



West Harlem Development Corporation
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**Unaudited Financial Statements
From Inception (2009) to December 31, 2013**

West Harlem Development Corporation
Statement of Financial Position
December 31, 2013

Unaudited- Presented on a modified accrual basis

ASSETS

Cash (Held by Fiscal Sponsor-Tides Foundation)	\$4,504,068
Prepaid Expenses and Deposits	73,233
Office Furniture & Equipment	61,093
Less Accumulated Depreciation	<u>(1,999)</u>

Total Assets **\$4,636,395**

LIABILITIES & NET ASSETS

Committed Grants Payable	\$ 814,749
Accrued Expenses and Accounts Payable	<u>17,542</u>

Total Liabilities **\$ 832,291**

Net Assets- Temporarily Restricted **\$3,804,104**

Total Liabilities & Net Assets **\$4,636,395**

See accompanying notes to unaudited financial statements

**West Harlem Development Corporation
Statement of Cumulative Activities
From Inception (2009) to December 31, 2013**

**from 2009 (inception)
to December 31, 2013
Cumulative** **Year Ended
December 31, 2013
Annual**

Unaudited- Presented on a modified accrual basis

Revenue:

Contributions from Columbia University	\$9,750,000	\$3,200,000
Interest income	9,485	-
In-Kind Services from Columbia University	<u>54,000</u>	<u>54,000</u>
Total Revenue	<u>\$9,813,485</u>	<u>\$3,254,000</u>

Expenses:

Program Expenses:

Grant Awards	\$2,937,040	\$2,937,040
Summer Youth and Seniors Programs	1,352,309	401,600
Designated Public Housing Activities	85,753	
Fiscal Sponsor Fees	276,895	186,414
Other Program Expenses	22,734	22,734
In-Kind Services from Columbia University	<u>54,000</u>	<u>54,000</u>
Total Program Expenses	<u>\$4,728,731</u>	<u>\$3,601,788</u>

Operational Expenses:

Personnel Expenses	\$ 592,571	\$ 420,493
Consultant Expenses	526,928	25,518
Office Expenses	<u>161,151</u>	<u>122,036</u>
Total Operational Expenses	<u>\$1,280,650</u>	<u>\$ 568,047</u>

Total Expenses **\$6,009,381** **\$4,169,835**

Increase/ (Decrease) in Net Assets \$3,804,104 **(\$915,835)**

Net Assets- Temporarily Restricted – Beginning \$ 0 **\$4,719,939**

Net Assets- Temporarily Restricted – Ending **\$3,804,104** **\$3,804,104**

See accompanying notes to unaudited financial statements

**West Harlem Development Corporation
December 31, 2013**

Notes to Unaudited Financial Statements

1. Fiscal Sponsor

On May 18, 2009, West Harlem Local Development Corporation, the predecessor corporation of West Harlem Development Corporation (WHDC), signed a Community Benefits Agreement (CBA) with Columbia University. The CBA is a consequence of the 25-year expansion of its campus by Columbia University in Manhattanville, a section of Manhattan Community District 9 (MCD9) valued in excess of \$6 billion. Under the CBA, WHDC is required to maintain a Fiscal Sponsor who receives payments on behalf of WHDC and makes disbursements at the request of WHDC. Consequently, in December 2012, WHDC entered into a fiscal sponsorship memorandum of understanding with Tides Center and Tides Foundation (Tides). Tides makes disbursements, maintains the books of account of WHDC, and handles payroll and benefits administration. The staff of WHDC is considered to be those of Tides. Tides charges a fee of 9% of operational disbursements and 3% for grant award payments. The financial activities of WHDC are integrated, audited, and reported with those of Tides. Prior to Tides, WHDC had the Fund for the City of New York as its Fiscal Sponsor. The unaudited financial statements represent WHDC's segregated activities and are presented as part of WHDC's commitment to transparency and accountability. MCD9 covers the area: South to North from 110th street to 155th street; and East to West from St. Nicholas, Bradhurst, Edgecombe, Morningside, and Manhattan Avenues to the Hudson River.

2. Modified Accrual Basis and Unrealized Accounts Receivable

Under the CBA, Columbia is committed to pay directly to the account of WHDC for the benefit of MCD9, \$76 million payable over 16 years as a Benefit Fund. As of December 31, 2013, six installments had been made amounting to \$9,750,000. There is a balance of \$66,250,000 (See Schedule below) to be paid from 2014 to 2024. WHDC records the installments as revenue when paid by Columbia University.

3. Programs Funded by West Harlem Development Corporation

In 2013, WHDC initiated a program to fund the area nonprofit organizations to offer various programs to benefit the residents of the MCD9. In the first cycle, \$1.98 million was awarded to 83 organizations that offered programs in Arts & Culture, Community Facilities, Education, Environment, Historic Preservation, Housing, and Workforce Development. In a second cycle, an additional 27 nonprofit entities were awarded \$958,165 for a total of \$2,973,040 to 110 organizations in 2013.

