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Executive Summary

The Twin Cities Habitat for Humanity proposes to have 24 AmeriCorps members who will engage community volunteers to build, rehab, and repair homes for low-income residents in the Twin Cities seven county metro area. At the end of the first program year, the AmeriCorps members will be responsible for helping to provide 144 low-income households with their own affordable home or with home repairs. In addition, the AmeriCorps members will leverage an additional 15,000 community volunteers who will be engaged in the building, rehabbing, and repairing of homes for low-income families.

This program will focus on the CNCS focus areas of Economic Opportunity -- Housing and Veterans and Military Families. The CNCS investment of \$291,000 will be matched with \$449,035: \$12,000 in public funding and \$437,035 in private funding.

Rationale and Approach/Program Design

1. The Problem

The Minnesota Habitat for Humanity AmeriCorps program (the Program) will address the increasing need for more units of decent, affordable shelter for low-income families and veterans by providing them with affordable homeownership -- either newly constructed homes or rehabbed properties. The Program also provides low-income homeowners and veterans with no-cost home repairs through our A Brush with Kindness program (ABWK) to enable them to remain living safely and affordably in their own homes.

Community Need: While the recession has eased for many, the cost of housing continues to rise, and the economic recovery actually creates problems for low-wage workers. By federal (HUD) definition, a family is "cost-burdened" when it spends more than 30% of its income on housing. In 2013 in the Twin Cities Metro (St. Paul, Minneapolis, and seven surrounding counties), 71% of renters earning less than \$50,000 paid more than 30% of their income for housing (American Community Survey, MN Housing Partnership, <http://www.mhponline.org/publications/trends/twin-cities>). In addition, nearly one in four veteran households nationwide is housing cost-burdened (2013 Report, "Housing Instability among Our Nation's Veterans," Natl Low Income Housing Coalition). There is a clear need for affordable housing, yet, according to the Metropolitan Council -- the Twin Cities regional planning agency -- in the Twin Cities region alone, 10,200 units need to be built each year to meet demand by 2020. In 2013, just over 1,100 affordable housing units were produced, far short of

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the number needed (<http://metro council.org/News-Events/Housing/Newsletters/Housing-cost-burden-in-the-Twin-Cities-region-has.aspx>).

These undue housing costs mean families are more likely to move frequently (have insecure housing), and have less money to pay for food, medicine and health care, negatively affecting their health. In addition, low-income families are more likely than others to live in substandard housing, which often times indicates chronic exposure to lead, dust, mold, cockroaches, mice and rats (all associated with bad health outcomes). For example, households with annual incomes of less than \$30,000 a year are twice as likely as others to have lead hazards in their home (Jane Malone, 2014, "Healthy Homes and Lead Hazard Control," National Center for Healthy Housing Report. <http://nlihc.org/sites/default/files/2014AG-236.pdf>).

As our population ages, so do the homes in our community. Many low-income homeowners and veterans are not financially or physically able to make needed repairs, which can lead to unhealthy and unsafe living conditions as well as more complicated and expensive repairs in the future. Dilapidated properties also debase property values and imply disuse, inviting crime to the neighborhood. Habitat's ABWK program helps homeowners with repairs so they can continue living in place and improve area livability.

2. Theory of Change and Logic Model

Habitat for Humanity provides affordable homeownership because the opportunity to purchase one's own home helps break the cycle of generational poverty and stable, decent housing results in positive health and other outcomes for families. Habitat partner families make between 30% and 60% of the area median income (AMI), which for a family of four ranges between \$25,969 and \$49,740. We serve this population because they are the most likely to be paying more than 30% of their income on housing and least likely to be able to access homeownership in the open market.

Habitat for Humanity has many healthy home-building practices in order for our families to be successful for years to come. Our homes are well built and highly energy efficient, which keeps ongoing housing costs affordable. We use low-emission materials, powered vent-type combustion appliances to remove combustion gases, continuous whole house ventilation, along with active radon mitigation. All of these steps more than show our commitment to the health and longevity of the families in these homes. To further ensure homebuyers can retain their home for many years, we provide both pre- and post-purchase support to Habitat homebuyers.

The ABWK program offers no-cost home repair to help make sure low-income families and

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veterans are living in safe and well-maintained homes. When this happens, more homeowners are able to stay in their homes and protect their financial investments, in turn restoring homeowners' dignity and pride of homeownership.

At the end of the first Program year, AmeriCorps members serving with Habitat for Humanity will build, rehab, and repair 144 homes with and for low-income residents in the Twin Cities seven county metro area. As part of our Veterans Initiative, begun in 2010, 12 of these projects will serve veterans. Twin Cities Habitat for Humanity (TCHFH) is the first Yellow Ribbon nonprofit in the country, accredited by the Veterans Administration to provide services to military families. The AmeriCorps members will also leverage 15,000 volunteers in advancing Habitat's mission to eliminate poverty housing and to make decent, affordable shelter for all people a matter of conscience.

