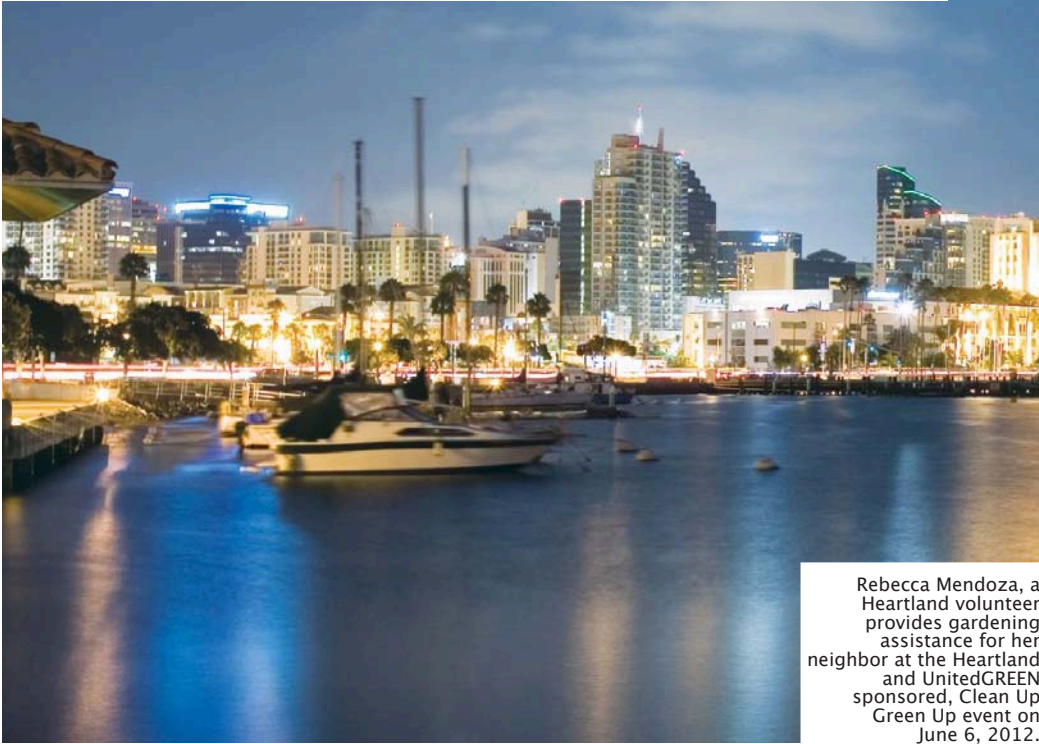




Heartland Coalition
Advancing Sustainable Communities



Rebecca Mendoza, a Heartland volunteer provides gardening assistance for her neighbor at the Heartland and UnitedGREEN sponsored, Clean Up Green Up event on June 6, 2012.



Heartland Coalition 2012 Annual Report



Shown above, a photo collage of the Heartland Coalition's many facets.



Mark Hanson, Ph.D.
Executive Director &
President of the Board

Heartland Coalition
701 B Street, Suite 306
San Diego, CA 92101
619-261-7180
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www.heartlandcIn.org



Heartland Coalition 2012 Annual Report

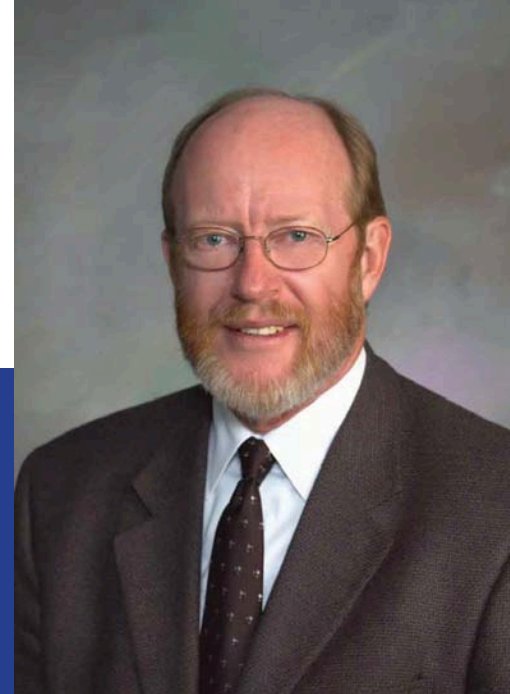
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Mark Hanson, Ph.D.

President/CEO

Heartland Coalition, dba, Heartland Foundation and UnitedGREEN



A Letter from the President of Heartland Coalition and its affiliate organizations: Heartland Foundation and UnitedGREEN

Dear Friends,

While the poverty and joblessness we encountered in the past five years will most likely continue well into 2013 and beyond; Heartland has made a difference and has made people and communities better in California, Nevada, Arizona, and Alaska this year.

Heartland is acquiring, renovating and improving the energy efficiency for homes in California, Arizona, and Nevada to sell to first time moderate and low income buyers. We are writing grants to fund training in weatherization techniques and solar thermal and electric installation to prepare high-risk youth and veterans for a variety of career choices. We have designed the HEART program to keep distressed families in their homes and avoid foreclosure. These programs operate under the Heartland Sustainable Housing Division of Heartland.

Heartland's Project GreenSmart presented the fifth conference in the *Forging a Sustainable Future* series held in March at SDSU featuring Robert F. Kennedy Jr. as the keynote speaker. We plan to follow up this conference with a series of *FSF* Seminars and Showcases in each of the five sectors of San Diego County: North Coastal, North Inland, East County, Central/City, and South Bay. In relation to this effort Heartland assisted an incubator company in establishing a manufacturing center in El Cajon. The center manufactures vintage autos with electric engine options as well as aerospace equipment. These programs operate under United GREEN and/or its corporate affiliate, United Green Industries.

East County Magazine, a component of Heartland's Project Awareness, continued publishing its weekly paper and again received numerous awards from the San Diego Press Club. It is now the second most widely read paper in San Diego County.

Heartland has completed construction on Triple H Ranch, which will serve Project Achieve students, foster youth, and returning veterans



Shown above, l-r, Dr. Mark Hanson (Heartland President), Robert Kennedy Jr. (Heartland Business Manager), and Pat Hurley (Heartland VP) at the 2012 Forging a Sustainable Future Conference where Robert Kennedy was the Keynote Speaker.

with horsemanship and wilderness experiences. The ranch is also available to assist disaster survivors with horse boarding and storage of personal items until the survivors can re-establish their businesses and residences.

Heartland's goals for 2013 include:

1. Grant \$100,000 in Scholarships to High School Seniors
2. Provide Job Training and Counseling Services to at least 24 High Risk Youth
3. Retrain 8 Veterans in Weatherization and/or Solar Power Installation
4. Train 15 Veterans in Building Information Management
5. Serve 20 Veterans and Foster Youth at Triple H Ranch
6. Serve 1,000 Patients in the Heartland Community Clinic
7. Rebuild 8 Energy Efficient Houses
8. Green Retrofit at least 1 Commercial Office Building
9. Open GreenSmart Technical Training Center at the Pioneer Way Manufacturing Facility in El Cajon
10. Hold our Annual Neighborhood GreenSmart Clean-up Event
11. Coordinate and Sponsor a "Forging a Sustainable Solutions" Event (Seminars, Showcases, Walking Tours, Charrettes)
12. Obtain \$5 Million to Establish Project GreenSmart from Barrio Logan to Boulevard
13. Solidify a Viable Plan for Economic, Environmental, and Cultural Sustainability in all five regions of San Diego County
14. Expand the Media Presence of Heartland's Media Partner: *East County Magazine* throughout Southern California to Include Radio and our Current Online News Resources.

To the many interns and volunteers who have assisted us in the past, we thank you. We extend a special thanks to Wells Fargo, the National Community Stabilization Trust, Turner Construction, UPS, SDG&E, People's Foods, Urban League of San Diego County, LMI of San Diego, Car 2 Go, UCSD, San Diego State University, Thoryk Architecture, Consensus Renewables, Blue Sky Ranch, and all of our partners and sponsors for our community revitalization projects and our community events.

Sincerely,



Mark Hanson, Ph.D.
President & Executive Director, Heartland Coalition



Shown left, Mark Hanson and the Heartland Grants Team discuss funding opportunities at the Coalition's monthly development meeting.



Vision, Mission and a Brief History

The Mission of the Heartland Coalition is to serve low-income residents of California, Nevada, Arizona and Alaska with projects in the areas of career and community development, healthcare, environmental protection and clean energy, disaster relief, education, objective and timely news, and public art.

In 2011 we laid the groundwork for the first Heartland Community Clinic that is slated to open the latter part of 2013.

The Heartland Coalition collaborates with the San Diego-Imperial Counties Labor Council and the Employee Rights Center, Grossmont Cuyamaca Community College District, San Diego Mentoring Coalition, San Diego Unified School District, Urban League of San Diego, Price Entities, Vietnam Veterans of San Diego, Interfaith Committee for Worker Justice, Asplan Trees, San Diego Building and Construction Trades Council, San Diego Unified School District, WORK Foundation, Kit's Kleensweep, Priority Development, Malimar Technologies, Crest Technical College, Cush Automotive Group, Ketema Division of Flextronics International, United Domestic Workers of America, Toyota of El Cajon, Barrio Logan College, Cuyamaca College, San Diego City College, UCSD, Southwestern College, LMI of San Diego, Horizon Solar Industries, Deaf Community Services, Mikey's Feed the People, Architecture for Humanity, Thoryk Architecture, California Center for Sustainable Energy, Continental Maritime Services, Herc products, SDG&E, Southern California Carpenters JATC, San Diego Workforce Partnership, Sundance Technology, TSJ Urban Enterprises, Understanding Climate Change, Job Corps, Urban League of San Diego County, Cement Masons, International Machinists and Aerospace Workers, San Diego Building Trades Council, Wells Fargo, Bank of America and the National Community Stabilization Trust.



