

2019 Annual Report



The Story of Historic Harrisville's purchase of the Petersen property in 2019

Although Historic Harrisville's activities to fundraise for and purchase what we currently call the Petersen Property (the Winn lot formerly owned by Charlie Lyons), Historic Harrisville (HHI) has had a long-standing interest in the property, and had been monitoring it for several years hoping to ensure that it was not developed in a way that would negatively impact the National Historic Landmark (NHL) village.

In November of 2016, Charlie Lyons sold his house on Lake Skatutakee to Graeme and Edith Pendock. At that time, he was actively marketing his remaining 59-acre parcel located on the opposite side of Hancock Road from the Pendock's house and extending behind the Cheshire Mill Complex in the village. Mr. Lyons asking price for the land was originally \$700,000, which proved to be unrealistically high. Over time, it dropped to \$450,000, which was still prohibitive for HHI and other local buyers.

In the spring of 2018, Kathy Bollerud and Chick Colony met with the Harris Center to discuss how to protect this land. At that meeting, Harris Center Director Jeremy Wilson said that he understood that the land was under agreement to be sold to Steve Petersen. Local contacts assured HHI that Mr. Petersen was a good person, who intended to build a single-family home on the property, where he would live with his family. HHI and the Harris Center agreed this sounded like a good resolution that would protect the NHL.

However, in September 2019, Chick Colony received a phone call from a resident on Lake Skatutakee, who had spoken with Mr. Petersen and learned that his family had decided they would not be able to build a home here, and instead hoped to sell the land and purchase an existing home elsewhere in the area. He said he was working with a realtor who knew a developer that was interested in the property. This concerned neighbor called HHI in the hopes that the nonprofit could get involved and stop the land from being developed.



Mr. Colony then called Steve Petersen, who confirmed that he intended to sell the property, and said that his family had found a house they hoped to buy and so needed to sell the property quickly. But he also noted that they love the property and hoped that HHI would find a way to purchase it so that it would not be developed. He agreed to sell it for a reasonable price of \$225,000, and said he would hold off on further talks with the realtor for a few days while HHI considered purchasing the property.

After spending time on the property, walking its boundaries, seeing the trails the Petersen's had begun to clear, and fully understanding the proximity of the property to the historic mill village, HHI's representatives agreed unanimously that we would buy the property without question if we had the money to do so. And so we had our answer. We needed to raise the money to purchase this land.

Once we had confirmed our intention, Mr. Petersen agreed to give HHI 30 days to raise the funds needed. Over the next week, we received pledges totaling \$180,000 from three major donors. With pledges in hand for the majority of the purchase price and with the concern that Steve might be getting pressure from other buyers, we executed a Purchase and Sale Agreement on 10/15/19 and paid a deposit of \$5,000.

The fall meeting of Incorporators for HHI was held on 10/19/19 and we gave a report on the project to date. We asked for financial support from the audience and received pledges of just less than \$30,000 that day. On 11/4/19 we sent a fundraising letter to property owners on Lake Skatutakee, many of whom were not existing participants in Historic Harrisville. That outreach produced more than \$12,000 in additional contributions. Thanks to this amazing outpouring of support from the community, we closed on the property on 11/27/19, just two months after our first contact with Mr. Petersen.

This is a great project with terrific support and fast reaction. It marries the concepts of land conservation and building preservation to preserve the whole place that we know as Harrisville. Without the forested buffer that separates the village from the surrounding area, Harrisville just wouldn't be the same. Thanks to all who supported the purchase of this property so far and to those that will help us to name the property and develop a management plan for its future.

