

PART I - FACE SHEET

APPLICATION FOR FEDERAL ASSISTANCE

Modified Standard Form 424 (Rev.02/07 to confirm to the Corporation's eGrants System)

1. TYPE OF SUBMISSION:

Application Non-Construction

2a. DATE SUBMITTED TO CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CNCS):

3. DATE RECEIVED BY STATE:

04-JAN-12

STATE APPLICATION IDENTIFIER:

2b. APPLICATION ID:

12AC133451

4. DATE RECEIVED BY FEDERAL AGENCY:

FEDERAL IDENTIFIER:

09ACHTN0010001

5. APPLICATION INFORMATION

LEGAL NAME: Appalachia Habitat for Humanity

DUNS NUMBER: 009339250

ADDRESS (give street address, city, state, zip code and county):

135 East Robbins Road
P. O. Box 36
Robbins TN 37852 - 0036
County: Scott

NAME AND CONTACT INFORMATION FOR PROJECT DIRECTOR OR OTHER PERSON TO BE CONTACTED ON MATTERS INVOLVING THIS APPLICATION (give area codes):

NAME: Haley Terry
TELEPHONE NUMBER: (423) 627-2507
FAX NUMBER: (423) 627-2599
INTERNET E-MAIL ADDRESS: haley_terry@yahoo.com

6. EMPLOYER IDENTIFICATION NUMBER (EIN):

237412908

7. TYPE OF APPLICANT:

7a. Non-Profit
7b. Faith-based organization

8. TYPE OF APPLICATION (Check appropriate box).

NEW NEW/PREVIOUS GRANTE
 CONTINUATION AMENDMENT

If Amendment, enter appropriate letter(s) in box(es):

A. AUGMENTATION B. BUDGET REVISION
C. NO COST EXTENSION D. OTHER (specify below):

9. NAME OF FEDERAL AGENCY:

Corporation for National and Community Service

10a. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:94.006

10b. TITLE: AmeriCorps State

11.a. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:

Housing Service Corps

12. AREAS AFFECTED BY PROJECT (List Cities, Counties, States, etc):

Anderson, Knox, Morgan and Scott Counties of East Tennessee.

11.b. CNCS PROGRAM INITIATIVE (IF ANY):

13. PROPOSED PROJECT: START DATE: 09/01/12 END DATE: 12/31/13

14. CONGRESSIONAL DISTRICT OF: a.Applicant b.Program

15. ESTIMATED FUNDING: Year #: 1

a. FEDERAL	\$ 265,995.00
b. APPLICANT	\$ 432,528.00
c. STATE	\$ 0.00
d. LOCAL	\$ 0.00
e. OTHER	\$ 0.00
f. PROGRAM INCOME	\$ 0.00
g. TOTAL	\$ 698,523.00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:

DATE:

NO. PROGRAM IS NOT COVERED BY E.O. 12372

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

YES if "Yes," attach an explanation. NO

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. TYPED NAME OF AUTHORIZED REPRESENTATIVE:

Susan Beaty

b. TITLE:

Program Director

c. TELEPHONE NUMBER:

(423) 627-2507

d. SIGNATURE OF AUTHORIZED REPRESENTATIVE:

e. DATE SIGNED:

04/30/12

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Executive Summary

Twenty Housing Service Corps AmeriCorps members will provide transition to safe, affordable housing for one-hundred economically disadvantaged individuals in Scott, Morgan, Knox and Anderson counties of East Tennessee. AmeriCorps members will construct new homes, repair existing homes, assist families who are seeking improved housing and manage volunteers contributing more than 35,000 hours of community service. The program is managed by Appalachia Habitat for Humanity, the second oldest Habitat for Humanity affiliate in the world. This project will focus on the Corporation for National and Community Service focus areas of Economic Opportunity and Capacity Building. The project will begin September 10, 2012 and end December 31, 2013. The CNCS investment of \$265,995 will be matched with an amount of \$432,928.

Rationale and Approach

a. Need

We have chosen to work on housing because safe, affordable homes are difficult for many families in East Tennessee to obtain. According to Tennessee Housing Development Agency (THDA), recent years have shown housing prices increasing at a much faster rate than wages for Tennessee residents. Between 2000 and 2009, the average family income increased by only 14.5%, while the average home cost increased 45.5%. Knox County ranks as 7th highest in home prices statewide. Scott, Morgan, Knox and Anderson Counties, served by Housing Service Corps, are all classified as housing-cost burdened, with 30-40% of households spending greater than 30% of income on housing costs. Three of these counties have a larger rental housing-cost burden, with rental households in Scott, Knox and Anderson Counties having as much as 40% housing-cost burden (THDA Housing Affordability Study, 2010).

