

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: February 7, 2011

SUBJECT: 2011 HOME Applications

ATTACHMENTS: 1. Excerpts Housing Assistance Corporation Application
2. Excerpts Habitat for Humanity Application

SUMMARY OF REQUESTS:

Habitat for Humanity and Housing Assistance Cooperation (HAC) are requesting application submission approval for HOME Investment Partnerships Program (HOME) funds. HOME funds are administered through the Asheville Regional Housing Consortium. Both projects propose to serve County residents within a range of median household income, the median Henderson County household income in 2009 was \$42,808.

HAC is requesting \$66,000 in non-construction funds to provide down payment assistance to low and very low income home buyers in Henderson County. The funds will provide assistance to families earning 80% of area median income or less.

Habitat for Humanity of Henderson County is requesting \$250,000 in HOME funds in order to construct up to 88 homes in the new Dodd Meadows residential neighborhood off Crest Road. The funds would be used to pay for 50% of the Phase I road in the affordable housing development for families in the 30%-60% range of medium income for the County.

These grants require no County funds.

BOARD ACTION REQUESTED:

Planning Staff recommends approving the submission of these HOME funding applications to the Asheville Regional Housing Consortium at their full amount. Board approval is required to proceed with the applications. 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.

**SECTION II
PROGRAM DESCRIPTION**

II.A. Program Title: Henderson County Down Payment Assistance (DPA)

II.B. Program Location(s) (be as specific as possible): Henderson County in its entirety including Housing Assistance's affordable developments.

II.C. Type of Activity (check one):

- | | |
|---|---|
| <input type="checkbox"/> Human Services | <input type="checkbox"/> Housing Services related to HOME-assisted projects |
| <input type="checkbox"/> Job training | <input type="checkbox"/> Small Business Assistance |
| <input type="checkbox"/> Tenant-Based Rent Assistance | <input checked="" type="checkbox"/> Homebuyer down payment assistance |
| <input type="checkbox"/> Other (Specify) | |

II.D. Program Justification

1. What is the purpose of the program (one sentence, 400 characters)	The purpose of the program is to provide down payment assistance to low and very low income homebuyers in Henderson County.
2. What unmet need or market does the program address? (400 characters)	DPA serves low income homeowners whose long-term sustainability is dependent on affordable financing which is limited and difficult to obtain in a post-mortgage collapse economy. Sustainability for these rural homeowners is also dependent on locating housing in small satellite communities where they have established support systems and face fewer transportation barriers.
3. How do you know that the need or market exists? Provide objective data that documents your statement of client need. (1000 characters)	As described in the Consortium's 2009 Consolidated Plan, many banks are requiring higher downpayments and stringent documentation which severely impacts the ability of first-time homebuyers to enter the market. With fewer financing options available, Housing Assistance has experienced an increased pool of clients. Ten clients have already been approved for HAC construction programs, and waiting lists for 2012 are beginning to form, setting a historical precedent for the organization. The NC Mountains Multiple Listing Service reports that the average home sales price as of September 2010 in Henderson County is \$223,832; well out of the range of low income households which includes firefighters, police officers, teachers, and plumbers. When financially prepared renters are unable to purchase a home, greater multi-family housing shortages occur. Last year only one out of 108 households transitioned from HAC affordable rental housing to homeownership.
If applying for Public Service CDBG funding please answer the next two questions:	
4. Has this program been funded by the State or the City of Asheville (non CDBG or HOME) in the past 12 months?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
5. If yes, how will CDBG or HOME funding enable the program to provide new or expanded services?	
6. Describe how your program fits into the 2010-2015 Consolidated Plan. (Click here for link to the plan, 1000 characters)	Households receiving DPA for home purchase fulfill Henderson County's priority regarding coordination of housing development with transportation, jobs, and services. In an area where public transportation is at best a long term goal, people have adapted by forming satellite communities. DPA allows people to purchase a home in smaller communities in which they have established support networks

	that include employment, family, friends, churches, schools, etc. A large percentage of HAC's single family and DPA program participants are single mothers who rely heavily on support networks.
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II.E. Program Design