We are requesting 24 full-time MSY. Seventeen members will serve as Construction Volunteer Facilitators and four will serve as ABWK Volunteer Facilitators. One member will serve as a Volunteer Coordinator and focus on recruiting and orienting new volunteers, and another member will focus on Family Services/Selection. We would like to use the last slot to engage multiple Full-time Summer members to serve at TCHFH or possibly with other smaller Minnesota affiliates during the busy summer build months when our need for community volunteers increases dramatically. While other affiliates do not have the capacity or need to host a full year member, there is interest in hosting a fulltime member during the summer months when they engage community members in their construction projects.

Habitat continually works to improve our programs. In recent years we've made community engagement a priority, which has resulted in the creation of new home designs to match existing housing stock and align with neighborhood organizations' goals; we've also increased our energy-efficiency measures. Both of these positive changes offer AmeriCorps members deeper learning opportunities than in previous years. They both also have extended the length of time to build each home. Finally, we have secured new funding from the Federal Home Loan Bank and The Home Depot Foundation that allows us to serve each family more deeply in our ABWK program. Because we are providing more extensive services, the number of homes we will build and repair is slightly reduced from the previous year.

The leadership that the members provide onsite is integral to Habitat's mission as they help coordinate, supervise, and train community volunteers. Each member is assigned to a staff supervisor; together they lead volunteers on construction and ABWK sites. Because of our thorough training plan, even members without construction experience quickly acquire the skills needed. On a typical day,

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members teach unskilled volunteers a specific task like hanging drywall and build side by side with them to ensure tasks are done properly. When building with more skilled volunteers, members may instruct in the morning, and then use the afternoon to set up for the next task or train with their supervisor. Our AmeriCorps members bring incredible optimism and energy, contributing to volunteers' meaningful experience and promoting long-term support of Habitat's mission to provide decent, affordable shelter to all. Habitat cannot build all the homes or complete all the ABWK repair projects we do without community volunteers. The Volunteer Coordinator member will recruit individuals to build and repair homes and help in the office, while the Family Services/Selection member will assist our partner families.

Habitat homes are perpetually affordable, providing families with more cash flow for other needs. Habitat subsidizes the home purchase so that a family's housing costs do not exceed 30% of its household income. All homes meet high construction standards and are extremely energy efficient to save homeowners money: \$800 in energy savings per unit. We also build the homes so families can "grow into" them. Full basements can be finished to accommodate additional children, and we follow universal design principles so as the residents age, they will be able to remain in the home. Habitat creates healthy homes, with sound building practices that reduce air pollutants from lighting and heating homes. Since 2010, all homes have active radon mitigation equipment. Finally, Habitat's required homeownership training classes lead to long-term homeownership. Since 2004, 95% of all TCHFH homebuyers still own and live in their Habitat home, and our foreclosure rate is under 2%.

In the last three years, TCHFH has seen a 17% increase in the cost to build homes, a result of higher land prices, new city codes for sustainable building methods that add subcontractor costs, and more complex house designs as required by our neighborhood partners. Therefore, we rely on our AmeriCorps members more than ever to help keep costs down by successfully managing volunteers to build and repair homes. We estimate that AmeriCorps members increase our capacity to engage volunteers by 50%. During the busy build season, a Habitat Construction Supervisor alone can safely facilitate 12 volunteers. With the additional leadership of an AmeriCorps member, we can handle 18 volunteers each day on each site. By training members to effectively lead and teach volunteers, Habitat leverages a larger volunteer labor force.

An important aspect of Habitat's mission is to raise public awareness of the importance of housing to our community. During breaks on site, Members are responsible for facilitating our "Build. Think. Act." Affordable Housing Curriculum (BTA). Through these engaging discussions, volunteers learn about all aspects of affordable housing issues facing Minnesota families, and how everyone benefits

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from a stable housing market. Habitat's hands-on volunteer experience paired with this educational curriculum creates passionate affordable housing supporters, helping us achieve our mission of making decent, affordable shelter for all people a matter of conscience.

3. Evidence Base

Habitat for Humanity's intervention method -- subsidizing homeownership to make it affordable (secure) -- has been shown to be associated with positive health outcomes for families. With our volunteer building model, 0% interest mortgage and silent second mortgages, we subsidize the cost of our homes so that they are affordable (less than 30% of household income). The following two experimental studies on programs using a similar intervention (subsidized housing) compare outcomes between a group receiving the intervention and a matched comparison group, constituting moderate evidence.