Tennessee residents have also been impacted by the current foreclosure crisis. In 2010, Tennessee had one foreclosure filing for every 231 households, a 14% increase from the previous year (THDA, 2010). Knox County ranked third in the state for foreclosures.

THDA reports that service industry workers, those working in food and retail, cannot afford a fair market rent on a 2-bedroom apartment. In Knox County, the average rent cost rose 10.3% between 2005 and 2007. Rural renters are also at risk. According to the 2007 National Symposium on Homelessness Research, "rural renters are twice as likely to live in substandard housing as their urban counterparts." According to property assessors in Scott and Morgan counties, 10% of homes are valued at less than \$30,000, defined by THDA as in need of "extreme repair."

Scott County has a current unemployment rate of 19%, compared to a state unemployment rate of 9.8% and a national rate of 9.1%. (Tennessee Dept. of Labor and Workforce Development). Scott County has a poverty rate of 25%, and Morgan County's poverty rate is 18.6% (US Census Bureau 2009). Despite

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these challenges, residents of these counties continue to seek and maintain housing solutions that are affordable.

Families served by Housing Service Corps have also been burdened with the increasing cost of energy. In 2008, the Tennessee Valley Authority, electricity provider for utility companies across the Southeast, increased energy costs 20% (Knoxville News Sentinel, August 2008). In order to keep utility costs affordable, residents need energy efficient dwellings now more than ever. Lack of affordable, decent housing puts an enormous strain on families in Scott, Morgan, and Knox Counties. Increasingly, residents are losing their homes due to eviction, foreclosure, or substandard, unsafe living conditions. Unsafe heating practices - wood and kerosene burning and electric space heaters - often used by low income families to offset heating costs, are more likely to cause house fires and leave entire families without homes (US Fire Administration, 2008).

With the recent economic downturns, the numbers of homeless continue to grow. The Knoxville Homeless Coalition identified 7,089 homeless individuals in Knox County in 2010, and this was a 28% increase from the previous year (Knoxville Homeless Management Information System, 2010). Rural homelessness, at one time a little known issue, is on the rise. Ten years ago, there was not a specific agency in Scott or Morgan County addressing homelessness issues. Today, HOPE (Housing Opportunities and People Enterprises) located in Huntsville, Tennessee, serves families who are living in vehicles, motels, tents and often in the overcrowded homes of family members and friends. HOPE reported serving 344 homeless families in Scott and Morgan Counties in 2010.

Housing Service Corps seeks to eliminate substandard housing and homelessness by constructing safe, affordable housing, and Habitat for Humanity (Habitat) does this by selling homes with a zero interest, thirty-year mortgage. The average rent cost in East Tennessee is \$580 (East Tennessee Development District). In comparison, the average monthly mortgage payment for an Appalachia Habitat home is \$338.00. This payment includes property tax and insurance. Homeownership has positive effects in the larger community, as homeowners are more likely to participate in the long-term development and well-being of their communities by better maintaining their homes and by participating in community organizations.

b. Value Added: AmeriCorps Roles and Responsibilities

AmeriCorps members enable Habitat affiliates and other housing organizations to serve more families with greater efficiency. Our members assist in construction, in recruiting and managing volunteers and in serving families needing housing. We are requesting twenty full-time AmeriCorps members: 14 full-time Habitat construction members, one full-time Habitat family services member, two full-time Habitat volunteer services coordinators, two members to serve ADFAC (Aid to Distressed Families of

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Appalachian Counties), and one full-time member for Morgan Scott Project.

The majority of Housing Service Corps members serve in construction. These members serve on housing sites with Habitat carpentry staff members. They learn all phases of construction, from framing to finishing. As they become more experienced, they are able to lead volunteer teams, providing instruction and supervision to volunteers who generally have little construction experience. AmeriCorps construction members are crucial during fall and winter months, as building must continue in the absence of volunteer groups, who are generally active in summer months. AmeriCorps members are also an important part of the team in "Blitz" Builds. These builds are a tradition for Habitat for Humanity, when a home may be completed in less than a week. In April 2011, Knoxville Habitat for Humanity constructed 7 homes in a 7-day "Blitz" Build. These projects can be a logistical challenge, with a great number of volunteers and very little time to problem-solve. AmeriCorps members make this process more manageable by organizing the construction of homes into smaller, group based projects and freeing up staff members to plan the build and to acquire materials. AmeriCorps construction members are also trained in energy efficient construction techniques, developed to decrease energy loss in Habitat for Humanity homes. This has helped to lower our homeowners' utility costs.