1. How do you specifically intend to use these grant funds for your program? (600 characters)	The DPA program targets low income people seeking to purchase pre-existing homes for sale on the open market in Henderson County and New Homes participants purchasing homes in HAC's Three Seeds development. DPA creates homeownership opportunities for households who, otherwise, would not be able to own a home. DPA may be used as a traditional down payment, towards closing costs, or to defray the primary loan.
2. What qualifies your agency to operate the proposed program? (1000 characters)	<p>HAC has created and provided affordable housing opportunities and services in Henderson County since 1988. During the last 16 years HAC has developed over 100 units of single-family housing and 206 units of multi-family housing. HAC has provided Home Ownership Counseling in Henderson County for 14 years. These services prepare clients for the DPA, New Homes, and Self Help program. The Home Buyer Education Classes are offered by HAC ten times annually (6 sessions in English and 4 in Spanish).</p> <p>HAC also provides one-on-one counseling for our apartment tenants, participants of the homeownership programs, and the public-at-large. Housing Assistance apartments currently have 36 tenants who contribute monthly savings for homeownership and participate in counseling services.</p> <p>Housing Assistance has also successfully administered two HOME DPA grants and one ADDI grant.</p>
3. What capacity does your agency have to implement the proposed program? (600 characters)	Housing counseling services are provided by a Housing Counselor certified through the North Carolina Association of Housing Counselors. HAC's Housing Counselor provides counseling services as well as client intake, eligibility determination, loan closing, and reporting of the DPA program. Housing Assistance is also staffed with a Director of Residential Housing Development who completes HQS Inspections and is Lead Based Paint Certified.
4. What other agencies in the community provide complementary or similar services? (600 characters)	<p>On Track helps people manage their money and credit better through education programs, individual counseling appointments, and debt management programs. Henderson County is included in On Track's service area.</p> <p>Mountain Housing Opportunities has been awarded DPA money in the past several loans of which were targeted to Henderson County.</p>

