

## **REQUEST FOR BOARD ACTION**

### **HENDERSON COUNTY BOARD OF COMMISSIONERS**

**MEETING DATE:** January 21, 2009

**SUBJECT:** 2009 HOME Grant Applications

**ATTACHMENTS:** 1. Abridged Housing Assistance Corporation Application  
2. Abridged Henderson County Habitat for Humanity Application

#### **SUMMARY OF REQUESTS:**

Habitat for Humanity and Housing Assistance Cooperation (HAC) are requesting funding application submission approval for HOME funds. HOME funds are administered through the Asheville Regional Housing Consortium. HAC requests \$100,000 for their Homeownership Program through USDA Rural Development Self- Help to assist 5 low-income families (3 between 50-80% of the county Median and 2 below 50% of the County Median).

Habitat for Humanity requests \$170,000 for road construction (phase 4 roadway) and septic tank installation for 10 homes (phase 4 section) in the Shuey Knolls development in the Edneyville community.

The HOME grant application requires Board approval prior to submission (January 31, 2009 deadline).

#### **BOARD ACTION REQUESTED:**

Planning Staff recommends approving the submission of these HOME funding applications to the Asheville Regional Housing Consortium at their full amount. The complete applications were too lengthy to be included in the agenda packet but are available upon request.

**Suggested Motion:** I move that the Board approve the HOME applications for the Housing Assistance Corporation and Henderson County Habitat for Humanity.

CITY OF ASHEVILLE  
ASHEVILLE REGIONAL HOUSING CONSORTIUM

Application for Funding  
for a  
CONSTRUCTION PROJECT

This is an application for:     CDBG                       HOME  
(Check only one box)

SECTION I  
APPLICATION INFORMATION

Full Legal Name of Applicant: The Housing Assistance Corporation

Name of Project: Mapleton

Contact Person: Hugh Lipham Title: Director of Residential Development

Telephone Number: 692.4744 x106 Email: hugh@housing-assistance.com

Agency Address: 602 Kanuga Road

City, State, Zip: Hendersonville, NC 28739

Total Funds Requested: \$ 100,000

Applying for CDBG funds as:  Asheville CDBG Subrecipient

City Department

**-Or-**

Applying for HOME funds as:

Asheville HOME Subrecipient

Other Member Government  
Subrecipient agency, if any: Henderson County  
CHDO

To the best of my knowledge and belief all data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature \_\_\_\_\_

\_\_\_\_\_  
Mayor/Chair of Board

\_\_\_\_\_  
Date

**CHECKLIST OF DOCUMENTATION INCLUDED WITH THIS APPLICATION:**

(Place an x in each box to show that you have included each item)

**You must provide an ORIGINAL plus FOUR COPIES of the following sections in the order listed:**

- Application Information
- Project Description (including location and site maps)
- Program Budgets & Pro-forma
- Agency Management
- Disclosure of Potential Conflicts of Interest

**Other Required Attachments:** Please provide ONE COPY of each of the following documents, unless they are already on file with the City:

- An **organizational chart**. Highlight staff who will be responsible for this project.
- By-Laws, Articles of Incorporation, and 501c(3) determination letter.
- A copy of your most recent **audited financial statement**, including the auditor's management letter if one was issued.
- If you have completed a financial year that has not yet been audited, please also attach your most recent **un-audited financial statement**.
- A complete list of the members of your **Board of Directors**. Include addresses, phone numbers and relevant affiliation.

## SECTION II PROJECT DESCRIPTION

Project Title: MapletonProject Location: 211 N. Mapleton Drive, East Flat Rock, NC 28726**II.A Type of Activity** (check one)

- New construction for Homeownership     New construction for rental
- Owner-Occupied Rehabilitation     Rental Rehabilitation
- Acquisition/Rehab/Resale     Predevelopment Loan (HOME only)
- Public Facility or Improvement (CDBG only)
- Commercial Property Improvement (CDBG only)
- Other (specify): \_\_\_\_\_

**II.B. Description of Project.**

The Mapleton Development is a 2.31 acre property optioned by Housing Assistance Corporation for single family housing development. The five homes proposed for the site will use the USDA Rural Development Self-Help program.

Targeted populations include the following (approximations):

Income 50-80% of County Median	3	RD Self-Help homes
Income below 50% of Median	<u>2</u>	<u>RD Self-Help homes</u>
TOTAL	<b>5</b>	<b>RD Self-Help homes</b>

Housing Assistance is required to meet the USDA threshold requiring 40% of participants be below 50% of the area median income. Past developments have not had difficulty meeting this threshold.

Mapleton is located in the Upward Elementary School District which serves many Latino children. Housing Assistance anticipates being able to successfully reach the Latino population and will focus on reaching other minorities and Caucasians in order to maintain neighborhood diversity. County demographic data indicates approximately 11% of the population are minorities.

Recruitment, construction, and administrative activities required by the program will be carried out by Housing Assistance.

**II.C. Project Details**

Site

1. What is the size of development site? 2.3 acres
2. Describe the access to transportation, employment centers, shopping for basic needs, community services:

The proposed site is conveniently located ¼ mile from a major thoroughfare, Spartanburg Highway. Mapleton residents will be able to walk to grocery stores as close as 0.4 miles from the development and to a bus stop which is located next to a major grocery store only 0.7 miles away.

The Children and Family Resource Center is just beyond the East Henderson High School 0.8 miles from the site. The Children and Family Resource Center provides a variety of services and programs for parents and children. Closely located to the Mapleton development is the Henderson County Health and Human Services Building which houses the local Health Department. These healthcare services are located within 1.5 miles of the site on public transportation routes.

Employment opportunities are available from the numerous small businesses located along Spartanburg Highway including retail stores, restaurants, grocery stores, and service stations. General Electric, one of Henderson County’s major manufacturing plants, is also located within a mile of Mapleton. There are several schools near the site that could provide employment opportunities and the Joblink Career Center in East Flat Rock is located 2.4 miles from the site.

3. What is the current site zoning and the status of any required planning reviews?

The site is currently adequately zoned for this development with a designation of R-1, which allows four (4) units per acre.

4. Please attach the following:

- Site map showing lot boundaries, street access, location of structure(s), and other site features
- General location map showing development site in relation to streets and points of interest in the surrounding neighborhood (**at least ½ mile radius**). Waterways and railroads must be shown.
- If you already own the site or property, submit a copy of the deed and describe all existing liens or deeds of trust on the property. If the site is currently under an option agreement, submit a copy of the option and purchase agreement.

**Property Acquisition**

1. Has agency acquired real property in order to carry out the project, or is property acquisition planned?

Property acquisition is planned with the assistance of HOME funds, but the property has not yet been purchased. A verbal agreement has been established for purchase of the Mapleton property between Housing Assistance and the seller. A written option will be committed by January 31, 2009.

2. Has property owner been informed of your intention to use federal funds for this project? **If so, attach letter.**

Property owner has been verbally notified. A written notification will be provided upon execution of the option.

3. Is the property currently occupied? If so, state the number of tenants and describe in detail how you will determine relocation needs and help occupants to relocate in accordance with Uniform Relocation Act. Include the cost of this in your budget. **If you have issued a General Information Notice to tenants informing them of their rights to relocation assistance, attach a copy.**

The property is currently unoccupied.

