

AAHH Housing Services

*FY 2017 Buncombe County Community
Funding*

Asheville Area Habitat for Humanity

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Application Form

Project Name*

Name of Project

AAHH Housing Services

Amount Requested*

Amount Requested

\$75,000.00

Service Area*

Which Commissioner Districts are served by this program?

Access a map of Buncombe County Commissioner districts [here](#).

- District 1
- District 2
- District 3

Which county sustainability goal aligns best with the goals of this project?*

Based on the Buncombe County Sustainability Plan, select a Category, Goal & Objective that align with the focus of the project and the specific results that will be achieved.

Access the Buncombe County Sustainability Plan [here](#).

Community > Affordable, Green, and Liveable Housing > Provide educational opportunities in financial planning and homebuyer education

If applicable, select a second sustainability goal that aligns with project goals.

Result 2 is optional - Select if project aligns with more than one Sustainability Category, Goal & Objective.

Community > Affordable, Green, and Liveable Housing > Ensure the availability of a diverse housing stock

If applicable, select a third sustainability goal that aligns with project goals.

Result 3 is optional - Select if project aligns with more than one Sustainability Category, Goal & Objective.

Community > Affordable, Green, and Liveable Housing > Promote home ownership while also supporting quality, affordable, safe rental developments

Project Description

Project Description*

Description of Project

The Family Services Dept. of Asheville Area Habitat for Humanity (AAHH) provides in-depth homebuyer education for all of our new homeowners, underwrites the 0% mortgages we provide, and qualifies existing homeowners for home repairs. AAHH will qualify and empower 14 low-income individuals or families for our homeownership program. After a careful homeowner selection process, AAHH requires 50 hours of coursework, taught mostly by Habitat staff, with classes in financial planning, home and lawn maintenance, predatory lending, conflict resolution, and more. Additionally, Family Services staff will qualify 48 existing homeowners, mostly elderly, for our home repair program and Construction Services staff will assess and prioritize their home repair needs, creating a plan to fix the most critical needs without putting the homeowner at financial risk. Beyond construction and repair work, our staff creates the conditions to keep families in their homes and build a healthier community.

How many people will this project serve?*

State the number of individuals or households in Buncombe County that will be served by this project. Also state the number of people that will experience the desired result. For example, if dropout prevention services are being delivered to 100 students, how many will successfully graduate from high school?

We will serve at least 14 new homeowner households in Buncombe County by constructing 14 new affordable, Green Built NC houses and another 48 existing homeowner households in Buncombe County by providing critical repairs on their homes. Each of these 62 households will achieve the desired result of safe, affordable housing. The 14 households in new homes in the Erwin and Roberson school districts will experience success as homeowners empowered to make wise financial choices, build equity through paying a 0% interest mortgage, create long-term planning documents to safeguard their investments, learn to avoid predatory lenders, maintain their home's value through regular maintenance, and more. This success will allow them to save for the future, including higher education, and invest in better health needs. The 48 households in existing homes will experience improvements in health and safety, allowing elderly residents to stay in their homes as long as they are physically able.

Describe the people this project will serve.*

Characterize the demographics of the project's target population in terms such as age, gender, income, race, ethnicity, geographic area, etc. Include information about method of referral/recruitment of the target population.

AAHH new homeowners earn between 30-70% of AMI, have lived and/or worked in Buncombe County for at least one year, have the ability to pay a mortgage and are willing to invest at least 200 hours of sweat equity per applicant, including homeowner course requirements. We target low-income/low-wealth individuals and families often not eligible for conventional mortgages and without enough savings for a downpayment, who have the capacity to become homeowners, because Habitat homeownership is not only a way to secure adequate housing, but also a way out of poverty. By building equity right away with 0% interest mortgages, these families experience both physical and financial stability, which leads to long-term success in many areas of life. At the same time, they benefit from the pride of homeownership while adding to the

property tax base. Home repair clients earn less than 70% of AMI, are current on property taxes and homeowner's insurance, and are mostly elderly.

What key steps will you take to achieve the results of this project?*

Describe the core elements of your implementation plan, including milestones that will take place within the funding timeframe.

1. Family Services staff will identify and select the qualified new homeowners and home repair clients through an open process, including monthly information sessions and targeted direct mailings about home repair.

2. Partner Families (homeowners) will complete required courses, which include Basic Home Maintenance with both classroom and hands-on instruction; OnTrack Financial's "Manage Your Money" on overall fiscal management, budget, credit repair/maintenance; Homebuyer Education Course, taught by our Certified Housing Counselor on mortgages, appraisals, settlement statements, deeds, conflict mediation, predatory lending and more; and meetings with a financial advisor on life insurance and planning for education and retirement, and an estate planner to establish a simple estate plan.

3. Construction staff will build 14 new, affordable homes by fiscal year-end.

4. Home Repair staff complete 3 or 4 home assessments each month, and complete 48 home repair projects by fiscal year-end.