History

The Heartland Coalition began in 1997 as a volunteer effort to effect positive change in the Renewal Communities of San Diego County. As of July 2003 the Heartland Coalition was a volunteer organization with no paid staff. At that time, the 58 volunteers and 85 business and community partners served 748 clients from October of 2007, the UnitedGREEN division of Heartland has designed and implemented a series of Green events at UCSD, the Scripps Institution of Oceanography, the Qualcomm campus, San Diego State University, and in March of 2012, Heartland and its community sponsors hosted the latest of the “Forging a Sustainable Future” Conferences for more than 300 attendees who represented more than 12 countries. (During 2013 Heartland will continue to host seminars and demonstration events focused on sustainable resources, green construction practices and emerging technologies. These “Forging Sustainable Solutions” events will take place in the fall.)

In April of 2012 Heartland held an award ceremony where more than \$200,000 in scholarships were issued to deserving high school seniors.

As of 2012, the Heartland Coalition has served more than 2,700 clients, has hired nine full-time and five part-time employees, and has launched a successful housing rehabilitation program across the nation. Heartland Coalition’s wide range of community programs are supported by personal and corporate donations, and government, corporate, and private foundation grants. Volunteers and executive committee members work together to form community partnerships, program monitoring and tracking, research and apply for grants, acquire donations of services, cash and real estate through selective mailings, phone calls and outreach materials. Our fundraising committee consists of directors and volunteers. In 2013, the Heartland Coalition will expand its strategic alliances with community organizations, businesses and other educational institutions; focus on economic trends in the development and modification of programs, and increase community service learning opportunities for students and staff.

Heartland Coalition’s source of financial support has been HUD funding, training contracts, and various grants and private donations. Future sources of funding include the same sources and may be expanded to include special event fundraising activities.



The Heartland Coalition Team & Areas of Responsibility

Heartland Coalition Board Members

Officers:

Mark Hanson, Ph.D., President and Executive Director
Jim Hester, Esq., Vice President, Legal Counsel
Chuck Brands, Vice President, Director, UnitedGREEN
Pat Hurley, Vice President, COO
Ramiro Sandoval, CFO, Treasurer

Board Members At-Large:

Russ Anderson, Community Training Coordinator
Julie Boerman, Recording Secretary
Roxie Edler, Clerk of the Board
Jackie Hanson, Director, Project Renaissance
Alisi Matale, Director, Heartland Los Angeles
Dan Ortiz, Political Affairs Coordinator
Joseph Rowland, Community Development Coordinator
Kyle Shull, Director, Heartland Alaska

New Board Members, 2013

Fritzi Gros-Daillon
Dan Hendrickson

Heartland Coalition Advisory Board

Quinn Adler	Gerri Pennerman
Jim Bell	Alan Ridley
Alan Cassell	Diane Slater
Amy Evans	Leon Thompson
Nathan Feinstein	Wade Vernon
Robert Ito	Scott Whitley

Heartland Coalition Advisory Council

Sherry Adler, Esq.
Bill Brewer, Esq.
George Brown
LaVonna Connely
Debbie Dahlen
Senator Wade Deddeh
Paul DeKock
Dick DeNure
Laura Evans
Greg Gutierrez
Clara Harris

Fred Height
Mark Hinkley, Esq.
Keith Kifer
Gerald Kobernick
Andrew Lachman
Zak Malimar
Bruce Meador, Ph.D.
Walt Meyer
Tom Page
Tom Pamilla
Ron Pennock

Eric Reyes
Rudy Reyes
Jerry Sherk
Brian Sipe
Bob Stewart
Mark Tagwerker
Paul Thoryk
Jake Waasted
Bill Walton
Buddy Wilkerson

Heartland Coalition Staff

Mark Hanson, Ph.D., President of the Board & Executive Director
Ramiro Sandoval, CFO
Pat Hurley, COO
Alan Cassell, Sustainable Housing Director
Mercedes Perez, Sustainable Housing Transaction Coordinator
Gabriel Sarrano, Housing Counselor
Walt Meyer, Communications Director
Ignacio Jimenez, Case Manager and Training Director, Heartland Coalition
Employment Resources



Dr. Mark Hanson, Heartland Coalition's Executive Director, shown delivering the closing remarks at the March 2012 Heartland-sponsored "Forging a Sustainable Future" Conference at San Diego State University.



2012 Organizational Highlights

Accomplishments & Planned Events

In 2012, the Heartland Coalition expanded its services to San Diego County by launching new community programs and initiating a wide variety of educational events to include the following:

1. Heartland Sustainable Housing

In late 2011 and continuing through 2012, Heartland launched Heartland Sustainable Housing, a division of Heartland Coalition, a 501c(3) California nonprofit corporation. This program now operates in several states (CA, AZ, AK and NV), in collaboration with private and institutional partners who provide viable purchase opportunities to low to moderate-income homebuyers. HSH serves as a community resource to aid distressed homeowners in regaining self-sufficiency through homeowner counseling events, financial management courses, and foreclosure prevention programs. To date, Heartland has coordinated the purchase of more than 300 homes that have been acquired by low income homeowners, many of whom were assisted by Heartland Homeownership Counselors.

Goals of Our Projects

here are three primary goals of the Heartland Sustainable Housing program. First, we seek to stabilize communities by purchasing REO properties that require extensive renovation. Second, our commitment to job development is realized through hands-on green job training. (As an example, we recruit apprentices who learn valuable job skills and we put them to work on our projects.) And third, we fulfill our mission of community stabilization by helping low to moderate income families purchase the homes we renovate. Each completed project represents a small step towards our community stabilization goals.



2. Hosting “Clean Up, Green Up” Community Events

As a response to the foreclosure crisis, Heartland has acquired hundreds of bank-owned properties in distressed neighborhoods throughout the southwest U.S. Often these homes are the ugly-duckling on the block. These homes are then renovated, code violations corrected and weatherization strategies employed. The goal is to return these homes to the market available for families or first time home buyers.

In order to engage the neighbors in improving the neighborhood we have devised an outreach program: The Green-up Clean-up Block Party. As reported in *East County Magazine* (see news article next page), this event was successful in demonstrating the need for neighborhood redevelopment.

Heartland learned that by collaborating with local community groups and canvassing neighbors in a wide area around the “Clean Up Green Up” house, we are able to gather information to understand the needs of the neighborhood. Are there areas that need clean-up? Are there dark places that need street lighting? Is there safe access to parks and public transportation? Could a neighbor need help with painting or caring for the exterior of their home? What resources are available to help with neighborhood improvements? How do I get involved with community planning? Are there enterprises that pollute the water, air or streets? Is there unnecessary noise pollution? These questions were asked of the neighbors by organizations operating in the area and our non-profit partners like Urban League, San Diego Job Corps and Centre City Development Corporation. Events like this one have the power to raise the property values throughout the neighborhood and encourage pride of ownership. We plan to conduct these Block Parties in 2013.

Heartland Coalition Takes Neighborhood Redevelopment Seriously at Green Up–Clean Up Block Party

By Sherry Adler, El Cajon, CA

June, 22, 2012 (Chula Vista) -- An uninhabitable residence at 102 East Oxford Street in Chula Vista provided the setting for Heartland Sustainable Housing (HSH)'s "Clean Up-Green Up Block Party" on Saturday, June 16. HSH is a division of the nonprofit Heartland Coalition, publisher of *East County Magazine*.



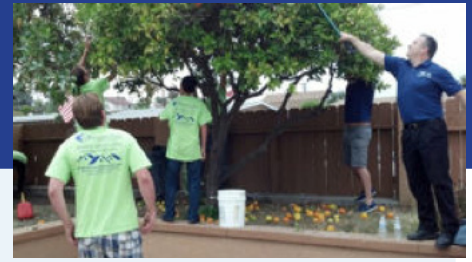
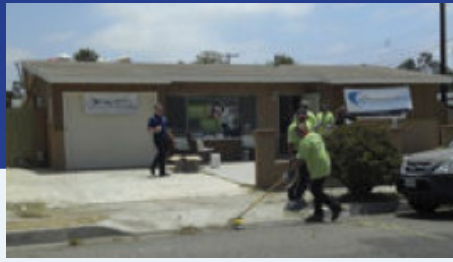
Curious onlookers noticed installation in the backyard of a colorful kids' jumping palace. A snow cone machine capable of producing a rainbow of icy sweet hydration was stationed nearby. Heartland Sustainable Housing posters and its banner decorated the front windows and eave.

A Mexican food caterer's canopy along with all the accoutrements for grilling carne and pollo appeared in the driveway. By noon, the flavorful aroma of "street tacos" permeated the air.

Most noticeable was the purposeful activity of the many people wearing neon green t-shirts, who arrived in a steady stream early in the morning starting with Jim Griffin, the HSH staffer who oversaw the set-up of the backyard entertainment zone for kids.