MAPLETON SITE MAP  
211 N. MAPLETON DR, EAST FLAT ROCK, NC





- |  |   |
|--|---|
| <p>★ SITE</p> <p>1 Ingles grocery store / Bus stop location (0.7 mi.)</p> <p>2 East Henderson High School (0.6 mi.)</p> <p>3 Flat Rock Middle School (1.2 mi.)</p> <p>4 Hillandale Elementary School (1.3 mi.)</p> <p>5 Upward Elementary School (1.6 mi.)</p> | <p>6 Time Saver Grocery &amp; Gas (0.4 mi.)</p> <p>7 Railroad Track (0.5 mi.)</p> <p>8 Council on Aging - Offering a variety of services and programs for seniors (1.1 mi.)</p> <p>9 Skater's Choice Skating Rink (1.2 mi.)</p> <p>10 Children and Family Resource Center (0.8 mi.)</p> |
|--|---|

**Housing Construction Detail**

1. How many units will be newly constructed: 5? Rehabilitated: 0?
2. What is the square footage of each unit: 1,200? Number of bedrooms/baths: 3/2?
3. Will project participate in an externally monitored energy efficiency program (e.g. Energy Star)? If yes, please provide details:

All homes will participate in Advanced Energy's System Vision program which is funded by the NC Housing Finance Agency. The homes will also be certified through Energy Star™, a program administered by the U.S. Environmental Protection Agency. The System Vision program provides a comfort and energy guarantee whereby Advanced Energy guarantees for a two-year period that the energy required for heating and cooling bills will not exceed the "Guaranteed Usage". Should the actual usage exceed the Guaranteed Usage for any one-year period, Advanced Energy will reimburse the Homeowner for 100% of the cost of the difference. Advanced Energy will also guarantee that the temperature differential within the home will not exceed plus or minus three degrees.

4. How many units will have full ADA accessibility: 0;
5. How many others will have at least the following accessibility features: 0:
  - An at-grade or ramped entrance to the main floor or the capability to easily install a ramp later on (i.e. not more than three steps); and
  - All doorways and passageways on the main floor at least 32" wide; and
  - A bathroom or half-bath on the main floor that will accommodate a wheelchair (**show dimensions of unobstructed floor area on floor plan**)
6. Please attach the following:
  - Floor plan - Annotate floor plan to show ADA features if present.
  - Sketch of finished building(s) Annotate sketch to emphasize design features that you consider particularly attractive and compatible with other buildings in the neighborhood

**Lead-Based Paint** (Rehab projects only)

Describe in detail how you plan to address lead-based paint testing and abatement or hazard control on any property built before 1978.

N/A

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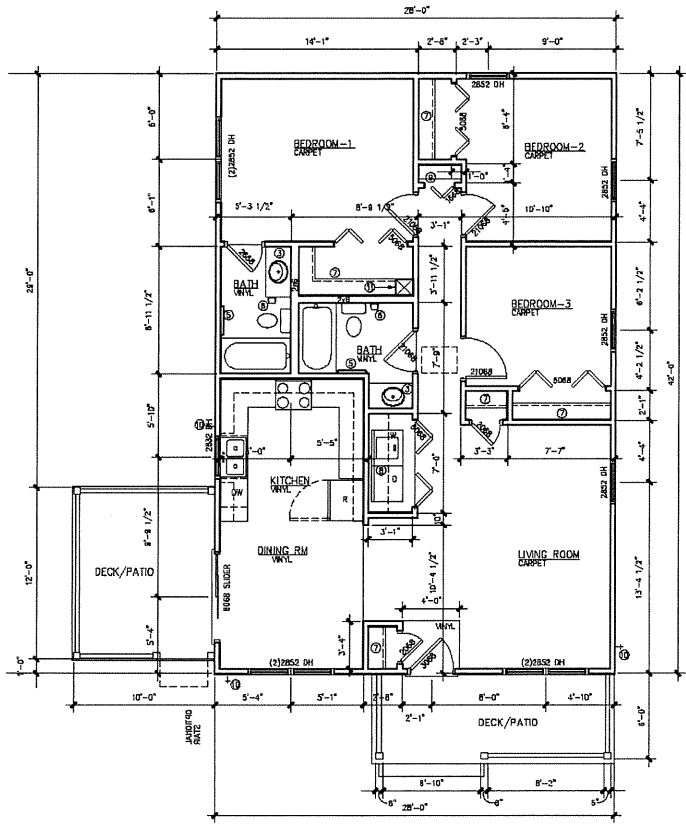
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**Housing Affordability, Marketing, & Supportive Services**

1. What are the proposed rents or sales prices for completed housing units? For rental units, estimate utility costs.

The proposed sales prices for completed housing units is approximately \$155,000.





1 FIRST FLOOR PLAN  
1/4" = 1'-0"

**GENERAL NOTES**

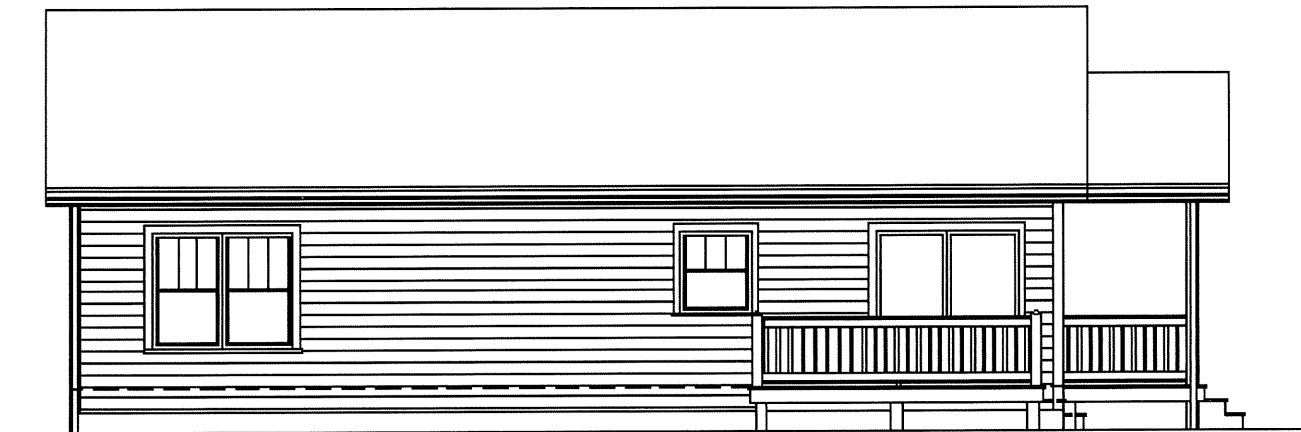
- ALL WALL DIMENSIONS TO FACE OF FINISH WALL.
- ALL WINDOW AND DOOR DIMENSIONS TO CENTER OF UNIT. CHECK MANUFACTURER FOR R.O. DIMENSIONS.
- ALL WINDOWS TO BE DOUBLE HUNG UNITS UNLESS NOTED.
- ALL WINDOWS TO BE SET AT 6'-0" HEAD HEIGHT UNLESS NOTED.
- ALL PORCHES 30" OR MORE ABOVE GRADE TO HAVE 36" HIGH RAILING.
- ALL STAIRS 1/4" (4) OR MORE RISERS TO HAVE CODE COMPLIANT HANDRAIL.