Board of Trustees 2019

Michelle Aldredge*
 Peter Allen*
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 Kathleen Bollerud*
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 Deirdre Oliver,* *Secretary*
 Doug Walker
 Alison Weber
 *Executive Committee

Historic Harrisville Staff

Rebecca DeFusco, *Office Assistant*
 Erin Hammerstedt, *Executive Director*
 Shawn Kelley, *Property Maintenance*
 Frederick O'Connor, *Project Manager*

Harrisville General Store Staff

These employees worked at the store at 2019 year-end:

Renee Archibald
 Tristan Archibald
 Madison Brumaghim
 Gwyn Clark
 Ozyen Dorion-Rippe
 Eathan Hood
 Hannah Magoon
 Teresa Morris
 Tegan Murray
 Gordon Peery
 Marina Powdermaker
 Samantha Rule, *Manager*
 Sarah Scott
 Emily Tucker
 M'Lue Zahner

Sincere thanks to everyone listed here for their commitment to Historic Harrisville.

Historic Harrisville, Inc. 2019 Statement of Operations

	2019	2018
Operating Income		
Rental Income	\$478,824	\$459,178
Other Income	\$ 643	\$ 2,741
Annual Appeal (Unrestricted)	\$ 77,153	\$ 90,805
Contributions for Operations	\$ 0	\$ 16,400
Total Income	\$556,620	\$559,124
Operating Expenses		
Office Expenses	\$ 74,930	\$ 57,099
Payroll Expenses	\$149,986	\$155,705
Property Expenses		
Property Tax	\$ 93,664	\$ 88,787
Heating Fuel	\$ 65,750	\$ 68,816
Property Insurance	\$ 37,987	\$ 40,374
Electricity*	\$ 25,822*	\$ 30,630
Interest Expense	\$ 33,118	\$ 32,598
Repairs (Contractors)	\$ 31,476	\$ 24,100
Plowing/Sanding	\$ 16,173	\$ 17,800
Other Prop. Expenses	\$ 31,975	\$ 30,621
Total Property Expense	\$335,965	\$333,726
Total Expense	\$560,881	\$546,530
HHI Net Income	\$ - 4,261	\$ 12,594

Harrisville General Store 2019 Statement of Operations

	2019	2018
Operating Income		
Sales (and Donations)	\$591,061	\$581,788
Total Income	\$591,061	\$581,788
Operating Expenses		
Merchandise	\$323,511	\$331,914
Payroll Expenses	\$229,551	\$232,061
Other Operating Expenses*	\$ 30,071*	\$ 37,342
Total Expense	\$583,133	\$601,317
HGS Net Income	\$ 7,928	\$-19,529
OVERALL NET INCOME	\$ 3,667	\$ -6,935

* in 2019 HHI took over payment of the General Store's electric bills, which came to \$11,038

2019 Financial Overview

In addition to the operating income noted above, HHI raised \$158,735 for special projects, including \$1,500 reserved for the preservation of the town's streetlights, \$33,061 to complete the hydroelectric project, and \$124,175 to help fund the purchase of the Petersen Property (see page 4). The latter two amounts were invested in HHI's fixed assets, helping to build our real estate "endowment" as discussed at our last annual meeting. Although from an operating and cash flow perspective money is tight, we ended 2019 with just over \$5.5 million in total equity on just over \$6 million in fixed assets (land and buildings). Overall, Historic Harrisville remains financially stable in these uncertain times.

The Harrisville General Store's management and staff worked hard in 2019 to improve the financial performance of the store, and it worked! While income was up \$10,000, Samantha was able to reduce the amount spent on the merchandise and payroll required to make the additional sales. This improved margin allowed Historic Harrisville to provide wage increases to the store employees while still improving overall performance. Historic Harrisville did take over payment for the Store's electric bills, which were just over \$11,000. If the store had paid for their own electricity, they would have lost about \$3,000 for the year, still a marked improvement over 2018. We truly appreciate the hard work of our staff, and the support of our customers.

Drew Landry, Treasurer

Planning for our Next 50 Years Historic Harrisville's New Strategic Plan

As Historic Harrisville, Inc. (HHI) approaches 50 years of operation, we focused in 2019 on planning for the next 50 years. We reached out to the community and met with over 100 people in focus groups that provided input related to HHI's role and priorities. Our Trustees then participated in a series of workshops to compile and understand that input, and use it to help us revise the Strategic Plan that guides our decisions and activities. Here is an overview:



MISSION

The mission of Historic Harrisville, Inc. is to preserve the historic significance and natural environment and to enhance the community spirit, quality of life, beauty, and economic vitality of Harrisville as a place to live and work.