Evidence #1 - The Boston Children's Health Watch Medical-Legal Partnership compared the health outcomes for children living in subsidized housing to those not in subsidized housing (Report, "Rx for Hunger: Affordable Housing," 2009, http://www.childrenshealthwatch.org/upload/resource/RxforhungerNEW12_09.pdf) and found that children who lived in subsidized housing were more likely to be food secure and less likely to be seriously underweight than children who didn't. "For most families, housing is their single largest annual expenditure. Families in the lowest income quintile spend on average 40.5 percent of their income on housing versus 14.8 percent on food. Securing a housing subsidy, which limits the percent of income paid in rent, frees up resources for other household necessities, including food."

Methodology: Controlled study (families in subsidized housing to those on waiting list for subsidized housing): compared data from 1998-2008.

Evidence #2 - The Department of Health and Human Services includes high housing costs in proportion to income and poor housing quality in its definition of "insecure" housing. Habitat's affordable housing intervention addresses such housing insecurity.

In the study, "US Housing Insecurity and the Health of Very Young Children" (American Journal of Public Health, August 2011, Vol 101, No. 8), the authors investigated the association between housing insecurity and the health of very young children.

Methodology: The study design was cross-sectional. Between 1998 and 2007, investigators

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interviewed 22,069 low-income care-givers with children younger than 3 years who were seen in 7 US urban medical centers (including Minneapolis, MN). They assessed food insecurity, child health status, developmental risk, weight, and housing insecurity for each child's household. Indicators for housing insecurity were crowding (>2 people/bedroom or >1 family/residence) and multiple moves (2 or more moves within the previous year).

Conclusions: Housing insecurity is associated with poor health, lower weight, and developmental risk among young children. Policies that decrease housing insecurity can promote the health of young children and should be a priority.

4. Notice Priority

The Minnesota Program falls within the Economic Opportunity and Veterans and Military Families funding priorities. The purpose of our Program is to provide affordable housing and home repair to Minnesotans who earn between 30% and 60% of the Area Median Income, the federal definition of "very low income," freeing up their incomes for other essential needs, professional education to improve their job prospects, or their children's education. Homeownership also allows families to build wealth: this capital investment can be passed on to their children, used as collateral to borrow, etc. These families would not qualify for mortgages on the open market.

Through our Veterans Initiative we will provide services to 12 veterans and engage over 800 in volunteerism. Our commitment to veterans is reflected in the full-time, dedicated Veterans Outreach position that supports this Initiative. Sample repairs we've completed to improve veterans' quality of life through the ABWK program include building ramps; complete rewiring of the home to meet code; installing a new furnace; and reroofing homes.

5. Member Training

Before reporting to service, members attend an orientation with the Program Manager that covers Construction/Tool Safety, Introduction to Civic Engagement, Volunteer Management, Team-Building Activities, Elevator Speech and certification in CPR/First Aid. Habitat will also orient members through office and site tours and attendance at All Staff Meetings in the first two weeks. Year-round, members receive position-specific training from their direct supervisors as well as a weekly team construction skill day with a Construction Supervisor during the winter months. Two times during the year supervisors evaluate members to identify specific skill development needs. The Program Manager

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provides additional trainings throughout the year, including BTA Facilitation, Harassment Prevention, Homelessness Awareness Training and an Immigrant/Refugee Experience Panel. Towards the end of the term, members receive training that includes resume writing, interviewing and job-hunting skills to prepare for life after AmeriCorps.

The Program Manager will e-mail the Member Contract/Agreement of Participation and the Policy and Procedure manual to all new members on acceptance so they can read the regulations before committing to service. During orientation, the Program Manager and members review this manual and discuss Prohibited Activities and Rules and Regulations in detail. Throughout the program year, the Program Manager will work with the direct supervisors to ensure members and community volunteers are not involved in prohibited activities.

6. Member Supervision

All members are partnered directly with a Habitat AmeriCorps supervisor who they will report to and serve alongside each day. Supervisors are responsible for training members on position specific activities, teaching construction skills, and monitoring member performance. All construction and ABWK supervisors come to Habitat with at least three years of construction experience and many also have volunteer management experience. Our three Senior Site Supervisors all have over 10 years' experience on the job and supervising AmeriCorps members; they provide direction to the newer staff. Currently, 57% of the AmeriCorps supervisors served as members themselves. The Program Manager and supervisors ensure that members comply with CNCS Rules and Regulations.

