

**Greene City Chapter**

*We make houses into homes.*

# EXECUTIVE SUMMARY

Building with Heart® was founded in 1986 with the goal of eradicating homelessness and inadequate housing. Building with Heart enables volunteers to help families in need help themselves. Homeowners, working with the help of volunteers, construct their own homes, essentially building sweat equity in the process. Costs are kept low by using volunteer labor and obtaining property and building materials through the donations from generous community members. Building with Heart provides homeowners with a long-term, no interest mortgage. Because we keep our costs low, homeowners do not go into a home overburdened with debt.

This proposal is in response to the Greene City Council’s Request for Proposals (RFP) from non-profit developers of affordable housing. The Greene City Council is seeking to increase the available housing for low-income households.

# PROJECT CONCEPT AND DESIGN

The Greene City chapter of Building with Heart proposes the development of a new subdivision located along the banks of Greene City River. Building with Heart proposes construction of two- and three-bedroom patio homes. These homes will use efficiencies of design to minimize construction costs. In addition, Building with Heart currently has an excess of construction materials that were donated by several major home renovation stores—which will further reduce the cost of a new home for Greene City’s lower income families.

Patio homes are designed to use lot size efficiently and to offer homeowners a small, fenced-in yard. The land as provided by Greene City is approximately 20 acres in size. Building with Heart will develop this land into 60 lots, along with a road connecting the subdivision to Highway 90. We will construct 25 two-bedroom and 35 three-bedroom patio homes.

## Two-Bedroom Homes

The two-bedroom homes are 1,500 square feet in size. We have designed the homes with several efficiencies to minimize construction costs. For example, Building with Heart minimizes plumbing costs by placing the two-bedroom home’s single bathroom adjacent to the kitchen.

## Three-Bedroom Homes

The Building with Heart three-bedroom homes are 1,850 square feet in size. As with our two-bedroom homes, we’ve designed the three-bedroom homes to minimize construction costs. Sample efficiencies include locating ductwork for central air and heat so as to minimize distance. We have also placed the bathrooms and kitchen in such a manner as to centralize the plumbing.

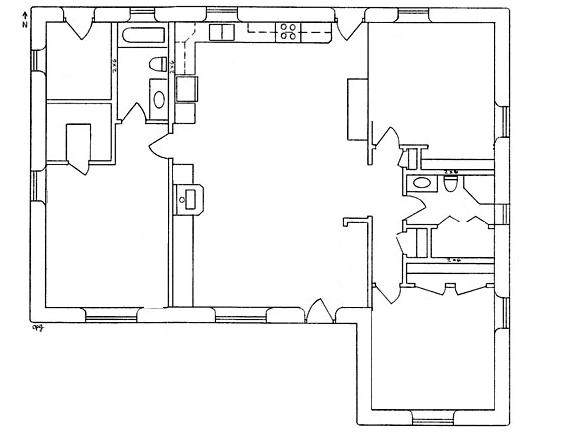


Figure 1 A sample three-bedroom floor plan.

# TARGETED POPULATION AND SERVICES

Here at Building with Heart, we understand that the Greene City Council wants to provide housing for low-income residents. We are pleased to announce that we have applied for and received a federal grant that will subsidize some of the cost of the houses. Building with Heart has developed an application to qualify potential homeowners. To qualify applicants for the new homes, we have set requirements for the applicants’ maximum gross income and set aside 20 percent of the new homes to be occupied by very low-income families.

## Low-Income Applicants

Building with Heart identifies potential candidates for new homes based on their gross income in compliance with The Greene City Income Classification Act (November 28, 2015). We identify low-income applicants as those whose gross income is equivalent to 60 percent of the median income for Greene City. The median annual household income for Greene City is $52,350, so low-income applicants must have an annual gross family income of $31,410 or less.

## Very Low-Income Applicants

Building with Heart has set aside 20 percent of the new homes for very low-income families. We identify very low-income applicants as families whose annual gross income is equivalent to 50 percent of the median income for Green City. This benchmark complies with The Greene City Income Classification Act (November 28, 2015). Very low-income applicants must have an annual gross family income of $26,175 or less. Building with Heart plans to use all of the federal grant to reduce the mortgages of very low-income applicants by 30 percent.

## Proposed Services

Building with Heart has developed a series of workshops designed to help low- and very low-income families learn to manage their money. These workshops teach applicants how to develop monthly budgets and balance their checking accounts.

Building with Heart has also identified opportunities for applicants to make choices in their homes’ construction. These choices include:

* Three different types of kitchen cabinets: oak, white, or black.
* Four countertop options: white or black tile, and walnut or white laminate.
* Flooring options: carpet or wood laminate floors for bedrooms; tile or laminate floors for bathrooms.
* Numerous paint colors, including antique white, white, light blue, sage green, or yellow.

# FINANCIAL STABILITY

Building with Heart understands that the Greene City Council seeks contractors with demonstrated financial stability. We present our profit and loss statement for the last four years as documentation of our financial stability.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2013 | 2014 | 2015 | 2016 |
| Gross Revenue | $15,758,900 | $16,459,780 | $16,758,879 | $17,256,453 |
| Construction Expenses | 14,365,169 | 14,896,101 | 15,082,991 | 15,530,808 |
| Gross Profit |  |  |  |  |
| General and Administrative Expenses | 675,850 | 690,900 | 695,808 | 702,450 |
| Miscellaneous Expenses | 32,500 | 29,500 | 33,798 | 34,755 |
| Net Income |  |  |  |  |

Table 1 Building with Heart Profit and Loss Statements.

As the Greene City Council can see, we’ve shown a profit every year. In addition, we’ve kept our general, administrative, and miscellaneous expenses consistently low despite the increase in work we’ve had each year. Our organization has had a chapter in Greene City for the last 30 years.

# ORGANIZATIONAL EXPERIENCE

## Mission Statement

Building with Heart was founded with the following goals:

1. Provide very low- and low-income citizens of Greene City with affordable, safe, and healthy homes
2. Provide hope, stability, and improved quality of life
3. Advise city planners, government agencies on policies to promote positive change and improvement in the quality of life in distressed neighborhoods
4. Benefit the general community:
   1. Create strong neighborhoods in which new homeowners are stakeholders
   2. Provide opportunities to recycle and repurpose used building materials

## Key Personnel

At Building with Heart, we pride ourselves in our key personnel’s experience in the development and management of affordable housing. In addition, our management team has a wealth of combined experience in the construction of new homes. Key personnel on our team include:

* Chris Baker. Chris is the director of Building with Heart. He has 25 years of experience in building homes throughout the state of Richland. Chris has been the director of Building with Heart for over 10 years. While at Building with Heart, he developed methods for building new homes that cut constructions costs by over seven percent.
* Martha Rodriguez. Martha is an architect who has designed energy-efficient homes for over 20 years. At Building with Heart, Martha has developed designs for new homes that simplified construction in order to reduce costs.
* Roy Payne. Roy is the project manager for Building with Heart. He has managed the construction of over 30 affordable housing subdivisions in the state of Richland. The total number of houses for these subdivisions exceeds 500.



Figure 2 Director Chris Baker at work.

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