Others came in hats and forming a neon green platoon, went to work with hoe, rake, weed eater, and chain saw to spend hours of edging, pruning and hauling away cuttings to a large flatbed truck parked adjacent to the property. Members of the platoon also scouted the block and later carried scrap wood from the backyard of a neighbor at the end of the block to be united with some tree and branch trimmings in the flatbed truck that had already made one trip to the landfill.

Earlier in the week, Heartland housing counselor Gabriel Serrano canvassed the neighborhood with 125 flyers announcing that volunteers would be coming to provide free help with such things as removing large items and unwanted brush from their premises. Serrano informed neighbors that they could even sign up to receive quick curbside fixes from a general contractor.



The flyer beckoned neighbors to sign up for yard help or join the party as volunteers. All attending would have the opportunity to visit with on-site sustainability and housing advisors, receive homeowner, financial, and property preservation information, and eat free food.

Many occupants were not home, but Serrano was able to talk to a few residents and was met with mixed responses. Some were receptive but guarded as if to say, “Really?”

As Serrano, whose background is real estate, explained, “You have to understand, people are apprehensive about something billed as free. Heartland’s name has to get out there so they know that we’re here to help them. Right now it’s an invitation for food and information.” Serrano is encouraged. “We’re trying to do the right thing and I hope that’s the message people finally get.”

HSH, a division of Heartland Coalition, 501c (3), works with private and institutional partners to provide viable purchase opportunities to low to moderate-income homebuyers. The HSH brand is “Rebuilding Sustainable Communities.” Six weeks ago, HSH purchased the dwelling at the southeast corner of East Oxford Street and Judson Way.

Alan Cassell, Director of Acquisition and Asset Management, put it this way. “Our mission is to improve and resell homes to first time and low income buyers. Heartland bought the property from the bank in such sub-standard condition that it was considered not saleable. Having assumed all liabilities for code violations, we will bring it back to code with the net effect of revitalizing and stabilizing the asset and enhancing the property value. This improves the neighborhood.”

Cassell noted that the next door neighbor is excited because he was helped when HSH rebuilt their common fence at no expense to the neighbor. As a result, he is very supportive.



“The hardest part,” Cassell reflected, “is getting people to say yes to coming on their property to haul away debris and pull weeds, etc.” Adding that HSH had rehabilitated another residence seven blocks away, Cassell revealed, “Our next project is a large property in Escondido that closes escrow in July.”

3. Sponsoring the 2012 “Forging a Sustainable Future” Conference

Heartland has been involved in sustainability-related education since October 2007, when Heartland created a sister organization, UnitedGREEN to support the agency’s green initiatives and green education events. Since 2007 the UnitedGREEN division of Heartland has presented a series of Green events focused on green energy, green building, and green jobs. The first meeting was a Green Symposium at Thoryk Ranch on May 5, 2007. The next event was at UCSD on October 29, 2007 and features Ed Mazria who gave an illustrated presentation “Designing and Building a Sustainable World.” On October 18, 2008 the program was entitled “The Green Economy.” In November of 2011 Heartland and UnitedGREEN held the Forging a Sustainable Future Part I event at Qualcomm Auditorium.

This year, the Forging a Sustainable Future Part II was held at SDSU on March 3-4, 2012. More than 300 attendees (including 3 members of Congress) enjoyed a wealth of world class speakers including Robert F. Kennedy Jr. as the keynote speaker.



Robert Kennedy Jr. was the conference keynote speaker.



One of the most popular speakers at the Forging a Sustainable Future conference, Richard Anthony with Zero Waste San Diego, shared his strategies for a leaner, cleaner, more sustainable San Diego.



Steven Wright shown sharing his wealth of knowledge at the Forging a Sustainable Future conference on the status of the planet’s resources.



SAN DIEGO STATE
UNIVERSITY



MARCH 3-4, 2012

FORGING A SUSTAINABLE FUTURE II

Economically Environmentally Culturally

2-Day Tickets

General Admission

\$95.00

Groups & Partners

\$35.00

Students & Military

\$10.00

Tickets & Information:

www.unitedgreen.org

619-569-7520



ROBERT F. KENNEDY, JR.
Keynote Speaker



A Semptra Energy utility



Heartland Foundation and UnitedGREEN are dba's of the Heartland Coalition, a 501 (c)(3) Non-Profit Corporation (EIN # 33-0792600)



4. Conducting “Forging Sustainable Solutions” Seminars throughout the County

This series of sustainable education seminars is critical to the Heartland Coalition’s 10 year environmental mandate that was initiated in 2005 under the title of Project GreenSmart. Our organization’s plan is to follow up the popular “Forging a Sustainable Future” (FSF) conferences and our recent “Clean Up Green Up” event with a series of annual community seminars, events, and showcases to address the economic, environmental, and cultural needs for each of five regions we have identified in San Diego County.

We are calling this project “Forging Sustainable Solutions” (FSS). The purpose of these annual events will be to address needs, highlight successes, explore opportunities, learn relevant technologies and work together to heal and grow our environment. These events will encourage broad collaboration, raise the level of awareness, and explore innovative solutions in each region while leading to a more unified and empowered vision for all of San Diego County.

The plan for implementation of this project grew from the Town Hall Meeting that concluded FSF 2012 in March. Participants felt that smaller, more frequent events would better serve constituents in the diverse areas of our county. Currently, the plan is to host an educational event every September starting with the event that was held at Blue Sky Ranch in 2012.

Heartland will promote these events through its listserv (18,000+ email addresses), its major media partner, East County Magazine, and San Diego’s many green businesses and sustainable education organizations.

The first of these annual fall events was held in the East County on September 29, 2012. The event was titled “Living Green at the Blue Sky Ranch.” The next event will be held on September 8, 2013 at a green demonstration home in Poway, CA.

Heartland's "Forging Sustainable Solutions" East County Event, September 29, 2012, "Living Green at the Blue Sky Ranch"

The location for this event was the Blue Sky Ranch in Lakeside. This "living green laboratory" is situated between three wildlife preserves which are connected by hiking trails. The ranch is a showcase for examples of green building construction using different types of building materials (rammed earth and straw bale), solar farming, organic gardening, water conservation and reclamation, and green businesses such as worm farming and bee keeping. Blue Sky Ranch was built from the ashes of the 2003 Cedar Fire and promotes the practice of Regenerative Design not only to allow the surrounding ecosystem to revitalize itself but for the community to assist as a participant in its development. Heartland interns and volunteers had an opportunity to participate in various "work details" throughout the day to learn about skills such as rainwater catchment through hands-on lessons. (An article describing this event's highlights appears in the Appendix of this report.)

FORGING A SUSTAINABLE FUTURE
SAN DIEGO EAST COUNTY REGION

Blue Sky Ranch COMMUNITY

UnitedGREEN
Empowering Sustainable Communities

LIVING GREEN AT BLUE SKY RANCH

13743 Blue Sky Ranch Rd.
Lakeside, CA 92040

A Portal to a New Awareness
Saturday, September 29
3:00 PM - 6:30 PM
\$35 (\$60 Pair) ADMISSION INCLUDES:
Fresh & Local Foods Buffet
Sustainability Presentations
Permaculture Exhibit-Walk
CSA Master Gardener Q&A
Project GreenSmart Report

Advance Tickets & Driving Directions:
www.unitedgreen.org/events | 619-631-4333
phurley@heartlandfdn.org

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EAST COUNTY MAGAZINE
www.EastCountyMagazine.org
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5. Project Achieve and Heartland's Scholarship Program

Beginning with the 2012-2013 school year, Heartland and its partners will offer a \$47,000 college scholarship (the equivalent of each American's share of the debt) for four years of college to at least one current (2011-2012) San Diego high school senior. The first step, which just concluded on November 23, 2011, was to write a 1,000 word essay on "Why the national debt matters to young people" in the form of a letter to President Obama, Speaker of the House John Boehner and Senate Majority Leader Harry Reid. Twenty-five students have been selected as finalists and will be asked to do two things in 2012: 1) Write a letter to the editor of a San Diego newspaper in response to an article about the national debt and/or deficits, and 2) Participate in a speech contest and debate on the same topic. The finalist was selected on June 15, 2012.

6. Heartland Coalition is Selected to Manage Carrera Coachwerks: an Employment-Generating Business

Carrera CoachWerks is the most recent of Heartland Coalition's many community development projects undertaken by their private sector partner, United Green Industries (UGI). Members of the Heartland Coalition started UGI to raise capital for businesses and turn-key green technologies that would generate a significant number of jobs. UGI recently purchased a 9,800 square foot custom automotive design and fabrication plant from an owner who was considering closing the operation and thereby laying off the existing 11 employees. "Thunder Ranch" in El Cajon was purchased in July, 2012 and renamed Carrera CoachWerks. UGI's purchase of this business saved those 11 jobs and then created another 17 new jobs. In terms of the business's day-to-day operations, the Heartland Coalition is under contract with UGI to operate all aspects of this business including job training, job creation, business development and community relations.

Heartland is in the process of securing a grant to purchase state-of-the-art equipment that will allow Carrera to utilize computer aided manufacturing in the production of customized molds, tooling and parts that pertain to Carrera's niche in the automotive and aerospace industry. This equipment will allow Heartland to expand the company's capabilities to include training programs and the creation of a broader range of good paying jobs.



Shown above, the Thermwood, 5 Axis CNC. This unique machine would allow for rapid, low cost, prototyping of electric powered people mover bodies. It would allow Carrera Coachwerks to build a sample body in days versus months. This means that many concepts can be developed and evolved using the same budget as the current cost to develop one. This could create 5 to 15 jobs within 120 days. This machine would allow Carrera Coachwerks to redesign its existing tooling and assembly methods, literally transforming the company from a single shift of 16 employees to a multi shift schedule of over 40 employees within as little as 12 months.