New staff who will supervise AmeriCorps members will review the AmeriCorps Supervisor manual one-on-one with the Program Manager. The manual outlines allowable and unallowable member activities as well as program-identified best practices. Prior to the start of a new program year, the Program Manager will review and update the manual. All supervisors will sign a contract with the Program agreeing to uphold the CNCS regulations, prevent members from engaging in Prohibited Activities, abide by the roles and responsibilities of the Habitat affiliate and fiscal host, and follow program-identified best practices to provide a quality member experience. Additional training will be held as needed to cover changes in policy, technical support, member issues, or other identified needs.

Providing a high-quality experience for members starts with quality supervision. Besides the AmeriCorps supervisory training, the assets that qualify the site supervisors to manage community volunteers (patience, knowledge, organization and the ability to explain tasks simply) also make them great AmeriCorps supervisors. The Program's manager will visit each member/supervisor out at site

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at least once during the program year. Members will evaluate their direct supervisor, the Program Manager, and overall service experience three times during the year. In the past ten years, this process has successfully held supervisors accountable.

7. Member Experience

Our Program places great responsibilities on our members, and provides training to help them succeed in their roles and in future employment. Members learn transferable skills in home building and repair, teaching and leading. They also develop time and project management and public speaking skills that benefit them with future employment opportunities.

To deepen the service experience, members participate in quarterly Civic Reflection activities (designed by the Project for Civic Reflection), in which they read and discuss short pieces of literature related dilemmas of civic life. These activities, done quarterly, serve as a way for members to reflect on their service and the impact they are making throughout their service term.

Members connect with other AmeriCorps members in the state through the Minnesota InterCorps Council (ICC), with one Habitat member elected to be an Ambassador to ICC, and by interacting with members from other programs who volunteer on our Habitat sites for team building days. These interactions also foster a sense of identity with the AmeriCorps brand. Having an ambassador in the group keeps our members informed about upcoming ICC events and opportunities to connect with other members.

Throughout the program year, members participate in Civic Engagement activities and retreats that encourage members to be engaged citizens. The activities include learning about the three levels of government in Minnesota, participating in community service projects with local non-profits, and traveling to a southern Habitat affiliate to build and interact with the local staff and AmeriCorps members. We pride ourselves on providing a formative and rewarding experience for our members. From the 2013 to 2014 program year, 53% of the members eligible for another year chose to serve again with TCHFH, while two others committed to serve with the New Orleans affiliate.

We market our positions through organizations and websites that attract individuals of various ages and from diverse locations and backgrounds: MN Workforce Center, MN Council of Nonprofits, local and state-wide public and private colleges and universities, technical and vocational schools, My.AmeriCorps.org, Minnesotadiversity.com, Minnesotaworks.net, Chicano Latino Affairs Council, Local Initiatives Support Corporation, American Indian OIC, LAO Family Community of MN and the Minneapolis Urban League. Tactics also include reaching out to the diverse groups of individuals who

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have volunteered with us through their schools and community groups, posting position openings at campus organizations for students of color, promoting the Program to diverse communities served by using Habitat's newsletters, and at Habitat events, which target our partner Homeowner families and local community members. As the first nonprofit to acquire Yellow Ribbon status, TCHFH will build on our established relationships with the Minnesota Department of Veterans Affairs, the Minnesota Department of Economic Development Veterans Programs, the Minnesota Women Veterans Initiative and the University Veterans Clubs to conduct targeted recruitment at reintegration events, Yellow-Ribbon events, and through postings, newsletters and mailings.

8. Commitment to AmeriCorps Identification

Even before being considered for an interview, individuals must complete the application process through My.AmeriCorps. During the initial interview, the Program Manager ensures that applicants understand that the opportunity is an AmeriCorps position and what that entails. At the orientation, members learn the history of national service and what it means to be an AmeriCorps member, take the AmeriCorps pledge, and receive a set of AmeriCorps service gear with the AmeriCorps logo, as well as logo patches and buttons they can wear when service gear is at the laundry.

During orientation, members will create and practice their elevator speech, so they can identify themselves as AmeriCorps members to volunteers and answer questions about national service. Members participate in four community service projects with local non-profits, during which they wear their service gear and present themselves as AmeriCorps members. The House Sponsor sign on each Habitat site includes the AmeriCorps logo, and signs are displayed at both affiliate offices.

Organizational Capability

1. Organizational Background and Staffing

Habitat for Humanity International was founded in 1976 by Millard and Linda Fuller to address the issue a lack of affordable housing available to low-income families. The Twin Cities affiliate was founded in 1985. Habitat's model is to build and rehab homes with volunteer labor and the sweat equity of the partner families and then sell them without profit to partner families with a subsidized mortgage. Since inception, TCHFH has built over 1,050 homes and repaired 1,750. The affiliate created the ABWK program that is now replicated in over 300 Habitat affiliates.