<p>5. How will you ensure collaboration and minimize duplication of services? (1000 characters)</p>	<p>Housing Assistance counseling services use the transition to homeownership as its center point and offer services leading up to, during, and after the purchase. On Track and Housing Assistance programs complement each other and can be used as a counseling continuum. As an example, if a HAC client needs significant credit repair or a debt restructuring plan, the counselor will refer them to On Track. Conversely, if a client is typically within 1.5 years of homeownership the Housing Counselor will develop an action plan which will include financial literacy and credit repair in-house. Post-homeownership services are offered by HAC as a preventative to foreclosure and crises counseling. Should a client approach Housing Assistance in delinquency or foreclosure they will be referred to On Track for crises counseling.</p> <p>MHO and HAC refer clients to each other as needed, but each primarily serves their home county and there is little duplication of services.</p>																
<p>6. What other programs in your agency will support the same clients? (400 characters)</p>	<p>DPA clients will be supported by our educational programs; one-on-one Housing Counseling and the Home Buyer Education Class. In addition to HAC's educational programs, DPA clients who will be purchasing their homes in HAC's Three Seeds development will receive support through the New Homes program.</p>																
<p>7. What staff positions will support the program, and what is their experience or, if you will hire staff, what are the needed qualifications? (Please include all staff positions that will support the program)</p>	<table border="0"> <thead> <tr> <th data-bbox="836 884 1055 919">Staff Position</th> <th data-bbox="1055 884 1498 919">Experience/Qualifications</th> </tr> </thead> <tbody> <tr> <td data-bbox="836 919 1055 1121">a. Housing Counselor</td> <td data-bbox="1055 919 1498 1121">a. Jairo Mercado has been with HAC for one year, is a past client of HAC's single family housing program, and has completed his certifications through the NC Association of Housing Counselors. Jairo is fluent in English and Spanish. He will administer the DPA grant.</td> </tr> <tr> <td data-bbox="836 1121 1055 1354">b. Dir. of Residential Development</td> <td data-bbox="1055 1121 1498 1354">b. Hugh Lipham has an undergraduate degree in Business Administration and a Masters of Business Administration with a concentration in real estate and urban analysis. Hugh has been employed with Housing Assistance for 4 years and is certified to complete HQS Inspections.</td> </tr> <tr> <td data-bbox="836 1354 1055 1522">c. Dir. of Finance</td> <td data-bbox="1055 1354 1498 1522">c. Ellen Henion has been Director of Finance for 10 years. Ellen is responsible for all DPA accounting activities, including bank checks and invoices for the attorney and the HOME funds reimbursement requisition.</td> </tr> <tr> <td data-bbox="836 1522 1055 1690">d. Dir. of Resource Development</td> <td data-bbox="1055 1522 1498 1690">d. Noelle McKay has been with HAC for 15 years. Noelle administered past HOME funded DPA program and will be available in an advisory capacity for the Housing Counselor</td> </tr> <tr> <td data-bbox="836 1690 1055 1858">e. Executive Director</td> <td data-bbox="1055 1690 1498 1858">e. Patrick Kennedy has been with Housing Assistance for 5 years and has a Mechanical Engineering degree and also has a Masters of Business Administration. Patrick oversees all the agency's programs, including DPA.</td> </tr> <tr> <td data-bbox="836 1858 1055 1894">f.</td> <td data-bbox="1055 1858 1498 1894">f.</td> </tr> <tr> <td data-bbox="836 1894 1055 1932">g.</td> <td data-bbox="1055 1894 1498 1932">g.</td> </tr> </tbody> </table>	Staff Position	Experience/Qualifications	a. Housing Counselor	a. Jairo Mercado has been with HAC for one year, is a past client of HAC's single family housing program, and has completed his certifications through the NC Association of Housing Counselors. Jairo is fluent in English and Spanish. He will administer the DPA grant.	b. Dir. of Residential Development	b. Hugh Lipham has an undergraduate degree in Business Administration and a Masters of Business Administration with a concentration in real estate and urban analysis. Hugh has been employed with Housing Assistance for 4 years and is certified to complete HQS Inspections.	c. Dir. of Finance	c. Ellen Henion has been Director of Finance for 10 years. Ellen is responsible for all DPA accounting activities, including bank checks and invoices for the attorney and the HOME funds reimbursement requisition.	d. Dir. of Resource Development	d. Noelle McKay has been with HAC for 15 years. Noelle administered past HOME funded DPA program and will be available in an advisory capacity for the Housing Counselor	e. Executive Director	e. Patrick Kennedy has been with Housing Assistance for 5 years and has a Mechanical Engineering degree and also has a Masters of Business Administration. Patrick oversees all the agency's programs, including DPA.	f.	f.	g.	g.
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8. To what extent do you rely on volunteers to staff your program? (600 characters)	Housing Assistance does not rely on volunteers to staff the Housing Counseling and DPA programs.
9. Who is eligible for this program? How will you determine client eligibility? (600 characters)	Eligible clients must be low income which is considered 80% or below the HUD county median income. Income eligibility is determined by collecting all relevant income and asset documentation including but not limited to VOE's, statements of benefit and account statements. Income will be calculated using the Section 8 method.
10. How will potential clients learn about your program? (600 characters)	Approximately 33% of clients from the past DPA grant cycle accessed the program through HAC outreach efforts and 66% accessed the program by referral. Based on these results, HAC will concentrate on extending referral and outreach efforts as avenues for accessing the program. HAC communicates with and accepts referrals from local lenders and Western Carolina Community Action's Self Sufficiency and Section 8 programs. Outreach efforts include promotional events and publications in both English and Spanish. Recent promotional activities have included employer, church, and community events.
11. What is the application process for clients? (600 characters)	When a client makes initial contact they begin the intake process by completing a prequalification form and submitting paystubs and asset statements. The counselor communicates eligibility guidelines and client and program requirements including HQS Inspections, Lead Based Paint guidelines, and the Seller's Disclosure. Assessment of the intake form between the housing counselor and client will determine loan readiness and the level of housing counseling required. The client will complete the Home Buyer Education Class during counseling follow-up.
12. What specific assistance will be available to eligible clients? (600 characters)	Downpayment Assistance will be available for traditional downpayment costs, closing costs, and to minimize the amount of the primary loan as a means of increasing affordability. Loan sizes are expected to be \$10,000 on average. Of the six loans, two will be targeted to New Homes houses in the Three Seeds development that have not received any home subsidy to date and four loans will be targeted to clients purchasing existing homes county-wide on the market.

<p>13. What will be your requirements for program participation? (600 characters)</p>	<p>DPA clients must meet the following requirements: 1.) Clients must be determined income eligible (80% or below the HUD county median income). 2.) Clients are required to complete HAC's Home Buyer Education Course or a comparable class. 3.) TIL Statements and an Estimate of Settlement Costs must be provided by the client to demonstrate that their source of primary financing has reasonable rates and terms that contribute to the long-term affordability and sustainability of the client's financing package. 4.) Clients must be purchasing a home within Henderson County.</p>
<p>14. If your agency has operated this program in the past, please describe the program's success or challenges (600 characters)</p>	<p>Housing Assistance has administered three HOME DPA and one ADDI funding cycles. The program is particularly effective at leveraging other funding sources including Rural Development 502 loans, NCHFA loan products, Section 8 homeownership vouchers, and other downpayment assistance through sources such as FHLB and Housing Assistance Council's Shop Program. The program is particularly successful at serving very low income people (53%), people with disabilities, and rural people requiring geographic diversity.</p>
<p>15. How many people or households were served by the program? See Tables 2a and 2b for guidance on counting households or people. <i>(use this number for Table 2 – actual)</i></p>	<p>FY 2009-2010 People: 0 OR Households: 1 FY 2010-2011(projected): People: 0 OR Households: 0</p>
<p>16. How many persons or households will be served? See Tables 2a and 2b for guidance on counting households or people. <i>(use this number for Table 2- Target Total)</i></p>	<p>FY 2011-2012 People: OR Households: 6</p>
<p>17. What outcomes do you expect clients to obtain from this program? (up to 3)</p>	<p>Outcome A: Improve or sustain accessibility to employment, schools, and/or support community. Outcome B: Improve financial well-being of low-income persons. Outcome C: Increase homeownership opportunities for prepared low-income and minority households.</p>
<p>18. How many people/households will achieve each outcome? See Tables 2a & 2b for guidance on counting households or people.</p>	<p>Number achieving Outcome A: People: OR Households: 5 Number achieving Outcome B: People: OR Households: 6 Number achieving Outcome C: People: OR Households: 6</p>
<p>19. How will you measure these outcomes?</p>	<p>Outcome A will be documented by measuring the client's proximity to services and community. Outcome B will be measured by the number of people accessing affordable financing terms by reviewing TIL statements and Estimates of Closing</p>

