

COVENANT HOUSE CALIFORNIA COMPLETES CAPITAL CAMPAIGN



In June 2005, CHC announced a capital campaign to raise \$6 million to add much-needed capital improvements to our Hollywood shelter and to expand our operations in Oakland.

This past June, Executive Director George Lozano proudly announced the completion of the campaign. "As

a result of the generous investments throughout the campaign by our new and old friends, we have significantly added to our efforts to bring homeless youth off the streets of Los Angeles and the Bay Area and into a safe environment," stated Lozano.

The centerpiece of the campaign was the purchase and renovation of our new Oakland complex that now houses a Crisis Shelter, Transitional Living Program and Career Center.

The grand opening ceremony for the complex on November 8, 2008 was attended by more than 200

South Bay community leaders, friends and staff. Bay Area Leadership Council Chair, Sandra Tsai, welcomed the crowd and talked of how CHC began eight years ago as a daytime community center. "It's been a long journey," said Tsai, "but we are finally here, thanks to so many people from this community."

Lozano also thanked those who donated their time, energy and money to the project to make it a reality. He added: "This is not simply a building to house homeless youth. It is a place of hope. Most of us take hope for granted in our everyday lives. But when you are young, on the streets and struggling to survive, it is a word that is rarely spoken and an emotion that is rarely felt. With this complex, we will give hope back to these youth."

Dignitaries at the opening included Oakland Mayor Ronald Dellums, Assembly members Loni Hancock and Sandre Swanson, and Covenant House International President, Sister Patricia Cruse.

The capital campaign committee, lead by CHC Board Member Mickey Segal, included current and former CHC Board members David Cox, Douglas Holte and Adrian Matros. The true success of the campaign was the more than 100 people, including CHC Board of Directors, Covenant House International, CHC staff, foundations, corporations, government funding sources, and long-time and new friends of CHC who contributed to the effort.



Opening the Doors: Assemblywoman Loni Hancock, Assemblyman Sandre Swanson, Oakland Mayor Ronald Dellums, CHC Executive Director George Lozano, Covenant House International President Sister Patricia Cruse



CHC Oakland



CHC Hollywood

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A MESSAGE FROM THE EXECUTIVE DIRECTOR



Welcome to the inaugural edition of *Inside CHC*. This newsletter is in response to our many friends and supporters who have asked us to keep them more up-to-date on the many wonderful things taking place *inside* Covenant House California (CHC) in both our Hollywood and Oakland programs.

It is an exciting time at CHC, since we now save more young lives. Last November, our new permanent Oakland shelter at Jack London Square, that now houses our shelter and career center, had its grand opening. We also added 16 additional beds and new counseling offices in our Hollywood shelter. With these additions, we now serve an extra 46 homeless youth each night and more than 300 different youth each year. Both shelters are continually at full capacity.

But the times are also challenging. As you can imagine, the current economy places strains on our budget: the food for the 150,000+ meals we serve each year is more expensive; the price of gas may force us to reduce the number of hours our outreach vans go out at night to feed homeless youth; and in-kind donations of basics (new underwear, socks, hygiene supplies, etc.) have diminished. At the same time, these same economic conditions may very well be increasing the number of youth who find themselves abandoned on the streets of Los Angeles and the Bay Area.

But with your continued financial support, we will keep our doors open to every youth who seeks our help and provide them a safe environment, medical and counseling services, employment skills, an education and, most of all, hope for a better life.

Thank you,

George R. Lozano
Executive Director



CHC AT LA FILM FESTIVAL

This year's Los Angeles Film Festival featured a screening of a compilation of three youth media projects that document the vision of at-risk youth via a series of short, personal films that explore the definition of "home" and other salient issues. One of the short films, *Hidden Hollywood*, was produced by CHC youth who participated in our Digital Dove program.

The Digital Dove program teaches our youth the use of digital cameras and editing software to chronicle their lives and explore the issues that are important to them. *Hidden Hollywood* is the result.

This was Digital Dove's third year participating in the festival. Much of the success of the program can be attributed to Jan Pfeiffer, Digital Dove's instructor. Pfeiffer sees a real directional change in the clients that worked on the project. "These youth gain real-life experience in our classes. Many of them have an interest in working in the film industry and Digital Dove gives them the training and the confidence they need to pursue that ambition."

Digital Dove is sponsored by HBO Films, the California Council for the Humanities with equipment provided by Apple Computers.