Heather Erickson, National Service Programs Manager, oversees the Program and is the primary contact for the grant application. She served as a Habitat AmeriCorps member in Hawaii, coordinated Habitat for Humanity International's AmeriCorps program for a year and a half in Georgia, worked

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in the Public Liaison department of the Corporation for National and Community Service for three years, and has been the MN Habitat Program Manager since July 2012. She will handle all day-to-day operations and management; recruiting and interviewing applicants, facilitating Civic Engagement Retreats, ensuring compliance with CNCS regulations, and supporting members and their supervisors.

Mary Schumacher, TCHFH's COO, is the secondary contact for the grant application. She has made the support for the AmeriCorps program a priority. Ms. Schumacher is a veteran business leader, having been Senior Vice President and General Manager for Andersen Corporation, as well as an executive for Ecolab Inc. and The Pillsbury Company. Ms. Schumacher served on Habitat's Board from 2004 to 2010 before joining Habitat as COO in 2011. TCHFH Chief Financial Officer, Casey Scott, serves as the finance director for the AmeriCorps Program. Mr. Scott joined TCHFH in 2013; prior to that he was Vice President of Treasury and Corporate Projects at the YMCA of the Greater Twin Cities and CFO of the YMCA of Metropolitan Minneapolis for 12 years. Deqa Essa, TCHFH's Human Resources Manager handles human resource related issues, oversees the AmeriCorps health insurance plan, and provides general support to the Program. She holds a Master's Degree in Human Resources Management from Saint Mary's University. Chrissy Schoen, Accountant 2, has been with TCHFH for 12 years and will continue to manage the members' living allowance distribution.

TCHFH has been the fiscal host of an AmeriCorps Program since 1994 and will continue to act as the fiscal host. TCHFH has extensive experience administering federal grant programs, including the Community Development Block Grant Program, Neighborhood Stabilization Program, HOME, Self-Help Homeownership Opportunity Program, and VISTA. Annually, TCHFH manages \$2.4 million in federal funding (11.7% of the annual budget,) as well as state, county, and city funding.

Minnesota and the Twin Cities are known for strong philanthropic support from local corporations, foundations, and individuals. TCHFH has long-term funding and volunteer engagement relationships with large corporate partners such as Valspar, Ameriprise, Andersen Corporation, Best Buy, Cargill, Carlson, Ecolab, Delta Airlines, General Mills, 3M, Wells Fargo and US Bancorp, scores of faith congregations, local colleges and high schools, and civic and professional organizations. The TCHFH Board of Directors represents corporations, individuals, and foundations that support Habitat.

TCHFH collaborates with city and town economic development councils and many other groups to determine where and how we build, and to increase our impact. A very small sample of who we partner with: Project for Pride in Living, St. Paul Promise Neighborhood, Frogtown Neighborhood Association (District 7), East Side Neighborhood Development Committee, Northside Achievement Zone, Hawthorne Neighborhood Council, Twin Cities Community Land Bank.

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2. Compliance and Accountability

The Program Manager, AmeriCorps supervisors, and AmeriCorps members all are responsible for enforcing Program compliance with CNCS rules of conduct and regulations. Members sign a Contract/Agreement of Participation on the first day of orientation promising to uphold CNCS's rules of conduct and regulations. The AmeriCorps Supervisor manual is a resource for supervisors, outlining the basics of the Program, the rules of conduct and regulations, and program-identified best practices. AmeriCorps supervisors will sign an agreement with the Program agreeing to uphold the CNCS regulations, prevent Members from engaging in Prohibited Activities, abide by the roles and responsibilities of Habitat Affiliate and fiscal host, and follow program-identified best practices to provide a quality member experience. The Program Manager will monitor site compliance through site visits as well as informally on an as needed basis.

Identified instances of noncompliance will be addressed by the Program Manager with the guidance of a ServeMinnesota Program Officer. They will follow the specific process outlined in our Program Operating Procedures that includes verbal and written warnings, suspension, and release.

The Program Manager meets formally with the Director of Programs from the State Commission (ServeMinnesota) annually to review and update the Program's Operating Procedures. ServeMinnesota also conducts periodic audits of program reports and member files. The Program Manager will use the findings from the formal review and periodic audits along with any changes to the AmeriCorps State and National Grant Provisions to update the AmeriCorps supervisor manual, Member Contract/Agreement of Participation and the Policy and Procedure manual.

TCHFH is audited annually by an independent audit firm, which has included an A-133 Single Audit since 1992. Each year, the audit has found all procedures to be in compliance with federal law. Habitat's procedures are also audited by HUD and local participating jurisdictions for the federal funds they provide. Tri-annually, financial and governance procedures are audited by the non-profit oversight group Charities Review Council, awarding Habitat its top quality ranking each time. Our most recent audit occurred in October 2014.

