer to Professional Management Model</b> .....	6
<b>CONTRIBUTION TO OUR COMMUNITY</b> .....	8
<b>2014 HAMLET RESIDENT DEMOGRAPHICS</b> .....	9
<i>Chart: Hamlet Resident Gender</i> .....	9
<i>Chart: Hamlet Resident Ages During 2014</i> .....	9
<i>Chart: Hamlet Resident Income (HUD Categories)</i> .....	9
<b>FINANCIAL COMMENTS</b> .....	10
<i>Chart: 2014 Hamlet House Expenditures</i> .....	10
<i>Chart: 2014 Cottage Revenue &amp; Operating Expenses</i> .....	10
<b>HAMLET HOUSE REPORT From HH Administrator</b> .....	11
<b>HAMLET COTTAGES REPORT</b> .....	13
<b>From Cottages Executive Director</b> .....	13
<b>From Cottage Residents</b> .....	16
<b>HAMLET FUNDRAISING REPORT 2014</b> .....	18
<i>Chart: 2014 Donations</i> .....	18
<i>Chart: 2014 Tiers</i> .....	18
<b>BUILDINGS REPORT</b> .....	20
<b>GROUNDS REPORT</b> .....	21
<b>BOARD DEVELOPMENT COMMITTEE REPORT</b> .....	22
<b>LONG-TERM MAINTENANCE PLANNING</b> .....	23
<b>LOPEZ ISLAND DEMOGRAPHICS: 2010 CENSUS</b> .....	24
<i>Chart: Population 55 and Older, Lopez Island, 2010 Census</i> .....	24
<i>Chart: Households on Lopez Island, 2010 Census</i> .....	24
<b>CO-CHAIR REPORT: Chao: Significant Issues in 2014</b> .....	25
<b>CO-CHAIR REPORT: Janeway</b> .....	26

**APPENDIX A: LOHO BOARD & ADMINISTRATIVE STAFF BIOS.....27**  
**APPENDIX B: LOHO BOARD ROSTER AND TERMS.....29**  
**APPENDIX C: LOHO MISSION, VISION AND VALUES.....30**  
**APPENDIX D: THE HAMLET/LOHO KEY DATES.....31**  
**APPENDIX E: GUIDE TO GIVING & THANK YOU TO OUR DONORS .....32**



# LOPEZ HOUSING OPTIONS (LOHO) ANNUAL REPORT FOR 2014

The LOHO Bylaws Article IV states: “The annual meeting of the Board (the “Annual Board Meeting”) shall be held during the first quarter of the calendar year or on another date determined by the Board. The purpose of the meeting shall be to report on the status of the Corporation.”

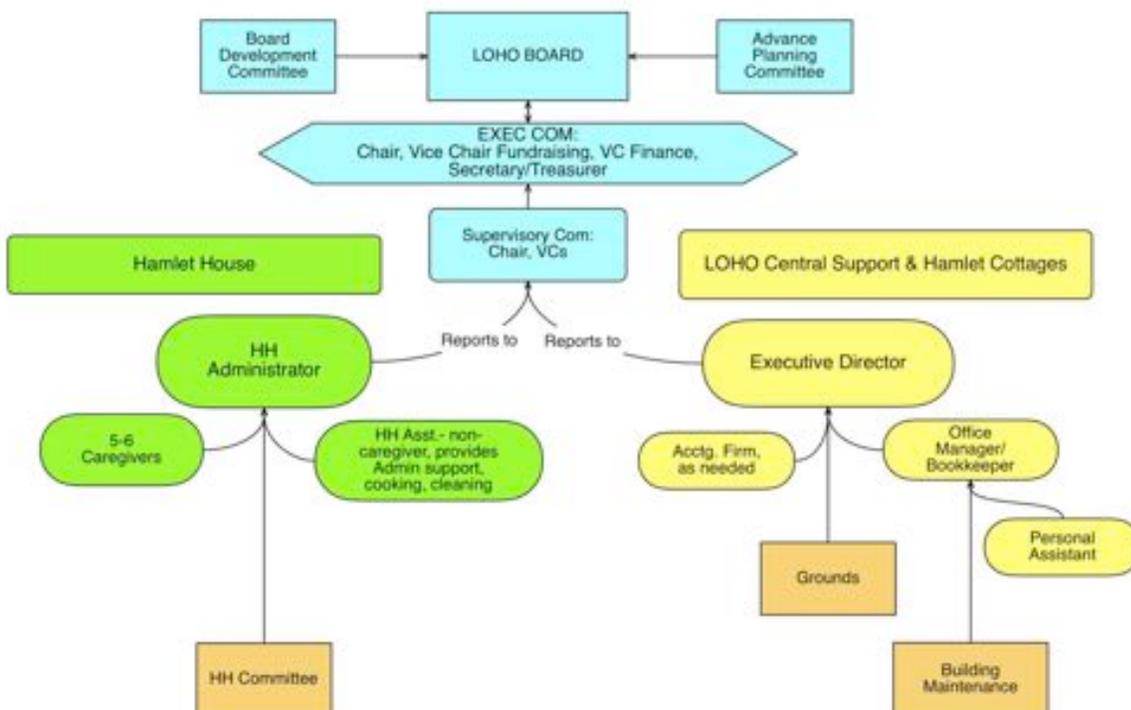
This report provides the status report as well as discusses the significant issues and actions taken during fiscal year 2014, January 1 through December 31st. See Appendix D for The Hamlet/LOHO Key Dates.

## LOHO ORGANIZATION

LOHO is a 501(c)(3) non-profit charitable organization incorporated in May 2003. A volunteer Board of Directors (the Board) governs LOHO. See Appendix A for board member information.

The mission of Lopez Island Housing Options (LOHO) is to provide safe, convenient housing on Lopez Island for people 55 and over: an adult family home for six individuals needing 24-hour care and 14 garden cottages for rent to independent seniors. We offer almost half of our cottages and at least one room in our adult family home at reduced rent for those living on limited incomes. See Appendix C: LOHO Mission, Vision and Values.

The Board governs the two programs of The Hamlet. Each program has a lead manager supervised by the Supervisory Committee (Chair and Vice Chairs). The support services are centralized. The Board has two standing committees: Executive and Board Development. Responsibility for specific needs, such as building maintenance or grounds care, is assigned to a staff, a board member or a resident. If needed, temporary committees are formed; in 2013, a special Advance Planning Committee was formed. The Hamlet House also has its own committee chaired by the Hamlet House Administrator.



## LOHO 2014 STRATEGIC GOALS

The Board approved a new set of strategic goals for 2014 focusing on 4 main goals:

1. Maintain Occupancy
2. Pursue Financial Sustainability
3. Provide Resident Support
4. Administration: Continue Transition From Volunteer To Professional Management Model

### 1. Maintain Occupancy

#### COTTAGES OCCUPANCY

##### Cottage Types

The 14 Hamlet Cottages consist of 7 one-bedroom and 7 two-bedroom cottages. Of these, 6 are “affordable” and 8 are “market rate.” The Hamlet House contains an upstairs apartment which is managed as an “affordable unit” but is not counted in the Cottage occupancy statistics.

##### Affordable Cottages

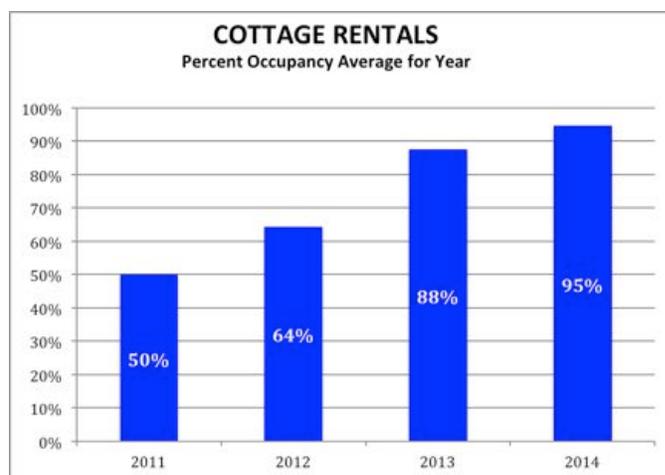
San Juan County requires that LOHO offer 7 “affordable” units whose pricing must be set no higher than the “moderate income” level, as defined by the USDA/HUD. Residents’ income must not exceed the maximum “moderate income” level and residents must submit their income each year to re-qualify. The rent pricing is set according to a formula based upon San Juan County’s annual Median Family Income (adjusted for family size). Each year the formula sets a maximum and minimum rent and then, within this pricing range, the actual rent is based on the resident’s own income. As a result, the rental revenue from the 6 affordable Cottages is not based on actual costs and does not generate sufficient revenue to cover all the operating and debt costs incurred by those Cottages, thus creating a funding deficit we refer to as the “affordable gap.”

LOHO does not receive any governmental subsidy for this affordable gap. Several governmental sources for affordable housing subsidies were explored, but our “moderate” income category, existing bank loan, and completed construction make us ineligible for these subsidies.

##### Occupancy Target

The occupancy assumption in the 2014 budget was 85%; however, Cottage occupancy averaged 95% for 2014 with several months at 100%. The waiting list for both types of cottages is growing.