**PLAN NOTES**

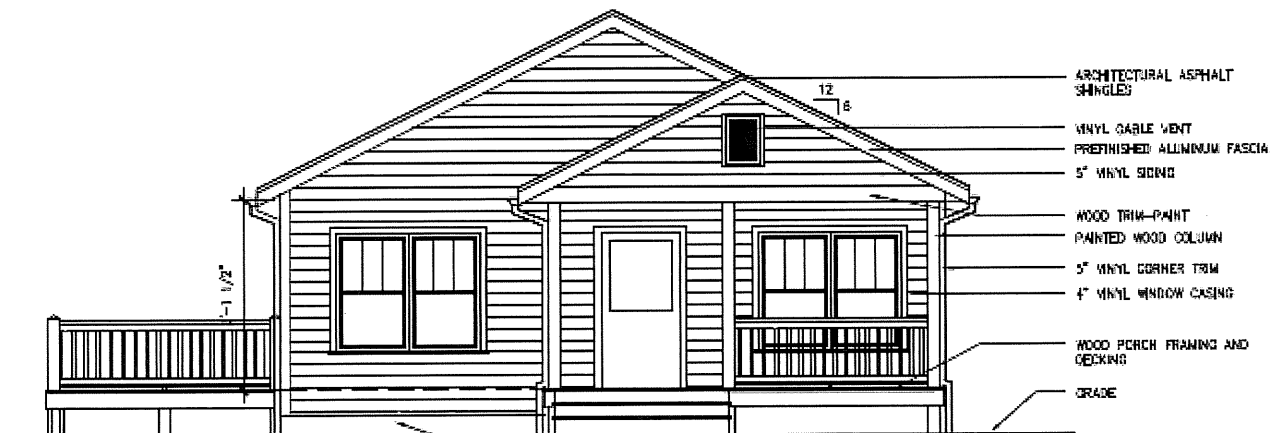
- ① NOT USED
- ② 22"x30" ATTIC ACCESS
- ③ MIRROR
- ④ NOT USED
- ⑤ TOWEL BAR
- ⑥ TOILET PAPER HOLDER
- ⑦ (1) ROD & (1) SHELF
- ⑧ (1) SHELF @ 60"
- ⑨ (3) SHELVES
- ⑩ ROSE BIB
- ⑪ MECHANICAL CHASE

SEAL
SEAL
 HomeSmith ARCHITECTURE, PLLC 45 FRANK WELSH, ARCHITECT 234 SOUTH GENE STREET, SUITE G HENDERSONVILLE, NC 28031 PH: 704.834.8080
PROJECT TITLE: HOUSING ASSISTANCE 3 SEEDS DEVELOPMENT "Ash on Crawl" HENDERSONVILLE, NC
PRINT DATE: 01/22/11.08
REVISIONS: _____ _____ _____
RELEASE FOR CONST. DATE: _____
SHEET TITLE 1ST & 2ND FLOOR PLANS
SHEET NO. <b>A2.2</b>

PRELIMINARY - NOT ISSUED FOR CONSTRUCTION



2 LEFT SIDE ELEVATION  
1/4" = 1'-0"



2. Explain your process for marketing to ensure an adequate pool of income-eligible renters or buyers: Participants learn about the Self-Help program through marketing and community outreach activities. HAC sponsors approximately 20 outreach activities a year that include informational meetings and dissemination of flyers and brochures. A Self Help informational meeting is held biannually at the Henderson County Public library and churches, employers, school systems, and neighborhoods are visited regularly in order to connect with potential participants and inform the community. Marketing through local media includes radio spots, newspaper inserts, and local TV coverage. Promotional practices include advertising in both English and Spanish and target low and very low income people, people with disabilities, and people who are elderly.

Housing Assistance will develop a promotional package specific to the Mapleton Development which includes program information, loan terms, floor plan sketches, and site map. Mapleton promotional packages will be provided to the Board of Realtors, lending institutions, Realtors, and other non-profits. The Mapleton development will also be marketed on the Housing Assistance website.

Activities are also presented by a Housing Counselor who is bilingual. Examples of past outreach activities Housing Assistance participated in include:

- i. Outreach fairs: Grace Lutheran church, Unitarian Universalist Church, Park Ridge Hospital, Pardee Hospital
  - ii. Newspaper articles in the Hendersonville Times-News and the Asheville Citizen Times
  - iii. Gift certificates offered to past participants for successful referrals
  - iv. Presentations made to affordable apartment developments, Henderson County employees, Henderson County Joblink Advisory Board, United Way Board, Interfaith Assistance Ministries LEEP Group, Job Services Employer, Council on Aging, Mountain Microenterprise, Head Start Childcare Center, Adolescent Parenting Program, Hendersonville Homebuilder's Association
  - v. Posters and information were provided to and posted at the Beystone Health and Rehab Center, Vocational Honor Society, and Consumer Credit Counseling Services
  - vi. Placemats promoting the Self-Help Program on the paper tray inserts of three local McDonalds stores
  - vii. HAC capitalizes on the strength of its Self-Help neighborhoods by offering tours of completed communities, posting promotional signs, and offering virtual tour CDs.
3. Describe any steps planned to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, buy-back options, etc.

The Self Help participants finance their homes using a Rural Development 502 loan. The Rural Development 502 loan is a subsidized loan with a recapture provision which ensures long term affordability. Recapture occurs when the house is sold, refinanced, or upon completion of the 33 year loan term. To further ensure affordability, HOME funds will carry a 20 year period of affordability after which time the lien will be forgiven.

4. Will services be coordinated with the project that will help ensure occupants' long-term housing success? If so, please describe.

All homeowners will be required to complete the Home Buyer Education Course, a 10 hour class that covers homeownership from financing to home maintenance. Individual counseling and the Home Buyer Education Course is offered in both English and Spanish by Housing Assistance's Housing Counselor who

is certified through the North Carolina Association of Housing Counselors. Households will participate in one-on-one counseling sessions as well. The amount of time spent in individual counseling will vary depending on the client's needs. Counselors will provide guidance through closing and loan conversion and are available for continued post-homeownership counseling.

**Infrastructure and Public Facilities** (this information not required for housing development projects). Attach maps to illustrate information below.

1. How many households will have direct access to improved infrastructure? 5
2. How many vacant lots will be provided with water/sewer availability? 5 (Water)
3. How many persons will have improved transportation accessibility? All
4. What quantity of infrastructure will be added/improved (e.g. LF of waterline, sewer line, etc.)  
Approximately 100' of water line will be installed.

#### **II.D. Project Team.**

**Executive Director:** Patrick Kennedy. Patrick has served as the Executive Director since September, 2005. In this capacity he is responsible for the overall operations of the agency including single- and multi-family development and construction, homebuyer education and counseling as well as the home repair program. As Director, Patrick has overseen the completion of a 28-unit tax credit apartment community and a 40-unit tax credit community. Additionally, eighteen single family homes and four units of transitional housing for victims of domestic violence have been completed during this time. Patrick has a background in engineering and business, with prior responsibility for over 150 people in a production environment. He currently serves as President of the Henderson County Affordable Housing Coalition.

**Director of Finance:** Ellen Henion. Ellen has served as the Director of Finance for 9 years during which time she has managed the financial and reporting responsibilities for 8 Self-Help Groups. Her direct experience includes all fiscal and general accounting responsibilities. In addition, she is responsible for coordinating all reports to funding agencies which include: CDBG, Block Grant, NCHFA, HOME programs, SHOP programs, USDA 523 grants, Tax Credit developments, United Way, local government and other funding resources of the organization. Her prior experiences included accounting in the commercial sector and 10 years teaching math. *Ellen will be responsible for all financial accounting activities, including HOME funds reporting, payment requests, accounts payable and client records.*

**Director of Residential Development:** Hugh Lipham. Hugh has experience with single-family neighborhood development and multi-family development oversight with the Housing Assistance Corporation. Additionally, Hugh has experience performing custom residential home additions, renovations and remodeling projects including quoting, subcontracting, and completing work. Hugh has

an undergraduate degree in Business Administration and a Masters of Business Administration with a concentration in real estate and urban analysis. Hugh maintains a general contractor's license for the Housing Assistance Corporation. *Hugh will be responsible for acquisition and infrastructure development of residential properties.*

