

FAIRHILL'S CAMPAIGN FOR KINSHIP VILLAGE - A Capital Project Checklist

1. Has a separate fund been established for all campaign funds?
 - A. A separate account has been established for all campaign funds.
2. Has property been identified and secured with a firm contract?
 - A. Fairhill owns the property that will become Kinship Village.
3. Have the final specifications been completed and put out for multiple bids?
 - A. The conceptual design drawings are complete and we are moving into the design development phase with the pro bono assistance of board member Mr. Jack Bialosky, Sr., AIA. We will not purchase services to develop final specification documents until sufficient funds have been committed to that specific purpose.
4. Has the project received approval from the local city council?
 - A. The local City Councilperson, Mrs. Pat Britt, is aware and fully supports the project. She anticipates no issues with the City Council.
5. Have all necessary permits/zoning variances been obtained?
 - A. This project will not require a zoning variance. A building permit can not be obtained until final construction documents with specifications are completed. Our prior experience is that securing a building permit from the City takes about 3 months.
6. Is there a realistic fundraising plan?
 - A. Yes. A work team comprised of Fairhill Board members, staff, volunteers and a professional consultant with wide experience and great success in capital campaign fundraising has been developing all aspects of the campaign. Activities have included creation of a gift table, identification of potential donors, development of a publicity campaign, establishing financial control procedures, devising training presentations and materials for solicitors, and producing literature for the campaign.
7. Have 100% of the board members contributed to the project?
 - A. As of July 1, 2006, 100% of Fairhill's Board members had made a pledge or gift to the Campaign.
8. Has the organization committed some of its own funds to the project?
 - A. Yes; Fairhill has invested considerable staff, volunteer and financial resources to pre-campaign development activities, including for example, the renovation of the town houses that will form part of the village, and planning work to satisfy itself that the project is realistic and feasible. It will continue this level of commitment and investment as the project develops. Between January, 2006 and December, 2008 Fairhill expects to devote a minimum of \$170,000 to such inputs as staff time and infrastructure improvements (e.g.,

landscaping, parking spaces, fencing) to allow the village to integrate seamlessly with the rest of the campus.

9. Is there a 3-5 year business plan showing income to cover increased operating expenses?
 - A. Yes. The business plan for Kinship Village™ operations recognizes both revenue and expenses associated with a small residential complex. This model includes offering 50-66% of the residences for rent on a sliding income scales basis to kinship care families. Positive cash flow from the project will fund enriched social service staffing needed to create and maintain the environment that enhances kinship care family prospects for success. Additional cash flow will be used to fund other Fairhill services and operating reserves.

10. Was there a fundraising feasibility study and/or marketing study before the campaign was launched?
 - A. A marketing study was prepared by Northland Research in 2003, which supported our plan for Kinship Village™. Demographics have since been updated.

11. Does the total campaign budget differentiate capital needs from operating and endowment needs?
 - A. Yes. Of the \$3,500,000 campaign target, \$2,900,000 will be allocated to renovation costs, including \$100,000 for campaign expenses; \$100,000 for planning, marketing and start-up expenses; and \$500,000 to support a substantial project contingency allowance, any remaining balance of which, upon project completion, will fund long-term capital upkeep needs.

12. What are some of the major problems addressed by the project?
 - A. This project directly addresses the needs of vulnerable older adults – older adult kinship caregivers who are raising children. First, the resident families of Kinship Village will benefit from the safe, supportive and affordable housing offered on site. Second, the cash flow generated from property operations will enable Fairhill to continue and strengthen its services to nonresident kinship caregivers and their families.
 - B. A disproportionate number of children being raised by older relatives in Cleveland experience developmental delays, mental and emotional problems, and other behavioral challenges.
 - C. For teens who are residents of Kinship Village, the safe and supportive environment, further enriched by the presence of older adult volunteers, is conducive to remaining in school and achieving success in secondary education settings.
 - D. Within the past 24 months, Fairhill has worked directly with more than 150 kinship care families that live near or below poverty. It is anticipated that families from this group will form the substantial majority of kinship care families living in Kinship Village and also the substantial majority of families served by the ongoing kinship care programs of the campus.