In the fourth quarter of 2014, the national occupancy rate for senior independent living housing was 90.5%. Given this national average and the higher actual 2014 Cottages average, the Board set 91% as the occupancy target for 2015.



- Expand The Benefit Bundle

We continue to explore ways to increase residents' satisfaction with their life at the Hamlet Cottages. See the Hamlet Cottages report for full details.

- Strengthen Residents' Experience Of Community

We discovered early on that the residents highly value (1) open communication with the staff/Board and (2) having a valued voice in the operations of the Cottages. See the Hamlet Cottages Report for details on how we addressed these needs.

## HAMLET HOUSE OCCUPANCY

Hamlet House occupancy held steady at 100% until late autumn when one long-term resident passed away. This opening was filled with a resident needing short-term respite care and she left in mid-December. That same month, two residents passed away. The three residents who died this year all died peacefully "at home" at Hamlet House, assisted by Hospice Northwest. This fulfills our goal of creating a loving, nurturing environment where residents can live their lives in dignity and die in the community they love, surrounded by family and friends.

The Hamlet House has an extensive waiting list and is interviewing prospective new residents.

## **2. Pursue Financial Sustainability**

### COTTAGES FINANCIAL SUSTAINABILITY

#### Revenue Sources

Rental Income: The Cottages began operation in 2008 requiring that residents pay a refundable entrance deposit and also monthly rent. In August 2010 it was determined that the deposit was an impediment to renting the Cottages and this up-front deposit was eliminated, leaving rent as the only revenue source to retire the construction debt and fund ongoing operations. In 2012 it was clear that the rent must become competitive with other rental housing on the island, so the Cottage rents were lowered and the market rate cottages finally began filling. Since 2012, the rental rate has been raised *for new residents* as the improving market has made increases prudent. Rent income comprised 75% of the total 2014 Cottage income.

For existing residents in the market rate cottages, the rent may be raised annually by as much as 5% but many of the senior residents are on fixed incomes so LOHO is attempting to keep increases as low as possible. No increase was charged in 2013 while in 2014 the rent on all occupied market rate cottages was raised 3%, thus averaging 1.5% for these two years. According to a survey by Ziegler Investment Banking firm, the national average fee increase for seniors renting in independent living facilities was 2.84% in 2014. The LOHO Board approved a 1% annual market rate rent increase to spread out the impact of the needed rent increases and to make those increases more predictable for our residents.

Donations: Because cottage rental income cannot cover operating expenses, the Board undertook an annual fundraising program. Each year the Board estimates the amount of the operating expense gap (the amount the operating expenses exceed the rental revenue) and then drafts a Fundraising Plan to cover the gap. Most of this is due to the “affordable gap.” Donations comprised 20% of total 2014 Cottage income. See the Hamlet Fundraising Report 2014 for details.

Grants: In addition to fundraising, local grants were sought. See the Hamlet Fundraising Report 2014 for details.

### Expenses

LOHO continued to explore the reduction of expenses. Most reductions were in operating efficiencies; however, increased occupancy generates increased expenses so the total operating budget grew. Payroll comprised 28% of the total 2014 expenses while the bank loan requirements were 45%. Utilities are the third highest expense at 11% of the total.

### Sustainable Finance Plan

In 2013 the Board approved a Sustainable Finance Plan that laid out guidelines for budgeting, forecasting and allocating any year-end excess funds. The plan includes a five-year forecast to assure that LOHO maintains financial stability. The highest priority is making a deposit to the Cottage Maintenance Reserve. In 2013 this reserve deposit was increased to a total \$25,000. Early in 2015 the allocation for 2014 excess will be determined. Excess revenues are generally due to higher than budgeted occupancy and/or donations that exceed the fundraising goal.

## HAMLET HOUSE FINANCIAL SUSTAINABILITY

### Revenues

The Hamlet House is funded 96% by rent revenues from its 6 beds. Hamlet House revenues remained strong in 2014 with all the beds filled through most of the year. Hamlet House also received a small United Way grant.

### Expenses

Construction of Hamlet House was funded by a USDA loan. Principal and interest on this loan are being retired annually. There is also a debt reserve which is being funded over 10 years, in accordance with the USDA loan documents.

Increasing the hourly pay rate for caregivers is a priority and a stepped program to achieve this goal was implemented. Payroll comprises 57% of the expenses while the USDA loan requirements are 19%. Utilities are 4% of the 2014 total.

## **Specific areas identified in the Strategic Priorities relating to financial sustainability:**

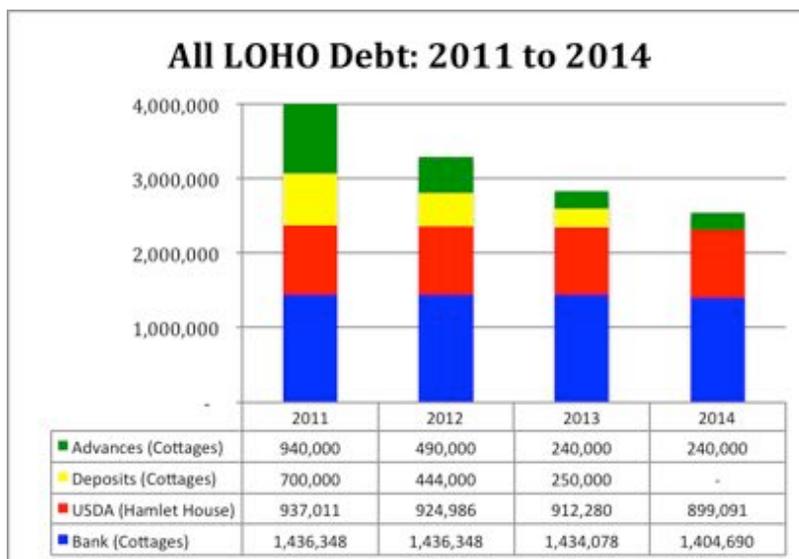
### A. RESOLVE COTTAGE DEBT

Construction of the Cottages and The Gathering Place was funded, in part, by a loan from Islanders Bank, three refundable deposits and four short-term advances from individuals. The source of these “individual debt” repayments was intended to be the refundable entrance deposit originally required of each market rate renter. In 2010, the

Cottages converted to a 'pure rental' model resulting in a lack of funds to repay the 3 deposits already collected and the 4 advances, all of which had been spent during the construction phase.

**Cottages Bank Loan:** In 2013, the bank reduced the "floor" on the loan's variable interest rate from 6.5% to 5.25%; currently LOHO is paying this floor rate. The next interest rate reset date is June 2017. The loan is fully amortized and thus the principal is being reduced.

**Individual Debt:** In 2012, one deposit and two advances were gifted to LOHO. In 2013, a small portion of one deposit was repaid and the remainder was gifted to LOHO plus one additional \$250,000 advance was fully gifted. In 2014 the final outstanding \$250,000 deposit was fully gifted. This leaves LOHO with 1 individual loan unpaid.



The chart shows our debt by type and amount comparing end of 2011 with the end of 2014.

## **B. FUNDRAISING**

With the need for annual fundraising established, the Board will add a new officer position in 2015, Vice Chair of Fundraising. This officer will lead the annual fundraising program.

See the Hamlet Fundraising Report for information on the 2014 fundraising success.

## **C. LONG-TERM MAINTENANCE**

The LOHO Board recognizes the importance of keeping our cottages attractive and safe. As years pass and the cottages age, long-term maintenance requirements must be addressed. See the section entitled Long-Term Maintenance Planning for details on planning and budget efforts.

## **3. Provide Resident Support**

**A. HAMLET HOUSE: ACTIVITY DEVELOPMENT.** See section entitled Hamlet House.

**B. DEVELOP INDEPENDENCE INITIATIVE FOR COTTAGES AND HAMLET HOUSE RESIDENTS.**

The Hamlet House received a Thrift Store grant to purchase products that support cognitive health of residents. Products have been purchased and are being used and enjoyed by the residents.

LOHO developed a grant request that directly addresses resident physical independence: fall prevention. While the 2014 request was denied, LOHO plans to reapply with a different granting agency.

A goal of the Board is to develop a policy that allows cottage residents to continue living at The Hamlet should they experience the effects of aging and begin to lose their physical independence. At present we have no such policy. Based on a meeting with interested residents, a draft set of charts was developed that identifies levels of independence based on disabling conditions.

Staff will continue to collaborate with residents to develop this policy in 2015.

#### C. DEVELOP AND OFFER ADVANCE PLANNING INFORMATION TO LOHO RESIDENTS

In 2014 LOHO Board members led a workshop for Cottage residents presenting materials to simplify and facilitate the advance planning process. They found that many residents are already doing a good job of this and shared good ideas. They consulted personally with one individual. LOHO considered repeating the workshop in 2015 for Hamlet House residents and their families.

#### **4. Administration: Continue Transition From Volunteer to Professional Management Model**

##### A. HIRE AND TRAIN LOHO BUSINESS MANAGER

At the beginning of 2014 we planned to hire a part-time Business Manager to replace the Bookkeeper position and take on some executive tasks handled by Board volunteers. Eventually we settled on a more streamlined approach: our Office Manager would take on the bookkeeping and our Executive Director expanded her hours to incorporate most of the executive tasks. The Board Treasurer continues existing duties plus reconciliation of accounts.