VALUES

Established as a historic preservation organization in 1971, Historic Harrisville has always recognized that responsible management of the landmark district went beyond preserving the historic buildings and landscapes within the district. It is essential to the town's heritage, character, and integrity that the people who work in Harrisville are able to live here. Therefore, HHI strives to maintain the essential character of Harrisville as a small, quiet, vibrant community where a diverse array of people can live and work in a healthy environment. Our focus is on achieving an appropriate balance of preserving what we value about the past while adapting to the future.

Historic Preservation & Stewardship – HHI is committed to ensuring the preservation and stewardship of the Town of Harrisville's historic resources, with an emphasis on the responsible, dedicated management of the National Historic Landmark district, including its historic buildings and structures as well as the village environment, vistas and surrounding landscapes.

Economic Sustainability – HHI is committed to supporting and improving the long-term economic health of the Town while preserving its historic qualities and buildings. HHI believes that Harrisville's economic strength and vitality is enhanced by: 1) a diverse population; 2) support for local businesses and nonprofits; 3) affordable housing for the local work force; 4) a thriving general store; 5) a resilient and inclusive sense of community; 6) the availability and enjoyment of communal facilities and activities; and 7) support for culture, education and the arts.

GOALS AND STRATEGIES

In an effort to achieve its mission and work in line with its values, HHI has the following goals and strategies:

1. To lead by example, rehabilitating, preserving, maintaining and managing the properties belonging to HHI in a way that is consonant with their historical importance, appropriate use, and value to the people of the town.

2. To act as a resource and advocate for historic preservation and the responsible use of Harrisville's historic buildings and structures.

HHI plans to achieve its preservation goals, above, through a combination of property ownership, management and maintenance, protection of properties we don't own through historic preservation covenants, and by serving as a resource for the community regarding historic preservation issues and concerns.

3. To sustain the vitality of the local economy in order to provide employment and a tax base for the town.

HHI will promote economic vitality through its property rental program, affordable housing program, and operation of the Harrisville General Store, among other things.

4. To protect open spaces, water quality, vistas and agricultural land in Harrisville with emphasis on lands surrounding the village.

HHI will support conservation by owning land for that purpose, holding and managing conservation easements, and by cooperating with town and regional conservation organizations.

5. To minimize and mitigate our contribution to climate change by improving energy efficiency, using renewable forms of energy, and promoting energy consciousness.

HHI's energy program will focus on improving weatherization and building systems to use less energy, using energy from renewable sources whenever possible, promoting energy conservation, and working to ensure resilience in a changing environment.

6. To foster and contribute to a positive sense of community in the town of Harrisville.

HHI aims to support community connectedness by fostering a spirit of inclusiveness, providing opportunities for social connections, and partnering with the town and local groups on projects of mutual interest.

7. To use communication and education to further the understanding, interpretation, and appreciation of life in Harrisville, past and present.

HHI plans to use a combination of communication tools and educational programs to help people understand and appreciate the significance of Harrisville's history and remarkable physical environment.

8. To operate in a manner that maintains organizational stability, ensuring our ability to carry out our mission into the future.

HHI will continue to value and cultivate our highly engaged board and talented staff who conduct business with the big picture in mind, and will raise the funds necessary to sustain the organization and its operations.

How Hydropower is Working For Us

Historic Harrisville began operating the Cheshire Mills Hydroelectric facility in early December 2018. Even though the turbine and generator were not able to operate for four months from mid-June through mid-October due to the dry summer and resulting low flows in Nubanusit Brook, our tiny little hydro-electric plant produced 158,000 kilowatt hours of electricity in 2019. This production was at the top end of our estimated annual production, which we guessed would be between 140,000 and 160,000 kwh.

As a result, Historic Harrisville did not purchase ANY electricity for the Cheshire Mills Complex in 2019. In addition to providing all the electricity needed by the entire mill complex, we had “banked” a surplus of more than 20,000 kwh at the end of the year.

