

## **Spirit Fund Opportunities Application**

*The below questions are required to be answered. Applicants can fill out in this form or create a document of your own. Attachments should be included in a single PDF with this application and emailed to [spirit@winnebagocountywi.gov](mailto:spirit@winnebagocountywi.gov). Applications will not be reviewed until after July 15. Submitted applications after June 30 will be considered on a rolling basis. This application covers requests under Government Identified Community Projects. Ideas or requests for County Government Projects should be sent to [spirit@winnebagocountywi.gov](mailto:spirit@winnebagocountywi.gov) and will be reviewed by the County Executive.*

### **Demographics/Basic Information**

Name of Organization: Greater Fox Cities Area Habitat for Humanity

Organization Website and social media: [www.foxcitieshabitat.org](http://www.foxcitieshabitat.org)

Mailing Address: 921 Midway Road St. Menasha, WI 54952

Application Point of Contact: Name, email, phone;

Kerri Hah [kerrih@foxcitieshabitat.org](mailto:kerrih@foxcitieshabitat.org) 920-422-6665

CEO/Executive Director of Organization: Name, email, phone:

John Weyenberg [johnw@foxcitieshabitat.org](mailto:johnw@foxcitieshabitat.org); (920) 967-8880

Finance Director/Controller/CFO (if applicable): Name, email, phone:

Barb Hall [barbh@foxcitieshabitat.org](mailto:barbh@foxcitieshabitat.org); (920) 967-8892

### **About the Organization: (history, mission, what do you do, who do you serve, etc)**

Greater Fox Cities Area Habitat for Humanity brings people together to build houses, communities, and hope - empowering families and inspiring community-wide action to break the cycle of poverty. Our vision is a world "Where everyone has a decent place to live."

Families and individuals in need of a hand-up partner with us to build or improve a place they can call home. The outcomes can be long-lasting and life changing. Our model requires families to invest in themselves through putting in hours of "sweat equity," participate in an educational series, pay a small down payment, and make interest-free mortgage payments. When a partner family invests in their own future, they gain not only a new or repaired home, but they also gain the confidence and pride to start to build stable futures. Affordable homeownership frees families and fosters the skills and confidence they need to invest in themselves and their communities. We are taking action to ensure that every family in our community has a safe, decent, and affordable place to live through efficiently utilizing the skills and resources of our community to reach our objectives. 2023 marks 30 years of helping families find affordable housing in our local community. We are proud of this work and all the families, sponsors, donors, and volunteers that make it possible.

We offer innovative housing solutions to neighborhoods and families within Calumet, Outagamie, Waupaca, and Northern Winnebago counties in Wisconsin. 1 in 8 families in Wisconsin lack safe, affordable housing and spend more than 50% of the income on housing. 1 in 4 spend 30% or more of their income. There is a 3-to-5-year waitlist for subsidized housing. The households most affected by the lack of affordable housing are families with children, seniors, and individuals with special needs. Affordable housing large enough for multi-generational families is extremely limited and affordable

housing in the current market rarely has the necessary accommodations for individuals with mobility challenges.

**Number of paid staff**

31 Full-time and 8 Part-time staff at the Greater Fox Cities Habitat for Humanity Affiliate. This number does not include employees at our ReStore, a retail operation that helps raise funds to build homes.

**Describe the organization's ability to receive an award and comply with audit requirements**

Habitat has been building and renovating homes for 30 years and we have a long history of successfully applying for and utilizing local, state, and federal grants. We have over two decades of experience successfully administering CDBG Funds, SHOP grants from HUD, DHS Lead Safe Homes Grants and we always fully comply with regulations and successfully pass internal audits. Our staff has great longevity with many of them serving 10+ years with our organization. Our CEO and President, John Weyenberg, will oversee the grant obligations and overall program management. He has been in this role for 25 years and has successfully fulfilled the requirements of countless government grants. Our construction department has over 160 years of combined experience participating in the construction of hundreds of homes. Our Director of Construction, Roger Roth, will oversee the coordination of the building efforts. He has over 40 years of construction experience in the for-profit and non-profit sectors. In addition, we have seven other construction staff that train and mentor our robust volunteer base to build or rehab homes. Several members have Dwelling Contractor Qualifier certifications as well as other certifications in lead remediation and housing renovations. The Senior Crew is our core group of volunteers, many of whom work on the build sites and give their time to Habitat on a regular basis. Our local Habitat affiliate has one of the largest and most successful Senior Crew programs in all the United States. In addition, we work with several in-kind partners that will donate supplies and labor to each build. Together, as a team we can build these homes below market value in a shorter period.