For more information, visit: www.DigiDove.org

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Employment Skills Program Produces Record GEDs

Donor Article: Giving in Uncertain Times



CHC FETES BORBA AND SIXX

A crowd of 550 people was on hand at the Beverly Hilton Hotel on May 9th for Covenant House California's 9th Awards Gala. The night's honorees were Borba Skin products founder/CEO, Scott-Vincent Borba and musician/author Nikki Sixx. The law firm of Skadden, Arps, Slate, Meagher & Flom received special recognition for their years of service to CHC. The evening raised more than \$600,000, with major sponsorship from Anhauser-Busch and Eagle Warranty.



Special Guest Host Cristian de la Fuente and Angelica Castro

The evening's program included video interviews of three current CHC youth, who talked of being homeless and their current life at CHC. Aaron Makela, a former CHC resident and currently a successful graphic designer and print company account manager, spoke to the crowd of his life before, during and after CHC. "The streets are an unforgiving place," Makela told the audience. "The hopelessness there is contagious. It has a way of trying to suck you back in and keep you there. When I showed up at CHC, they didn't care where I had

been, only where I was going. The gave me a second chance at life and helped me become one less statistic."



Gala Sponsors Chuck and Susie Yaskulski

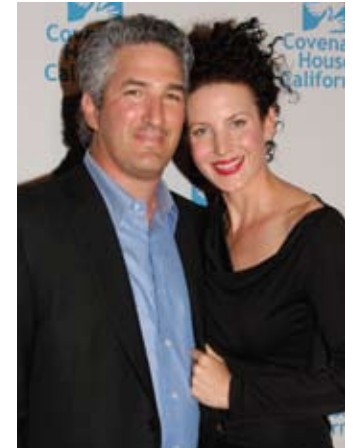
But the night belonged to Nikki Sixx and Scott-Vincent Borba. Both have been long-time, enthusiastic supporters and promoters of CHC.

Ginger Atherton chaired the event that featured both silent and live auctions, both co-chaired by Jamie Lescher and Jeff Lloyd, as well as entertainment by John Cassese, L.A.'s "Dance Doctor." The evening was hosted by award-winning actor and *Dancing With The Stars* finalist, Cristian de la Fuente.

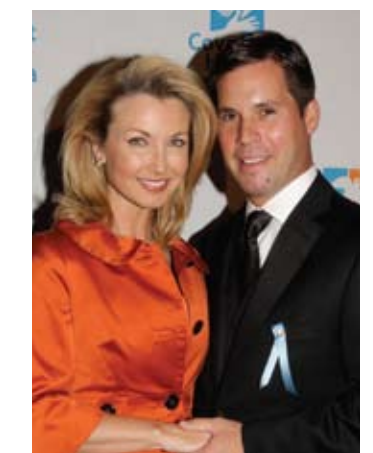


CHC Executive Director George Lozano, Nikki Sixx, Scott-Vincent Borba, Ginger Atherton, Gala Chair

"My partnership with Covenant House is so important because I've been that kid on the street," Sixx told the crowd. "When I heard that many youth come to CHC, but don't stay long enough to get the treatment they need, I created the *Running Wild in the Night* music program to engage their creativity and encourage them to stick around awhile to get on a better path for good. And to make the program successful, I've committed both time and money to it over the last year." Sixx then presented CHC with a check for \$250,360, monies raised from royalties from his best-seller *The Heroin Diaries* and his fan web site.



CHC Board member Dean and Shannon Factor



CHC Board Chair Scott and Michele McMullin

Unconditional love is the key pillar of unwavering support that Covenant House provides to every young adult that enters their House. CHC helps to reshape and mend the conscience, allowing each one of us who accepts help and love, to share in a better life." Borba was responsible for raising more than \$100,000 for the evening.

SUCCESS STORY

MATTHEW

Matthew sits down and tries to concentrate, but it's difficult. His two young daughters are exploring the gardens of CHC and he has to keep watch. He's in a good mood. His wife just gave birth to their third child and the family is moving into a house in Mission Hills. A lot has changed for him since he was a resident at CHC almost 5 years ago.



Matthew had a hard life. He will only allude to "family problems" and then mentions that when his grandmother passed away, he suddenly found himself homeless at the age of 17. "I had a rough life at that point," he says.

After a year on the streets, Matthew was tired of living day-to-day and decided to give CHC a try. "He was a well-mannered kid who was determined to make a better life for himself," says Lon Usher, his former case manager.

With the help of CHC's Employment Skills Program, he found a job and went back to school. As a result, he is now a Certified Nursing Assistant and has worked regularly ever since. He is now studying to be a teacher.

When asked what would have happened to him if he was not for CHC, Matthew laughs and asks if he should be honest. "I really don't know for sure," he says in a measured voice. "I doubt I would even be trying to survive. I'd just be nowhere."