A new board officer position, Vice Chair of Finance, was created to cover finance-related work such as budgets, forecasting, flash reports, etc.

##### B. HAMLET HOUSE

###### **i. Increase caregiver compensation, recruitment and retention**

Increasing salaries and improving benefits for our outstanding team of caregivers is a top priority. As of January 2015, almost all caregivers will be receiving \$14/hour, an increase of \$2/hour over the last three years. We continue to explore ways to improve our employees' hourly rate within the constraints of our budget goals and are actively looking at expanding our benefit package. Caregivers currently receive small annual bonuses and full-time caregivers receive two weeks of paid vacation. Our low turnover and high retention rate have resulted in a very committed, caring professional team. The LOHO Board will continue exploring new ways to compensate them well.

###### **ii. Develop community outreach**

Involving our community in the lives of seniors is a win/win for everyone, benefiting Hamlet House residents while giving local youth and adults opportunities to serve and interact with elders. This year, middle schoolers and high schoolers dropped in to visit, listened and told stories, made "standing dates" to take a senior friend outside for a walk, worked side-by-side with residents in their outdoor garden, ran errands for residents and much, much more. Adults pitch in regularly too: taking residents to "Creaky Yoga" classes and helping supervise their exercise, providing transportation

for errands or sightseeing, reading, storytelling, and cooking special holiday meals for the whole “family” of residents. Community outreach is a powerful way to enrich lives on Lopez.

### iii. **FAF program guidelines**

In 2010 the Board established a rental assistance fund called the Financial Assistance Fund (FAF) for Hamlet House. At that time a fundraiser was held to begin funding the program. During 2014 several individuals made donations to this fund.

In 2010 the Hamlet House Committee established procedures and guidelines to determine who could qualify for support funds and how much they receive. One requirement was that an individual must reside at Hamlet House for one year without assistance before qualifying for FAF assistance.

Late in 2014 our only resident receiving FAF assistance passed away. There is currently no demand upon the FAF fund.

## C. BOARD SUCCESSION PLAN

A plan for board succession was developed in 2014. We identified characteristics important for all board members, assessed our Board’s key needs and identified recruitment goals. A formalized vetting process was put in place which includes a discussion between prospective members and the Executive Committee covering our mission, rationale for fundraising, expectation for fundraising support and work/time outside of board meetings, disclosure of our debt status and provisions for Director’s Insurance. Four prospective members have been approached.



## CONTRIBUTION TO OUR COMMUNITY

Not only did we benefit from the generosity of the community in terms of both fundraising and many volunteer hours, in 2014 we also gave back to our community in many ways.

- Property Taxes: LOHO paid over \$13,326 in 2014.
  - LOHO currently provides 10 full or part-time jobs.
  - Many residents deposit funds and/or maintain savings accounts with the Lopez branch of Islanders Bank.
  - LOHO has multiple accounts at Islanders Bank for both the Cottages (\$280,000 revenues for 2014) and the Hamlet House (\$344,000 revenues for 2014). In addition LOHO maintains various debt and maintenance reserves with the bank.
  - LOHO's Cottages construction loan provides interest income to the bank.
  - The Cottages and Hamlet House housed 21 residents over 55 who might otherwise have had to leave the island. Many of those residents' families also stayed on the island.
  - LOHO provided affordable housing to 7 lower-income seniors, both in The Cottages and the Hamlet House apartment.
  - Residents do business with island stores, clinic, pharmacy, etc.
  - LOHO helped facilitate opportunities for school age children to connect with our residents through various projects and programs, thus promoting an open dialogue between our youth and community elders.
  - Hamlet residents regularly volunteer in our community, serving on boards and donating their time, talents and expertise in many ways.
- The Gathering Place was the venue for numerous popular events for residents and the public including art openings, concerts, presentations and our new lecture series. See the Hamlet Cottages Report for details.



## 2014 HAMLET RESIDENT DEMOGRAPHICS

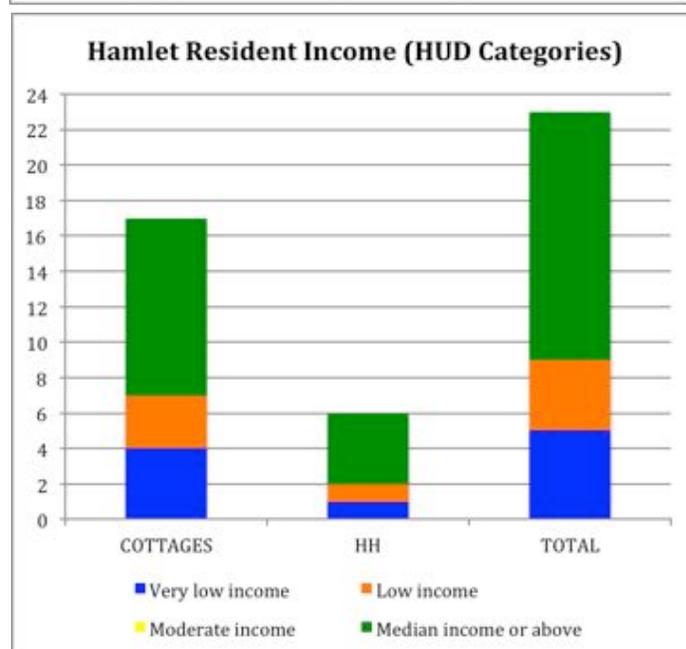
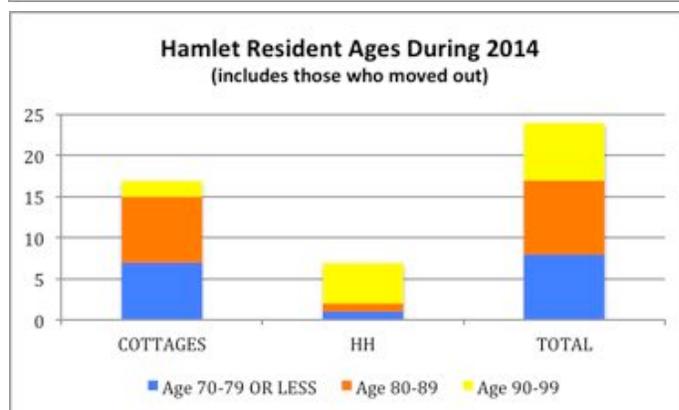
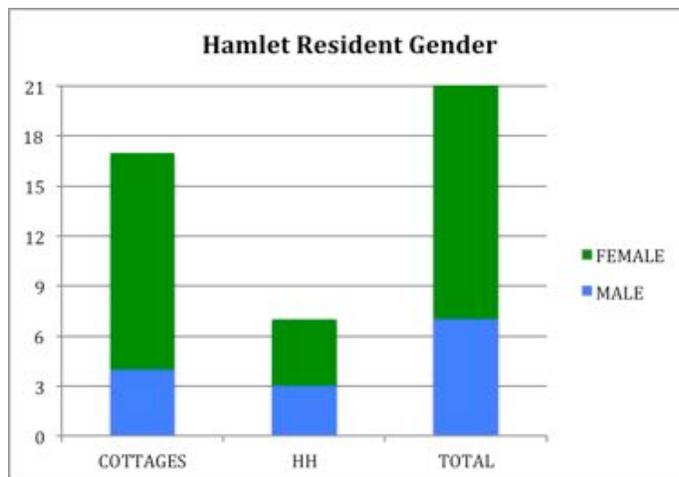
The following information covers all Hamlet residents in 2014 and therefore will total more than the number of units. The statistics are intended to provide demographic detail, not length of stay. To provide a more accurate snapshot, the Cottages and the Hamlet House apartment are combined. The Hamlet House numbers reflect only the six senior beds.

### The Cottages and The Hamlet House apartment:

- Gender: 13 females and 4 males resided in The Cottages and the HH apartment in 2014.
- Age: 7 individuals age 79 or younger; 8 residents in their 80s; 2 individuals age 90+. Average age, 79.2 years.
- Income, those living in Affordable Cottages: While our mission is to serve residents in the “moderate” income category, this year 7 of our residents actually fell into the low or very-low income category.

### The Hamlet House:

- Gender: 4 females and 3 males
- Age: 1 person under 79; 1 resident in 80s; 5 individuals age 90+. The average age, 88.9 years.
- Income: Hamlet House served 1 low-income and 1 very low-income resident in 2014.



