

INVESTMENT CONNECTION

Community Development Investment and Lending Partnership

Name Of Organization

Asheville Area Habitat for Humanity

Mission Statement

Seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities, and hope.

Overview Of Organization

Asheville Area Habitat for Humanity (AAHH) is dedicated to eliminating substandard housing locally and worldwide through constructing, rehabilitating, and preserving homes; by advocating for fair and just housing policies; and by providing training and access to resources to help families improve their shelter conditions. Founded in 1983 as the first Habitat affiliate in North Carolina, AAHH has built and sold over 340 new homes and repaired over 360 existing homes, helping more than 1,700 adults and children achieve strength, stability, and self-reliance through shelter. AAHH's home construction, homebuyer education, volunteer engagement, affordable mortgage lending, and home repair services build and preserve safe, livable communities, helping low-income families build better lives for themselves. AAHH is the number one builder of Green Built NC homes in the state and received the 2005 Habitat for Humanity Affiliate of the Year award for the five-state Central Atlantic Region, the 2008 Asheville Home Builders' Association Craftsmanship Gold Award, the 2009 NC Housing Award for its Enka Hills 55-house subdivision, the 2014 NC Housing Award for its Carney Place neighborhood, and most recently the 2019 Environmental Excellence award from Asheville GreenWorks.

AAHH benefits from a pool of over 2,350 volunteers and a highly qualified staff with experience in construction, development, banking, communication, fundraising, and homeowner services. AAHH's Construction Teams are led by General Contractors. The diverse Board of Directors includes professionals in banking, real estate, law and investment firms, retired senior corporate executives, and community activists, including local government staff and a Habitat homeowner.

As a Charity Navigator 4-star non-profit, AAHH has a long-standing commitment to financial accountability and sustainability. AAHH secures 35% of annual organizational revenues through partnerships with foundations, corporations, government entities, faith-based organizations, and individuals. Forty percent of AAHH's revenue comes from earned sources: AAHH's ReStore revenues and returning homeowner loan payments.

Regardless of race, religion, age, gender, politics, or any other distinctions that often divide people, AAHH welcomes anyone who believes that everyone deserves a safe, affordable place to live. AAHH's model creates community-wide responsibility for the well-being of WNC families in need of affordable housing.

Website

www.ashevillehabitat.org

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Proposal Information

Proposal Title

Robust Housing Programs in the Growing WNC Region

Support Request

Loan, Investment/Grant

Requested Dollar Amount

798000

Please list other Significant Partners in the Proposal

Haywood Habitat for Humanity (HHFH)
Madison County Habitat for Humanity (MCHH)

Proposal Description

Since 1983, Asheville Area Habitat for Humanity (AAHH), Haywood Habitat for Humanity (HHFH), and Madison County Habitat for Humanity (MCHH) have served over 2,100 Western North Carolina (WNC) residents (1,700 alone in Buncombe County) through housing programs. This project addresses WNC's affordable housing crisis by building 40 new, affordable homes and preserving 100 existing affordable homes for households in Buncombe, Haywood, Madison, and McDowell Counties earning 60% of AMI.

Stark income gaps, a preponderance of low-wage service-industry jobs, rising housing costs, and a history of racial inequity have led to the WNC's affordable housing crisis. Nearly 46,000 families in the four-county area are cost-burdened, paying more than 30% of their income on housing. Over 23,000 renter households are struggling to afford basic needs. The pandemic is exacerbating the housing crisis, as residents face unemployment and eviction and affluent newcomers are escaping larger cities. A regional approach is critical to addressing WNC's affordable housing crisis.

Habitat Homeownership and Home Repair Programs utilize volunteer labor, homebuyer/client sweat equity, green building methods, modest house sizes, private and public funding, no-profit Habitat mortgages, and subsidized home repair loans to sell new, affordable homes and preserve existing affordable housing with low-income WNC families.