Describe the evidence of success that backs this project's approach.*

What evidence of success (i.e. evidence-based research, practice model, accreditation, industry standards, and/or other framework) are you using as a basis for your project design?

In 33 years, we have had 280 successful home sales, with only 5 foreclosures. More than 85% of our original homeowners still live in their Habitat houses, two dozen with their mortgages paid in full. Required coursework fosters community as families work side by side in the classroom prior to moving into their new home. Habitat holds the mortgages, so we can continue to work with our families over the life of the loan. We have a specialist on staff to address any financial concerns that arise for families, such as the loss of a job or a medical emergency. Because it is the long term success of the homeowner that helps move families into generational financial security, our work does not end with the family closing on the house. Habitat International continually researches best practices in underwriting, homeowner education, home repair/construction, providing written materials, webinars and conferences. Our staff regularly attends trainings to keep up with industry standards.

Describe your data collection, tracking, and reporting procedures.*

Explain your methods for documenting project, service and client information. Include a description of any software or other tools utilized.

AAHH regularly reports on our empowerment activities to funding sources, including banks, foundations, the Buncombe County Services Foundation, and through government CAPER reports to the City. Our staff includes experts in the process of tracking income verifications, demographics, volunteer hours, and more. We share worksheets documenting family and construction progress across departments through a networked computer system. We use an Abila database to keep track of families, donations, volunteers, and more. Staff and Board receive monthly family selection and construction reports on exactly how many families are in the pipeline and how much of scheduled construction is completed. Because AAHH holds the mortgages and home repair loans for our clients, we have a vested interest in staying informed about their credit awareness and financial planning capacities.

Explain your technological resources and capacity.*

Explain your current technological strengths and barriers and how this impacts your ability to track data and report outcomes. Who is responsible for adaptation and use of technology within your organization?

AAHH has a vibrant and regularly updated website, as well as active Facebook, Pinterest, Flickr and Twitter accounts. Our staff uses the Abila database system to manage all of our volunteers, donor and partner families, which provides us the capacity to pull reports using a wide variety of criteria and information. We also share interdepartmental spreadsheets through our networked computer system. We have employees who are trained and proficient in AAHH's computer system and database and who offer training opportunities to the whole staff. Our Communications Director works with all departments to keep our social media up-to-date with pertinent information for homeowners, applicants, donors and volunteers. Our Family Services, Fund Development, Finance, and Construction Services teams are able to share information about the progress of different construction and empowerment programs through our database and network.

Organizational Profile

How does the proposed project support your mission and strategic plan?*

State your mission and the date of your most recent strategic plan, and explain how the proposed project helps advance your organizational goals.

The AAHH mission: "Seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities and hope." We fulfill this mission through construction, and also by identifying homeowner and home repair families, providing empowerment opportunities through coursework, and providing and managing the mortgages and loans. More than simply increasing and preserving affordable housing stock, it is our mission to encourage successful homeownership and engaged citizenship, reducing multi-generational poverty. A new strategic plan was approved on April 28, 2015, for FY16-18 and includes the goal to "Build Community Impact" with the objective to "Serve families through sustainable construction and housing support services." Strategic initiatives to reach that objective include: "Continue to provide financial counseling services to those seeking assistance" and "Continue to provide homeowner classes to AAHH families to help them maintain their investment."

What expertise/accomplishments do you have that are relevant to the proposed project?*

List your organization's strengths as well as accomplishments from the past 3 years that position the organization to be successful with the proposed project.

Since 1983, AAHH has built 280 new affordable houses and since 2010 has completed more than 130 home repairs projects, assisting more than 1250 low-income adults and children. AAHH is the largest builder of Green Built NC houses in the state, and we currently begin a new house every 3 to 4 weeks. We received the NC Housing award in 2009 for our 54-house Enka Hills development and again in 2014 for our 22-house Carney Place subdivision. We finished a 17-house development in Swannanoa in 2014 and are more than half-way through a 25-house development off Johnston Boulevard. In the last three years, forty houses have been purchased by an individual or family making less than 70% of AMI, each of whom went through a thorough underwriting and selection process and then completed at least 200 hours of sweat equity including

50 hours of empowerment courses. During this same time period we completed 100 home repairs, the majority for elderly homeowners, with the average percentage of AMI at 45.

Describe partners that are critical to the success of your organization.*

List any external partners, intermediaries or advisors important to your success, and describe their role and evidence of their commitment. Describe successful collaborations with these people or groups.

AAHH and partner families collaborate with OnTrack Financial, taking their “Manage Your Money” course, and with The Mediation Center, Mission Health, The Literacy Council, AB-Tech, local fire and police departments, financial planners, estate attorneys and more, to design classes that prepare our families for successful homeownership and create the circumstances for long-term financial health and breaking cycles of generational poverty. Individual donations, corporate and faith house sponsors and foundation awards help cover the difference in the actual cost of construction and the recurring income from our 0% interest mortgages. The Habitat ReStore covers most administrative and fundraising costs of the organization. Our program costs are not covered by these sources, however, and so funding from our municipalities to help cover the family services component of our work is essential.