**Housing Counselor:** Angela Fernandini. Angela has a background in education, has received an A.A.S. in Community Spanish Interpreter, and has achieved her Housing Counseling Certification through North Carolina Association of Housing Counselors. Angela is bilingual and has teaching, outreach, and presentation experience. As a native of Henderson County, she has a passionate interest in working with families in achieving their affordable housing goals. *The Housing Counselor will seek qualified candidates and assist them in preparation activities as a prelude to homeownership. These activities will include pre/ post homeownership counseling. The Housing Counselor will be responsible for determining client income and program eligibility.*

**Housing Construction Superintendent:** Sean Rose. Sean was hired in July 2002 as a Construction Supervisor. Sean built his home in the Self-Help Housing Program and has since worked on an additional 44 homes. Prior to working at HAC, Sean was a trim carpenter in residential and light commercial construction. *Sean will complete inspections, job write-ups, estimates, procurement; coordinate subcontractors; and oversee work progress and scheduling.*

**Construction Supervisor:** Gary Morgan. Gary Morgan began with Housing Assistance in May 2005 and has worked on 22 Self-Help homes. Prior to employment at Housing Assistance, Gary was self-employed as a carpenter and worked as an assistant instructor with the Blue Ridge Community College carpentry program. *Gary will work with the selected families and offer technical assistance to each volunteer during the required sweat equity fulfillment.*

For Rehab projects only: List all project staff who have completed training in Lead Safe Work Practices (with date) or have any more extensive training in Lead Based Paint hazard control.

N/A

**II.E Timetable.****Table 1: Timetable**

<b>Work Tasks</b>	<b>Start Date</b>	<b>Completion Date</b>
Environmental Study	July 2009	September 2009
Land acquisition	September 2009	September 2009
Planning	September 2009	November 2009
Rezoning and Permits	November 2009	December 2009
Site work	February 2010	April 2010
Marketing	November 2009	May 2010
Water off-site	May 2010	June 2010
Water on-site	June 2010	June 2010
Building construction	July 2010	November 2010
Final grading, paving, and landscaping	October 2010	December 2010
Project completion	December 2010	December 2010

**II.F. Client Demographics.** Please complete the following tables to the best of your ability. Show actual or estimated numbers of beneficiaries, **not percentages**, in each category. In general you should count **households** as the beneficiaries for housing programs and **persons** for non-housing programs. Current income limits are at page V of the instructions.

**Table 2: Income of Beneficiaries**

<b>Income Group</b>	<b>Number</b>
<30% of area median income (AMI)	
31-50% of AMI	2
51-80% of AMI	3
>80% of AMI*	
<b>TOTAL</b>	5

\* Seek advice from City of Asheville staff if your project will benefit any people above 80% AMI.

**Table 3: Special Needs Beneficiaries (if applicable)**

<b>Category</b>	<b>Number</b>
Elderly (over 60)	N/A
Disabled (not elderly)	N/A
Homeless	N/A
People with HIV/AIDS	N/A

**Table 4: CDBG Area Benefit Activities only (Infrastructure, Public Facilities)\***

<b>Street</b>	<b>Census Tract</b>	<b>Block Group</b>	<b>Total Persons</b>	<b>#LMI Persons</b>

\*If assistance is needed, please call CD staff

### SECTION III PROJECT BUDGET AND FUNDING

**The Housing Assistance Corporation**  
**Table 5: Projected Agency Revenue and Expenses**  
**Fiscal 2009-2010**

	Total Projected Budget FY 09-10	Projects						
		Mapleton	Oak Haven	Agency (2009)				
Revenues:								
CDBG								
HOME	<b>678,847</b>	100,000	560,000	18,847				
Other	<b>8,045,045</b>	664,939	6,668,393	711,713				
Total**	<b>8,723,892</b>	764,939	7,228,393	730,560	-	-	-	-
** This amount must match Section III.A.2 (What is your estimated total agency budget for FY 2009-10?)								
Expenses:								
CDBG								
HOME	<b>678,847</b>	100,000	560,000	18,847				
Other	<b>8,045,045</b>	664,939	6,668,393	711,713				
Total	<b>8,723,892</b>	764,939	7,228,393	730,560	-	-	-	-
Balance	-	-	-	-	-	-	-	-

	Total	Projects						
		Mapleton	Oak Haven	Agency (2009)				
<b><u>Other Revenues:</u></b>								
Please list all other funds that will be use to support all projects:								
United Way	50,000			50,000				
State Grants	114,275			114,275				
Other Private Contributions, FR	268,823			268,823				
RD 502 loans	510,000	510,000						
Other Bank loan	6,668,393	92,334	6,668,393					
Sweat Equity	30,000	30,000						
Federal Grants	126,000			126,000				
Local Grants	12,700			12,700				
Service Fees	59,915			59,915				
Land Sales, dev. fees	204,939	32,605		80,000				
Total	<b>8,045,045</b>	664,939	6,668,393	711,713				

## III.A. Project Budget:

1. What is your agency's fiscal year? January - December
2. What is your estimated total agency budget for FY2009? \$8,723,892

**Table 6: Revenue Sources**

Source	Committed?	Construction Period	Permanent (if different)
HOME 2009	No	\$ 100,000	\$
HOME program income or CHDO proceeds	No	\$ -	\$
CDBG Program Income or CBDO proceeds	No	\$ -	
Other grants (list):			
Loans:			
RD 502 Loan	No	\$ 510,000	
Other Bank	No	\$ 92,334	\$
Sweat Equity		\$ 30,000	
Land Sales	No	\$ 32,605	
	TOTAL	\$ 764,939	\$ -

\* HOME or CDBG funds received from the state should be treated as "other grants"

**Table 7: In-kind/Volunteer Contributions**

Revenue Source	Amount
3,000 Hours of sweat equity @ \$10/hr	\$ 30,000
	\$
Total	\$ 30,000

**Total Revenue (Please add totals from table 6 and 7) \$ 764,939**  
**(This must match with Total Development Cost shown in Table 8)**

**III.B. Costs**

Be as detailed as possible. Add or amend categories as needed. **For all \* items, you must add details on how the costs have been estimated.** The second column should cover total project costs (including those met from HOME or CDBG), the third column shows how much of each line item is to be met from this HOME or CDBG grant. Totals must be consistent with the revenues shown in Section IIIA.



Table 8: Costs

Category (add/amend as needed)	All Costs	This grant/loan only	* Estimate Based On:
<b>Construction Period</b>			
Acquisition	\$ 135,000	\$ 100,000	
Relocation*	\$ -	\$ -	
Demolition/Clearance*	\$ -	\$ -	
Site improvements*	\$ 18,500	\$	Prior bids
Rehabilitation*	\$ -	\$ -	
New construction*	\$ 510,000	\$	Current adjusted construction costs
Construction contingency	\$ 28,000	\$	
Architect/Engineer fees	\$ 6,000	\$	
Construction loan fees	\$ 2,000	\$	
Construction interest	\$ 8,763	\$	
Construction period taxes	\$ 315	\$	
Legal/Accounting	\$ 2,000	\$	
Other Prof. fees (Appraisal etc)	\$ 2,000	\$	
Agency project delivery costs (if no developer fee)	\$	\$	
Other pre-construction or construction period costs:	\$	\$	
Survey	\$ 3,000		
Environmental / Geotechnical	\$ 8,000		
Marketing	\$ 2,500	\$	
Permits / Fees	\$ 1,975		
Contingency	\$ 15,044	\$	
<b>Permanent</b>			
Permanent loan fees	\$	\$	
Developer fee	\$ 21,842	\$	
Reserves		\$	
Other	\$	\$	
<b>Total Development Costs</b>	<b>\$ 764,939</b>	<b>\$</b>	

**III.C. Terms of Project Funding.** Specify the requested amount and terms of your CDBG or HOME funding request, along with the details of all other loans listed above for the project.