## FINANCIAL COMMENTS

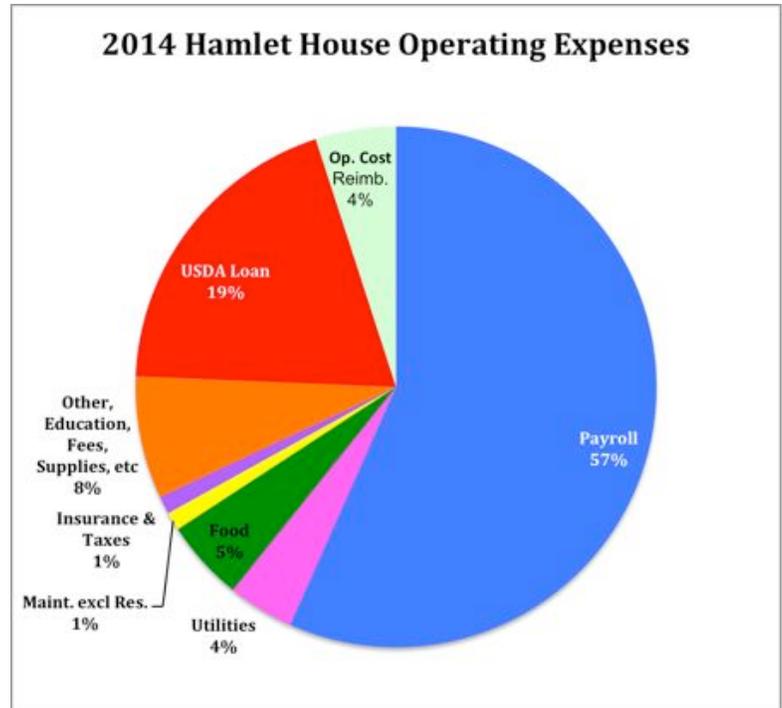
The two LOHO programs have separate budgets. The USDA loan stipulates that Hamlet House funds are not available to the Cottages, other than payment for operational support.

### HAMLET HOUSE

Throughout most of 2014, the Hamlet House was full. In the fall one resident passed and in December two residents passed. All Hamlet House expenses were covered from current revenues and Hamlet House savings increased. Since the majority of Hamlet House revenues come from rent, only expenses are shown here.

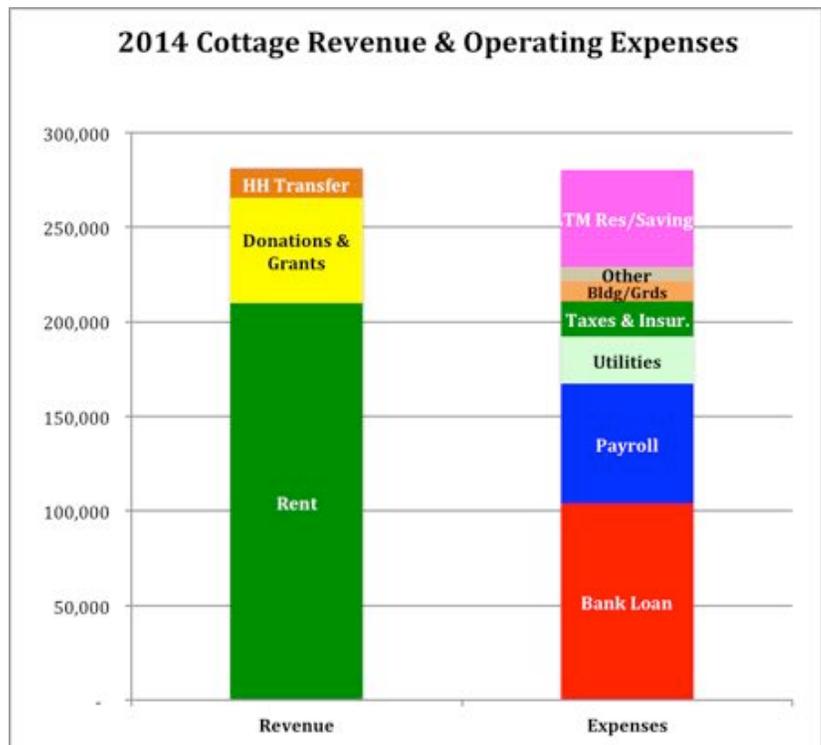
Hamlet House maintains a Financial Assistance Fund (FAF) which was initially funded by a community fundraising event. The FAF is used to subsidize the rent for a qualified resident needing financial assistance. During 2014, rent

accrued from the upstairs apartment in Hamlet House was deposited into the FAF. The December 31, 2014 FAF fund balance was \$25,000.



### COTTAGES

Increased occupancy and a successful fundraising program enabled the Cottages to cover all expenses from current revenue and add to their maintenance reserve and savings. Expenses are shown in the chart; "Other" expenses include marketing, supplies, legal and professional fees, internet, phone, etc.



---

## THE HAMLET HOUSE REPORT

**From Hamlet House Administrator Nichelle Kelley Sorenson**

### YEAR END STATUS

In the last three months of 2014, we had the honor of fulfilling our ultimate mission by providing quality compassionate care for three of our beloved residents as they passed from this life. Through the joint efforts of Hamlet House staff, hospice support and loving family members, we ensured our residents were able to remain in the home and community they loved and exit this life with the comfort and security of being cared for and surrounded by family, friends and caregivers who cherished them. Though none can replace those we have lost, the entire house eagerly awaits the energy that will be brought by a new resident joining our family. We are actively seeking two additional residents and look forward to returning to full occupancy.

Hamlet House currently employs a team of four caregivers. All Hamlet House caregivers are highly trained and meet or exceed Washington State licensure requirements for certifications and continuing education. Most medical care for our residents is coordinated with Lopez Island Clinic who, along with Lopez EMS and Lopez Island Pharmacy, help ensure the health and safety of our residents.

### 2014 YEAR IN REVIEW

2014 was a year of great change and learning for residents and staff. We began with Hamlet House saying farewell to a longtime resident who needed a facility offering skilled nursing care. Within one month we welcomed another remarkable individual and, for the first time in our ever-changing history, our residential make-up was balanced with three men and three ladies.

With the continuing support of United Way of San Juan County, Hamlet House has been able to maintain training and incentives that attract and retain quality staff. This ensures our residents continue to receive a great level of care that evolves over time and is tailored to each resident's specific desires and needs. In April, a former Hamlet House caregiver rejoined our ranks bringing valuable skills and knowledge and a unique sense of humor and style all her own.

As we entered summer, our residents continued to enjoy one another's companionship as well as that of a Cottage resident who moved into our upstairs apartment. Summer was also the beginning of significant health changes for several residents. During the onset of those changes, the staff expanded their learning curve, quickly adapting to continuously changing circumstances as they arose. Our great rapport with residents and their families enabled us to smoothly adapt and cater to those residents' needs with compassionate professionalism and continuity of care. While maneuvering through the ever-changing needs of those residents, it was imperative to attend to the emotional and physical needs of our other residents as well.

Thanks to a generous grant from Lopez Thrift Shop, Hamlet House purchased items to support and aid cognitive function of our residents. Staff sat down with residents to find out what activities and devices they would find helpful in their everyday lives. Speech, Physical and Occupational Therapists helped us evaluate ways to introduce these activities/devices that

would help support residents' cognitive function and abilities without compromising their independence. After compiling information from those efforts with observations of staff, we purchased a variety of items from extra-large display digital clocks to huge activity reader boards and a wide array of games and physical activities that help our residents while adding fun and creativity to every day.

Residents continue to enjoy activities and services that connect them to our fabulously eclectic community. Community members join our table bringing conversation and great meals to share with the residents. One resident had their unbelievably talented grandchildren share their musical stylings with us on several occasions and "Rosie Reads" continue to be an ever-popular weekly happening, just to mention a few offerings. To continue supporting the mobility and physical fitness needs of residents we added Brain, Osteoarthritis and Strength/ Balance workouts to the list of exercises offered. Creaky Yoga and Tai Chi also remain very popular on the physical fitness rotation.

In the new year we hope to continue all the great things we have in place while always pushing to go that extra mile for our residents.



---

## HAMLET COTTAGES REPORT

From Cottages Executive Director Lorrie Harrison

### 2014 YEAR IN REVIEW

This was a banner year for Lopez Cottages. Now at full occupancy, our vibrant community is thriving. Cottage residents, a group of very interesting, independent islanders, take an active role guiding the direction of “their Hamlet.”

The Gathering Place, the residents’ communal living room, bustles with art openings, concerts, book club meetings, resident parties, classes, special events and presentations.

Personal interactions tell the deeper story of The Cottage community: friends sharing a glass of wine by the fireplace, a spontaneous evening of card or board games in The Gathering Place, the connections made and held, neighbors relying upon each other – inviting a new resident over for dinner, driving a friend to Seattle for medical treatment, or spending a sunny morning planting veggies in our own community garden.

A special joy this year was the addition of more 4-legged friends. Many family pets including dogs, cats and one turtle now call The Cottages home!

Like any community, ours will always have ups and downs, struggles, successes, joys and sorrows. But the hallmark of The Cottages is the sense of community, connection and care that is shared by all who live here.

On the business side, these strategies assured high occupancy and resident satisfaction:

#### 1. Marketing Delivers High Occupancy

##### Strategies:

##### *Direct contact with potential residents*

The personal approach is our strongest marketing strategy. Personal calls, one-on-one lunches and meetings with those in our primary market have proven extremely successful.

##### *Outreach to LOHO founders, funders, friends and fans*

We keep these individuals in the loop through art openings, Sunday concerts and other special events.