While AAHH benefits from a long-standing history of community support, rising construction costs and diminishing land availability in Buncombe County limits AAHH's capacity to build more homes. While land is more affordable and available in Haywood and Madison Counties, limited staff capacity and community support limits the affiliates ability to build more homes. AAHH regularly collaborates with HHFH, a small but mighty Habitat affiliate, sharing staff capacity for fundraising. AAHH and MCHH are exploring a merger in which AAHH will acquire MCHH's land in rural, underserved Madison County for the construction of Habitat homes. AAHH is exploring an expansion into McDowell County, a rural, underserved county not served by a Habitat affiliate, and received a donation of McDowell land for home construction. AAHH was awarded a three-year \$105,000 federal Section 4 Capacity Build grant to hire a VP of Programs to manage the service area expansion. Investment in this project will improve the shelter conditions and lives of 420 low-income residents of WNC.

Issues Addressed (check all that apply)

Asset Building / Financial Access, Capability and Empowerment, Affordable Housing, Stabilization and Sustainability

Geographic Impact

County-wide

State

North Carolina

North Carolina Counties

Buncombe, Haywood, Madison, McDowell

Population Served

Habitat programs address barriers to economic opportunity experienced by the vulnerable, especially children and older adults; the historically excluded, including households of color and people with disabilities; and the undervalued, those essential to community vitality but who are

chronically underpaid. Habitat homebuyers and home repair clients have household incomes 80% of Area Median Income (AMI). This proposal will serve households earning 60% AMI.

Population Income by Area Median Income (AMI) and other identifiers (percentage of Free and Reduced Lunch for youth or designated "Disaster Area" or designated "Distressed or Underserved"

2020 Median Family Income, according to HUD:
Asheville Metro Area (Buncombe, Madison) - \$72,500
Haywood Metro Area - \$60,400
McDowell - \$49,100

Free and reduced lunch, 2018-2019:
Asheville City 36.7%
Buncombe County 52.4%
Haywood County 57.2%
Madison County 51.1%
McDowell County 60.8%

Distressed County Designations:
Buncombe Tier 3
Haywood Tier 3
Madison Tier 2
McDowell Tier 2

Anticipated Outcomes/Impact

The project will serve:

- 29 Buncombe County households through homeownership
- 90 Buncombe County households through home repair
- 8 Haywood County households through homeownership
- 1 Madison County household through homeownership
- 5 Madison County households through home repair
- 1 McDowell County household through homeownership
- 5 McDowell County households through home repair

The \$798,000 investment in this project will fund:

- A portion of the VP of Programs salary, over three years, and not covered by the Capacity Build grant
- Construction of three new Habitat homes in Haywood, Madison, and McDowell Counties
- Repair of 10 existing affordable homes in Madison and McDowell Counties

The impact of this project will be improved housing, safety, health, and lives for 140 low-to-moderate income households in WNC. According to The Center for Housing Policy, safe, affordable housing reduces health problems associated with poor quality housing; improves health for individuals with chronic illness or disabilities, including older adults; frees up family resources for nutritious food and healthcare, and reduces exposure to infectious diseases.

Healthy, affordable housing enables families to invest in education, pursue opportunities, and enjoy greater financial stability. A safe, stable home provides children improved mental and physical health, resulting in fewer school absences, higher grades, better socialization, and opportunities for higher education. AAHH believes that everyone deserves a decent place to live and that housing plays a critical role in creating and preserving strong, stable communities.

Describe evaluation methods used to measure success

The success of this project will be evaluated by tracking the following accomplishments:

August 2020 Board vote to explore Madison County merger (completed)

September 2020 Secure Section 4 Capacity Build grant (completed)

January 2021 Begin Capacity Build grant period

March 2021 Hire VP of Programs

By December 2023:

Close 29 affordable homes in Buncombe County

Repair 90 existing homes in Buncombe County

Close 8 affordable homes in Haywood County

Close 1 affordable home in Madison County

Repair 5 existing homes in Madison County

Close 1 affordable home in McDowell County

Repair 5 existing homes in McDowell County

Project Time Frame - Is your request for an existing or new program

Existing Program