The organization will initially hire 10 people. U.S. Veterans will be given priority for these jobs. The jobs created will pay \$12 - \$30 per hour. This project is a cooperative project with several other parties. Heartland Coalition has taken responsibility to develop the body, chassis, suspension and battery array for this build and relies on cooperative efforts to co-develop a unique wheel drive solution and advanced regenerative capture approach. The technology being used is a combination of proven technology, modified theory and new, innovative concepts. These are combined with various best practices. The facility will produce at least 5 body types with various drive systems from traditional CE technology to Full Electric Drive and combinations of multi drives. El Cajon is an excellent location for this type of business because of its rich manufacturing history and community access to several progressive and forward thinking centers for higher education. According to Mark Hanson, "There are quite a lot of small auto-related parts and service companies in the El Cajon area that have been around for a long time, so we will have a good workforce to pull from. It's educated and experienced."

Heartland identified the opportunity to restructure, repurpose and streamline this company in order to create a viable resource for job development in our community. For the past 34 years Thunder Ranch has been the regional expert in terms of creating unique state-of-the-art "replica cars." Heartland and UGI will continue offering the same quality services in terms of selling customized sports cars. In addition, Heartland will develop another



Heartland Team Assesses a New Project



Photo of the Large Body Work Shop



Heartland Team Photo in the Carrera Shop

product line and revenue source: an electric engine and electric vehicle assembly component; thus supporting the State of California's commitment to expanding the development of electric vehicles to seriously reduce the State's greenhouse gas emissions.

The Heartland Team under the direction of Dr. Mark Hanson, Heartland's Executive Director; Theo Hanson, UGI's Principal Partner; and Alan Cassell, Carrera's Technical Director, has dramatically improved Carrera's ability to create revenue and add full time positions over the last six months by: 1) Providing \$250,000 to modernize and renovate the machine shop, 2) Enlisting the assistance of auto assembly specialists to increase the plant's efficiency, and 3) contacting all past and current customers (1,662), to advise them of the change in ownership and expedite the delivery of their vehicles. The result of these actions was a remarkable two-fold increase in gross revenue in a short amount of time.

Heartland has a long history of community service with a focus on job creation, vocational retraining, second chance career development programs, and supporting emerging technologies. Many of the 80 new Carrera employees projected to be hired over the next few years will be recruited from veterans' organizations and San Diego area automotive vocational schools. Ignacio Jimenez, Heartland's Job Development Director is currently creating agreements with schools, veterans' groups and job development agencies to hold job fairs and meet with prospective employees starting in January 2013. In addition, Heartland will encourage each of its 57 automotive supply vendors to commit to matching or exceeding Carrera's goal of creating 80 or more new jobs.

The economic impact to the city of El Cajon will be significant: 1) The salaries from the company's 117+ employees (37 current + 80 new) will contribute to the area's economic revitalization through the purchase of homes and payment of day-to-day living expenses, 2) the company plans to purchase all equipment and supplies from local vendors whenever possible, and 3) the expansion of this business will bring additional tax revenue to the City, County and State.

7. Heartland Coalition Represented at Major 2012 Conferences

April 2012—The 2012 Green California Summit & Expo “Building a Green Future for the Golden State”

The Heartland Coalition was an exhibitor at this prestigious green conference held at the Sacramento Convention Center. Jan McAdams and Rebecca Mendoza staffed the Heartland Table and met with many prospective green product vendor donors regarding Heartland’s plans for developing affordable green housing.

October 2012-- Tijuana Innovadora 2012.

The Heartland Coalition was well represented by Board Members, Staff and Volunteers at this important global awareness conference that was held from October 11 – 21, 2012 in the Tijuana Cultural Center. Approximately 1 million people attended from around the world.



Shown above, Heartland’s President of the Board, Mark Hanson, Ph.D. and Board Member Dan Ortiz at the Tijuana Innovadora 2012 Conference.

November 2012—GreenBuild Conference & Expo, San Francisco, CA.

The Heartland Coalition was among the 900 exhibitors at this gathering of more than 25,000 green industry supporters and professionals. GraniteCrete, a Monterey, CA-based company that produces a highly sustainable paving product, was Heartland’s co-sponsor for this event. (www.granitecrete.com) Mark Hanson, Ph.D. and Jan McAdams, Heartland Advisor, attended this event in order to meet with green building advocates regarding Heartland’s various green initiatives and green building projects.



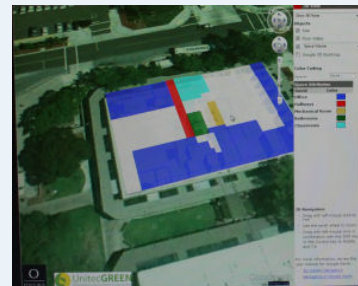
Shown above, Geoff Smith, President of GraniteCrete and Mark Hanson, Ph.D. at the Heartland Coalition Table at the GreenBuild Conference & Expo.

8. Heartland and UnitedGREEN Sponsor a Green Design Education Series

In October 2012, Heartland's DBA, UnitedGREEN launched a revolutionary approach to green design education: a seminar series called "Smart Building Technician." The class was team-taught for four hours on each of seven Saturdays. The instructor for three of the classes was internationally acclaimed architect Kimon Onuma, renowned for creating the Onuma System for real-time modeling of buildings and cities to incorporate all aspects of a lifecycle from construction to resources consumption. The seminar expenses were covered by a \$25,000 grant to UnitedGREEN from SDG&E. The grant and the seminar logistics were coordinated by Heartland Coalition board member Chuck Brands. (The news article about this program appears in the Appendix.)



Instructor Kimon Onuma (at left in green shirt) lines up the class participants (including course manager Chuck Brands fifth from left in white shirt) for a graduation photo.



A building being designed on the Onuma/UnitedGREEN site.


9. Heartland Recognized for Outstanding Service by Department of Commerce

On Friday, October 25, 2012, The Heartland Coalition received the prestigious “Service Firm of The Year” award in a luncheon ceremony at Etiwanda Gardens in Riverside, CA. The award, given by the United States Department of Commerce’s Minority Business Development Agency, recognizes individuals and organizations that have demonstrated leadership and commitment in advancing minority business enterprises. The MBDA theme is “Build it here-sell it everywhere.”

In accepting the award, Dr. Mark Hanson, President of the Board, Heartland Coalition, emphasized that “it takes the highest level of community collaboration and a team effort to create sustainable solutions.” Dan Sieu, President of SCCGP, who presented the award said Heartland Coalition was selected in recognition and gratitude for creating so many jobs in construction and manufacturing in Nevada, Arizona, and California. Mr. Sieu also commended Heartland for its work in economic development and especially for its work with incubator companies, both for-profit and non-profit. (The news release for this award is provided in the Appendix.)



Shown above, on October 26, 2012, Dr. Mark Hanson (center) accepts the U.S. Department of Commerce, Service Firm of the Year award on behalf of the Heartland Coalition.



10. Heartland Coalition Participates in the Union–Tribune’s Recognition of San Diego’s Nonprofit Leaders

Last December, the Heartland Coalition was asked to join a prestigious group of San Diego nonprofit corporations in the development of the “San Diego Making a Difference Nonprofit Resource Guide.” The Guide appeared in the San Diego Union Tribune as an 80 page full size Supplement. (The Heartland Coalition’s “Making a Difference Profile” appears in the Appendix.)

Heartland Salutes Our Community Partners

In order to launch and implement the projects described previously, we are particularly grateful to our community partners:

Educational Partners:

San Diego State University
University of California at San Diego
University of California
Riverside
Scripps Institution of Oceanography
New School of Architecture and Design
Southwestern College
San Diego Community College District
San Diego City College

Grossmont Cuyamaca Community College District
Cuyamaca College, LMI of San Diego
Barrio Logan College Institute
GreenSmart Technical College
San Diego Unified School District
Grossmont Union High School District,
Sweetwater Union High School District
Lakeside Union School District

Non Profit Sector and Private Foundation Partners:

East County Economic Development Council
Urban League of San Diego County
Center for Policy Initiatives
San Diego-Imperial Counties Labor Council
Employee Rights Center
Interfaith Committee for Worker Justice
San Diego Building & Construction Trades Council
United Domestic Workers of America
International Machinists and Aerospace Workers
Cement Masons
San Diego Mentoring Coalition
Price Entities
Veterans Village of San Diego
Deaf Community Services
Mikey's Feed the People

Architecture for Humanity Abled-Disabled
Advocacy
Victory Gardens San Moreno
Sacred Rocks Reserve
South and East County CEDS Committee
San Diego Regional Chamber of Commerce
Allstate Foundation
CitiBank Foundation
California Foundation
Weingart Price
Foundation
San Diego Foundation
Price Charities
California Center for Sustainable Energy San
Diego Workforce Partnership Job Corps

For Profit Partners:

Asplan Trees
Priority Development
Malimar Technologies
Ketema Division of Flextronics
International United Green Industries
Toyota of El Cajon
Automotive Training Group
Horizon Solar Industries
Thoryk Architecture

Continental Maritime Services
Herc Products
SDG&E
Southern California Carpenters JATC
Sundance Technology
TSJ Urban Enterprises
Understanding Climate Change
Turner Construction
First American Title

UPS
Cars 2 Go
Iberdrola Renewables
People's Organic Foods Market
Daily Aztec
Wells Fargo Bank
National Community Stabilization
Trust

Government Partners:

U.S. Department of Labor
U.S. Department of Commerce
U.S. Department of Immigration
State of California Governor's Office

San Diego County
Imperial County
City of San Diego
City of El Cajon

City of Lemon Grove
City of Escondido
City of Chicago

International Partner:

The Mongolian Government



Audited Financial Statements

Provided in the appendix on pages 13-22.