##### *Promotion*

We increase awareness of The Hamlet by restocking our brochures, posters and materials in high visibility locations such as the clinic lobby, pharmacy, Chamber of Commerce, library, senior centers, etc.

*Publicity*

We heighten awareness of The Hamlet and our cultural events via regular listings on Lopez Rocks, by regular email updates, placing event posters throughout the island, using our Hamlet website, submitting feature articles to the newspaper, reprinting our brochure twice each year (including pricing updates); and publishing a 4x6" calendar of Cottages events that is distributed island-wide.

*Word-of-Mouth "advertising" creates a waiting list*

There is no better way to spread-the-good-word than by personal testimonial. As The Cottages have become a lively, valued part of the larger Lopez Island community, the word has gotten out: *this is a wonderful place to live!*

We currently have a waiting list of some 16 individuals and couples who want to call The Hamlet Cottages "home."

2. Expand The Benefit Bundle

We continue to explore ways to enrich and improve life at The Cottages.

Resident satisfaction increases measurably as people experience connected community. We foster and nurture a culture of community and connection by offering a wide variety of programs, activities and social opportunities planned by, and for, Hamlet residents. Hosted in The Gathering Place, the events are open to residents' families, friends and the Lopez community.

**ART OPENINGS:** Our partnership with Lopez Artists' Guild continues with regular gallery shows in the Gathering Place and Friday night receptions for the presenting artist. This year we hosted artists Ginny Neece, Mike Rust, Kate Scott, Tamara Buchanan and Diana Bower.

**SUNDAY AFTERNOON PERFORMANCES:** Our monthly Sunday Series has been very popular this year hosting such entertainment as resident storyteller Ed Sheridan for two performances, Lopez Chamber and Youth Orchestras, a Blue Grass, Blues, Folk & Gospel "Concert on the Green," a poetry reading, Christmas sing-a-long by The Lopez Carolers, a piano performance by Lopez high school student Gavin Goodrich among other events. Many performances were "standing room only."

**CLASSES AND GROUPS:** The Gathering Place continues to be a popular venue for resident-sponsored classes and group meetings. Examples: Transition Group meetings, monthly writers' group, book club meetings, Parkinsons Group, Tai Chi and other class offerings.

**SOCIALS:** Welcome Receptions pair elegant hors d'oeuvres and wines with an opportunity for board members and residents to meet the newest members of our community.

**VOLUNTEER SUPPORT:** Spring and autumn garden clean-up parties have been a long-time tradition at The Hamlet. This year, The Lopez Transition Group helped in the spring and The United Way Day of Caring happened in the autumn.

**PERSONAL USE OF THE GATHERING PLACE:** Residents use the space for family meals, parties and personal gatherings.

### 3. Strengthen Residents' Voice in our Community

Residents highly value:

Good communication with the staff and board

Having a valued voice in the operations of the cottages

Responding to both, the Executive Director hosts monthly 2-hour teas with all residents to solicit their input and meets monthly with the Resident Council to hear their concerns, suggestions and recommendations.

Additional meetings are held periodically to solicit residents' expertise and input in key areas of the Cottages management.

To assure that residents always have strong representation, two residents sit on our Board of Directors.



---

## **FROM COTTAGE RESIDENTS & BOARD MEMBERS Nancy Mariotti and Florence Wagner**

### **Hamlet Cottage Residents Give Back to the Community in 2014**

Active residents of the Hamlet Cottages volunteer their time and talents to the following Lopez Island organizations. Residents also contribute to the Lopez Community in unofficial activities, i.e. baking cookies for the volunteer fireman's monthly meeting, delivering Hamlet resident internal mail and serving as a resource for yoga teachers.

#### **Lopez Island Organizations**

Thrift Shop  
 Lions Club  
 Lopez Community Trails Network  
 Hospice and Home Support  
 Library  
 Fresh Food Distribution  
 Community Center  
 Transitions Movement  
 Woodman Hall Senior Center  
 LOHO Board  
 Hamlet Cottage Resident Council  
 Garden planting and clean up at the Hamlet campus  
 Outreach Committee-Grace Church (Food Bank)  
 LIFRC Mentor Program  
 Lopez Community Land Trust Board & Executive Committee  
 San Juan National Monument (BLM) Monitor Program  
 Children's Center - Preschool  
 Lopez Public Schools - Elementary storytelling  
 Public Storytelling Presentations at the Gathering Place  
 Routine repair and maintenance of Hamlet Cottages and The Gathering Place

#### **Hamlet Cottage Residents Met Their 2014 Objective**

*Objective: Increase cottage residents' awareness of mass emergencies which might occur on Lopez Island and plan for the recommended response.*

To address this objective, and the several phases involved, workshops were developed using input from local residents, emergency personnel and Red Cross information.

Workshops were conducted on the following subjects:

1. Emergencies which have developed, or could develop, on Lopez causing a dangerous interruption in the daily life of Hamlet cottage residents.
2. Personal and/or health emergencies that might arise and community resources available to assist the resident.
3. Grab and Go bag
4. Home Emergency Box

## Resident Council Objectives for 2015

1. *Encourage socialization and cohesiveness among cottage residents by sponsoring several organized events this year and encouraging residents to develop their own "less formalized" community activities.*
2. *Continue to identify and refine emergency safety opportunities for cottage residents through cooperation with Lopez emergency personnel and Hamlet House staff.*



## HAMLET FUNDRAISING REPORT, 2014 – Paula Walker

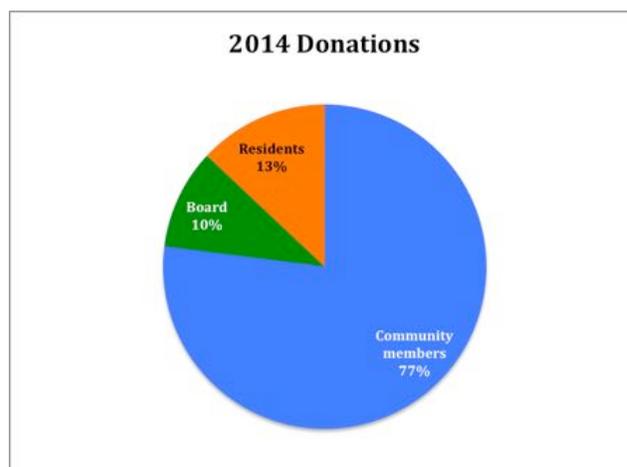
In 2014 Hamlet individual supporters donated \$61,198 to meet the following needs:

- Fill “the gap” \$51,877
- Fund miscellaneous projects 2,371
- Support the Financial Assistance Fund 6,971

Local organizations granted an additional \$3,443.

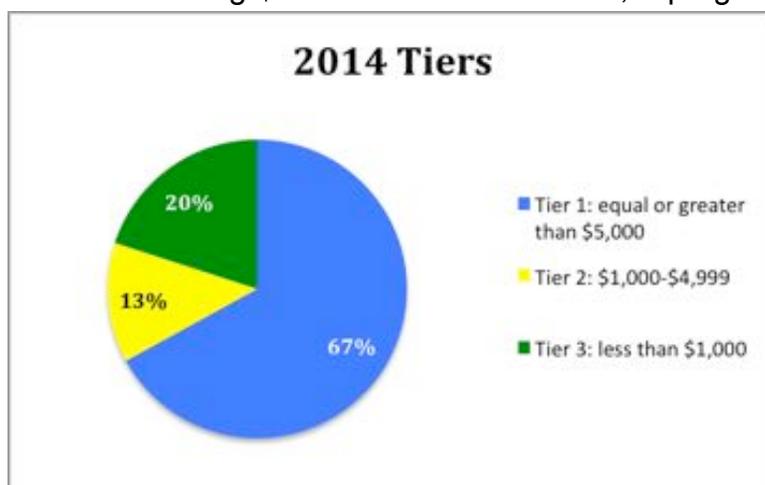
### FILLING THE GAP

As in past years, the primary focus of our fundraising efforts in 2014 was to fill the annual gap between income and expenses. The approximate \$52,000 raised for this purpose substantially exceeded our \$30,000 goal. The total amount raised in 2013 was greater than in 2014, primarily due to a special fundraising effort related to a payment on individual debt. However, a comparison of the totals raised to fill the gap shows a 2014 improvement of \$15,000.



Including board members, residents and community members, 55 potential contributors were contacted and 35 (63%) donated. This compares favorably with 2013 when, although more contacts were made, the percentage that donated (55%) was lower. A small amount (\$277) was contributed from miscellaneous sources including \$120 from Amazon Smile, a program that donates .05% of an Amazon item’s purchase price to a nonprofit designated by the buyer.

Dovetailing with the start of our fundraising campaign, copies of the 2013 Annual Report were distributed electronically or as hard copies to 44 past supporters. While not all of the recipients of the report were considered potential donors, it is noteworthy that all but two of those who received a copy of the report made donations.



The campaign officially began in April with board members being the first to give. Over the summer, a co-chair personally contacted ten community members. Another 34 persons (including residents) received personalized letters.

We were particularly fortunate to have a \$10,000 matching pledge offered by a generous supporter. Five additional people gave in the Tier 1 category, including a second \$10,000

donation, resulting in \$35,000 being contributed by six exceptional donors. Five Tier 2 donors gave \$7,000 and 24 Tier 3 donors contributed the final \$10,000.