AmeriCorps members also serve our affiliates by working with families and volunteers. A Family Services member is needed for Appalachia Habitat to assist families in the application process, to teach home ownership classes and to facilitate communication among families, construction and volunteer crews. This member would also assist family members in seeking volunteer opportunities to complete 500 hours of "sweat equity," service performed by each family as a down payment on their Habitat home.

As Habitat for Humanity is an international, highly visible organization, both affiliates receive a large number of requests from volunteer groups seeking service opportunities. These requests come from a variety of sources: community organizations, churches, businesses, schools and universities, individuals and members of the community who are required to perform community service due to the terms of their probation. Volunteer coordinators are needed to match volunteers to service sites and to help volunteer leaders schedule and plan activities, meals and lodging.

For the past year, Housing Service Corps has included two other housing organizations in its service sites, and this has enabled us to serve more new communities and more families. Aid to Distressed Families of Appalachian Counties (ADFAC) is a non-profit organization operating in Oak Ridge, Tennessee. Their Affordable Housing Program assists families in Morgan, Scott, Roane, Campbell and Anderson counties through a variety of services - new construction, major and minor home repairs, weatherization and homeowner education. ADFAC AmeriCorps members visit family homes, help to identify the appropriate housing needs and to assist families in applying for home construction or repair

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services. They coordinate projects with ADFAC staff and local contractors. They also recruit and assist volunteers.

Morgan Scott Project, located in the Deer Lodge community of Morgan County, provides emergency assistance to families needing utility assistance, food and housing. They have an active construction volunteer program that focuses on repairs to homes in the area, including ramp construction for sick and elderly residents. An AmeriCorps member at this service site would be serving an isolated community with few resources.

c. Evidence-Based

At Appalachia Habitat for Humanity, we have been able to double the homes we have constructed with the assistance of AmeriCorps members, as we have been able to establish second and third construction crews. Having as many as three sites under construction at one time, we are able to not only build more homes, we are able to accommodate greater numbers of volunteers. Members at Knoxville Habitat have enabled that organization to grow its Covenant Partner program, where area businesses, churches and community organizations have been able to participate in Saturday builds. AmeriCorps members serving at these Saturday builds orient these volunteers and organize the construction projects to be completed. AmeriCorps members help to make construction projects run more efficiently and to help volunteers have a more active role in this process. In the past three years, Housing Service Corps has seen volunteer participation increase 60 percent.

d. Member Experience

Housing Service Corps members are directly involved with those they serve. Home construction and repair has a tangible, long-lasting impact on families. AmeriCorps members serve alongside the homeowners from the time the participants enter the program until the homes are completed and inhabited. Homeowners must complete hours for sweat equity by working on homes or in other projects, and while serving these hours, they are working with AmeriCorps members. The Housing Service Corps experience is that of watching someone change their lives, sometimes going from substandard living, even homelessness, to the American dream of home ownership. Members receive training in skills specific to their service site. Housing Service Corps members form a connection to the AmeriCorps program through participation in statewide service meetings (events such as Make a Difference Day and Martin Luther King Day) and by meeting Housing Service Corps members from other service sites. Local service projects are also helpful in establishing this identity with the AmeriCorps brand. We have performed service projects for local homeless and domestic violence shelters, and we have also done local trail maintenance during AmeriCorps Week. This outreach helps

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the local community and local media to learn about the AmeriCorps program and to identify our program as a benefit to the community. Members are encouraged to wear AmeriCorps gear and to identify themselves as AmeriCorps members to homeowners, to volunteers and to the public. At team meetings and service projects, members are encouraged to reflect on their service, on what they have learned and how they have impacted the community. At our end of term celebration, we reflect on all the families whose homes have been constructed or repaired during the term, and this serves as a powerful testament to the impact of each member's service.

e. Overall Picture

Housing Service Corps has a significant impact because it sends skilled, trained members into the community to provide an affordable service for low-income families in need of quality housing. The Housing Service Corps program is strengthened through its relationship with Habitat for Humanity, as Habitat's model of affordable housing and volunteer development has been successfully replicated across the world, now in 90 countries. Habitat is also a highly visible organization, constantly seeking to bring new members of the community together to end poverty housing. Our members come to understand commitment to service through two strong traditions - from AmeriCorps and from Habitat International. They bring to our builds construction knowledge and skills in dealing with volunteers and the public. They also show a spirit of service that should inspire all those they meet, and this is especially important as many of our members work with young people. Locally, we anticipate that continued participation in the AmeriCorps program will enable us to build and repair a greater number of homes, with as much as a 10 percent increase each year.

f. AmeriCorps Member Selection, Training and Supervision

Housing Service Corps positions are listed on the MyAmeriCorps Portal, a website linking applicants with service opportunities across the county. We receive a number of applications through this website, and we contact appropriate candidates with information about our programs. We also seek local members through local newspapers, at high schools, vocational schools and community colleges. We will also be contacting area veteran associations and disability providers to encourage local participation of underrepresented populations. We strive to bring members from across the country and from a variety of backgrounds. Diversity benefits our program. Local members learn about other cultures and out-of-state members come to understand more about Appalachia and the challenges that face many families in this region. As volunteer groups are often from out of state, a diverse corps makes for a richer, more fulfilling volunteer experience.