CDBG/HOME funding is sought in the form of a:  Grant  Loan (check one)

**Table 9: Loans**

Source	Amount	Term (years)	Interest Rate	Amortizing Y/N	Any other requirements
Bank	\$92,334	2	5.0	Y	
Total	\$92,334				

**III.D. Pro Forma (Rental Property Only)**

N/A

**III.E. Secondary Financing to Homebuyers (homeownership projects only)****Table 10: Secondary Financing**

Loan / Subsidy Source	Average Homeowner Subsidy Amount per unit	Terms	Position
Rural Development	\$ 10,000	Client Dependant	1st
	\$		

**III.F. Program Income , CBDO and CHDO Proceeds**

- List the specific programs operated by your organization that generate CDBG or HOME program income or CBDO or CHDO proceeds:

CHDO proceeds have been generated by early sales or refinance of housing at Meadow Woods, The Village at King Creek, and Downpayment assistance.

- How does your organization currently use program income/CHDO or CBDO proceeds?

CHDO proceeds are used to fund infrastructure at HOME approved projects.

**Table 11: Projected CDBG and HOME Program Income**

	CDBG Program Income	CBDO Proceeds	HOME Program Income	CHDO Proceeds
Balance at 12/31/08	\$	\$	\$	\$41,755
Estimated receipts 1/1/09 – 6/30/09	\$	\$	\$	\$
Three Seeds Single Family Project	<b>Program/Amount</b>	<b>Program/Amount</b>	<b>Program/Amount</b>	<b>Program Amount</b>
				\$41,755



**To the best of my knowledge and belief all data in this application are true and current. The document has been duly authorized by the governing board of the applicant.**

**Signature** \_\_\_\_\_

\_\_\_\_\_  
Mayor/Chair of Board

\_\_\_\_\_  
Date

**SECTION II  
PROJECT DESCRIPTION**

Project Title: Shuey Knolls Infrastructure Phase IV

Project Location: Route 64 East, Edneyville, Henderson County

**II.A Type of Activity (check one)**

- New construction for Homeownership       New construction for rental
- Owner-Occupied Rehabilitation       Rental Rehabilitation
- Acquisition/Rehab/Resale       Predevelopment Loan (HOME only)
- Public Facility or Improvement (CDBG only)
- Commercial Property Improvement (CDBG only)
- Other (specify): \_\_\_\_\_

**II.B. Description of Project.** Provide a general overview of your project, including what you are planning to produce, your target client group, and how you plan to carry out the project. Attached

**II.C. Project Details.** Please provide the information requested below. You may answer the questions in the blanks provided. Feel free to add additional lines where necessary. **Where the question is not applicable or no information is available, insert N/A.**

Site

1. What is the size of development site?    44 acres
2. Describe the access to transportation, employment centers, shopping for basic needs, community services:  
Attached
3. What is the current site zoning and the status of any required planning reviews? The single family construction conforms to zone R2MH
4. Please attach the following:
  - Site map showing lot boundaries, street access, location of structure(s), and other site features
  - General location map showing development site in relation to streets and points of interest in the surrounding neighborhood (**at least ½ mile radius**). Waterways and railroads must be shown.

## Henderson County Habitat for Humanity

### HOME 2009

#### II. B Project Description

Our target client group continues to be families living in Henderson County who are currently living in sub-standard housing. We follow Habitat International guidelines that allow applicants who fall in the 30-60% range of the county's medium income level. However, over 85% of the families approved for our homes are in the very-low 30-50% income level. We are the only organization in this county that is supplying new homes to these families.

In 2008, we requested \$271,000 from HOME funds. However, we were granted only \$107,000. This request covers the money requested, but not granted in 2008 for the completion of the Phase IV road (\$100,000) and for funds to clear, grade and install septic tanks on 10 lots in Phase IV (\$70,000). Habitat's plans are to grade, install water lines and finish the construction of the Phase IV road by the end of the third quarter 2008. Following that construction, lot clearing and grading, and the installation of the sewer systems will take place from the 4<sup>th</sup> quarter of 2009 through the 3<sup>rd</sup> quarter of 2010.

As noted in prior requests covering The Shuey Knolls project, this site of 44 acres is located in rural Edneyville. Phases I and II contains 37 homes and Phases III and IV will contain 20 home sites each. Phase I is complete, and the remaining 4 homes in Phase II will be completed in the first quarter of 2009. The Phase III road construction cost was covered by a CBDG grant, and the lot infrastructure work for 9 homes in Phase III is covered by a 2007 SHOP grant. We have just completed a grant request for SHOP 2008 that will cover the remaining lots in Phase III.

Again, noted in prior grant requests, Edneyville residents purchased 15 acres from Habitat that fronts our development. They have been granted the necessary funding to start construction on the community center on this land. This center will be completed in early 2009. Habitat has requested grants from private foundations to provide playground equipment that will be run by the county's park organization. Assuming approval of these grants, Habitat will purchase the playground equipment and donate it to the park and will also install the facilities. Needless to say, this equipment will be not only an asset to Edneyville but also the residents and their children at Shuey Knolls.

#### 2. Access

Shuey Knolls is located on Route 64 East. A shopping center containing a Wal-Mart and Sam's Club and other shops is 5 miles away. There is also a new Ingles market across from that mall. A health center is 4.5 miles away. The area middle and high schools are 4 miles and the elementary school is 1.5 miles away. A small general store is across the street from our development. There is a major mall and downtown Hendersonville within 8 miles of the development. All of these businesses in the malls and in the downtown area offer employment opportunities for our residents.

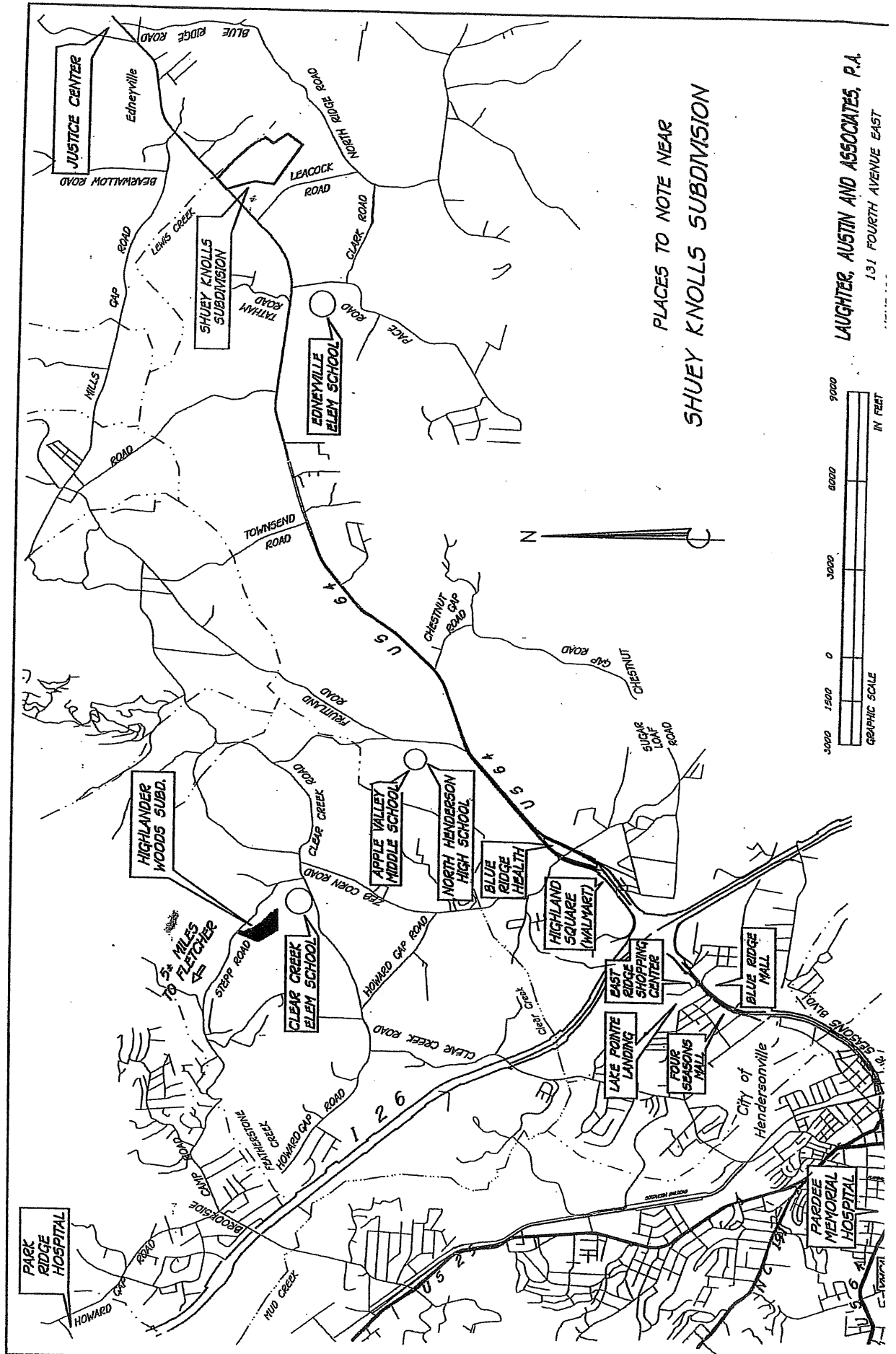
## **2. Affordability, Marketing and Supportive Services**