### MISCELLANEOUS PROJECTS

These funds helped finance sidewalk repair, the maintenance reserve, two resident socials, and some supplies for Hamlet House.

### THE FINANCIAL ASSISTANCE FUND (FAF)

The FAF is a long-standing fund that provides assistance to Hamlet House residents whose financial resources become depleted over the course of their stay. Of the \$6450 added to the fund this year, all gifts were in memoriam with the exception of a \$500 gift from The Grace Church congregation.

### GRANTS

#### **Grants received in 2014**

United Way	\$1,324	For Hamlet House. To support caregiving.
United Way	794	For Cottages, to support Personal Assistant support.
Thrift Shop	1,000	Cognitive support materials for HH residents.
Lopez Lions' Club	325	Sidewalk repair.

#### **Grants sought in 2015:**

Glazer Foundation	\$2,000	Balance classes for residents; denied, no reason given
United Way	2,500	For Hamlet House. To support caregiving.

### BEQUESTS

Work on developing the Bequest and Planned Giving Program was postponed pending resolution of our one remaining individual debt.

## BUILDINGS REPORT – Kirm Taylor

The usual issues were addressed at the cottages: installing new kitchen faucets, adjusting thermostats, making closet door adjustments, replacing a microwave oven, etc. At Hamlet House many worn bidet hoses were replaced.

Jim Yalden, a new cottage resident, volunteered to help with repairs. Jim has a deep background in many skills that we need and has become an extremely valued member of our volunteer maintenance and repair team. He is now the first line of defense for repairs, calling on the Building Committee Chair when needed.

Initially, Jim took on the outside walkway lights that were in various states of disrepair. He assisted with the microwave replacement and repaired the broken ovens. Mid-year Jim did a very thorough investigation for a proposal to install an emergency generator at the Gathering Place. His presentation to the board resulted in a decision not to proceed based upon high expense and a low probability of need. To create workshop space in the utility room for Jim, we removed the plumbing and the water pressure tank for the irrigation system that were no longer being used. The three in-ground water storage tanks were left in place, as the safest and most economical choice.

Interior painting and carpet replacement will become general maintenance items, not long-term maintenance. The building budget reflects this change.

Long-term maintenance including appliance replacement, exterior painting and replacing the roofing has been analyzed and reported separately. Funding will be based upon those figures and our ability to generate revenue to cover those costs.



## **GROUNDS REPORT – Lorrie Harrison**

### GENERAL GROUNDS STATUS

The Hamlet grounds are lovely; plantings are healthy and well maintained. A professional landscape firm does regular weeding, weed whacking, trimming and pathway maintenance. Eradicating thistles at the Hamlet House garden, a project that is expected to take two to three years, continues.

The asphalt walkways around The Green were patched this year. The Lions Club donated \$325 toward the \$1250 project and an anonymous donor provided the balance.

### INVOLVEMENT OF RESIDENTS, VOLUNTEERS AND THE COMMUNITY

Over the years, the dedicated group of local friends who volunteered at our garden clean-up parties had dwindled. This year, The Lopez Transition Group stepped in to revitalize this wonderful effort. More than 12 volunteers worked most of an entire spring day weeding, beautifying and spreading 30 yards of bark on the beds. A huge task, accomplished in an uplifting “we can do it!” style.

Our autumn garden party was less demanding but equally fun. One United Way volunteer participated with Cottagers, Board and Staff members.

An estimated 45 volunteers provided 250 hours of donated labor to spread bark, weed the planted beds and maintain the landscaping. Cottage residents take a very active role planning and coordinating landscaping, maintenance and cleanup days.

Grace Church continues to mow our grass year-round as part of their outreach program. We are extremely grateful for their wonderful support. We now contribute \$350 towards the annual maintenance of their mower, pay for gas when they mow and, as a thank you, host a coffee for their congregation one Sunday each Spring. Estimated volunteer hours by the Grace Church congregation members: 30 hours mowing, trimming and beautifying our grounds.



---

## **BOARD DEVELOPMENT COMMITTEE REPORT 2014 – Charlie Janeway**

My Co-chair and our Executive Director joined the committee and we developed a plan for board succession including:

Desirable characteristics for all new board members  
List of current unfilled needs on the Hamlet board  
Vetting process

The vetting process now begins with a preliminary meeting between the candidate and the Executive Committee to discuss our mission, rationale for fundraising, board support of the fundraising process, expectation of work/time in excess of board meetings, disclosure of our debt and what we provide in terms of Director's Insurance. Following this meeting, candidates are invited to attend a board meeting to meet the directors and get a feel for our process.

### THE DIRECTORS

The Hamlet started the year with 12 Directors. During the year two members stepped down. We appreciate their years of service, hard work and devotion to The Hamlet mission.

Many thanks to Mary Ann Bailey and Kai Sanburn

We ended the year with 10 Directors. See Appendix A for a listing of Directors.

### THE OFFICERS

At the February 2014 Annual Meeting the Board elected officers for one-year terms:

Co-Chairs: Charlie Janeway and Rebecca Chao

Secretary: Paula Walker

Treasurer: Mary Wondra

### THE TERMS

See Appendix B for Board terms.

---

## LONG TERM MAINTENANCE PLANNING – Kirm Taylor and Rebecca Chao

### THE PLAN

At the December 2013 Board meeting, Kirm Taylor presented a report entitled “Present Day Cost to Replace Roof, Appliances and Exterior Painting.” That report was updated in late 2014 with further information and provides considerable detail on costs and estimated lives for:

- Cottages
- Hamlet House
- Gathering Place
- Hamlet House Apartment

### LONG-TERM MAINTENANCE FUNDING MODEL

The funding source for LOHO major maintenance will be the two Maintenance Reserves (funded by annual excess revenues, reserve earnings, donations and/or special grants.) The Hamlet House makes a monthly contribution to their Maintenance Reserve. The Cottages do not make monthly contributions due to budget constraints, but their Maintenance Reserve is a priority if revenue is available at the end of the year. We do not expect that commercial bank loans will be available to LOHO for this purpose in the next few years. Regular maintenance continues to be funded from the annual Building Maintenance budget, whose revenue source is rental revenue and donations.

We developed a computer model of our projected long-term maintenance requirements showing the timing and the inflated costs spread over many years. The model uses averages for these costs and estimated lives. The purpose of the model is to estimate how much should be deposited annually into the two Maintenance Funds to attain sufficient funding for the various major maintenance requirements. While the actual funding will vary from year to year, the estimate provides guidance to determine whether major maintenance will have sufficient funds when needed. This will assist in setting budget goals each year.

The funding model also encourages exploring ways to reduce costs and/or extend the timing of the major maintenance items. For example, Kirm discussed exterior painting with a professional who pointed out that annual maintenance costing about \$500/year could extend the life of the exterior paint by several years. As a result, the 2015 Cottage budget includes this “Paintenance” (the HH share being covered in its transfer).

The Gathering Place is generally treated as part of the Cottages and uses the Cottages reserve. The apartment is treated as part of the Hamlet House and uses the HH reserve.

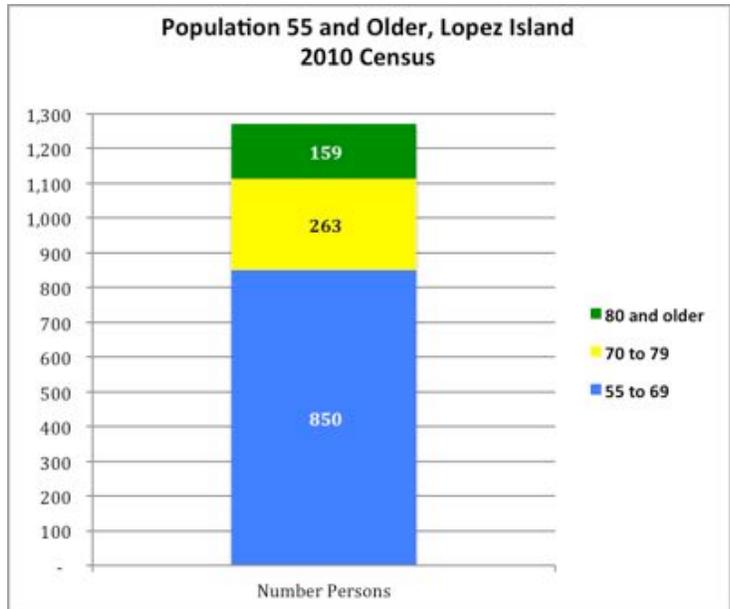
A well-maintained facility is essential to attracting and keeping residents, as well as providing a safe and healthy environment. Therefore, work on the Long-Term Maintenance Plan and Funding Model will continue to be a major priority for the Board.

## LOPEZ ISLAND DEMOGRAPHICS: 2010 CENSUS

Based on the 2010 census, the following chart provides demographic data indicating our potential market numbers.