We have had success in enrolling members with disabilities and in identifying necessary and reasonable

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accommodations at the beginning of the term. As much of our service activity may be physically demanding, we encourage members to identify any issues they may have serving on a construction site. Activities such as heavy lifting, climbing and sawing may be delegated to appropriate members, and we have found that when construction supervisors take this into account, the project works for all involved. Training begins with a day-long basic orientation provided by the Program Director. In this orientation, members learn about the history of national service and the structure of the current AmeriCorps program. They are also given a history of Habitat for Humanity International as well as the history of their respective affiliates and organizations. Member roles and service descriptions are reviewed, as are rules of conduct and related disciplinary and suspension procedures. They also learn about program benefits, such living allowances, mileage stipends, education awards and childcare opportunities. Prohibited activities are discussed, and members are asked to differentiate between examples of appropriate service activities and those that should be delegated to personal time. Members are asked to identify their own goals for the upcoming term, such as skills they would like to learn or strengths they would like to develop. For the rest of the first week, members continue orientation at service sites. Construction members learn basic carpentry skills (operation of tools, safety precautions) and they also learn about organizational protocol (staff introductions, suppliers, vehicle use). Non-construction members train with staff to become better acquainted with policies and office and community resources.

Trainings continue throughout the term. In the first three months, members receive training on topics such as member development, group dynamics and effective communication. They also receive training on volunteer development, as all AmeriCorps members will have extensive exposure to, and sometimes lead, volunteer groups. These trainings and discussions are led by the AmeriCorps Program Director. Members receive First Aid / CPR training from a certified instructor during the first half of the term, prior to the spring / summer volunteer season. Life After AmeriCorps materials are reviewed in the last quarter of the term. During trainings and team meetings, members are encouraged to reflect on their service, to voice concerns and to share great stories. Appalachia Habitat members have weekly contact with the Program Director, at staff meeting every Monday morning. Appalachia Habitat construction members are also supervised by Scott Garrett, an AmeriCorps alumnus who has been on carpentry staff since 2007. Members at Knoxville Habitat for Humanity are supervised by the Staff Coordinator, Trinity Edgar, who is also an AmeriCorps alumna. Members at ADFAC and Morgan Scott Project work directly with the Executive Directors of those service sites. Cindy Ross, the Executive Director of ADFAC, has led this organization since 1996, managing construction and repair projects for a six-county area. Ella Smith has been the executive director of Morgan Scott Project for five years and was a community business leader prior to her non-profit experience. The Program Director provides training and information to

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these supervisors at the beginning of the term. This training regards procedures, timelines and prohibited activities, and the Program Director checks in with supervisors and members on a monthly basis or more frequently, depending on issues that may arise during the term.

g. Outcome: Performance Measures

Housing Service Corps works to increase the number of housing units constructed or rehabilitated each year. Our goal for the coming year will be to transition 100 individuals to safe, affordable housing. We expect to see a ten percent increase in the housing units created or rehabilitated in the next 3 years, or providing homes to 5 more families per year. We will measure our impact by obtaining certificates of completion for each home constructed or repaired. We will report our numbers in Progress Reports to Volunteer Tennessee, the state Commission on service. We have determined our performance measure targets based on homes constructed by Habitat for Humanity in recent years and on growth patterns of the last 15 years. Both ADFAC and Morgan Scott Project anticipate an increase in housing repairs and volunteer service in this grant cycle, and this will also increase output. Since the beginning of Housing Service Corps, more than 150 new homes have been constructed with the help of AmeriCorps members.