	Costs. Outcome C will be measured by our ability to meet our commitments of this grant.
20. Is there anything else about the program design or implementation that is important to know?	

II.F. Timetable

Please complete the following to identify the key implementing steps and target dates. Add rows as needed.

Table 1 - Key Implementing Steps and Target Dates

Action	Start date	Target date for completion
Initiate Outreach Activities with local lenders and coordinating agencies	5/1/2011	3/1/2012
Offer individual housing counseling and enroll participants in the Home Buyer Education Class	5/1/2011	6/30/2012
Close two (2) Down Payment Assistance Loans	9/1/2011	12/1/2011
Close two (2) Down Payment Assistance Loans	12/1/2011	3/1/2012
Close two (2) Down Payment Assistance Loans	3/1/2012	6/1/2012
Conduct Posthomeownership Counseling for Down Payment Assistance Participants	12/1/2011	8/1/2012
	/ /	/ /
	/ /	/ /
	/ /	/ /
	/ /	/ /

II.G. Asheville CDBG Housing Services applicants only. If you are applying for a CDBG Housing Services grant to assist with the staff and overhead costs of producing HOME-assisted units, please complete the following table.

Table 2: HOME-Eligible Production Underway or Planned in City of Asheville

Project Name	Expected Number of HOME-eligible units in City of Asheville ONLY			Unit type: Single Family (SF) or Multi-Family MF)	Expected completion date	Amount project receives in CDBG project delivery or HOME-funded developer fees
	New Constr.	Rehab	Down-payment assistance			
				<input type="checkbox"/> SF <input type="checkbox"/> MF	/ /	\$
				<input type="checkbox"/> SF	/ /	\$

				<input type="checkbox"/> MF		
				<input type="checkbox"/> SF	/ /	\$
				<input type="checkbox"/> MF		
				<input type="checkbox"/> SF	/ /	\$
				<input type="checkbox"/> MF		
Unduplicated Total:						\$

II.H. Program Targets

1. **Client Demographics.** Please show numbers of clients, **not percentages**, in each category. Current income limits are on page VIII of the general instructions. For CDBG Applications, numbers should reflect Asheville residents only.
 - a. Totals must match people/households listed in II.E, questions 14 & 15
 - b. For existing programs, the total must be consistent with data you submitted for the CAPER.

Table 3a: Client Demographics – PERSONS

Use if applying for:

- Social services (CDBG)
- Housing services (CDBG)
- Economic development such as job training and small business assistance (CDBG)
- Planning (CDBG or HOME)

Number of Persons by Income Group					
Year	<30% of median	31-50% of median	51-80% of median	>80% of median	Total
2009/2010 (actual)					
2010/2011 (as now projected)					
2011/2012 (target)					

Table 3b: Client Demographics – HOUSEHOLDS

Use if applying for:

- Tenant Based Rent Assistance (HOME)
- Down-payment assistance (CDBG, HOME, or ADDI)

Number of Households Served, by Income Group					
Year	<30% of median	31-50% of median	51-80% of median	>80% of median	Total
2009/2010 (actual)		1			1
2010/2011 (as now projected)					

2011/2012 (target)		2	4	6
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Table 4: Special Needs Beneficiaries (if applicable)

Category	Number of Persons
Elderly (Over 60)	
Disabled (not elderly)	1
Homeless	
People with HIV/AIDS	
Victims of Domestic Violence	