As the Program's fiscal host, the Twin Cities affiliate follows a federal grants procurement policy as prescribed by OMB Circulars. AmeriCorps expenditures pass through several control points before being charged to the grant. These include: A) pre-authorization in the budget, B) Program Manager approval, C) Accounts payable staff review of cost and coding, D) Monthly budget reports to leadership team and management, and E) State agency review of submitted reports.

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3. Past Performance for Current Grantees

Our performance measure targets for the past three program years were to engage 20,000 community volunteers in contributing 140,000 hours to help build and repair 175 affordable housing units, including serving 15 Veterans. The Program has reached our building and repairing goals and come close in our volunteer and veteran engagement targets. In the past two years, individual volunteer engagement has been on average 16,000, or 80% of our goal. While the number seems low, it actually reflects a more accurate count of volunteers. In 2012, we began using a Volunteer Management System (VMS) to track the number of days/hours that each person volunteers, rather than counting volunteer waivers. The Program can effectively collect information without double counting individuals. Volunteers create a user account with our VMS website, sign up for opportunities to volunteer and read and initial the waiver form. The system then issues a Volunteer Confirmation Page. When the volunteer arrives on site, the AmeriCorps member scans the confirmation page into VMS. With this information we can track who is volunteering, when they are volunteering and at which sites. We also have the ability to collect demographic information, identify veterans, recognize volunteers and distribute experience satisfaction surveys.

Many of our volunteers return to build multiple times a year -- in part because of the hands on help they get with having both a site supervisor and well trained AmeriCorps member on site. More and more are doing so, and we can track this easily with the technological upgrade of using our VMS system. We've realized that tracking volunteer hours is a key measure. We can now report that Habitat volunteers contributed 188,000 hours last year (34% over our target goal) and spent over 25,000 days building or repairing Habitat homes. To reflect this knowledge, we adjusted our individual volunteer target for the current grant request.

As for our goals to partner with veteran families, we served 14 veterans in 2013 and 10 in 2014. While these numbers are decent for the first two years of implementing our new Veteran Initiative, we have struggled to find 15 veterans who meet our homeownership and ABWK program qualifications. Many veterans are ineligible because they have debt or credit issues, earn just above our income cut-off levels, or live out of our service area; they also need more support to get through the application process. Last year TCHFH's Veteran Outreach Coordinator connected with 45 veterans and service-members. Only one of the applicants was eligible for our homeownership program; nonetheless, the other 44 benefited by being connected to other Habitat affiliates or service organizations, improving their knowledge of financial planning, and working out a plan for how to

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achieve the goal of homeownership in the future. For the first two program years, TCHFH partnered with the Veteran Justice Corps to host an AmeriCorps member to serve as our Veteran Outreach Coordinator. In our current program year we filled the position with one of our Program MSY slots; when the current member ends her term of service next fall, TCHFH will hire a full-time employee to continue building the program. Having a permanent staff person in this position will allow for the continued development of relationships within the veteran community, and demonstrate our ongoing commitment to serving those who serve to yield more veterans receiving housing support.

The Program achieved 100% enrollment during the 2013 to 2014 program year, as it has done since TCHFH began hosting AmeriCorps members. Using the recruitment process previously described, in the past three years we received an average of 80 applications annually for the available positions not already filled by returning members.

The Program achieved 100% member retention during the 2013 to 2014 program year. Not only that, but members showed extreme dedication and enthusiasm for the program, putting in extra time. The 24 members served 42,590 hours - an average of 74 hours per member over the 1,700 minimum required to successfully complete their term of service.

One weakness of the Program was identified and corrected through participating in the National Service Criminal History Check (NSCHC) Assessment Period. Even when the National Sex Offender checks were completed and the State/FBI checks initiated before members began service as required, the timeline for receiving the State/FBI results was extremely long. The Program Manager worked with TCHFH's HR Director to review and update the written NSCHC policies and procedures with information learned through the Assessment Period. Now, for future program years, the Program will use the new procedure and receive results from the State of Minnesota on the first day of orientation.

Budget/Cost Effectiveness

We are requesting a fixed amount grant of \$300,000. The Program is also applying for \$12,000 from ServeMN Innovation Funds and Habitat affiliate will raise \$439,806 from non-CNCS sources to support its share of the overall \$751,806 budget. The TCHFH Board has authorized \$439,806 to be taken from its general operating funds.