h. Volunteer Generation

Volunteer development is critical for Housing Service Corps. All members, regardless of site placement, spend at least 20% of their service hours with volunteers. Volunteers serve in many capacities: on construction sites, in offices and at public events. Volunteers also serve in Habitat ReStores, thrift stores that sell household goods and affordable construction materials to the public. The role of AmeriCorps members is to supervise, to support and to show appreciation to our volunteers. Spring and summer months at all service sites are busy with volunteers, as work groups, often from other states, travel to perform construction in East Tennessee. Many volunteer work groups sponsor homes, donating a significant portion of the construction cost of a recipient family's home. At Appalachia Habitat for Humanity, 4 homes were constructed last year with funds raised by preparatory schools from New York City. These students raised money throughout the school year and came to Appalachia to help build the homes. At Knoxville Habitat for Humanity, the Covenant Partners Program has been a powerful resource for generating funds and volunteer labor. Covenant partners -- local businesses, churches, and other organizations sponsor at least \$30,000 towards a home and provide volunteers to construct the homes. In 2010, 16 Covenant Partners participated with Knoxville Habitat for Humanity. AmeriCorps construction members orient and supervise the volunteers, and other AmeriCorps members help to organize the projects and to show appreciation to these community partners. Since ADFAC has joined our program, members serving at this site have increased volunteer participation. In the summer

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of 2011, ADFAC hosted Reach Work Camps, a faith based organization which sent 400 high-school aged teens from across the country to work on small-scale home repairs in Anderson County. The AmeriCorps member with Morgan Scott Project will assist volunteers by orienting them on the construction sites, in scheduling meals and lodging and in showing appreciation for their giving and service. Morgan Scott Project hosted 16 volunteer construction projects in the summer of 2011.

Organizational Capability

a. Organizational Background and Staffing

Habitat for Humanity International is a non-profit Christian housing ministry started in 1976, and it seeks to eliminate poverty housing from the world. The Mission of Appalachia Habitat for Humanity is to restore pride and stability into the community by building and financing quality affordable housing for all low-income persons in Scott and Morgan Counties, Tennessee. Started in 1978, our organization has constructed 190 new homes and performed major repairs on 218 existing homes. We have also done hundreds of smaller emergency repairs for local residents in need. Susan Beaty, Program Director, is the primary contact for this grant application. Sandy Spurling, Executive Director, is the secondary contact. Appalachia Habitat for Humanity has hosted AmeriCorps members since 1996, and 5 current staff members have monitored the program during that time. Appalachia Habitat for Humanity receives support from a variety of sources, public and private. We receive funds from Tennessee Housing Development Agency through the New Start Program (new construction), the Housing Trust Fund (very low income, elderly and special needs recipients), and the HOME Grant (new construction and rehabilitation). Volunteer groups sponsor newly constructed homes, financing at least \$50,000 of the cost of each unit. We receive grants from Federal Home Loan Bank for new construction and home repairs, and emergency repairs are funded through East Tennessee Development District. In 2010, we constructed a new Habitat ReStore in the Sunbright community of Morgan County, and monthly revenues have doubled compared to previous years, when the store was operated from a smaller, less accessible location. Our revolving loan fund is a monthly source of income, as there are currently more than 180 Habitat homeowners making mortgage payments. We have strong support from individual donors, many of whom have volunteered with Appalachia Habitat in the past. Through Habitat for Humanity International, we receive a grant from Softwood Lumber, and this helps to alleviate some of the burden of purchasing construction materials. We receive funding from FAHE (Federation of Appalachian Housing Enterprises), and through FAHE, we have also been approved to construct United States Department of Agriculture (USDA) 502 homes. AmeriCorps funding for the 2010 year accounted for 12% of the overall budget for Appalachia Habitat for Humanity. Appalachia Habitat's Board of Directors meets monthly. The Board determines policies and procedures, reviews the budget, supervises the executive director and approves new home and repair applications.

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Board members also accompany staff on visits to prospective homeowners' residences. They participate in special events, in "Blitz" Builds and home dedications, and they also assist in hosting volunteer groups.

AHFH has an administrative staff and a construction staff. AmeriCorps construction members are distributed equally among staff carpenters, with two to three members serving with one or two supervisors. These supervisors provide daily management and training, orienting members to sites and projects.

Appalachia Habitat for Humanity has supported an AmeriCorps program since 1996. In this time, our organization has worked with Volunteer Tennessee to receive training in order to stay in compliance with CNCS requirements.

Susan Beaty is the Program Director for Housing Service Corps. She is based in the Appalachia Habitat office and is responsible for member orientation, supervision and all reporting to Volunteer Tennessee (financial and other). She joined Habitat staff in May of 2007, working in property development and planning, and in February of 2008 she became the AmeriCorps Program Director. She has a bachelor's degree in social work with seven years of experience in non-profits and mental health. The Program Director is responsible for all financial reporting and training, and in the coming term we are planning to broaden AmeriCorps training to all supervisors, both those in administration and in construction, to ensure that the service site is in compliance and that members will have a meaningful service experience.

b. Sustainability

AHFH receives support from public sources (THDA, East Tennessee Development District) and from partners in non-profit housing (ADFAC, Federation of Appalachian Housing Enterprises). Our relationships with volunteer groups get stronger every year. Some of the schools who sponsor homes, such as Fordham Preparatory School and Xavier High School, both from New York City, have been coming for 10 years or longer. Volunteers from previous years often act as private donors, and homeowners and their families perform volunteer service, especially at larger events.