SECTION III BUDGET

III.A. Operating Budget

1. What is your agency's fiscal year? **1/1/2011** through **12/31/2011**
2. Does this program budget cover significant activities outside Asheville? Yes No
If YES:
 - a. Please indicate where activities will be provided:
(*list all cities and/or counties this program will serve*) Henderson County
 - b. Please estimate the percentage of program activities provided **in** Asheville: 0 %
3. What is your estimated total agency budget for FY2011? \$ 790309.00
4. What is the total estimated budget for this program? \$ 66000.00

Please complete Attachment A:

Tab Agency Budget

Tab Sources and Uses

Tab Staff Table

Tab Program Income

If you do not use our fiscal year (July 1-June 30) for your budgeting, please amend the column headings

SECTION II: PROJECT DESCRIPTION

II.A. Project Title: Dodd Meadows Phase I

II.B. Project Location(s) (be as specific as possible): 22 acres ocated at the intersection of Crest Road and Blue Ridge Road in Henderson County close the the city of Hendersonville boundry

II.C. Type of Activity (check one):

- | | |
|--|--|
| <input checked="" type="checkbox"/> New Construction for Homeownership | <input type="checkbox"/> Rental Rehabilitation |
| <input type="checkbox"/> Owner Occupied Rehabilitation | <input type="checkbox"/> Predevelopment Loan (HOME Only) |
| <input type="checkbox"/> Acquisition/Rehab/Sale | <input type="checkbox"/> Public Facility or Improvement (CDBG Only) |
| <input type="checkbox"/> New Construction for Rental | <input type="checkbox"/> Commercial Property Improvement (CDBG Only) |
| <input type="checkbox"/> Other (Specify) | <input type="checkbox"/> Environmental Review |

II.D. Program Justification

1. What is the purpose of the project? (in one sentence, 400 characters)	Funds will be used to pay for 50% of the Phase I road in a community development of affordable housing for families in the 30%-60% range of medium income for the county.
2. What unmet need or market will the project address? (400 characters)	Habitat is the only builder constructing homes for this income level. Most new homes remain out of reach for the very low- and low-income home buyers.
3. How do you know that the need or market exists? Provide objective data that documents your statement of client need. Attach a copy of the project market analysis if one exists (1000 characters)	Based on our 11 years of experience, the need for this housing for families at this level of income is critical. Habitat averages 25 applications a quarter and is currently building at the rate of 10 homes per year.
4. Has this program been funded with CDBG or HOME funds in the past?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
5. Describe how your program fits into the 2010-2011 Consolidate Plan. (Click here for link to the plan, 1000 characters)	While the Consolidate Plan places the highest priority on rental housing for elderly people, we feel it understates the need for affordable home ownership housing in the county. This is based on the level of applications that Habitat receives. The attachment on the market and our program to address that market is described in this attachment. We feel that our sustainable community approach to affordable housing clearly deserves support from the Consortium.

Please attach the following:

- Market Analysis**
- Other data indicating need or market**

II.E. Project Site Details

1. How do you specifically intend to use these grant funds for your project? (1000 characters)	Habitat has contracted with Lapsley & Associates, P.A. to be our consultants for the development. They have presented their preliminary cost estimates for the development of all 22 acres. Their estimated cost for the Phase I road covering 27 building sites is \$498,850.
2. What is the size of the development site? (400 characters)	Total site covers 22 acres. Phase I covers about 6 acres.
3. Please give a site description (1000 characters)	The site, as described in the title, is a gently sloping meadow which borders a small creek. Because of the topography the homes will be built on concrete slabs. The site will be furnished with city water and sewer lines which will enable Habitat to construct 3-4 homes per acre.
4. What is the current site zoning and the status of any required planning reviews? (1000 characters)	Approval from the Henderson County Planning department has been obtained. Copy of this approval is covered in an attachment.
5. What is the status of your assessment of environmental conditions at the site? Will there need to be mitigation of any existing environmental conditions before the project proceeds? (200 characters)	Environmental approval has been received for all 22 acres.

Please attach the following:

- Site plan showing lot boundaries, street access, location of structure(s), and other site features
- General location map showing development site in relation to streets, points of interest in the surrounding neighborhood, neighborhood facilities and services (at least ½ mile radius). Interstates (within 1000 feet), airports (within 5 miles), railroads (within 3000 feet), waterways, and flood zones must be shown (show all streams or waterways on or adjacent to the property).
- If you already own the site of 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.
- Any environmental studies that have been completed for the property.