His stay at CHC holds special memories for Matthew for other reasons. It is the place where he met his wife, who was also a client at the time.

Matthew is happy and full of optimism for his family's future. "I'm so proud of him, and I let him know that," Usher says. "He's a great father. You can see it when he's around his daughters. I always feel good when I talk to him because I know he's doing alright."



URBAN FARMING

CHC Oakland staff and residents spent the last year planning an outside organic garden and are now growing their own food and learning to prepare it. Four different gardens were planted: a pizza garden with two types of tomatoes, basil and peppers; an azteca garden of corn, sunflowers and beans; a salad garden with lettuce, collard greens and tomatoes; and a stir fry garden of Asian greens, beans and zucchini. Other pots contain different herbs and there are even lemon and lime trees. CHC Oakland staff also developed a learning curriculum for residents with subjects such as planting and caring for a garden, the nutritional benefits of organic food and preparing the food they harvest. The garden was made possible by a grant from Kaiser Permanente.

VOLUNTEERS

Would you like to tutor one of our youth? Be a mentor? Teach art or music or another topic? Help at one of our on-site or other fundraising events?

Join the Covenant House California family. Our doors are always open for you too.

Hollywood:
Tanya Quaipe, *Coordinator of Events and Volunteer Services* 323-461-3131 x 250

Oakland:
Jill Kunishima, *Development Associate* 510-379-1010 x 1006

OAKLAND GALA CELEBRATES COMMUNITY LEADERS

One couldn't find a more stunning venue than the Oakland Rotunda at Frank Ogawa Plaza for CHC Oakland's 2008 Gala on May 15th. The festive event, co-chaired by Linda Crayton and Bay Area Leadership Council members Anita Swanson and Timothy Yee, welcomed more than 200 guests.

The evening's excitement was heightened by the live and silent auctions that included rare wines, rare sports memorabilia and guitars signed by James Brown and two of the Beatles.

Rosie Lee Allen, news anchor on local KGO radio, hosted the evening's program that began with



Honorees Phil Tagami and Give Something Back's Michael Hannigan



Leadership Council members Laura Lynn and Jim Morrissey with Covenant House International Interim President James White (foreground)

standing ovations for the three CHC youth who moved the audience with their testimonials, poetry and music.

The program continued with the introduction of the night's three honorees: businessman/philanthropist Phil Tagami, *Give Something Back*, and Van Jones, founder of the Ella Baker Center for Human Rights. Jones, in particular, gave an impassioned speech about the many social problems impacting the Oakland community, including gang violence. He praised CHC for its efforts for its support



Honoree Van Jones with CHC Board member Anita and Assemblyman Sandre Swanson

of the *Silence the Violence* campaign.

The event raised more than \$85,000, with major sponsorship from PG&E.



Oakland Leadership Council members Dick Shulze and Dale Marie Golden

LON USHER: UNDERCOVER MOTHER



Lon Usher's desk is cluttered with a patchwork of photos and remnants of past clients. If you ask her, every one of them is special. Usher has been a case manager at CHC for nearly 18 years. She works with clients to develop an individual plan of action for their stay at CHC. Each case plan includes common goals such as education and employment. Many plans also include complex goals such as resolving immigration, mental health and addiction issues.

"Most clients walk through our doors afraid. They feel helpless and often have lost hope. I help them find their way out of that," she says. "They come to me because they need someone they can trust. I'm a good friend to some. I'm a mother to some. I'm a granny to others. Clients identify me in a number of roles and I accept them all."

Miss Lon, as she is affectionately known around CHC, came to California from Louisville, Kentucky after seeing a television report about the homeless youth problem in Los Angeles. She wanted to help.

Things are radically different today compared to when Usher first began work at CHC. "Eighteen years ago, we

only had 24 beds, but we were seeing 80 to 90 kids a night. So each night we'd march the overflow down the street to a motel to get them all a bed. Then in the morning, we'd wake them up and feed them in shifts."

It's much better now. "Today the buildings we're in have the employment skills program, the medical clinic, and a full cafeteria. It's so much easier to help the clients today."

Usher has watched the number of pictures on her desk increase. To this day, she keeps in contact with many of her former clients, some now in their thirties. They call to talk about their triumphs and setbacks and, like a close family member, she is there to congratulate them or scold them—whichever is applicable at the time.