Starting in the latter half of 2007, Habitat went to a quarterly schedule for holding information meetings at the County Library to brief prospective homeowners about Habitat. This increase was caused by our increased building schedule of 11-12 homes per year. In 2009, because of the economic downturn that has affected the income from a major source of Restore revenue, we are on a 10-home building schedule for calendar 2009. At each meeting, we generally receive about 25 applications. During the quarter, we collect names of interested people; receive referrals from other agencies, and solicit names from our homeowners. We also advertise in the paper and on the radio. Notices are also posted in public facilities such as laundromats. The applications are reviewed by the Family Selection Committee, and by a local credit bureau. Family visits are held, and after this extensive checking, about 3 – 5 applicants are presented to the Habitat Board for their final approval. The major reason for family rejection is their credit history. With the current economic situation, this problem has worsened.

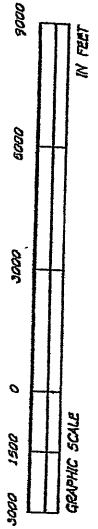
Habitat provides excellent support for our homeowners. This program has been strengthened starting in 2008. Each family must attend 16 hours of training on homeownership, maintenance and care of the home and the appliances, financial planning and budgeting, predatory lending, etc. before their home is finished. We have recently added a job opportunity exposure to educate them on ways to improve their income through training for better positions. We have also added a session on their homeowner's association responsibilities since in a community as large as Shuey Knolls; this organization has an added importance.







PLACES TO NOTE NEAR SHUEY KNOLLS SUBDIVISION



LAUGHTER, AUSTIN AND ASSOCIATES, P.A.  
131 FOURTH AVENUE EAST

**Property Acquisition**

1. Has agency acquired real property in order to carry out the project, or is property acquisition planned?  
**Property was purchased in 2003** \_\_\_\_\_
2. Has property owner been informed of your intention to use federal funds for this project? **If so, attach letter. Yes, letter attached** \_\_\_\_\_
3. Is the property currently occupied? If so, state the number of tenants and describe in detail how you will determine relocation needs and help occupants to relocate in accordance with Uniform Relocation Act. Include the cost of this in your budget. **If you have issued a General Information Notice to tenants informing them of their rights to relocation assistance, attach a copy. Not Occupied** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