Many of our stakeholders are non-profit organizations and public entities. Housing Service Corps exists as a part of the greater community dedicated to improving the lives of East Tennessee residents. As it is a partner with Habitat for Humanity, ADFAC and Morgan Scott project, it joins a greater circle of non-profits and other public organizations that interact to provide housing and support to low-income families. Knoxville and Appalachia Habitat work with city and county governments, identifying citizens in need and working together to seek resources to provide safe, affordable housing. Knox County and Knoxville City governments donate tax-sale properties to Knoxville Habitat for Humanity. This often

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replaces abandoned, blighted buildings with new homes, and this improves the safety of inner-city neighborhoods Knoxville Community Development Corporation (KCDC) has also donated properties to Knoxville Habitat. Such land donation relieves Knoxville Habitat from purchasing expensive urban property. The University of Tennessee (UT) is also a valuable partner, as UT students and groups affiliated with UT have constructed an average of three homes per year and have sponsored 4 homes in 2011. Appalachia Habitat for Humanity works with county governments to identify and apply for appropriate state and federal funds. Both affiliates work with local planning commissions in the development of new subdivisions. Appalachia Habitat for Humanity works with Scott Morgan Community Development Corporation and Housing Opportunities & People Enterprises (HOPE). Both organizations work with low-income families by providing rental and emergency housing, and Habitat applicants often find out about our program through these partners. Some of our for-profit stakeholders include local banks, such as Citizens First Bank and First National Bank, as these provide grants for new homes and repairs.

c. Compliance and Accountability

Throughout our participation in the AmeriCorps program, Housing Service Corps has worked with Volunteer Tennessee staff to ensure program compliance. Our ability to remain in compliance relies on training -- starting with the Program Director's training through Volunteer Tennessee and continuing on to supervisors and members. Members and supervisors are currently trained regarding prohibited activities, and this training will extend to other staff working with AmeriCorps members. The Program Director will interview AmeriCorps members throughout the term regarding their day-to-day service activities and will also monitor service descriptions on weekly time sheets. Any issues of non-compliance will be reported to the Volunteer Tennessee to seek guidance on appropriate actions.

d. Enrollment and Retention

We enrolled 100% of positions in the 2009-2010 year.

For this same year, we had a 60% retention rate. Three members were terminated for disciplinary reasons, and three members, all local, found jobs that gave them high paying jobs that enabled them to better provide for their families. One member exited early in order to start an AmeriCorps position with another program. During the selection process, we ask members to commit to completing the year term, and we work to ensure member satisfaction with their service and make adjustments when possible (changing work crews or service sites). During this process, we also seek to identify if the problems an AmeriCorps member has encountered extend to other members and may require organizational changes. While we operate in an economically depressed area and seek to provide opportunities where

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very little employment is available, we have learned that applicants who are seeking "work" may not be satisfied with the living allowance and may not be motivated by the prospect of receiving an education award. Many of our local members, however, have identified the benefit of continuing their educations, and many start the program with a plan for their education after their AmeriCorps term. When possible, we encourage applicants to visit the service sites and, if possible, to volunteer with construction crews prior to their term. We will continue to seek members from the MyAmeriCorps Portal, as applicants on this site are oriented to AmeriCorps as an opportunity for service and experience and not for financial gain or employment.

e. Performance Targets and Demonstrated Compliance

Housing Service Corps met performance targets for the 09-10 year, improving living conditions for more than 75 families and engaging more than 4500 volunteers, versus a performance target of 2500 volunteers. In previous years we have consistently met performance targets.

f. Operating Sites and Member Service Sites

Housing Service Corps operates in 4 service sites: Appalachia Habitat for Humanity, Knoxville Habitat for Humanity, ADFAC and Morgan Scott Project. Our site selection took into account the need of the organization, supervision available, and history of the program. All organizations were over 20 years of age and had partnered with AHFH. We had participated with Knoxville Habitat for Humanity through joint builds and Tennessee Habitat for Humanity conferences. ADFAC has provided home grants to Appalachia Habitat families with special circumstances (disabilities, low incomes). Morgan Scott Project served the area before Appalachia Habitat for Humanity formed, and it was instrumental in Habitat's development. All service site organizations are working to improve housing and can provide members with meaningful service and training.

g. Special Circumstances

Appalachia Habitat started in 1978 and constructed one house during that year. Currently we build an average of 12 homes per year, as well as an average of 6 major repairs. We receive very little philanthropic resources from our community, as many businesses have closed or eliminated jobs, and as churches and other religious organizations are overburdened with requests from individuals seeking financial assistance for rent, utilities or other living expenses. Our community is remote, an hour's drive from the closest metropolitan areas (Knoxville and Oak Ridge). Though we do have AmeriCorps members in Knoxville and Oak Ridge, the majority of our members are serving rural communities.