II.F. Property Acquisition

1. Has agency acquired real property in order to carry out the project, or is property acquisition planned? (400 characters)	The property has already been acquired at a cost of \$520,000. Current balance of the mortgage is \$387,917.
2. Has property owner been notified of your intention to use federal funds for this project? If so, please attach copy of the letter. (400 characters)	Not applicable
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 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	Property is on an unused meadow. No home sites were on the property.

copy of notice. (400 characters)

II.G. Housing Construction Detail

1. Provide proposed construction summary. What will be the total square footage of the proposed completed project? How many stories? What materials will be used? How will the project incorporate "green" construction materials and methods? (2000 characters)	All units will be one story with vinyl siding. Square footage of each design is stated below. All homes will have "green" construction materials and methods. Our homes are Gold Certified by Western NC Green Building Counsel.
2. How many units will be newly constructed? (400 characters)	All homes will be new construction. We will build 2, 3, 4, & 5 bedroom homes. We also are planning for 10 duplex homes designed to attract mature, elderly homeowners.
3. How many units will be rehabilitated? (400 characters)	None
4. What is the square footage of each unit? (400 characters)	2&3 BRs/1120 sq. ft., 4 BRS/1232 sq. ft, Duplex 900 sq.ft.
5. What is the number of bedrooms/baths for each unit? (400 characters)	As noted above, the number of bedrooms can vary between 2-5. All homes will have 2 baths except duplex units which will have 1 bath
6. How many units will be available to people with special needs (Elderly, Disabled, Homeless, or People with HIV)? (400 characters)	A plan for Dodd Meadows calls for 10 duplex units. We believe that our new marketing focus on the mature & elderly will make these duplex units attractive to them.
7. Describe how the project will be designed and built to provide accessibility to persons with disabilities. (400 characters)	A least 1 bedroom will have wheelchair access, and necessary ramping will be constructed for entry to the house, if required. Other modifications will be made to the bathroom and kitchen areas, if necessary.
8. Will the project participate in an externally monitored energy efficiency program (e.g. Energy Star)? If yes, please provide details. (400 characters)	Habitat has two programs in the green building program. They are Advanced Energy, which sets building practices that are green in their energy saving requirements. The second is NC HealthyBuild Homes, which includes advanced energy standards plus additional green practices beyond Energy Star. I have included a work

	checklist that covers all of the items listed in this program.
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Please attach the following:

- Floor Plan
- Elevation drawings of finished building(s), and annotated sketches to emphasize design features that you consider particularly attractive. Please provide photos of current street views to demonstrate neighborhood compatibility.
- If project is a rehabilitation project, please describe historic features of the property and how they will incorporate with the new rehabilitation work being done.

II.H. Lead-Based Paint (Rehab/Repair projects only)

1. Describe in detail how you plan to address lead-based paint testing and abatement or hazard control on any property built before 1978. (200 characters)	N A
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II.I. Housing Affordability, Marketing, & Supportive Services

1. What are the proposed rents or sales prices for completed housing units? Estimate utility costs. (400 characters)	3 bedroom \$110,500 4 bedroom \$116,000 Duplex \$107,000 Electric utility costs run between \$120-\$150 per month. We are looking into using gas for the homes in Dodd Meadows which could reduce this cost.
2. Explain <u>in detail</u> your process for marketing to ensure an adequate pool of income-eligible renters or buyers. (400 characters)	We have a family selection committee that collects names of people interested in our program. Names are obtained from a variety of sources including local agencies, current Habitat families, exposure at local events, churches, schools, hospitals, & businesses
3. Explain <u>in detail</u> your process for marketing to ensure an adequate pool of special-needs (Elderly, Disabled, Homeless, Persons with HIV/AIDS) rents or buyers. (400 characters)	Marketing programs are covered in the attachment. It is felt the the addition of lower cost duplex homes will appeal to the mature, elderly family. As stated earlier, if required, all homes can be specially equipped for a person with disabilities.
4. Describe <u>in detail</u> any steps planned to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, buy-back options, etc. (400 characters)	Our homes have a market value of \$140,000. This is about \$35,000 higher than the purchase price. This difference is covered by a 2nd mortgage. As the homeowners live in their homes, their equity is not only their 1st mortgage payment, but they also earn a percentage of the second as well. Those that stay in their homes and pay off the 1 st mortgage also receive the 2nd at no cost.

5. What, if any services will be coordinated with the project that will help ensure occupants' long-term housing success? Please describe. (400 characters)	We have learned from Shuey Knolls, that it is important to develop a sense of community. This program is stressed from the initial educational meeting. Families are encouraged to become active members of the homeowners association. Habitat has 2 Board members dedicated to supporting and guiding our partner families in successful community living.
6. What services will be coordinated with the project that will help ensure the long-term housing success for special needs occupants (Elderly, Disabled, Homeless, or People with HIV/AIDS)? Please describe. (400 characters)	Habitat will also focus on the mature family at Dodd Meadows, and will add programs and services to meet any special needs that become necessary. We believe that our community approach described above applies to families of all ages.