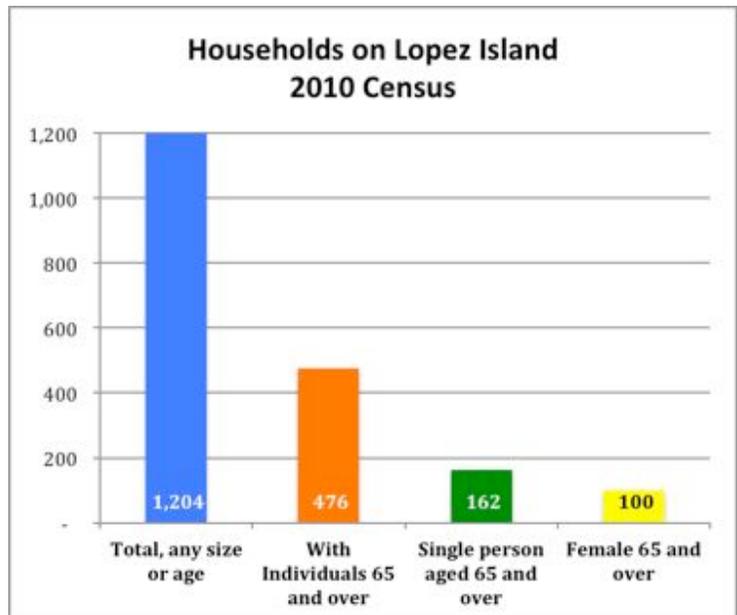
### POPULATION

The total 2010 population of Lopez Island was 2,383. The chart shows three age ranges pertinent to LOHO.



### HOUSEHOLDS

The total number of households on Lopez Island in 2010 was 1,204. The chart below indicates the number of households with individuals 65 and over, single persons aged 65 or older and, of those persons living alone, how many were female 65 and over.



---

## CO-CHAIR REPORT: SIGNIFICANT ISSUES IN 2014 - Rebecca Chao

### FINANCIAL SUSTAINABILITY

The Board is committed to maintaining balanced budgets (defined as not drawing upon savings other than for specific one-time purposes) for both The Cottages and The Hamlet House. We continue to produce and review monthly financial reports and a summary “Flash Report” to help the Board manage revenues and expenses and to ensure preservation of our emergency savings.

With the gifting of the last \$250,000 deposit, we have only one individual debt remaining. We are in negotiations regarding this debt and hope for resolution during 2015. **We owe an enormous debt of gratitude to the extraordinary individuals who forgave our debts to them. Their gracious actions pave the way for The Hamlet’s future sustainability. We stand in awe of their generosity.**

### OPERATIONS STAFFING: COTTAGES AND HAMLET HOUSE

As Cottage occupancy has increased, operational tasks and service requirements are expanding. In order to assure that residents’ needs will always be well met, it is necessary that our professional staff assume responsibilities previously handled by Board and volunteers. To meet that goal, we are increasing staff hours as our budget allows and reducing volunteer roles. The 2015 budget reflects these changes.

The Hamlet House Administrator and caregivers are a dedicated group of individuals who provide 24-hour care and service to Hamlet House residents. In keeping with many such facilities, caregiver compensation is quite low. We are attempting to increase that compensation to reflect the extraordinary responsibility placed upon the staff. The 2014 budget contained increases in hourly rates and benefits and we will strive to further improve compensation as we can. The main source of funding these increases is by increasing rent, a choice that can adversely affect seniors when they are most vulnerable financially, so a delicate balance is required.

### BOARD GOVERNANCE

LOHO’s Executive Committee recognized that the Board will lose some valued members in the next few years due to term limits. In addition, excessive time demands upon Directors who provide operational assistance has proven to be both unsustainable and a possible barrier to attracting future board members. To deal with these issues, the Executive Committee increased staffing hours as described above, downsized Board officer responsibilities for 2015 and undertook an active search for new Board members.

### LONG-TERM MAINTENANCE

One of our largest nail-biting challenges is pre-funding long-term maintenance for both the Cottages and the Hamlet House. Keeping our facilities safe and comfortable is essential for our residents’ happiness and health. As we are not assuming future debt for such funding, estimating maintenance costs and timing is crucial. Refer to The Long-Term Maintenance Plan in this report for more details.

---

## CO-CHAIR REPORT: Charlie Janeway

This has been another successful year for The Hamlet. Both of our two non-profit businesses, Hamlet House and The Cottages, under the umbrella of The Hamlet or LOHO, are humming along.

The Hamlet House continues to be very well run by Administrator Nichelle Sorenson, maintaining numbers in the black with a bit of a cushion. This is good because unfortunately we lost three Hamlet House residents to due to terminal illness in 2014. The three residents were able to die with the loving care of the Hamlet staff, Hospice and their families in their home, the Hamlet, instead of having to leave the island. Thus we are fulfilling our mission.

Hamlet House expects to draw on its waiting list and maintain 100% occupancy.

Nichelle and the caregivers at Hamlet House have provided excellent care despite sometimes working extra hours. We would like to add more caregivers to the staff and have increased the pay rate more than once this past year to attract them. When the budget allows, we would like to continue to increase salaries.

The Cottages have also done well under the guidance of Executive Director Lorrie Harrison who maintained an atmosphere of engagement, warmth, interest and activity. With the monthly resident teas, the art show openings, the concerts and lectures and the central location of The Hamlet in the Village, the Hamlet Cottages have become a very desirable place to live. The cumulative result has been virtually full occupancy for the entire year. One resident did leave for personal reasons but four new residents joined our community. The desirability of The Hamlet cottages is reflected by a waiting list for both 1-bedroom and 2-bedroom cottages.

Although we increased the "market rate" rents this year, our income still does not meet our expenses largely due to the fixed rents mandated by the county for our "affordable" cottages. We were able to successfully raise funds to fill this "gap" through our 2014 fundraising efforts and the financial support of very generous donors.

With both Hamlet House and The Cottages at nearly full occupancy, successful fundraising and administrative frugality, the cash flow challenge of The Hamlet is being met – money is being set aside in a maintenance fund and we are projected to be in the black for the next five years.

Our other pressing challenge has been our long-term debt. Again we had movement and success this year. Our last depositor VERY generously gifted her debt back to LOHO, reducing our Cottage long-term individual debt from a total of \$1,640,000 in December 2011 to \$240,000 now. Again, we wish we could repay the one remaining individual to whom we owe this debt, but after extensive research and financial consultation, we are clear that unfortunately LOHO does not have the ability to generate funds to repay this debt.

Overall, we can be encouraged that The Hamlet is on a course of long-term sustainability and that it will continue to be the "just right" community for many older folks on Lopez in the future.

---

**APPENDIX A:****LOHO 2014 BOARD OF DIRECTORS AND ADMINISTRATIVE STAFF BIOS****Rebecca Chao, Co-Chair**

Active in Pacific Northwest public finance for over 35 years as a financial advisor and an investment banker, most currently retired from Seattle-Northwest Securities Corp. From 1989 through 2007, owner and President of Regional Financial Advisors, Inc. (sold to SNW). Other employers included Shearson-Lehman Brothers, E.F. Hutton, First National Bank (now Wells Fargo), Government Finance Associates, Public Financial Management, Clements & Marshall (owner) and Oregon State Treasury. Began as a computer programmer. Has served on a number of non-profit boards.

**Randall Dickson**

Masters of Physician Assistant Studies, University of Nebraska College of Medicine and graduate of the PA program at the University of Washington School of Medicine. Practices at Group Health, Seattle, WA. Small business owner of Physician Assistant Solutions. On the clinical faculty at the University of Washington School of Medicine. Distinguished Fellow of the American Academy of Physicians Assistants. Community and volunteer activities include Washington Academy of Physician Assistants Past-President, former North Sound Emergency Medicine Board of Directors Vice President.

**Bruce Ellestad**

Brings a wealth of education experience to the Board. Holds a MA in Policy Studies from the University of Washington; MA Biology Teaching Degree, University of Washington; BA Biological Sciences, University of California, Santa Cruz. Served as researcher for Prometheus Institute for Sustainable Development. Currently a small business owner and substitute teacher on Lopez Island.

**Karen Gilbert**

Masters in Nursing from the University of Washington and certified as a gerontological and adult nurse practitioner. Currently works in the palliative care service for Skagit Valley Hospital in Mt Vernon. Previous 27 years experience in hospice and home health nursing and in oncology as a nurse practitioner. Lopez Island resident since 1989. Served on advisory board for the development of a senior housing community, which later became The Hamlet.

**Charlie Janeway, Co-Chair**

Amherst College. University of Rochester School of Medicine; rotating internship at Harborview Hospital in Seattle; internal medicine at University of Washington. Gastroenterologist at Group Health Cooperative of Puget Sound, 1970-2008 – administrative responsibilities included Chief of Internal Medicine Department, Chief of Gastroenterology Section, Chair of Pharmacy and Therapeutics Committee, and member of the Executive Committee of the Medical Staff.

**Nancy Mariotti**

M.S. Degree, State University of New York at Albany. Cecil College - Senior Director, Continuing Education Division. Cecil College – Fiscal Manager of Continuing Education Division as part of the Financial Services Division. Adjunct Instructor of the Year 1990 – Cecil College Credit Division. Founder of newsletter for APFTDS and editor for two years. Resident of Hamlet Cottages.