Cost Effectiveness and Budget Adequacy

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a. Cost Effectiveness

We are requesting 20 full-time MSYs at a cost of 13,300 per member. For the 2012-2013 term, we anticipate that, excluding home construction supplies, we will need approximately \$50,000 to support the AmeriCorps program. Currently we have funding commitments for four homes from summer volunteer groups, each home bringing \$50,000 to our affiliate. We also anticipate that the revolving loan fund, mortgage payments from current Habitat homeowners, will generate over \$220,000. Through Habitat for Humanity International, we have secured the Softwood Lumber Grant, which offsets the cost of construction materials and should total \$50,000. New home construction will be supported by grants from THDA and Federal Home Loan Bank.

b. Current Grantees

As our service is construction, we find that costs of land, materials and subcontracting services increase every year, and these expenditures exceed our match goals. Even as the cost of home construction increases, we work to ensure that our organization operates efficiently. One way we have improved service was to update our accounting system, giving our office a means of better tracking income and expenditures. We have also converted construction staff to using Habitat vehicles instead of paying mileage for personal vehicles. We also encourage both staff and AmeriCorps members to carpool whenever possible. One strategy for having a deeper impact in the community is building in subdivisions. Though we do offer to build on family land when it is available, building multiple homes in the same location cuts down on development costs --surveying, utilities, excavation, and road building.

c. Special Circumstances

Although some of our members serve in Knox and Anderson counties, our program is based in a rural area, and the majority of our members (71%), serve Morgan and Scott counties, with an 18% and 25% poverty rate, respectively (compared to a national poverty rate of 14.3 (US Census, 2009). As our area is economically depressed and remote, we rely on sources external to this community to cover the cost of development and construction.

d. Budget Adequacy

Appalachia Habitat's budget is sufficient to support AmeriCorps members, as we have long-standing support and as we are generating new sources of income. Mortgage payments are projected to be \$220,000 for the coming year, and volunteer work groups have committed to donating \$130,000 to Appalachia Habitat. Since opening in July, the ReStore in the Sunbright community has generated more than \$50,000, and spring and summer months are expected to increase revenues. Grants from Federal

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Home Loan Bank will total \$95,000, and the Softwood Lumber Grant will offset \$50,000 of construction costs. From THDAs New Start, Housing Trust Fund and HOME Grants, we anticipate more than \$600,000 in the construction of new homes and the repair of existing homes.

Evaluation Summary or Plan

Appalachia Habitat for Humanity conducts an independent internal audit through Larry O. Stophel and Associates, Certified Public Accountants. Audits are done on an annual basis, fiscal term July 1-June 30. This audit assures that the organization is in compliance with generally accepted accounting practices and assures the organization internal controls over financial reporting.

Amendment Justification

N/A

Clarification Summary

Appalachia Habitat for Humanity / 12AC133451

START DATE: 9/10/2012

END DATE: 9/10/2013

AmeriCorps adds significant value to the community service efforts of Appalachia Habitat for Humanity and its partners. Based on current staff and member numbers, we estimate that having AmeriCorps members allows Appalachia Habitat for Humanity to double the number of homes they are able to complete and increases the number of homes constructed by partner organization, Knoxville Habitat for Humanity by 25%. AmeriCorps members manage the REACH project at ADFAC, which provides hundreds of student volunteers over a two week period every summer, volunteers who repaired 80 homes last summer.

Although Housing Service Corps members will learn the history of Habitat for Humanity and their respective organizations, members will also learn how their roles are different from staff roles. Also, we will be incorporating AmeriCorps alumni into orientations, trainings and public events, as alums serve as models for continued service. Members exiting the program will be connected to AmeriCorps alumni resources. During trainings and reviews, strengths and interests of members will be identified, and the

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program director will be better able to connect these members to volunteer opportunities both during the member's term and after their service ends. Members will continue to participate in and organize regional and statewide events such as AmeriCorps Week, Make a Difference Day and Martin Luther King Day. AmeriCorps members will also be encouraged to participate in Leader Corps through Volunteer Tennessee.