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

1. How many households will have direct access to improved infrastructure? (400 characters)	It is projected that Dodd Meadows will have 80 households when completed.
2. How many vacant lots will be provided with water/sewer availability? (400 characters)	All homeowners will have access to both city water and sewer.
3. How many persons will have improved transportation accessibility? (400 characters)	When Dodd Meadows reaches an appropriate density, homeowners will be asked whether they would like to have bus service. If a sufficient number reply in the affirmative, the local service will be contacted.
4. What quantity of infrastructure will be added/improved (e.g. LF of waterline, sewer line, etc.) (400 characters)	It is projected by our consultants the 3250 LF of both water and sewer lines will be required when all 22 acres are developed. Phase I will require 1235 LF of both.

II. K. Program Design

1. What qualifies your agency to operate the proposed program? (400 characters)	11 years of experience, building 150 homes
2. What capacity does your agency have to implement the proposed program? (400 characters)	We have recently added an Executive Director, to augment the work of our all volunteer Board. This new paid position, will provide additional assistance to Habitat's ability to implement this community development program. Additional staff will be added as finances permit.
3. What other agencies in the community provide complementary or similar services? (400 characters)	No other agencies assist homeowner families in this income range. HAC has programs for families at a higher

	income level.																				
4. How will you ensure collaboration and minimize duplication of services? (400 characters)	Habitat is coordinating with HAC an application for a Youth Build grant for this county.																				
5. What other programs in your agency will support the same clients? (400 characters)	Our educational programs are supported by several agencies including On Track, Dispute Settlement Center, Sheriff's Dept., Children & Family Resource, HAC and the Blue Ridge Community Center																				
6. What staff positions will support the program, and what is their experience? If new staff is to be hired, what qualifications will be needed? (Please include all staff positions that will support the program) (400 characters)	<table border="0"> <thead> <tr> <th>Staff Position</th> <th>Experience/Qualifications</th> </tr> </thead> <tbody> <tr> <td>a. Executive Director</td> <td>a. 6 months</td> </tr> <tr> <td>b. Construction Supervisor</td> <td>b. 11 yrs</td> </tr> <tr> <td>c. Site Faciliator</td> <td>c. 5 yrs</td> </tr> <tr> <td>d. Construction Asst</td> <td>d. 6 yrs</td> </tr> <tr> <td>e. Construction Asst</td> <td>e. 2 yrs</td> </tr> <tr> <td>f. Business Mgr.</td> <td>f. 3 yrs</td> </tr> <tr> <td>g.</td> <td>g.</td> </tr> <tr> <td>h.</td> <td>h.</td> </tr> <tr> <td>i.</td> <td>i.</td> </tr> </tbody> </table>	Staff Position	Experience/Qualifications	a. Executive Director	a. 6 months	b. Construction Supervisor	b. 11 yrs	c. Site Faciliator	c. 5 yrs	d. Construction Asst	d. 6 yrs	e. Construction Asst	e. 2 yrs	f. Business Mgr.	f. 3 yrs	g.	g.	h.	h.	i.	i.
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7. Who is eligible for this program? How will you determine client eligibility? (400 characters)	Families in the 30%-65% income level of the county's medium. However, the majority actually are in the 30-50% income range. We verify income earned and receive the latest 1040 statements both at time of acceptance into the ownership program and before the closing on the home.																				
8. How will potential clients learn about your program? (400 characters)	This programs is described in the Marketing Program attachment and section II I 2 above																				
9. What is the application process for clients? (400 characters)	All applications are reviewed by the Selection Committee. Those that pass this screening are then referred for a credit review. Those remaining after that screening are visited by two memebers of the Committee in the applicants home. After all screening is completed, those the Committee feels are qualified are presented and reviewed by the Habitat Board of Directors. Board gives final approval.																				