In partnership with New York City's Department of Youth and Community Development, WHDC has funded summer employment for 900 MCD9 youth in 2011, 2012, and 2013 at a total cost of \$1,202,309.

In 2013, WHDC initiated a program to fund the summer employment of seniors aged 55+, partnering with ReServe Elder Services in the pilot program that placed 50 seniors. WHDC committed \$140,000.

4. Additional Commitments by Columbia University under CBA.

In addition to the Benefit Fund, the package of community benefits to which Columbia University has committed includes:

- I. An Affordable Housing Fund of \$20 million payable in two installments on the basis of the two planned phases of construction. The \$10 million installment for phase one was paid by Columbia University in 2011. As of December 31, 2013, the money was being held in escrow by New York City's Department of Law pending the resolution of an arrangement with WHDC for its release for an affordable housing program to benefit MCD9.
- II. A payment of \$4 million by Columbia University to contractors selected by the University to provide tenant legal services for residents of MCD9.
- III. A facility of \$20million of facilities, services and amenities (in-kind) which, WHDC can request of Columbia University. As of December 31, 2013, the unused balance of the in-kind facility was \$19,946,000 that can be drawn through 2033.
- IV. In connection with Teachers College, Columbia University is committed to build and maintain a public demonstration school (Pre-K-8) in MCD9 for cash and in-kind contributions to total \$30 million over 30 years. As of December 31, 2013, the Teachers College Community School has students from Pre-K through the first grade numbering 126. Per a report from Teachers College, Columbia University and Teachers College had together spent \$3,006,453 (\$1,939,699 cash and \$1,066,784 in kind) through June 30, 2013.

5. Commitments

WHDC is committed to payments for a lease of office space payable as follows:

2014	\$ 56,868
2015	\$ 58,589
2016	\$ 60,919
2017	\$ 67,366
2018	\$ 74,040
2019 -2022	<u>\$279,783</u>
Total Rent Commitment	<u>\$597,835</u>

6. 2013 WHDC Program Activity Distribution

	Amount	%	# of CBOs	CBOs in MCD9
Education	\$ 868,162	26%	30	17
Arts & Culture	\$ 769,947	23%	36	17
Workforce & Econ. Devpt.	\$ 561,929	17%	16	5
Community Facilities	\$ 427,500	13%	17	9
Youth Summer Employment	\$ 261,600	8%		
Housing	\$ 182,752	5%	5	2
Senior Summer Employment	\$ 140,000	4%		
Historical Preservation	\$ 69,000	2%	4	2
Environment	\$ 57,750	2%	2	2
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	\$3,338,640	100%	110	54

Schedule of Benefit Fund and Tracking of In-Kind Services

WEST HARLEM LOCAL DEVELOPMENT CORPORATION							
BENEFIT FUND PAYOUT SCHEDULE and Tracking of In-Kind Services							
Source: Exhibit G of CBA signed May 18, 2009							
	Calendar Year	Sequence	BENEFIT FUND Installments	Received from CU by Fiscal Sponsor		IN-KIND SVCS.	In-Kind Used
1	2009	YR 1	\$ 1,100,000	\$ 150,000	FCNY	\$ 2,000,000	
2	2010	YR 2	\$ 750,000	\$ 1,400,000	FCNY	\$ 2,000,000	
3	2011	YR 3	\$ 2,000,000	\$ 2,000,000	FCNY	\$ 1,500,000	
4	2012	YR 4	\$ 3,000,000	\$ 3,000,000	FCNY	\$ 1,000,000	
5	2013	YR 5	\$ 2,900,000	\$ 3,200,000	TIDES	\$ 500,000	\$(54,000)
6	2014	YR 6	\$ 3,500,000			\$ 500,000	
7	2015	YR 7	\$ 5,000,000			\$ 500,000	
8	2016	YR 8	\$ 5,000,000			\$ 500,000	
9	2017	YR 9	\$ 5,000,000			\$ 500,000	
10	2018	YR 10	\$ 5,000,000			\$ 500,000	
11	2019	YR 11	\$ 6,000,000			\$ 500,000	
12	2020	YR 12	\$ 6,000,000			\$ 500,000	
13	2021	YR 13	\$ 7,500,000			\$ 500,000	
14	2022	YR 14	\$ 8,000,000			\$ 500,000	
15	2023	YR 15	\$ 8,000,000			\$ 500,000	
16	2024	YR 16	\$ 7,250,000			\$ 500,000	
17	2025	YR 17				\$ 500,000	
18	2026	YR 18				\$ 500,000	
19	2027	YR 19				\$ 500,000	
20	2028	YR 20				\$ 500,000	
21	2029	YR 21				\$ 500,000	
22	2030	YR 22				\$ 1,000,000	
23	2031	YR 23				\$ 1,000,000	
24	2032	YR 24				\$ 1,500,000	
25	2033	YR 25				\$ 1,500,000	
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			\$ 76,000,000	\$ 9,750,000		\$20,000,000	\$ (54,000)
	Balance			\$66,250,000			\$ 19,946,000