Appendix

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Published on *East County Magazine* (<http://eastcountymagazine.org>)

LIVING GREEN AT BLUE SKY RANCH: SEPT. 29 IN LAKESIDE

Find inspiration, savor a fresh foods buffet, and learn the latest in sustainability

By Walt Meyer

September 16, 2012 (Lakeside)--At Heartland Coalition/UnitedGREEN's *Forging a Sustainable Future* event at San Diego State University in March, keynote speaker Robert F. Kennedy Jr. shared the importance of changing how we all live in light of the global climate crisis. But as has been said many times, all global change starts with local action--and there has never been a better time to take steps for real change. Toward that end, Heartland Coalition's UnitedGREEN division is producing a series of customized *Forging a Sustainable Future Solutions* events to advance its mission of transforming the San Diego region.

The first *FSFS* event will be "Living Green at Blue Sky Ranch" on September 29 from 3-6:30 p.m. Exhibits and experts will explain permaculture, wildfire protection, Community Supported Agriculture, grey water, water catchment, organic farming and gardening, and other aspects of this self-sustaining community in Lakeside. The aim is to encourage others to emulate techniques used at Blue Sky Ranch (BSR) and invite people to showcase their innovations on the property. **Early bird rates of \$20 have been extended; at the door rates are \$35/person or \$60/couple.**

The founder of BSR, Ingrid Coffin, who co-owns the Ranch with her husband, Bob, said, "After the Cedar Fire, in order for the community of people to get re-inspired, we decided to turn it into an educational community that is open to the public a few days a year to see what sustainable living is like in real life, rather than just reading about it." She and the other residents of the Ranch rebuilt with recycled materials as much as possible and as self-sufficiently as possible. They even recycled a whole house. Almost all of their electricity comes from solar arrays, they grow a good portion of their own food, and recycle much of their water.

They have always seen the property as a chance to teach others and learn from others how to become sustainable. "We've had some classes here," Coffin said, and they plan to have more. "This event will be an opportunity to meet like-minded people." And all of their experts will be on hand to show off exhibits and answer questions.

Among the experts who will be there to show off their work are 'gardener in chief,' Taj Chaffin and Josh Robinson, who created a permaculture exhibit and who teaches classes on the subject.

Stephen Bolling is Blue Sky Ranch's designer. His company, www.RegenerativeHomes.com, was created to promote the goals, philosophy, design guides and ideals of regenerative planning. "I practice this in the current and future building projects at Blue Sky Ranch," Bolling says.

He says he works with a lot of networking groups and that, "I run into construction people who are networking because they are not fully using their skills in the current job market. Blue Sky Ranch will give them the opportunity to build a demonstration project. Instead of just showing people plans, they will be able to show them a working model of what they build."

He said that they can build workshops or classes around the successful projects. "And there is a different atmosphere here than doing a project downtown or in a heavily populated residential area. Here we can focus on a healthy design, a clean design, in a natural setting. These are permanent exhibits unlike temporary projects that are built at colleges. This is a house people are actually living in."



Attendees are encouraged to submit proposals for projects they'd like to build at BSR. They will be asked to submit a short (one-page) written description of the project along with an illustration of the finished project and a list of resources required to carry it out. For more information visit: www.blueskyranch.org



Other features of the ranch are an African garden featuring plants that are endangered on that continent, a mother shrine where they have a Mother's Day celebration every year, orchards and gardens, a pea-fowl palace (the birds serve as guards and the Ranch residents eat the eggs), urbanite walls and walkways made from recycled concrete, and a labyrinth that is based upon the famous Chartres Cathedral labyrinth located near Paris, France. The "Sky Kids"—the children who live on the ranch—will have a lemonade stand at the event.

Future events in the *Forging a Sustainable Future Solutions* series will have tailored programs in the five distinct regions of San Diego to not only promote awareness but also to provide actionable steps for attendees. UnitedGREEN *Forging a Sustainable Future* events provide programming to our community with win-win partnerships of business, education, and government for sustainability environmentally, economically, and culturally where we live and planet wide.

Visit www.unitedgreen.org or call 619-631-4333 for information and tickets. Tickets are \$35 per person and \$60 per couple and include the fresh local food buffet.

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Published on *East County Magazine* (<http://eastcountymagazine.org>)

TRAINING FOR ENERGY EFFICIENT BUILDINGS OF THE FUTURE EMPOWERS STUDENTS AT SOUTHWESTERN COLLEGE

By Walter G. Meyer



Coalition board member Chuck Brands.

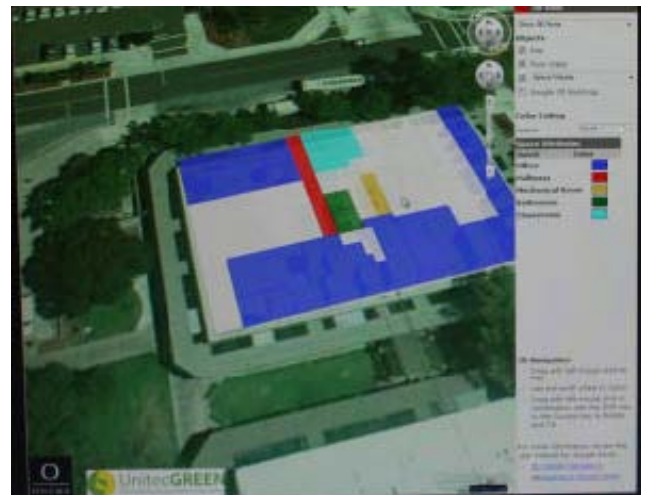
Instructor Kimon Onuma (at left in green shirt) lines up the class participants (including course manager Chuck Brands fifth from left in white shirt) for a graduation photo.

The class was team-taught for four hours on each of seven Saturdays. The instructor for three of the classes was internationally acclaimed architect Kimon Onuma, renowned for creating the Onuma System for real-time modeling of buildings and cities to incorporate all aspects of a lifecycle from construction to resources consumption.

"The students have taken to it really quickly," said Onuma. "The community colleges are especially interested in this. It's a big deal to save money on energy, because you can spend that on other things—allow more students into classes."

Onuma has a casual teaching style so that although what he is talking about is at times very technical, he explains it such simple terms that students of varied backgrounds and education levels can easily absorb the information. He's not afraid to ask for input from the students, acknowledging that they know things he doesn't. The students in the class ranged from teenagers to people in their seventies and eighties with decades of real world experience. One student was an active-duty Navy Seabee who wants to learn more and apply it in his work.

December 4, 2012 (San Diego)—In what is hoped will be a model for future trainings and a revolution in architecture, Southwestern College recently conducted a class called "Smart Building Technician." The name doesn't begin to do justice to the depth of the material covered in the class, which was made possible through a grant to UnitedGREEN from SDG&E arranged by Heartland



A building being designed on the Onuma/UnitedGREEN site.

The course teaches students to use computer modeling to design for the entire building lifecycle, not just the construction processes. Onuma has done other variations of this class, including one at USC, but this one was hands-on with specific focus on the lifecycle of the building.



Instructor Kimon Onuma (Standing in green shirt) advises a student as Elan Sorrell looks on.

"Here (at SWC), we have the freedom to do what we want since it's outside the norm. We're in here on Saturdays, so we can do what we want," he said. Not being faculty members also gave him and the other instructors the latitude to teach what they wanted, not to adhere to a strict school-set curriculum.

Dan Hendrickson, 75, a local sustainability expert attending the class, found the amount of information so amazing he referred to it as "drinking from a fire hose."

Elan Sorrell is 24 years old and a recent graduate of UC Berkeley with a degree in architecture and a minor in sustainable design. He's a Chula Vista native who did his prerequisites at SWC before going to Berkeley. He enrolled in this class because even after being at the UC, he noted, "I thought I was missing something. One of the things I was interested in was building modeling." He had never heard of Onuma or BIM (Building Information Model) Storms while he was at Berkeley. "I hope to get more involved in the BIM Storm process, I'd love to do more of that," Sorrell said. "I had the degree, but I didn't have practical architectural knowledge. I have to keep updating my knowledge."

BIM allows people to share information in real time across various platforms, including the proprietary Onuma System. "No one can know everything, so we have to collaborate," say Onuma. It allows planners to take into account various factors such as: if you replaced the tile floor with carpeting would it be cost-effective? Would the maintenance costs go up or down over the life of the flooring and the building? Would energy consumption be effected?

During the seven weeks of the course, the students took on the massive project of modeling all 496,000 square feet of the buildings of the Southwestern College campus with data that can be used for real-world applications. The college hopes it will help them save money on energy costs and make planning for future expansions and remodels more efficient. Now there is information to benefit the college, such as what would be the perfect classroom for a certain number of students at a certain time of day to maximize facilities use and minimize resource consumption.



The class works on the projects.

Although the class ended before the project was finished, the students want to go on working on it after the class is over to gain more experience and provide more complete data to the college.