Because we did not have to pay for electricity in 2019 (just costs associated with the “grid” and the ability to send and receive electricity), the mill’s electric bill was \$16,500 less in 2019 than in 2018.

Historic Harrisville works hard to manage our operating expenses, so that we can keep our rents affordable in order to create places that start-up and small businesses can operate, and people who work in Harrisville can afford to live. This annual cost savings of \$16,500 makes a big difference to us, and in turn to our community. Our thanks, again, to everyone who helped fund our development of this project and made it possible.



Providing What We Need in Uncertain Times

While the annual report typically focuses solely on the prior year, it seems impossible to ignore what is happening in the world right now in the face of COVID-19. Times like this make us all check ourselves, and think about what really matters. I hope I’m not alone in noticing that the things that matter most are ample here in Harrisville, and I’d love to share my observations and express my gratitude.

Quality Spaces

I think we are all much more aware of our surroundings than we were before. Maybe that’s because we’re stuck at home, or retreating from the chaos at home to our place of work, or getting outside for our health and sanity. Regardless of the situation, I feel grateful for the wonderful places we have here in Harrisville.

From tenants in Historic Harrisville’s affordable housing units, to year round residents who were just beginning to think about emerging from hibernation, and summer residents who have been able to retreat to Harrisville, we’re all lucky to have a roof over our heads in a place where we can get outside and enjoy the fresh air and beautiful scenery. The beauty around us, from forested hillsides to brick buildings reflected on mill ponds, provides a unchanging sense of place that brings comfort in uncertain times.

Over the past three weeks I have really come to understand how much people value having space where they can think, create and work. Whether they need quiet for writing, well-lit space for painting, or internet access for working or learning, it is amazing to me to see just how important the space that Historic Harrisville provides in its rehabilitated historic buildings is to people’s ability to make a living and maintain their sanity in times like this. Whether or not our work qualifies as “essential,” I’m learning that it is essential to our wellbeing that we have the ability to work and be productive. Historic Harrisville’s 50-year focus on maintaining places to work in Harrisville is clearly of value to the members of this community.

Access to Products

One of the unsettling phenomenon of this pandemic is the scarcity of products due to surges in the market as people stockpile certain items and make it impossible for the supply chain to keep up. There is no food shortage. Nor are we at risk of running out of toilet paper. Yet I think there

is a little part of us all that fears that we won’t have what we need when we need it. It has been remarkable to me to see our little General Store transform from what is largely a café with a gift shop into a full-fledged grocery store. With a simple shifting of gears, the staff has adapted to be able to provide exactly what the community needs when they need it. And they have done so in a way that allows people to feel safe and secure. Instead of having to venture out into the big, scary grocery store where people are wearing masks and gloves and walking up and down aisles in fear of one another, the store’s customers are able to call and order what they need, know exactly who will handle their food and supplies, and pick them up or have them delivered with almost no contact. The simple ability to have what we need has a calming effect on the town that isn’t occurring elsewhere.

Human Connection

In this era of self-isolation and social distancing, I truly see the importance of opportunities to connect with one other. I love seeing so many people out riding bikes with their families or walking their dogs. I have begun having walking meetings, where I can be in the fresh air and maintain a healthy distance from my colleagues, but still move forward in our work. But we realize how much we miss the café function of the General Store, lingering to chat with our neighbors at the post office, having friends over, and maybe even attending those darn committee meetings where we get to discuss the things we care about with other community members. While we are doing all we can to limit human contact now, we are certainly recognizing how important it is to us, and will ensure that community connections are restored when they safely can be.

I hope that in this upside-down world, our community can rest a little bit easier knowing that Historic Harrisville is here. And I hope you can see that we’re more than just a historic preservation organization. By preserving and utilizing the buildings that comprise our community, we are really supporting quality human life, and helping to provide what it is that we need to survive and thrive. As a wise man told me, “It’s not good because it’s old, it’s old because it’s good.” What Harrisville is doing works, and I’m so fortunate and grateful to be part of it.

Erin Hammerstedt, Executive Director