**Kirm Taylor**

University of Rochester, BA History. University of Michigan, MSW. Social worker in New York and Michigan; twenty-two years as real estate broker in Seattle, WA. Thirteen years as general contractor. Founding member, Lopez Community Trails Network; treasurer of Lopez Island Community Tennis Association.

**Florence Wagner**

Formative years in East Grand Rapids, Michigan, followed by University of Michigan, where she received a degree in nursing. Main areas of expertise: pediatrics. Practiced in San Francisco, Grand Rapids and Ann Arbor, Michigan. Resident of Hamlet Cottages.

**Paula Walker, Secretary**

Full-time Lopez Island resident since 2009. Master's degree in library science from the University of Oregon. Taught middle school and was technical librarian first for Pepperdine Law School and then for Portland General Electric Company.

**Mary Wondra, Treasurer**

Thirty-five year career in administrative, clerical and managerial positions in stock brokerage, insurance administration and claims, physician office, academic medicine, attorney office. Owner, escrow business. Volunteer for Lopez Community Center, Friends of the Library, Fisherman Bay Water Association, Lopez Community Land Trust, Friends of Woodman Hall, Lopez School.

**ADMINISTRATIVE STAFF****Cottages - Executive Director: Lorrie Harrison**

Executive Director of Hamlet Cottages since Dec. 2011. Senior Marketing Representative for Walt Disney World Company, Orlando, Florida 1972 - 1980. Co-Director of a large non-profit in Orlando, then returned to Disney as Seminar Productions designer and presenter. Independent marketing consultant, 1989 - 2011. Published author.

**Hamlet House – Administrator: Nichelle Kelley Sorenson**

Administrator of Hamlet House Adult Family Home since Jan. 2012. Hamlet House Caregiver, March 2011 – January, 2012. Lopez Island Pharmacy Asst., 2008 - 2011; Pre-kindergarten Teacher and Early Childhood Educator 1992 - 2007; Certified Phlebotomist.

## APPENDIX B: LOHO BOARD ROSTER AND TERMS

As of 12/31/14

Last Name	First Name	OFFICER	Date Joined	1 <sup>st</sup> Annual Meeting	2014	2015	2016	2017	2018	2019	2020
Chao	Rebecca	Co-Chair	12/10	2011	★			★★			
Dickson	Randall		01/11	2011	★			★★			
Ellestad	Bruce		12/11	2012		★					
Gilbert <sup>1</sup>	Karen		06/13	2014	□			★			★★
Janeway	Charlie	Co-Chair	11/09	2010			★★	□			
Mariotti	Nancy		10/12	2013			★			★★	
Taylor	Kirm		06/10	2011	★			★★			
Wagner	Florence		10/11	2012		★			★★		
Walker	Paula	SEC	01/11	2011	★			★★			
Wondra	Mary	TREAS.	03/09	2010			★★	□			

1- Karen Gilbert replaced Paul Angel in 2013 and stood for full term election at the 2014 Annual meeting.

- ✓ Official beginning of first term
- ★ First term ending
- ★★ Second term ending (Bylaws permit only two terms)

### ANNUAL MEETINGS:

1/14/2009  
 3/11/2010  
 4/14/2011  
 2/09/2012  
 2/14/2013  
 2/13/2014

## **APPENDIX C:**

### **LOHO MISSION, VISION AND VALUES**

**BOARD ADOPTED 2014**

#### **Mission:**

The mission of The Hamlet / LOHO is to provide safe, convenient housing on Lopez Island for people 55 and over: an adult family home for six individuals needing 24-hour care and 14 garden cottages for rent to independent seniors. We offer almost half of our cottages and at least one room in our adult family home at reduced rent for those living on limited incomes.

#### **Vision:**

We support the wellbeing of all we serve by providing secure, affordable, attractive housing in an inclusive, caring environment.

#### **Values:**

We act out of a belief that seniors on Lopez Island should not have to leave the community they love as they age; that maintaining connection and relationships benefits everyone through the lifespan.

We believe in a community model where residents' input is valued and integrated into daily decision-making and management.

We commit to supporting residents' efforts to extend their autonomy and independence.

We operate a business model based on mutual respect, transparency, fiscal responsibility and service.

We encourage a culture of economic and social diversity where all residents feel honored, welcomed and supported.

---

**APPENDIX D:**  
**THE HAMLET/LOHO KEY DATES**

<b>May 22, 2003</b>	LOHO Articles of Incorporation filed
<b>2004</b>	LOHO “Year of Formation” on tax return (Form 990). The first tax return for LOHO was year 2004, so that is the date of formation.
<b>April 27, 2004</b>	First official meeting of the LOHO Board; Received 501(c)(3) designation
<b>December 15, 2004</b>	LOHO Bylaws adopted
<b>Jan-Feb 2006</b>	Building permit hearing, then decision with Findings and Conditions from San Juan County hearing examiner. Conditions included a requirement that 7 independent units be “moderate income” affordable (HUD definition)
<b>September 27, 2006</b>	USDA approved HH request for 40-year loan of \$998,000
<b>June 18, 2007</b>	\$1,500,000 business loan and promissory note with Islanders Bank for the Cottages construction, due 7/15/2038
<b>November 2007</b>	Board approved Gathering Place funding plan (\$222,000 bequest was applied to GP construction costs)
<b>August 2008</b>	Cottages open, first residents move in
<b>Early 2009</b>	Hamlet House welcomes first residents
<b>August 2010</b>	Board removed the Cottages’ \$250,000 entrance deposit requirement
<b>December 2011</b>	Board hires first Cottages executive director
<b>February 2013</b>	Cottages Resident Council re-established

## APPENDIX E: GUIDE TO GIVING

There are a multitude of reasons we are grateful for our community, and donors' generosity is on the top of the list. As with most non-profit organizations, donations make our very existence possible. We are delighted that, partnering with you, Lopez islanders are empowered to live out their lives in the community they love. *The financial support of donors renews that dream every year.*

There are many ways you can help. Whether yours is a monthly donation, a one-time gift, an annual donation, bequest, or contribution to our new endowment fund, your generosity makes a powerful difference.

### ***Giving Made Easy***

We are happy to answer questions you or your advisors may have about making a gift or setting up a giving plan. The process is not difficult. Simply contact Executive Director Lorrie Harrison at (360) 468-2620 or Board Chair Paula Walker (360) 468-3397 for more information. Both are eager to help.

MONTHLY PLEDGES For those who like to contribute regularly, it is easy to arrange a monthly donation through your credit card or scheduled withdrawal from your bank account.

TRIBUTE GIFTS: HONORING SOMEONE SPECIAL OR A SIGNIFICANT EVENT Tribute gifts are a meaningful way to celebrate a special occasion, recognize a significant person in your life or pay tribute to a departed friend or loved one. We will send a personal letter to the honored individual or family member explaining how your donation will benefit Lopez elders.

LEGACY GIVING: BEQUESTS Making a charitable bequest in your will is the easiest legacy gift to establish. The following language offers options for you and your attorney to consider:

*"I hereby give, devise and bequeath to Lopez Housing Options (LOHO), a non-profit charitable organization located in San Juan County, WA, federal tax ID #76-0732680, (the sum of \$\_\_\_\_\_) or (\_\_\_\_ percent of my estate) or (specific items of property)*

OR

*(indicate a specific dollar amount) or (all of the rest, residue and remainder of my estate) as an unrestricted gift to be used at the discretion of its Board of Directors who may determine how best to apply such gift towards the work of The Hamlet (or list a specific purpose)."*

MORE LEGACY GIVING OPTIONS Naming Lopez Housing Options as a beneficiary of your Individual Retirement Account; other retirement account; life insurance policy; establishing a Remainder Interest; or setting up a Life Estate Gift will create a lasting contribution in your name. Feel free to call us for specifics.

### ENDOWMENT

If you would like to be part of the grassroots 2015 effort establishing an endowment for The Hamlet, please contact us. Plans are now underway to make this dream a reality.

## THANK YOU TO OUR DONORS

With great gratitude we acknowledge all those who donated to The Hamlet in 2014. In addition to Hamlet board members and residents, the following community members donated to our success this year.

Jon Avent  
Larry and Mary Ann Bailey  
Inez Black and Wayne Schuh  
Janice DeLacy  
Larry and Sarah Eppenbach  
Todd Goldsmith and Diane Dear  
Valerie Green and Elizabeth Landrum  
Patsy and Shel Haber  
Mike Halperin and Jodi Green  
Steve and Michele Heller  
Larry and Carol Hendel  
Pat and Mary Ellen Hughes  
Mac and Tytti Langford  
George and Stepper LeBoutillier  
Nancy Luebke  
Oswaldo and Barbara Mino  
Nancy Nordhoff  
James and Barbara Orcutt  
Tom and Sally Reeve  
Maureen Rogers  
Beth Shirk and Ann Heitbrink  
Bette Shuh  
Oscar and Alie Smaalders  
Rick Strachan and Ginni Keith  
Murray and Mariette Trelease  
Rip and Julie Van Camp  
John and Carol Whetten  
George and Carolyn Woodbury  
Ross and Anne Worley