Student David Sanchez took it upon himself to create a web site so the students can stay in touch with each other and so that Onuma and the other instructors can continue to mentor the class attendees as they pursue this worthwhile endeavor.

"I want them to come away with a different understanding of architecture. They have already been trained in architecture, but this is to look at it differently," said Onuma, adding that students are "already wired to be interested in energy efficiency. We want them to be ready to work on projects for the community college and other large projects. They are collaborating with each other to do things a student can't do alone."



Students work on their projects, including Elan Sorrell (right).

It has often been said that knowledge is power, and in this case, knowledge can save electrical power. Too often academic knowledge is just that: academic. This class has applications and implications for currently existing building and structures still on the drawing board.

Onuma says the training will be in demand in the job market: "There are opportunities if you have a broader view. "Technology is changing so fast, you have to keep learning, reinventing yourself every few months." Next year, Onuma will be chair of the Technology Committee of the American Institute of Architects and is hoping to push the envelope

and make changes. He sees architects changing from just being part of a big firm to being an individual with special skills. His goal is to "empower people to do new things. If you build up these skills, there will be a demand for this."

Mike Lavell of Virtual CX and Mark Walter of Iris Energy were the other instructors, at times teaching via an internet video linkup. Brands, the course manager, wanted to provide the best experts on the subject, even if they weren't in San Diego. He wanted instructors who work in the field and could share life lessons, not just academic knowledge with the students. Lavell and Walter were online for the final class to thank the students and encourage them to carry on the good work they have started.

Brands will be meeting with officials at the college to see what the next steps will be. He hopes that due to the success of this pilot class that funds will be found either from the college or other sources to fund future sessions of this class and more advanced classes which could be of further benefit to the college, the community and the environment.



Course manager Chuck Brands gives student Elan Sorrell his graduation certificate.

At the last class, held December 1, each of the students was awarded a certificate of completion, but they know their work is far from completed—and they hope to go attack it with a zeal for changing their surroundings.

Walter G. Meyer is a contributor to East County Magazine and author of the acclaimed novel Rounding Third.

Source URL (retrieved on 01/06/2013 - 12:40): <http://eastcountymagazine.org/node/11876>



Heartland Coalition
Advancing Sustainable Communities

*Celebrating 15 Years of Service to the San Diego Community
Heartland was named the 2012 U.S. Department of Commerce Service Firm of the Year*

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November 4, 2012

For Immediate Release

Regional nonprofit, Heartland Coalition, is recognized by the United States Department of Commerce's Minority Business Development Agency.

Submitted By I.C. Jimenez,

Heartland Coalition received the prestigious "Service Firm of The Year" award in a luncheon ceremony at Etiwanda Gardens in Riverside, CA on October 25, 2012. The award, given by the Minority Business Development Agency, recognizes individuals and organizations that have demonstrated leadership and commitment in advancing minority business enterprises. The MBDA theme for this year is "Build it here-sell it everywhere."

In accepting the award, **Dr. Mark Hanson**, President of the Board, Heartland Coalition, emphasized that "it takes the highest level of community collaboration and a team effort to create sustainable solutions." Dan Sieu, President of SCCGP, who presented the award said Heartland Coalition was selected in recognition and gratitude for creating so many jobs in construction and manufacturing in Nevada, Arizona, and California. Mr. Sieu also commended Heartland for its work in economic development and especially for its work with incubator companies, both for-profit and non-profit.

Other recipients honored in various categories included Clem Zirola Jr., President, First Mortgage Corporation, "Finance Champion of the Year"; Edward Shin, President, NongShim America, Inc. "Minority Manufacturer of the Year", Michael R. Peevey, President, California Public Utilities Commission, "Distinguished Supplier Diversity Award."

Additional awardees included Son Nguyen, Founder & President Veterans Associations of Real Estate Professionals, "Veterans Advocate of the Year and Beverly Kuykendall, President & CEO, Federal and Commercial Contracts, Inc. "MBDA Person of the Year." The award for "Green Organization of the Year" went to Timothy P. White, Chancellor, University of California Riverside, who was recently named as the next Chancellor of the statewide University of California System.

(continued)

www.heartlandcln.org

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*Celebrating 15 Years of Service to the San Diego Community
Heartland was named the 2012 U.S. Department of Commerce Service Firm of the Year*

The many dignitaries in attendance included David Honda, MC and Chairman of So Cal Corporate Growth Partners (SCCGP); Alicia Villarreal, Regional Representative, U.S. Secretary of Labor; Fred Latuperissa, Regional Director U.S. & Foreign Commercial Services, U.S. Department of Commerce; Congressman Joe Baca; and representatives from U.S. Small Business Administration and the Los Angeles Mayor's Office.

The Mission of the Heartland Coalition is to serve low-income residents of California, Nevada, Arizona, and Alaska with projects in the areas of career and community development, housing, healthcare, environmental protection and clean energy, disaster relief, education, and public art. The Heartland Coalition generates high road, win/win partnerships that create good jobs, capable employees, fair employers, and sustainable communities. Heartland began in 1997 under its dba Heartland Foundation as a volunteer effort to effect positive change in the Renewal Communities of San Diego County. By July 2003, Heartland's 58 volunteers and 85 business and community partners had served 748 clients. As of 2012, the Heartland Coalition has served more than 2,500 clients, has hired nine full-time and five part-time employees, and has launched a successful housing rehabilitation program across the nation.



Shown above, Dr. Mark Hanson, President of the Board, Heartland Coalition, receives the "Service Firm of the Year." Photo Credit, Ignacio Jimenez.

Making a Difference 2013

The Heartland Coalition Inc.

OUR MISSION STATEMENT

Our Mission is to serve low-income residents of San Diego, California in the areas of career and community development, healthcare, environmental protection and clean energy, sustainable housing, disaster relief, education, objective news, and public art. We recently expanded these services to Nevada, Arizona and Alaska. The Heartland Coalition generates win/win partnerships that create good jobs, capable employees, and sustainable communities.

Among many other honors, the Heartland Coalition just received the **Service Firm of the Year** Award from the Department of Commerce for achieving excellence and exponential growth in service to minority communities by generating employment and fostering sustainable communities.

OUR 2013 GOALS

In 2013, the Heartland Coalition will focus on two primary goals: 1) increasing access to sustainable housing through services provided through Heartland Sustainable Housing and 2) increasing access to quality, full time jobs at Heartland's El Cajon-based manufacturing center that houses defense, aerospace and automotive production including the replica vintage automobiles of Carrera Coachwerks.



Shown above, the many faces of the Heartland Coalition team.

THE AREA(S) WE SERVE

We serve California, Nevada, Arizona and Alaska with an emphasis on the low-income, underserved corridor from San Diego's port and barrio through Southeast San Diego and Lemon Grove into the southern back country to Campo and Boulevard.

FUNDRAISING EVENTS

The Heartland Coalition is planning a Donor Appreciation Dinner with a "big ticket item raffle" for Spring 2013. Join our listserv and/or visit our website to learn all about this exciting event.

CALLING ALL VOLUNTEERS

Volunteering at Heartland is fun and easy. To participate in Heartland/UnitedGREEN events like the *Green Up*, *Clean Up* held in June; *Living Green at Blue Sky Ranch* held in September; *Forging a Sustainable Future with Robert F Kennedy Jr.* last March, and/or our net zero home and electric car events coming soon, simply go to unitedgreen.org and sign up for our monthly newsletter at the bottom of the home page on the left to stay informed.

DONATION OPPORTUNITIES

Please consider donating to our cause and help us keep our award winning work going strong. You can make a one-time donation or a recurring donation to support our mission. You can also help low income residents of our community while reducing greenhouse gases and its effects on climate change by donating \$8,000 to weatherize a home, \$4,000 will add a solar thermal water heater, and a gift of another \$8,000 will cover the cost of solar electricity for the home of a Veteran or Senior Citizen. All of Heartland's home retrofit/green projects are used as "on the job" classrooms for disadvantaged youth and veterans seeking training in a green career.



Established 1998

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Executives

Mark Hanson, Ph.D., President
and Executive Director
Patrick Hurley, COO
Ramiro Sandoval, MBA, CFO

Board of Directors

Mark Hanson, Ph.D.; President; Director, Project Restoration; Finance Committee; Resource Development Committee Chair; Consultant; CEO, LMI of San Diego; CEO, United Green Industries; Author; Board Member of the Sustainability Alliance of Southern California; Former Member of the California Youth Council as well as the Targeting Resources, and Business and Industry Committees of the California Workforce Investment Board; Former Board Member of the San Diego Workforce Partnership, and the Workforce Investment Board of Imperial County, Former Director of Resource Development, Grossmont-Cuyamaca Community College District; Former Director of Training and Development, San Diego - Imperial Counties Labor Council; Former High School and College English Teacher
Ramiro Sandoval, MBA; CFO; Finance Committee Chair; Finance Professor
Patrick Hurley, Vice President, Operations; Director Capital Campaign; Property Manager; Co-Chair Forging A Sustainable Future; Owner, Hurley Communications
Jim Hester, Esq., Vice President, Legal Counsel; Director, Project Achieve and the Stop 2011 Scholarship Program, Special Events Coordinator; Resource Development Committee; Board Member of the San Diego Bicycle Coalition; Attorney, McCarthy & Holthus, LLP
Chuck Brands, Vice President, Program Planning; Director, United GREEN; Media Committee; Retired Naval Officer; Board Member of AIA, San Diego Chapter
Dan Ortiz, Program Director, Project Awareness; Policy Committee Chair; Union Representative (California School Employees),
Alisi Matala, Director, Heartland LA; Heartland Housing Committee Member; Project Achieve Coordinator; Marketing Manager, Cush Wakefield Corporation
Jackie Hanson, Director, Project Renaissance; Artist; Retired Teacher; Former Art Commissioner, City of El Cajon;
Russ Anderson, Clerk of the Board, Hospitality Coordinator; Small Business Owner
Julie Boerman, Secretary; Special Events Coordinator; Media Committee; Teacher
Roxie Edler, Past Clerk of the Board; Retired School Administrator; Board Member, Skyline Community Development Corporation
Joseph Rowland, Community Development Director, Liaison to Heartland's East County Magazine; Retired Developer
Kyle Shull, Director, Heartland Alaska; Retired Union Administrator, Operating Engineer
There are also 12 Advisory Board and 36 Advisory Council Members



A 501(c)(3) Tax-Exempt Nonprofit California Corporation

The U. S. Department of Commerce 2012 Service Firm of the Year

Heartland Coalition's 2013 Priorities:

Job Creation

Heartland is dedicated to creating good jobs by manufacturing cars and researching hybrid and electric engine options for every model. Carrera Coachwerks features Porsche and Ferrari replicas, as well as specialty custom vehicles. www.carreracoachwerks.com



Shown above, photos from the Heartland Coalition-managed job creation enterprise, Carrera Coachwerks in El Cajon.