Usher remembers a former client whom she describes as her biggest challenge. "She had hit the bottom when she first showed up here. She had sold herself on the streets and was on drugs. She showed up at CHC off-and-on about ten times and each time she'd swear to me that she was going to get her life together. But it never happened. I finally had to tell her that if she didn't get help and get off drugs, I didn't want to get close to her because I knew she would end up dead. That must have resonated with her, because a year later, she called me. She had cleaned up her act and was in the marines. I couldn't believe it." Lon smiles with pride. "Now she sends me Mother's Day cards. That's one I keep close to my heart."

CHC GOES SOUTH OF THE BORDER

On Saturday, July 19th, a group of CHC residents, volunteers and staff members headed south of the border to Mexico to visit one of Tijuana's most impoverished areas. On this particular trip, CHC youth distributed more than 200 donated backpacks to the small children of the area and cooked hot dogs for everyone.

CHC Tijuana trips take place four times a year. Sister Margaret Farrell, CHC Coordinator of Spiritual Ministry, who directs the program, believes the trips have a positive effect on the many CHC residents who participate. "Our youth see firsthand the dire living conditions of these people," she explains. "When they see destitution at this level, it can't help but give them a different perspective on their own lives. It also teaches them the joy of helping others,

which is a memory that they can take back and, hopefully, keep long after their trip."

One of the more special trips takes place each spring, when CHC youth help build a house for a needy family in the area. "It's a very emotional and special experience for our youth when it comes time to hand the keys to the new house to a family," says Sister Margaret.



CHC staff and youth build a family a new home in Tijuana

ESP: EDUCATION A TOP PRIORITY

Mathew Schliesman, coordinator of CHC's Employment Skills Program (ESP), is smiling. He just got off the phone with a client who passed his General Education Development (GED) test that morning. "This is a young man who wasn't sure he was ready to take the test. But he passed and now he's a high school graduate." And, just as important, Schliesman adds, "Now he becomes an example to all the other youth of what they can do if they just stick with it."

ESP is a key element in the personal development of our youth. Our professional counselors assist our youth with their educational needs, as well as teach them the skills that lead to employment. Rather than a one-size-fits-all approach, the programs and services at ESP build upon the interests, skill-levels and needs that are unique to each individual.

ESP offers a variety of skills training, from computers to employment interview training. It also offers educational counseling, tutoring and coursework toward earning that much coveted GED. This past year, twelve clients received their high school diploma, more than double the number of clients from the previous year.

About 60% of the youth that come to CHC do not have a high school diploma. "Most of these youth in Hollywood and Oakland have been out of school for a number of years and they come to us academically challenged," Schliesman says. "At ESP, we emphasize that a good



education leads to a better future and obtaining the GED is the first step to getting there."

Shliesman believes ESP's success this year is due to an increased amount of follow-up by the staff. "We're very pro-active in encouraging the clients." However, he is also modest about the achievement. "I think we've also been blessed with more youth who understand the value of education. You pair that desire for a better future with the commitment of our staff and, of course, the numbers are going to go up. Just like today." He smiles again thinking about that phone call.

MEET FRANCISCO

Life has been a struggle for Francisco. Growing up, he had trouble getting along with his mother. "When I turned 18, she demanded that I pay rent," he says. That was difficult because he was still in high school and was unable to work due to a car accident that injured his spine. Eventually, Francisco left home.

He lived with friends when he could. But, at a certain point, he turned to alcohol and drugs to escape from his problems. Soon, Francisco was battling addiction as well as homelessness.

It was a friend who told Francisco about CHC. "I had



run out of hope and solutions. It seemed like my only chance," he now says.

At CHC, Francisco was admitted into our crisis shelter. "It was different from the start. I didn't have to lie or tell a story to get in. They only seemed concerned with helping me," he remembers.

Being in the crisis shelter gave Francisco a stable living environment. He went back to school and completed his high school diploma. In addition, CHC helped him enter a recovery program for his addiction problems.

"Francisco is one of the smartest clients that I've worked with," says Chad Chapman, Francisco's case manager. "He has the potential to succeed beyond anyone's expectations if he sets his mind to it. He just hasn't had the chances that most people get."

Today, Francisco is in CHC's transitional living program and hopes to go to college in the near future. "I have a long way to go in my life," he says. "But CHC helped me get back on the starting line."

MEET EDYTH

Edyth has been at CHC for two months. She's shy upon meeting, but after a few minutes it's clear that she's smart and articulate.

Edyth is from Minneapolis. She never knew her father and her relationship with her mother became strained. "I was going to school full-time and trying to work as well," she says. "It became difficult to do both, so I tried to live off of my savings so I could concentrate on school." Eventually, her money ran out and she couldn't find a new job. Soon, she found herself struggling to find places to live and, at times, she found herself in local homeless shelters.