Financial Information

Nonprofit financial assurance requirements:

Financial statements, prepared using a recognizable basis of accounting (i.e., modified accrual) and IRS Form 990s must be submitted to Buncombe County annually.

- Organizations with annual revenues of \$300,000 or greater must submit financial statements audited in accordance with generally accepted auditing standards.
- Those with revenues between \$100,000 and \$300,000 must submit financial statements reviewed in accordance with SSARS 19.
- Those with revenues of less than \$100,000 must submit non-disclosure financial statements compiled in accordance with SSARS 19.

All financial statements must be reported on by a certified public accountant and include a full balance sheet, income statement, and cash flow statement.

These requirements are considered minimum requirements. Organizations may submit a higher level of assurance than is required.

IRS Form 990 - Upload Here

Click Choose File to upload a copy of the 990 form you most recently completed.

2014 Form 990 compressed.pdf

If your organization does not have a 990, briefly state the reason.

Include a statement of intent to comply with nonprofit financial assurance requirements as listed above.

n/a

Financial Statements - Upload here

Click Choose File to upload a copy of the most recently completed financial statements (audit, compilation or review).

FY15 AAHH Audited financial statements.compressed.pdf

If your organization does not have financial statements, briefly state the reason.

Include a statement of intent to comply with nonprofit financial assurance requirements as listed above.

n/a

Complete Budget Worksheet - Upload Here*

Download the budget form [Here](#).

Complete the budget form for this project/program and the overall agency. Save it to your computer, then upload it by clicking Choose File.

Copy of AAHH FY17 Community Funding Budget Form-Family Services.xlsx

Budget Narrative*

Describe all differences between current year and proposed year. List all pending funding sources with expected date of notification. Please detail any other information that may help clarify the budget.

There are no significant changes to our budget for the next fiscal year for our Housing Services. A CDBG grant for housing services will be submitted in 2016; it is in no way guaranteed. The ReStore covers administrative, overhead, and fundraising costs, but does not cover program expenses. House sponsorships go directly to construction costs. We currently have no designated funds anticipated for Housing Services.

What (if any) portion of requested funds will be used to support capital expenses?*

Capital projects are defined as those used to acquire or upgrade physical assets such as property, buildings, or equipment. Please detail.

None.

Employee Wages

Please provide information about the wage breakdowns of your employees. Living wage for Buncombe County has been identified as \$11.00 per hour for employees with employer-provided health insurance and \$12.50 per hour for employees without.

Employees with employer-provided health insurance*

List the number of employees in your organization with employer-provided health insurance in each wage category. For salaried employees, use hourly wage equivalents.

\$7.25 - \$10.99 per hour

\$11.00 - \$14.99 per hour

\$15.00 - \$19.99 per hour

\$20.00 - \$24.99 per hour

\$25.00 - \$29.99 per hour

\$30.00 - \$34.99 per hour

\$35.00 - \$39.99 per hour

\$40.00+ per hour

All employees at Asheville Area Habitat for Humanity who work at least 30 hours each week are provided with generous health insurance benefits. This includes construction, administration, fundraising, program and ReStore staff. We are a Certified Living Wage employer. Below are the numbers who do receive health benefits:

- \$7.25 - \$10.99 per hour = 0
- \$11.00 - \$14.99 per hour = 11
- \$15.00 - \$19.99 per hour = 6
- \$20.00 - \$24.99 per hour = 11
- \$25.00 - \$29.99 per hour = 6
- \$30.00 - \$34.99 per hour = 2
- \$35.00 - \$39.99 per hour = 3
- \$40.00+ per hour = 3

Employees without employer-provided health insurance*

List the number of employees in your organization without employer-provided health insurance in each wage category. For salaried employees, use hourly wage equivalents.

\$7.25 - \$12.49 per hour

- \$12.50 - \$14.99 per hour
- \$15.00 - \$19.99 per hour
- \$20.00 - \$24.99 per hour
- \$25.00 - \$29.99 per hour
- \$30.00 - \$34.99 per hour
- \$35.00 - \$39.99 per hour
- \$40.00+ per hour

Employees who work less than 30 hours do not get health insurance, but do make a Living Wage. We are Living Wage certified employer. This includes construction, administration, fundraising, program and ReStore staff. Below are the numbers who work part-time and are therefore not eligible for health benefits:

- \$7.25 - \$12.20 per hour = 0
- \$12.50 - \$14.99 per hour = 3
- \$15.00 - \$19.99 per hour = 1
- \$20.00 - \$24.99 per hour = 1
- \$25.00 - \$29.99 per hour = 2
- \$30.00 - \$34.99 per hour = 0
- \$35.00 - \$39.99 per hour = 0
- \$40.00+ per hour = 0