We plan to increase our recruitment efforts, reaching out to area schools, veteran organizations and disability providers, becoming proactive in seeking out members who can not only benefit our organization but who can gain experience from Housing Service Corps where other opportunities may not exist. During the selection of members, we will ask applicants to commit to one year of service and to consider any issues that may prevent them from serving the whole year (family conflicts, plans to attend school or to seek employment). Selection will also be based on members who will be able to identify how the AmeriCorps experience will help them reach their goals, who can recognize their AmeriCorps term as an opportunity to grow, to receive training or education, as opposed to employment for the present. We will also be focusing more on team-building exercises throughout the term to help members better communicate and to resolve conflicts.

Our goal for the coming year will be to provide 100 economically disadvantaged individuals, including homeless individuals, with housing placement services and to transition these 100 individuals into safe, healthy, affordable housing. All recipients of this service will sign a certificate of completion. This certificate serves to give a description of the construction or repair work completed and the recipient's verification of improved housing. The certificate of completion will be used by all service sites.

Travel expenses will be added to Grantee Share -- Lodging and travel costs for program director to Volunteer Tennessee trainings averaging \$300 per trip x twice yearly = \$600.

Member training costs will be covered by Appalachia Habitat for Humanity. This cost will vary depending upon the number of members, dates of enrollment and combined (all-Corps) versus site-specific training sessions.

The costs for criminal history checks will be added to the grantee share of Appalachia Habitat for Humanity -- 20 members x \$40 criminal history check fee = 800. 10 staff members x \$40 = 400. The

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total cost of criminal history checks is estimated to be \$1200.

Construction costs are based on materials used on homes that will be built by AmeriCorps members, and these are based on projected cost per house to be built in the term year.

Items should read "New Construction Materials" and "New Construction Supplies -- Subcontractors", and this has been corrected.

The first section includes construction materials -- lumber, fasteners, roofing materials, etc. The second section refers to materials provided by subcontractors -- concrete, gravel, insulation, wiring and other items. We have broken this down to \$30,000 material cost for 8 new homes (\$240,000) and \$14,000 in sub-contractor costs for 8 new homes (\$112,000).

Mortgage, THDA, and Federal Home Loan Bank sections will be modified to equal match of \$432,928.

In previous terms, we had defined the grant end date as being the last day of the latter grant year. We can, however, adjust this to September 10, 2012 to September 10, 2013.

As AmeriCorps construction members are skilled in supervising construction volunteers, this has enabled Appalachia Habitat affiliates to establish additional job sites with fewer staff supervisors per site. At Appalachia Habitat, this results in doubling new homes constructed. As our affiliate has received AmeriCorps support since 1994, we do not have recent numbers to compare the difference, but we have determined that, without AmeriCorps member support, we would be operating one construction crew instead of two. In the 2010-2011 term, AmeriCorps members supported 4853 volunteers. The majority of these volunteers served on construction sites and required training and supervision.

Housing Service Corps members participation in local, regional (Dr. Martin Luther King day of Service, Global Youth Service day, Make A Difference Day) and statewide events (9/11 Day of Remembrance, Tennessee Conference on Volunteering and Service-Learning). When organizing local service events, members from our 4 service sites will work together to identify community needs, plan these events with community leaders, obtain needed materials, and to contact and orient additional volunteers. We

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bring together Housing Service Corps members together from our 4 service sites to help coordinate participation in these events. This helps build an overall esprit de corps amongst our members. Also, our members volunteer along side AmeriCorps VISTAs and Senior Corps members at various events, such as those listed previously, during their term of service.

Housing Service Corps members will assist 100 individuals to move into safe, healthy, affordable housing by constructing new homes and by repairing existing homes to meet International Building Codes. The certificate of completion is signed by the occupant and the construction supervisor, and we will revise this to include an independent inspector. (This will not be a TN state inspector- some of our covered areas do not have state certified inspectors available - they will not come to our areas even when requested.) We will keep a list of homes completed for the year with family names and addresses, and this should serve as evidence of non-duplication.

The construction materials for a new home cost \$30,000. We will have a total of \$240,000 in construction material costs during this program year (8 homes x \$30,000/home = \$240,000). Sub-contractor (electrical, insulation, roofing, etc.) costs \$14,000 on average per new home. We will have a total cost of \$112,000 in sub-contractor costs during this program year (8 homes x \$14,000/home = \$112,000).

Continuation Changes

N/A

Required Documents

Document Name

Status

Evaluation

Sent

Labor Union Concurrence

Not Applicable