Resources for Homeowner Energy Independence

Heartland's DBA: Project GreenSmart, is a community resource for securing "Green Up Services" (Mini Wind Turbines, Solar Panels, and complete Solar Thermal, Gray Water, Cistern and Weatherization Systems). Heartland builds and installs these systems at the lowest possible prices. Residents can participate in our training program and can be involved in the installation process for their home.

Increasing Home Ownership

Heartland Sustainable Housing's HEART Program provides Home Repair Services, and opportunities to sell and purchase houses from Heartland. All houses or commercial buildings purchased by Heartland are rehabilitated to revitalize neighborhoods.

Education Programs

Heartland offers training programs for Corporations and Non-profits in the areas of Productivity, Communication, Finance, Leadership Development, and industrial (e.g., OSHA) and manufacturing training. A pilot course is now being conducted in Building Information Management.

Internships for Budding Journalists

Journalism-related Internship opportunities are available through Heartland's media Division: *East County Magazine*.



Dr. Mark Hanson (center), receives the U.S. Department of Commerce "prestigious" "Service Firm of The Year" award in a luncheon ceremony in Riverside, CA on October 25, 2012. The award, given by the Minority Business Development Agency, recognizes nonprofit organizations that have demonstrated leadership and commitment in advancing minority business enterprises.

For information on any of the Heartland Coalition's programs and services, including your involvement, please visit www.heartlandcln.org or contact Dr. Mark Hanson, Executive Director, The Heartland Coalition, 701 B Street Suite 306, San Diego, CA 92101, **619-261-7180**, markhanson@heartlandcln.org.



Shown left, the ad copy that appeared on a 1/4 page advertisement that ran in the San Diego Union Tribune on Sunday, November 18, 2012. The ad was donated to Heartland by the Union Tribune in conjunction with Heartland's participation in the San Diego Union Tribune "2013 Making a Difference, Nonprofit Guide."



A 501(c)(3) Tax-Exempt Nonprofit California Corporation
The U.S. Department of Commerce 2012 **Service Firm of the Year**

GraniteCrete™
the natural path™

GraniteCrete.com

GraniteCrete Inc. is Heartland's 2012-2013
Preferred Green Product Vendor

Advancing Sustainable Communities in California, Nevada, Arizona and Alaska

The Heartland Coalition generates high road, win/win partnerships that create good jobs, capable employees, and sustainable communities.

—Mark Hanson, Ph.D.,
Founder & Executive Director,
The Heartland Coalition



Shown above, Dr. Mark Hanson, Bobby Kennedy Jr., Kimberly Hanley and Pat Hurley at the March 2012 Heartland/UnitedGREEN Sponsored "Forging a Sustainable Future (FSF) Conference at San Diego State University



Shown above, guests arriving for the 9/29/12, Heartland Coalition/UnitedGREEN-sponsored, "Living Green at Blue Sky Ranch" Community Event

The Heartland Coalition's Community Programs Include:

- East County Magazine—Heartland's Media Division
- Heartland Sustainable Housing
- "Forging Sustainable Solutions" Seminar Series
- Program HEART
- Project Awareness
- Project HealthWORK
- Project Renaissance
- Project Restoration
- Project GreenSmart (Includes Smart Building Technology Training and Carrera Coachwerks)

Contact: Mark Hanson, Ph.D.

Heartland Coalition Inc.

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www.heartlandcln.org



Shown left, the backdrop for the Heartland Coalition exhibit at the November 14-15, International GreenBuild Conference in San Francisco.



Dr. Mark Hanson accepts the U.S. Department of Commerce, Service Firm of the Year award, on behalf of Heartland Coalition on 10/26/12

“As the Heartland Coalition enters its 15th year of service in San Diego County, we are pleased to announce our expansion of services into Arizona, Nevada, and Alaska with projects in career and community development, sustainable housing, clean energy, green manufacturing, and on-line journalism. The Heartland Coalition continues to generate high road, win/win partnerships that create good jobs, capable employees, and sustainable communities. It's been my honor to serve this amazing organization alongside our many volunteers, employees, and partners for so many remarkable years. Heartland's future is bright and we will continue to serve wherever we are needed.”

Mark N. Hanson, Ph.D.,
President and Executive Director,
Heartland Coalition



Shown above, Mark Hanson examines automotive equipment and an interior view of Heartland's newest venture in the area of economic development and job creation: "Carrera Coachwerks," a custom automotive and design center in El Cajon, California.



Over the last 15 years, The Heartland Foundation has provided services to more than 2,500 members of the San Diego community in the areas of job readiness, job training, scholarship programs, public art, disaster recovery, home ownership and green building resources. Over the last three years these services have been expanded to northern California, Nevada, Arizona and Alaska.

We welcome your ideas and your support. For more information on how to join Heartland's commitment to creating better communities, please reach out to one of our project contacts listed below.

Project Contacts

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President of the Board/Executive Director
markhanson@heartlandcn.org

Patrick "Pat" Hurley
Vice President of the Board of Directors
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The Heartland Coalition
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Shown above, the many faces of the Heartland Coalition



A 501(c)(3) tax-exempt California nonprofit corporation
Advancing Sustainable Communities in California, Arizona, Nevada and Alaska
www.heartlandcn.org



Thank you to GraniteCrete Inc., Heartland Coalition's 2012-2013 Preferred Green Vendor
www.granitecrete.com



Our Mission

The Mission of the Heartland Coalition is to serve low-income residents of California, Nevada, Arizona, and Alaska with projects in the areas of career and community development, housing, healthcare, environmental protection and clean energy, disaster relief, education, and public art.



Heartland's construction volunteers at the site of a "Heartland Sustainable Housing" renovated home.

Our History

The Heartland Coalition began in 1997 as a volunteer effort to effect positive change in the Renewal Communities of San Diego County. The first project, Project Destination, focused on assisting high-risk youth learn construction skills through the process of rehabilitating run down properties. In the early years, Heartland partnered with the San Diego - Imperial Counties Labor Council, the San Diego Foundation, and Price Charities to train residents for construction jobs through the Joblinks component of Project Destination. This was done through 28 Joblinks classes which lasted 11 weeks each. During that time, Heartland operated mainly under its dba Heartland Foundation.

By July 2003 the Heartland Coalition was a volunteer organization with no paid staff: The

58 volunteers and 85 business and community partners had served 748 clients as of July 1, 2003. Heartland eventually grew to hire two staff members and serve an additional 1,500 clients. As of 2012, the Heartland Coalition has served more than 2,000 clients, has hired nine full-time and five part-time employees, and has launched a successful housing rehabilitation program across the nation.



Shown above, Mark Hanson, Bobby Kennedy Jr., Kimberly Hanley and Pat Hurley at the March 2012 Heartland/UnitedGREEN-sponsored "Forging a Sustainable Future" Conference

Heartland's Commitment to Community Sustainability

In terms of Heartland's commitment to sustainable communities, since 2007 the UnitedGREEN division of Heartland has designed and implemented a series of Green events at UCSD, the Scripps Institution of Oceanography, the Qualcomm campus, and San Diego State University. Heartland and UnitedGREEN are continuing these "Forging a Sustainable Future" Conferences in the form of quarterly seminars throughout San Diego County. The "Forging Sustainable Solutions" 1-day events cover a wide range of important topics including: water conservation, living green and sustainably, creating green businesses and green jobs and more. Here is the website link for these events:

<http://heartlandcln.org/county-wide-forging-sustainable-solutions-seminar-series/>

Our Projects

The Heartland Coalition and its various divisions currently operate the following programs:

- Project Awareness: East County Magazine (Heartland's media division)
- Heartland Sustainable Housing
- "Forging Sustainability Solutions" (county-wide seminar series)
- Program HEART (homeowner assistance)
- Project HealthWork
- Project Renaissance (public art)
- Project Achieve (academic achievement & advocacy for at-risk youth)
- Project Restoration (disaster recovery)
- Project GreenSmart (Green technology including Carrera Coachworks & the SDG&E sponsored "Smart Building Technology" program)

Feel free to view the HC website for details on each program:
www.heartlandcln.org