The proposed program budget reflects all direct costs needed to maintain a high-quality program and covers the following: Member Support = living allowance of \$12,530, health insurance coverage and Worker's Compensation; Member Training = orientation, civic engagement activities/retreats and a career development training; Personnel Expenses = Program Manager's salary, benefits, and professional development trainings; Travel = Travel to sites for monitoring purposes, members' use of

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Habitat fleet vehicles for their assigned roles; CNCS Sponsored Meeting = Attendance the Annual Conference; Member Supplies = AmeriCorps service gear, allowances for boots and tools, monthly cell phone allowance (for safety reasons, each member serving in the field must have a cell phone); Recognition and Recruitment = two recognition events, travel and registration at four recruitment fairs, marketing materials, and background checks; Evaluation = external evaluator fee.

All of these expenses are directly tied to the success of managing a high-quality AmeriCorps program. We have ensured that the budget is adequate to meeting our program objectives while also providing each member with a transformative service experience.

Habitat for Humanity is basically a non-profit construction company that uses volunteer labor. Maintaining and insuring a fleet of construction vehicles is costly but necessary to maintain production levels. As previously discussed, the cost and complexity to build and repair affordable homes has increased greatly, forcing our Site Supervisors to spend more time than ever with the responsibility of overseeing project management demands, leaving less time for volunteer management. When a community member has a good experience with Habitat, they will most likely tell others, donate money to support the project and return to volunteer. Therefore it is essential that we have AmeriCorps member on site to ensure that the community volunteers have safe and productive experiences, and are educated on the affordable housing needs in our community.

The proposed program costs consist of less than 3% of TCHF's overall \$20.2 million budget. TCHF has a proven track record for securing funds for its Program. TCHF's Resource Development Department annually raises \$4.2 million of undesignated general operating funds from over 8,000 different donors. Thrivent Financial for Lutherans, Andersen Corporation, Wells Fargo Housing Foundation, St. Paul Foundation, Twin Cities LISC, Xcel Energy, Family Housing Fund, Delta Air Lines, Ameriprise, Opus, General Mills, Target and Ecolab, are all examples of donors who have contributed to TCHF's general operating funds.

While the cost to manage the Program has increased greatly in the past three years - Living Allowance; building and repairing affordable homes; gas, insurance & maintenance of fleet vehicles; compliance with National Service Criminal History checks; healthcare for the members - the benefits from members serving in the Program are a priceless investment. Habitat will take on a larger share of the budget, and ask that CNCS supports the Program with \$300,000, reducing the MSY to \$12,500. This is \$930 less than the Maximum Cost per MSY for Fixed Amount grants and \$101 less than the cost per MSY covered by the previous Program grant.

Evaluation Summary or Plan

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As documented in the Program Design section, subsidized affordable housing provides families stable homes, which results in improved health outcomes. For the first two years of our current three year program grant, the Twin Cities affiliate built and repaired affordable homes with 340 families. Forty percent of these families responded to our survey designed to measure quantifiable changes due the service of the AmeriCorps members with the affiliate. The preliminary results show that after three months of partnering with Habitat, 99% of the families reported that their homes are more affordable, healthier and/or safer.

While our current evaluation is based on perception of changes, our evaluation plan for our next Program will delve deeper into the health and affordability benefits to provide empirical evidence to show the impact on families' lives from participating in our homeownership program. The benefits of living in a healthy, stable home may take years to surface, so for our evaluation purposes, we will address the change in housing conditions when low income families move into a Habitat home. Our desired outcomes are that families that live in Habitat homes do not: face overcrowding, have cross gender sharing of rooms, have issues with pests, have issues with mold, asbestos & lead, or spend more than 30% of their income on housing expenses. Research questions will include: How many families in the control group currently describe one or more of the health issues defined above as impacting their current housing situation?; How many of the families in the Homeowner group described during their application process one or more of the health issues defined above as impacting their former housing situation?; How many of the families in the Homeowner group describe facing these issues after purchasing their Habitat home? The theory of change we will be addressing here is the hypothesis that Habitat homeownership decreases the number of families describing one or more of the health issues as affecting their housing situation. By comparing it to the control group we will be able to determine if the change can be connected to Habitat homeownership.

The number of families who meet the need and qualifications to purchase a Habitat home greatly outnumber the amount of homes that can be built each year. This leaves an applicant pool of families who can serve as our experimental group. When a family applies to our Homebuilding program, volunteers will conduct an interview which will establish our baseline of the documentable poor housing issues. We will then survey the Habitat families three months after they move into their home and compare their results to the baseline results of the control group.