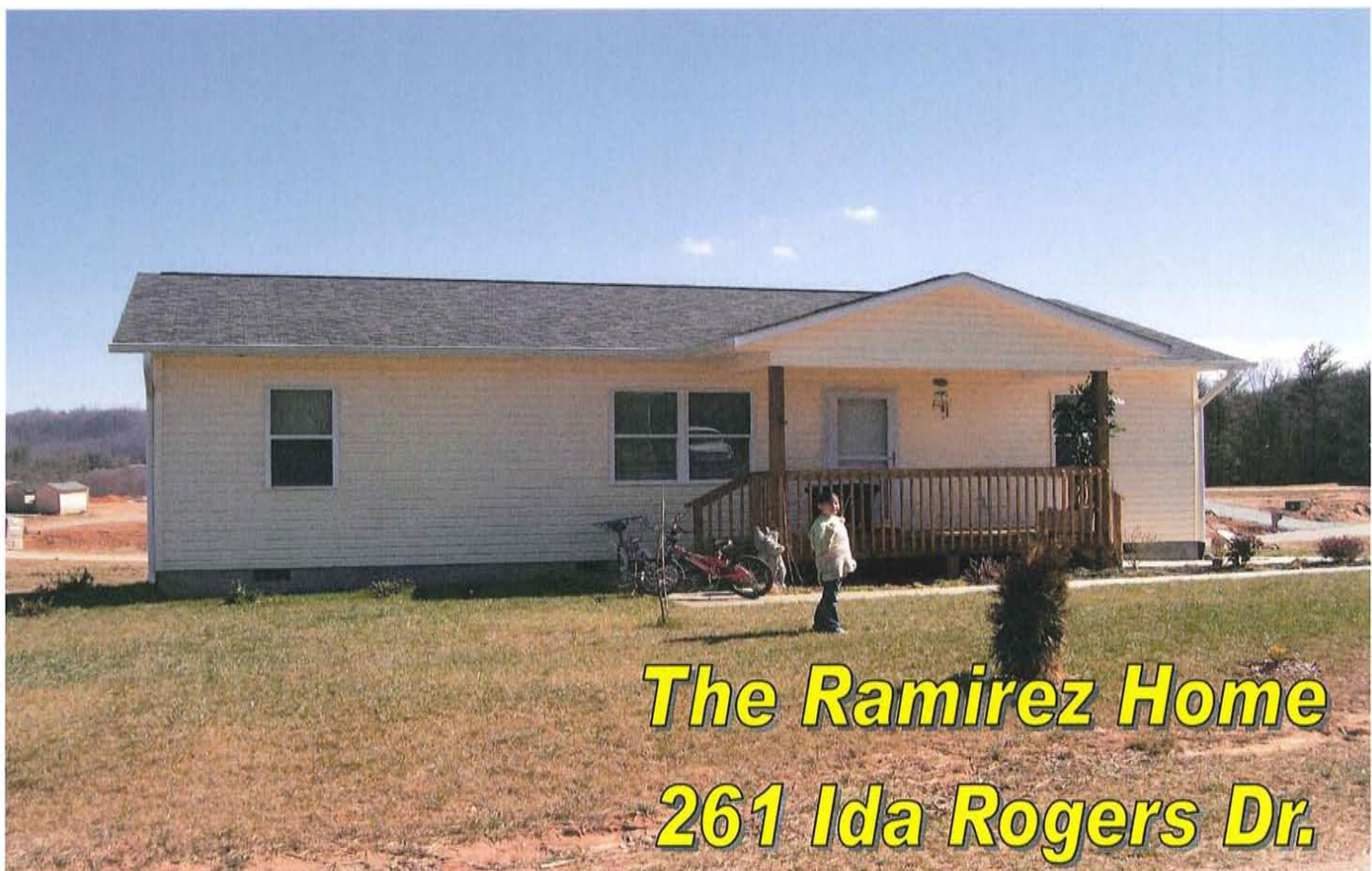
**Housing Construction Detail**

1. How many units will be newly constructed: **10** \_\_\_\_\_? Rehabilitated: \_\_\_\_\_?
2. What is the square footage of each unit: **3BR 1120/ 4BR 1232** \_\_\_\_\_? Number of bedrooms/baths: **2 baths, 3 or 4 bedrooms** \_\_\_\_\_?
3. Will project participate in an externally monitored energy efficiency program (e.g. Energy Star)? If yes, please provide details: **Yes, each house will have an Energy Star Certification** \_\_\_\_\_  
\_\_\_\_\_
4. How many units will have full ADA accessibility: Any that are required by the homeowner \_\_\_\_\_;
5. How many others will have at least the following accessibility features: **10** \_\_\_\_\_:
  - An at-grade or ramped entrance to the main floor or the capability to easily install a ramp later on (i.e. not more than three steps); and
  - All doorways and passageways on the main floor at least 32" wide; and
  - A bathroom or half-bath on the main floor that will accommodate a wheelchair (**show dimensions of unobstructed floor area on floor plan**)
6. Please attach the following:
  - Floor plan - Annotate floor plan to show ADA features if present.
  - Sketch of finished building(s) Annotate sketch to emphasize design features that you consider particularly attractive and compatible with other buildings in the neighborhood

**Lead-Based Paint** (Rehab projects only)

Describe in detail how you plan to address lead-based paint testing and abatement or hazard control on any property built before 1978.

N/A \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**Housing Affordability, Marketing, & Supportive Services**

1. What are the proposed rents or sales prices for completed housing units? For rental units, estimate utility costs. \_\_\_\_\_ Selling prices will be about **\$104,000** \_\_\_\_\_  
\_\_\_\_\_
2. Explain your process for marketing to ensure an adequate pool of income-eligible renters or buyers: **Attached** \_\_\_\_\_  
\_\_\_\_\_
3. Describe any steps planned to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, buy-back options, etc. **Attached** \_\_\_\_\_  
\_\_\_\_\_
4. Will services be coordinated with the project that will help ensure occupants' long-term housing success? If so, please describe. **Attached** \_\_\_\_\_

**Infrastructure and Public Facilities (this information not required for housing development projects).** Attach maps to illustrate information below.

1. How many households will have direct access to improved infrastructure? **10** \_\_\_\_\_
2. How many vacant lots will be provided with water/sewer availability? **All** \_\_\_\_\_
3. How many persons will have improved transportation accessibility? **None** \_\_\_\_\_
4. What quantity of infrastructure will be added/improved (e.g. LF of waterline, sewer line, etc.) **Phase IV road with water connections for each home** \_\_\_\_\_.

**II.D. Project Team.**

Identify the project team by name, job title, and employment status (employee, independent contractor, or volunteer), and describe each person's relevant experience and specific responsibilities in this project. If the team is not yet assembled, then describe how you will select them.

For Rehab projects only: List all project staff who have completed training in Lead Safe Work Practices (with date) or have any more extensive training in Lead Based Paint hazard control.

**II.E Timetable.**

Please complete a **detailed** and realistic timetable showing when each work task will be completed (e.g. planning, obtaining financing commitments, design, environmental review, bidding, loan closing, key milestones in construction, marketing, final inspection, occupancy, etc.). The larger the project, the more detail we expect to see. Your timetable must reflect an expectation of starting construction or expending a significant amount of funding within the first year of the grant, and of completing the project within 2 ½ years (18 months for rent assistance or down-payment assistance and two years for owner-resident rehabilitation activities).

**Table 1: Timetable**

Work Tasks	Start Date	Completion Date
Start Phase IV rough grading	2 <sup>nd</sup> quarter 2009	2 <sup>nd</sup> quarter 2009
Apply gravel and water lines Phase IV	2 <sup>nd</sup> quarter 2009	2 <sup>nd</sup> quarter 2009
Finish Phase IV road with asphalt surface	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2009
Construction 10 homes in Phase IV	4 <sup>th</sup> quarter 2009	4 <sup>th</sup> quarter 2010

**II.F. Client Demographics.** Please complete the following tables to the best of your ability. Show actual or estimated numbers of beneficiaries, **not percentages**, in each category. In general you should count **households** as the beneficiaries for housing programs and **persons** for non-housing programs. Current income limits are at page V of the instructions.

**Table 2: Income of Beneficiaries**

Income Group	Number
<30% of area median income (AMI)	
31-50% of AMI	8
51-80% of AMI	2 limit of 60% of AMI
>80% of AMI*	
<b>TOTAL</b>	

\* Seek advice from City of Asheville staff if your project will benefit any people above 80% AMI.

**Table 3: Special Needs Beneficiaries (if applicable) NA**

Category	Number
Elderly (over 60)	
Disabled (not elderly)	
Homeless	
People with HIV/AIDS	

**Table 4: CDBG Area Benefit Activities only (Infrastructure, Public Facilities)\***

Table 5: Projected Agency Revenue and Expenses  
Fiscal 2009-2010

Construction

Total Projected Budget FY 09-10	Projects				
	Infrastructure	Construction	Homeowner Assistance	ReStores	Administrative
277,000	277,000				
1,489,060	35,000	907,030	72,000	343,280	131,750
<b>\$1,766,060</b>					

Revenues:

CDBG  
HOME  
Other

Total\*\*

\*\* This amount must match Section III.A.2 (What is your estimated total agency budget for FY 2009-10?)

Expenses:

CDBG  
HOME  
Other

Total

Balance

-	-	-	-	-	-
---	---	---	---	---	---

Other Revenues:	Total	Projects				
		Construction	Homeowner Assistance	Restores	Administrative	Infrastructure
Please list all other funds that will be use to support all projects:						
United Way						
Softwood Lumber Grants	50,000	50,000				
Other Private Contributions	190,000	190,000				
FHLB ATL	72,000	72,000				
SHOP 2008	35,000			131,750	35,000	
NCHFA Loan	200,000	68,250				
Mortgages	302,060	302,060				
ReStore Income	640,000	296,720		343,280		
Total	1489,060	907,030	72,000	343,280	131,750	35,000

## III.A. Project Budget:

Please provide budget information for **this program only**, (not the entire agency, unless this is the agency's sole program). **If you do not use our fiscal year (July 1-June 30) for your budgeting, please amend the column headings accordingly.**

1. What is your agency's fiscal year? July 1–June 30
2. What is your estimated total agency budget for FY2009? \$1,766,060

**Table 6: Revenue Sources**

Show total revenues for the project, including funds already expended. If project financing structure will change when construction is completed, then you should complete the "Permanent" financing column, if not, then leave column blank. Attach funding commitment letters where available or copies of funding applications you have submitted.

		<b>18 months</b>	
This Grant (or loan)	No	\$170,000	\$
Prior year HOME*	Yes	\$107,000	\$
Prior Year CDBG*		\$	
HOME program income or CHDO proceeds		\$	\$
CDBG Program Income or CBDO proceeds		\$	
Other grants (list):SHOP 2008,Softwood Lumber		\$85,000	\$
FHLBATL	No	\$72,000	\$
Support from the Public	No	\$190,000	\$
Bank Loans etc.		\$	\$
Other sources (list):Restore Net Income		\$450,000	\$
Mortgage Income		\$323,000	\$
<b>Total Revenues</b>		<b>\$1,397,000</b>	<b>\$</b>

\* HOME or CDBG funds received from the state should be treated as "other grants"

Describe any anticipated in-kind/volunteer contributions that will support the activity or project. Include loans with interest rates below market and any in-kind contributions of materials and labor, including sweat equity, which is calculated at \$10.00/hour. If in doubt whether funds will count as match, contact CD staff at 259-5721.