10. What are the program requirements for clients? (400 characters)	Homeowners must live or work in the county and be a U.S. citizen or have legal status. Must have income level in the 30-65% range of the county medium and have a satisfactory credit history. All homeowners must satisfy 400 hours of sweat-equity.
11. What outcomes do you expect clients to obtain from this program? (Up to 3)	Outcome A: Grant of \$150,000 Outcome B: Grant of 200,000 Outcome C: Grant of \$250,000
12. How many people/households will achieve each outcome?	Number achieving Outcome A: People: OR Households: 6 Number achieving Outcome B: People: OR Households: 8 Number achieving Outcome C: People: OR Households: 10
13. How will you measure these outcomes?	Outcome can be easily measured by the occupancy of the 10 homes.
14. Is there anything else about the program design or implementation that is important to know?	In 2010, Henderson County Habitat made the decision to hire our first Executive Director. During our 11- year history, a working Board of Directors, composed solely of volunteers working long hours, directed the activities of this affiliate. This made us very different from most Habitat chapters, and the fact that we were able to build at the rate of 10-12 homes per year was regarded as an outstanding achievement. However, the Board reached this ED decision because they recognized the volunteer board couldn't continue to sustain this level of building indefinitely, and, more importantly, could not increase construction levels to meet the needs of the county. Therefore, the decision to hire an Executive Director was a very big change for this organization. Enclosed is a brochure which describes the Capital Campaign to raise at least \$1,000,000 for our latest development. This is the initial focus for our ED.

II.L. Timetable

Please complete the following table to identify the key implementing steps and target dates. Add rows as needed.

Table 1: Key Implementing Steps and Target Dates

Action	Start date (m/d/yy)	Target date for completion (m/d/yy)
Master Plan approval by Henderson County	11/15/10	12/5/10
Design of Infrastructure Improvements	2/1/11	2/28/11
Project Permitting approval	3/1/11	3/30/11
Project Infrastructure Bidding	4/1/11	4/30/11
Construction of Water & Sewer lines to Dodd Meadows	5/1/11	6/30/11
Construction of Phase I road, curbing & sidewalks	8/1/11	11/15/11
Initial Construction starts on 10 homes	3/1/12	6/1/13

Table 2: HOME-Eligible Production Underway or Planned

Project Name	Expected Number of HOME-eligible units in City of Asheville ONLY			Unit type: S/F or M/F	Expected completion date	Amount project receives in CDBG project delivery or HOME-funded developer fees
	New Constr.	Rehab	Down-payment assistance			
						\$
						\$
						\$
						\$
Unduplicated Total:						\$

II.M. PROGRAM TARGETS

- Client Demographics.** Please show numbers of clients, **not percentages**, in each category. Current income limits are on page VIII of the general instructions. For CDBG Applications, numbers should reflect Asheville residents only.

Table 3: Client Demographics

Number of <u>Persons</u> by Income Group					
<i>(To be completed for Public Facilities, Public Infrastructure projects only.)</i>					
Year	<30% of median	31-50% of median	51-80% of median	>80% of median	Total
2009/2010 (actual)					
2010/2011 (as now projected)					
2011/2012 (target)					

Number of <u>Households</u> Served, by Income Group					
<i>(To be completed for Emergency Repair, Rehab, New Construction projects only.)</i>					
Year	<30% of median	31-50% of median	51-80% of median	>80% of median	Total
2009/2010 (actual)		7	2		9
2010/2011 (as now projected)		8	2		10
2011/2012 (target)		8	2		10

NOTE:

1. Totals must match people/households listed in II K.
2. For existing programs, the total must be consistent with data you submitted for the CAPER.

Table 4: Special Needs Beneficiaries (if applicable)

Category	Number of Persons
Elderly (Over 60)	4
Disabled (not elderly)	0
Homeless	0
People with HIV/AIDS	0
Victims of Domestic Violence	0

Table 5: CBDG Area Benefit Activities only (Infrastructure, Public Facilities)*

Street	Census Tract	Block Group	Total Persons`	#LMI Persons

*If assistance is needed, please call CD staff

SECTION III BUDGET

III.A. OPERATING BUDGET:

1. What is your agency's fiscal year? **7/1/2011** through **6/30/2012**
2. Does this program budget cover significant activities outside Asheville? Yes No

If YES:

- a. Please indicate where activities will be provided:
(*list all cities and/or counties this program will serve*) Henderson county
- b. Please estimate the percentage of program activities provided **in** Asheville: 0 %
3. What is your estimated total agency budget for FY2011? \$ 1907000.00
4. What is the total estimated budget for this program? \$ \$498,000

Please complete Attachment A:

Tab Agency Budget

Tab Sources and Uses

Tab Staff Table

Tab Program Income

If you do not use our fiscal year (July 1-June 30) for your budgeting, please amend the column headings

III.B. PROJECT BUDGET

Please complete **Attachment B** for new Rental housing construction projects. NOTE: IF you are developing a tax credit project, please provide a copy of your LIHTC Pro Forma.

Please complete **Attachment C** for new Home Ownership development projects.

If proposing community facility, infrastructure, scattered site housing rehabilitation or emergency repair, please make sure sufficient project detail is provided in the Sources and Uses budget form in **Attachment A**.