We plan to hire Dr. Jamie Peterson, Associate Professor of Psychology at St. Catherine University in St. Paul, Minnesota, to lead the evaluation process. Dr. Peterson earned her PhD in Educational Psychology from the University of Minnesota in 2007 and has training in both qualitative and

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quantitative research methods as well as in conducting formative, summative and developmental evaluations. Dr. Peterson has published in peer-reviewed journals and has served as an external evaluator to several NSF-funded programs.

The total estimated budget for this evaluation is \$4,150 to cover the cost of - Professional Evaluation Services (\$400 per day x 10 days); paper, envelopes, copying (\$100); and postage (\$50).

Amendment Justification

N/A

Clarification Summary

Twin Cities Habitat for Humanity - 15ES168690. This application is under consideration for a grant in the amount of \$300,000.00, 24 Member Service Years (MSYs), 24.00 slots, at \$12,500.00 Cost per MSY.

A. Programmatic clarification items:

* None identified by Review Panel

B. Budget Clarification

* When creating the budget for this application, we took into consideration that having a low Cost Per Member Service year is a competitive advantage. While the overall cost to manage the program has increased greatly in the past three years (Living Allowance, compliance with National Service Criminal History checks, healthcare for the members, insurance and maintenance of fleet vehicles, etc.), to maintain a high-quality program, Habitat is able to take on a larger share of the program's budget, and reduce the cost per MSY by \$100 from the previous year. The most compelling reason that we aren't able to further reduce the cost per member MSY at this point is that it would compromise our program outcomes at a time when affordable housing need in the Twin Cities is growing -- our waiting list for Habitat homes has increased to over 230 families. In arriving at our request of \$300,000 and 24 AmeriCorps (for an MSY of \$12,500), we incorporated as many cost savings as we could. CNCS's portion of the request is lower than the amount granted three years ago,

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while our actual home construction costs have increased by 17%. Finally, TCHFH's operating support (as opposed to revenue) has decreased by 14% (\$2.06 M) since 2011, so the Habitat affiliate has been working hard to increase operating revenue streams. Full support of our \$300,000 request by CNCS is critical to helping us maintain our service levels to meet the need of low income families.

* The applicant updated the "Other Revenue Funds" field and the match fields of the application.

C. Performance Measure Clarification

* The Community Volunteers performance measure has been deleted from the application. The volunteers will instead be reported in the GPR under demographic data.

*The 04 performance measure has been removed. The program will use the 05 performance measure to report on the individuals receiving housing services, and not the number of affordable housing units built, rehabilitated and repaired.

* For measure 05, the program will only count each beneficiary once during the program year. 175 economically disadvantaged individuals, including homeless individuals, will receive housing services, resulting in the outcome of 400 economically disadvantaged individuals, including homeless individuals, transitioning into more affordable, healthier and/or safer housing. These numbers will not include veteran family members reported in measure V8.

* For measures 05 and 011, the program will use a unique ID number in the beneficiary database for each individual served. Habitat's Family Services and ABWK staff use Salesforce to track partner family information; address, family size, names, ages, home closings, project completions and if they are a veteran family. From this instrument, the program generates reports to track Certificates of Occupancy and Project Completion dates. We are able to ensure that we count each home/family only once by cross checking addresses, names and the unique ID numbers. The unique ID number for each individual entered into Salesforce will ensure that each beneficiary is counted only once during the program year.

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* The Other Veterans performance measure has been removed and replaced with the correct National Performance Measure.

* Outcome 18785 has been removed and replaced with an outcome that measures a change in condition of the beneficiaries counted in V2.

* V6 has been removed.

* The beneficiaries listed under measure V8 are the same veteran family members listed as beneficiary targets for measure V6. Since the program cannot count veterans and their families receiving housing services under both measures, measure V6 has been removed. 25 veterans' family members will receive CNCS-supported assistance (homeowner training, homeownership or ABWK assistance); 10 veteran family members will transition into more affordable, healthier and/or safer housing through purchasing a Habitat home. These veteran family members will not be reported in measures 05 and 011.

D. Strategic Engagement Slots

* 4% percent of the member slots (i.e., 1 slot of the 24) will be targeted for a member with disabilities. Program staff, with the assistance of a Veteran Outreach Coordinator, will recruit for this position by reaching out to the various Veteran service organizations that we have developed strong relationships with through our Veterans Initiative.

* Currently, 24 MSY slots are sufficient to accomplish our program goals for homebuilding and ABWK. As an equal opportunity employer, Twin Cities Habitat for Humanity does not discriminate against any person or group on the basis of age, political affiliation, race, national origin, disability, sexual orientation or religious belief. We will certainly hire more members with disabilities if they are among our pool of applicants.

E. MSY with No program Funds Attached Clarification.

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* At this time we do not want to request additional slots under the No-Cost MSY.

Continuation Changes

N/A

Grant Characteristics