Sonnenberg & Company, CPAs

A Professional Corporation

5190 Governor Drive, Suite 201, San Diego, California 92122

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Leonard C. Sonnenberg, CPA

Heartland Coalition
Audited Financial Statements
December 31, 2011

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Leonard C. Sonnenberg, CPA

INDEPENDENT AUDITOR'S REPORT

Heartland Coalition

Members of the Board of Directors:

We have audited the accompanying statement of financial position of the Heartland Coalition (a nonprofit Organization) as of December 31, 2011, and the related statements of activities and changes in net assets, and of cash flows for the year then ended. These financial statements are the responsibility of Heartland Coalition's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of the Heartland Coalition as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

November 12, 2012

Sonnenberg & Company, CPAs

HEARTLAND COALITION
Statement of Financial Position
December 31, 2011

	<u>2011</u>
ASSETS:	
Cash	\$ 64,271
Employee Advances	400
Deposits	1,850
Investment - Buildings	<u>4,602,627</u>
Total Assets	<u>\$ 4,669,148</u>
 LIABILITIES:	
Note Payable-Mark Hanson	\$ 40,000
Loan Payables-Buildings	<u>4,602,627</u>
Total Liabilities	4,642,627
 NET ASSETS:	
Unrestricted	<u>26,522</u>
Total Net Assets	<u>26,522</u>
Total Liabilities & Net Assets	<u>\$ 4,669,148</u>

The Accompanying Notes are an Integral Part of the Financial Statements

HEARTLAND COALITION
Statement of Activities & Changes in Net Assets
For the Year Ended December 31, 2011

CHANGE IN NET ASSETS	2011
SUPPORT & REVENUE:	
Contributions	\$ 383,122
Other Revenue	6,759
Interest	1
Tax Refunds	2,514
	<hr/>
Total Support & Revenue	392,396
EXPENSES:	
Program Services	415,594
Management & General	110,804
	<hr/>
Total Expenses	526,398
	<hr/>
CHANGE IN NET ASSETS	(134,002)
NET ASSETS, BEGINNING OF YEAR	160,524
	<hr/>
NET ASSETS, END OF YEAR	\$ 26,522
	<hr/> <hr/>

The Accompanying Notes are an Integral Part of the Financial Statements

HEARTLAND COALITION
Statement of Functional Expenses
For the Year Ended December 31, 2011

	<u>Program Services</u>	<u>Management & General</u>	<u>2011 Total</u>
EXPENSES:			
Personnel and related expenses			
Salaries	\$ 91,458	\$ 22,865	\$ 114,323
Payroll taxes	6,355	1,589	7,944
Employee benefits	12,306	3,076	15,382
Total personnel and related expenses	<u>110,119</u>	<u>27,530</u>	<u>137,649</u>
Other Expenses			
Advertising	3,474	869	4,343
Bank Fees and Interest	5,520	1,380	6,901
Dues and Subscriptions	12,440	3,110	15,550
Outside Services	102,446	25,611	128,057
Insurance	4,294	1,074	5,368
Grants and Awards	1,135		1,135
Meetings & Conferences	18,796	4,699	23,495
Office Expenses	59,554	14,888	74,442
Legal and Accounting		6,905	6,905
Equipment Rental and Maint	808	202	1,010
Construction Supplies	15,086	3,772	18,858
Payments to Affiliates	7,580	1,895	9,475
Occupancy	17,769	4,442	22,212
Staff Development	910	227	1,137
Taxes and Permits	7,996	1,999	9,995
Telecommunications & Internet	15,540	3,885	19,425
Travel & Mileage	20,219	5,055	25,274
Website & Hosting	12,134	3,034	15,168
Total Other Expenses	<u>305,702</u>	<u>83,047</u>	<u>388,749</u>
Total Expenses	<u>\$ 415,821</u>	<u>\$ 110,577</u>	<u>\$ 526,398</u>

The Accompanying Notes are an Integral Part of the Financial Statements

HEARTLAND COALITION
Statement of Cash Flows
For the Year Ended December 31, 2011

	<u>2011</u>
CASH FLOWS FROM:	
Operating Activities:	
Change in Net Assets	\$ (134,002)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
(Increase) Decrease:	
Employee Advances	(400)
Deposits	(1,850)
Increase (Decrease) in:	
Accounts Payable	<u>40,000</u>
Net Cash Provided (Used) by Operating Activities	<u>(96,252)</u>
Cash & Cash Equivalents at:	
Beginning of Year	<u>160,523</u>
End of Year	<u>\$ 64,271</u>

SUPPLEMENTAL DISCLOSURES

Non-Cash Activities

Acquisition of property is financed by private investors.

Investment - Buildings	\$ <u>4,602,627</u>
Loan Payable - Buildings	\$ <u>4,602,627</u>

The Accompanying Notes are an Integral Part of the Financial Statements

HEARTLAND COALITION
Notes to Financial Statements
For the Years Ended December 31, 2011

Note 1. Corporation and Nature of Activities

The Heartland Coalition (the “Corporation”) was formed in 1997 as a non-profit mutual benefit corporation providing services to low-income residents of San Diego County. The mission of the Heartland Coalition is to serve low-income residents of San Diego County with projects in the areas of career and community development, healthcare, environmental protection and clean energy, disaster relief, education and public art.

Under the umbrella of Heartland Coalition are several dba’s (programs) which support the overall mission. They are; UNITED GREEN, Heartland Sustainable Housing, The HEART Homeowners Program, East County Magazine, and the Heartland Community Clinic. These programs are in various stages of development but each one contributes to the overall mission of Heartland Coalition.

Heartland Coalition’s main source of financial support comes from HUD funding through a housing rehabilitation program. Heartland Coalition works directly with banks and private investors to rehabilitate and sell homes to low-income residents in the United States. The funding that Heartland Coalition receives is in the form of a fee for each transaction.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The Corporation’s financial statements are presented on the accrual basis, in accordance with U.S. generally accepted accounting principles. Under the accrual basis, revenues are recorded when earned and expenses are recorded when incurred, resulting related receivables and payables.

Accounting for Net Assets

To ensure observance of certain constraints and restrictions placed on the use of resources, the accounts of the Corporation are maintained in accordance with the principles of net asset accounting. That is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset classes that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

HEARTLAND COALITION
Notes to Financial Statements
For the Years Ended December 31, 2011

Note 2. Summary of Significant Accounting Policies, continued

Unrestricted. These generally result from revenues generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Temporarily Restricted. The Corporation reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from program or capital restrictions. The Corporation had no temporarily restricted net assets at December 31, 2011.

Permanently Restricted. These net assets are restricted by donors who stipulate that resources are to be maintained permanently, but permit the Corporation to expend all of the income (or other economic benefits) derived from the donated assets. The Corporation had no restricted net assets at December 31, 2011.

Income Taxes

The Corporation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the accompanying financial statements. Management is not aware of any uncertain income tax positions that might jeopardize its tax status.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as of the dates and for the periods presented.

Cash and cash equivalents

For purposes of the statements of cash flows, the Corporation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

HEARTLAND COALITION
Notes to Financial Statements
For the Years Ended December 31, 2011

Note 2. Summary of Significant Accounting Policies, continued

Accounts Receivable

Accounts receivable are receivables from banks for the sale of each home and there are no receivables at year end. Therefore, no allowance for doubtful accounts has been provided.

Concentration of Credit Risk

Heartland Coalition's main source of financial support comes from several banks with HUD funding through a community revitalization program. As with any government-related program, there is a risk that it could be discontinued.

Property and equipment

Property and equipment are recorded at cost or at fair value at the date of donation if donated. Maintenance and repairs costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to \$1,000 and the useful life is greater than one year. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis as follows:

Donated Goods and Services

Donated goods and services are recognized as contributions in the period received if the goods or services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Corporation.

Date of Management Review

The Corporation's management has evaluated subsequent events through November 9, 2012, the date the financial statements were available to be issued. Management is not aware of any subsequent events that would require adjustment to, or disclosures in, the financial statements.

HEARTLAND COALITION
Notes to Financial Statements
For the Years Ended December 31, 2011

Note 3. Investment - Buildings

Homes are purchased from banks through a community revitalization program using funds from private investors. Heartland Coalition holds title to the properties until they are sold to individual home buyers, at which time the investors are paid back. The time period for this to be completed usually takes between 30 and 90 days and the homes that Heartland Coalition holds title at year end must be recorded as an investment asset.

The total amount of houses acquired during 2011 was \$12,839,233. Of that amount \$8,226,606 was sold during 2011 leaving a remaining investment in houses at December 31, 2011 of \$4,602,627.

Note 4. Loan Payable – Buildings

Total loans payable on the investment in houses mentioned in Note 3 are \$4,602,627 as of the year ended December 31, 2011.

Note 5. Operating Lease Obligations

The Corporation has entered into an operating lease agreement for office space. Total minimum rental commitments under lease are as follows:

<u>Years Ending December 31,</u>	
2012	\$ 22,200
2013	14,800
	<u>\$ 37,000</u>

The Corporation has also entered into two additional month-to-month rental agreements for office space.

Note 6. Related Party Transactions

The following related party organization, LMI of San Diego received consulting fees in the amount of \$3,081 during the year ended December 31, 2011. LMI, a consulting firm, is 100% owned by Mark Hanson, the Executive Director of Heartland Coalition.

During 2011 a note payable of \$50,000 from Mark Hanson (Executive Director) was executed. As of December 31, 2011 the remaining balance was \$40,000.