**Table 7: In-kind/Volunteer Contributions**

Revenue Source	Amount
Homeowner sweat equity(400 hrs) Volunteer labor(1400 hrs per home)	\$180,000
Donated materials and contractor labor	\$ 60,000
Total	<b>\$240,000</b>

**Total Revenue (Please add totals from table 6 and 7)**

**\$ 1,637,000** \_\_\_\_\_

**(This must match with Total Development Cost shown in Table 8)**

### III.B. Costs

Be as detailed as possible. Add or amend categories as needed. **For all \* items, you must add details on how the costs have been estimated.** The second column should cover total project costs (including those met from HOME or CDBG), the third column shows how much of each line item is to be met from this HOME or CDBG grant. Totals must be consistent with the revenues shown in Section IIIA.

**Table 8: Costs**

<b>Category (add/amend as needed)</b>	<b><u>All</u> Costs</b>	<b>This grant/loan only</b>
<b>Construction Period</b>		
Acquisition	\$ 87,000	\$
Relocation*	\$	\$
Roads	\$207,000	\$100,000
Site improvements*(7,000 per lot )	\$ 70,000	\$ 70,000
Rehabilitation*	\$	\$
New construction*(80,000/home)	\$800,000	\$
Construction contingency	\$	\$
Architect/Engineer fees	\$ 25,000	\$
Construction loan fees	\$	\$
Construction interest	\$	\$
Construction period taxes	\$	\$
Legal/Accounting	\$ 18,000	\$
Other Prof. fees (Appraisal etc)	\$	\$
Agency project delivery costs (if no developer fee)Const Overhead	\$430,000	\$
Other pre-construction or construction period costs:	\$	\$
	\$	\$
	\$	\$
<b>Permanent</b>		
Permanent loan fees	\$	\$
Developer fee	\$	\$
Reserves	\$	\$
Other	\$	\$
<b>Total Development Costs</b>	<b>\$1,637,000</b>	<b>\$</b>



**III.C. Terms of Project Funding.** Specify the requested amount and terms of your CDBG or HOME funding request, along with the details of all other loans listed above for the project.

CDBG/HOME funding is sought in the form of a:  Grant  Loan (check one)

State amounts and terms for all loans (if not known, tell us your working assumptions)

**Table 9: Loans NA**

Source	Amount	Term (years)	Interest Rate	Amortizing Y/N	Any other requirements
	\$				
	\$				
	\$				
Total	\$				

**III.D. Pro Forma (Rental Property Only)**

If you are developing property for rent (commercial or residential), attach a 20-year pro forma showing estimated income, expenses, net operating income, debt service, and net cash flow.

**III.E. Secondary Financing to Homebuyers (homeownership projects only)**

Complete this table for homeownership development, where assistance is being provided to the homebuyer, either through the rollover of the project’s CDBG or HOME construction funding or other sources.

**Table 10: Secondary Financing**

Loan / Subsidy Source	Average Homeowner Subsidy Amount per unit	Terms	Position
NCHFA	\$20,000	0%	2 <sup>nd</sup> mortgage
FHLBATL	\$ 7,200	0%	Grant
	\$		
	\$		

**III.F. Program Income , CBDO and CHDO Proceeds N/A**

This section is to be completed only if your agency receives, or will receive income directly generated by the use of CDBG, HOME, or other Federal funds. Examples include the repayment of CDBG or HOME loans that you have made, the net proceeds from the sale of homeowner units, or rent of assisted property. *If you have any questions, please contact CD staff.*

1. List the specific programs operated by your organization that generate CDBG or HOME program income or CBDO or CHDO proceeds:

2. How does your organization currently use program income/CHDO or CBDO proceeds?
  
3. Complete the following table for your organization's on-hand and projected CDBG and HOME program income. Remember to include program income from all of your CDBG or HOME programs.

**Table 11: Projected CDBG and HOME Program Income**

	<b>CDBG Program Income</b>	<b>CBDO Proceeds</b>	<b>HOME Program Income</b>	<b>CHDO Proceeds</b>
Balance at 12/31/08	\$	\$	\$	\$
Estimated receipts 1/1/09 – 6/30/09	\$	\$	\$	\$
Proposed Program Use & Amount	<b>Program/Amount</b>	<b>Program/Amount</b>	<b>Program/Amount</b>	<b>Program Amount</b>

**Henderson County Habitat for Humanity**

**HOME 2008**

**IV. B Agency Track Record**

Henderson County Habitat for Humanity was started in 1989. In these past eighteen years, we have built 116 homes for low-income residents of Henderson County who live in substandard housing. Since we focus our attention on young families with children, over 500 adults and children are now living in new, modern homes as a result of our program.

We are extremely proud that this construction of these homes in a relatively short time period has been accomplished with an all-volunteer executive staff, devoting many hours per week to this effort. At a recent regional Habitat meeting in Raleigh, I learned that we were the only affiliate building at this rate without a paid executive director. Therefore, our overhead cost as a percent of total cost is less than 15%, including clerical staff.

We have progressed from building houses on single lots to now building multiple houses in large developments to gain some economy of scale from combined operations at one location. Shuey Knolls is our fourth and largest development and will contain over 70 homes when it is completed in 2011. In 2007, we built 11 homes and this year we will complete 12 homes. However, as noted earlier, because of the economic downturn, we are scheduling only 10 homes for 2009. All of the homes in the past two years were started with "blitz builds" with local organizations.

In addition to building low-income housing, Henderson County Habitat has built an infrastructure to help support our mission. Two Restores provide our largest single source of income. However, this year, income from these stores has been substantially reduced. The impact of the economic downturn has impacted not only the sales but also, even more importantly, donations of goods to sell. People are just not moving in or out of the county, which is causing both receipt of goods and subsequent sales to be affected. Therefore, the need of the HOME grant is even more critical to our plans.

It should be noted, that the building of 10 homes will have a positive affect on the economic well-being of the county. Each home has about \$65,000 worth of materials and contract labor, in addition to our paid staff of three foremen. In addition, the construction of the road also aids county income.

This organization could not function without its strong and dedicated group of more than 200 volunteers. These men and women staff our two Restore outlets six days per week, and other volunteers provide construction crews for house building, also on a six-day a week schedule. Their support means that our homes can sell at \$95,000, with an appraised value of \$145,000.

In addition to obtaining government grants from HOME, SHOP and CBDG, we have been stepping up our efforts to obtain private financing grants as well. In 2008, we received an \$85,000 grant from Thrivent for one home, a \$50,000 grant from the Henderson Community Foundation for \$50,000 and also held a successful Woman's Build with much of the home's cost covered by the participants.

## Attachment 2

Because we have constructed and sold 116 homes, mortgage income is also becoming an important source of revenue. However, we are experiencing some slowdown in payments, again due to the economy. Since the Habitat mortgage is at 0% interest, homeowners tend to give higher attention to those bills with interest charges.

Habitat routinely works with the Housing Assistance Corp, Consumer Credit Counseling Service of Western NC, the Blue Ridge Community College and other agencies to assist us in education of our homeowners. In addition, each family has a nurturer volunteer assigned to them. The nurturer stays as long as needed, to assist the family in everything from house problems to financial and relationship issues.

Habitat selects partner families from all races and ethnic groups. African American families own over 20% of our homes and Hispanics own over 22%. Each of these races represents less than 10% of the families in the county. Single mothers also own a high percentage of the homes. We have Spanish speakers to work with the Hispanic families, and have also found Russian speakers to help a couple of families from the Ukraine.

Henderson County Habitat is dedicated to our mission of providing homes to those families with need for improved housing. We gain much satisfaction when each home is dedicated. We know we are making an important contribution to the community as well as to the family and that we are providing a better and safer environment in which the children can mature.