It was Edyth's brother, a former resident at CHC, who convinced her to move to Los Angeles. "CHC sounded different from the shelters I knew about," Edyth says. "There are so many more services and resources here. They give you medical help if you need it, help you find a job, give you educational guidance, teach you how to save your money—if you need any kind of help, they help you."

Edyth is currently looking for a good job that will allow her to move into her own apartment and return to college in the very near future. Her college aspirations are ambitious. She wants to attend the prestigious film program at USC.

Edyth knows acceptance into the USC program is very limited, but she is determined to give it her best shot. "One of my former professors is writing a letter of recommendation and I'm working on the essays for the application," she says with a temperance of hope and determination. "I'm hopeful about USC, but if I don't get accepted, I'll apply to other schools. I love film and, no matter what, I won't give up."

Edyth is positive about her future. "Without CHC, I'd still be in Minneapolis, probably unhappy, and living in a shelter. I wouldn't have the opportunities that CHC gives me." Then a slight smile appears. "I'm going to make it this time," she says.



GIVING IN UNCERTAIN TIMES

For more than 20 years, Covenant House California has opened its doors to thousands of homeless youth and provided them with a safe environment, education, employment—and, most importantly, a chance to become independent, self-sufficient adults.

Your philanthropic support helps CHC meet the challenge of fulfilling the needs of our current youth, while providing the certainty that CHC will continue to provide its life-changing services for homeless youth in the years and decades to come.

Like many donors who have long enjoyed supporting CHC, you may be facing a dilemma:

How can you possibly plan to continue giving as in the past if your income has declined from investments and lower interest rates?

The good news is there are still ways to give without jeopardizing, and possibly even improving, your future financial circumstances.

The recent focus of the media makes it seem as if there is no appreciation left in the stock market. But for many people, who have held on to their stock or other property for many years, there may still be considerable appreciation.

What does this appreciation have to do with giving? On the downside, you may find you would owe a substantial capital gains tax **if you sold** any long-held stock in order to reinvest or to fund charitable gifts to worthy organizations, such as Covenant House California. But the good news is that by **giving the stock directly to CHC**, you may completely avoid the capital gains tax and, in addition, receive a federal income tax deduction, if you itemize, for the full value of the asset on the date of the gift.

With certificates of deposits returning less and many other investments seeming too risky, you might also consider a charitable remainder annuity trust. This plan will pay you, year after year, the same dollar amount you choose at the outset (income payments are fixed based on starting valuation). After your lifetime and the lifetime of the survivor beneficiary (if desired), the remainder of the trust is available to support CHC.

CONSERVING YOUR CASH

As you think about making special gifts to help ensure the future of CHC and your other charitable interests, consider the fact that most of your property is not likely to be in the form of cash. In fact, one government report reveals that less than 12% of the value of taxable estates is held in the form of cash.

If you would like to plan a gift while conserving your cash during these times of lower interest rates and declining investment returns, think about giving CHC one or more of the following:

- Securities, including stocks, bonds and mutual funds
- Excess retirement plan assets
- Excess or obsolete life insurance
- Certain real estate
- Certain collectibles
- Other property

In general, your gifts of non-cash property will support CHC if the property is marketable and free of liens, mortgages, or environmental concerns.

GIFTS OF ESTATES

It is clear that a significant number of CHC supporters would like to give more to help our youth. Most feel, however, that they must limit their giving in order to meet personal and family financial obligations.

The most common issues involving finances that we all face in life revolve around several concerns: dying too soon, living too long, a permanent disability, and health-related emergencies. These concerns often motivate us to purchase insurance in order to achieve some peace of mind.

The same issues that motivate us to plan carefully may also act to limit the size of our charitable gifts. After all, given future uncertainties, who can afford to make large gifts?

One reason that the simple charitable bequest made through a will is the most popular way to plan a larger gift is that it is flexible, or revocable, and private during your life. With a charitable bequest to CHC, you can be secure in the knowledge that your assets will be available to you for as long as you live. It is possible to create gift plans that provide income for retirement, education of children, or care for elderly parents. Only after these important goals are met will your gift come to fruition.

Finally, remember this: CHC, with shelters in Los Angeles and the Bay Area, has provided services for homeless youth for more than 20 years. We will be here for decades to come. We join the ranks of colleges and leading cultural organizations that confidently accept planned gifts that may take some time to mature.

We encourage you to plan for your family's future first. But then remember our family—the thousands of homeless youth who have passed through the doors of Covenant House California and found a better life through your generosity. Please remember us at CHC. We'll be here!