**Project Information**

**Name of the project:** Scattered Site Affordable Housing in Northern Winnebago County

**Location of the project:** Northern Winnebago County

**Estimated total cost of the project:** \$2,370,238

**Requested award from the Spirit Funding:** \$500,000

**How will the project improve the quality of life in the county for years to come?**

Our proposed project will provide ten affordable home ownership opportunities by working with eligible hardworking families to build or rehab ten homes in Northern Winnebago County. These families will then purchase these homes through 0% interest mortgages. Families must be at or below 60% of the county median income to qualify for our program. Our model requires families to invest in themselves through putting in hours of "sweat equity," participating in educational series, paying a down payment, and making interest-free mortgage payments. These families will work in partnership with Habitat to build their home, and then to purchase their home at a no-interest loan permanently set at 25 – 30% of their household income at closing. This structure ensures long-term affordability and the ability to build equity and financial stability. When a partner family is investing in their own future, they gain a new home and confidence and pride to start to build a stable future. Affordable homeownership frees families and fosters the skills and confidence they need to invest in themselves and their communities. We consider applicants without regard to race, religious preference, gender, handicap, familial status, or national origin. This project will offer additional homeowner services through our Almost Home

Program. Caseworkers work with individuals in this program to help them set and achieve financial, educational, and vocational goals.

Our Home Buyer Program directly improves and increases the housing stock in Winnebago County and encourages economic development. Tearing down barriers to affordable housing and eliminating disparities in homeownership are key components of our work. Adequate, affordable housing is often cited as one of the most critical issues facing Winnebago County. COVID-19 created numerous long-term challenges disproportionately affecting low income and minority populations, during a time when household income is falling relative to rising housing costs. Increased demand and rising costs have contributed to record increases in home prices. In May 2023, Winnebago County home prices were up 18.4% compared to last year, selling for a median price of \$261K. According to the Wisconsin Realtors Association, lack of inventory is even more pronounced in the \$125,000 to \$350,000 price range, a range generally considered affordable to younger families and first-time homebuyers. WRA reported only 1.7 months of inventory in the \$125,000 to \$200,000 range and two months of inventory in the \$200,000 to \$350,000 range. Rental prices have also risen greatly. The cost of rent is trending up year over year and is out of reach for far too many.

Driven by rising material prices, higher regulatory requirements, and a tight labor market in construction and trades fields, local builders state that construction prices have risen 12-15% over the last two years. According to the National Low Income Housing Coalition, addressing housing affordability is the most cost-effective way of lifting people out of poverty, reducing childhood poverty, and increasing economic mobility. Homeownership is the primary way that low income and minority families can build wealth and achieve financial stability. County funding would play a critical role in helping us serve more families at a time when the need is great. The cost to construct a home and provide the services needed to get a family ready for homeownership is greater than many families have available. These are families that would never qualify for a traditional loan, so Habitat is one of their only options to build sustainable wealth and equity through homeownership.

Investment in Habitat's work also goes beyond the house to stimulate our local economy and make meaningful economic contributions to the people, businesses, and services. Building and repairing homes stimulates other sectors of the economy, driving additional spending and creating local jobs. For every dollar invested by Habitat, an additional 69 cents is injected into the local economy. This impact goes beyond Habitat employees and homeowners, reaching other local businesses and jobs in related sectors of the economy. This impact is felt by the businesses that contract with us and are guaranteed work on the houses we build. Habitat is not only an important provider of affordable housing, but also a powerful economic engine that contributes jobs, wages, and increased output. Residential construction has been shown to be a strong catalyst for economic activity and jobs; according to the National Association of Home Builders, building a single-family home generates 3.9 jobs. This ripple effect on jobs and economic activity adds up and amounts to millions of dollars of economic impact in communities nationwide. The full analysis done by Habitat for Humanity International can be found [here](#).

**How many individuals does the project anticipate serving annually?**

*Overall: For the last three years, our organization has served an average of 351 people per year overall*

*Within Winnebago County: - Of the 351 people served annually approximately 37% (or 129) of them were in Winnebago County.*

**What areas of the county will the project serve?** Winnebago County locations in the City of Appleton, City of Menasha, City of Neenah, Village of Fox Crossing Town of Clayton or Town of Neenah

**What is the process for tracking individuals served?**

Every person we serve receives a Household Member ID in our database. These service files contain demographics of each person served, and household demographics including household income, and head of household status. Additionally, each program that a family participates in receives a service file. This data allows us to report back client and program data to funders and also helps inform our strategic direction. A family services selection committee determines eligibility for our programs based on need, willingness to partner, and ability to pay a monthly mortgage or loan. Homeowner families must fall between 30 – 60% adjusted median income. They must put in hundreds of hours of labor on their house and the houses of others, participate in homeowner education workshops, pay a down payment, and make monthly payments on an interest free mortgage. As part of the process, Fox Cities Habitat evaluates an applicant's last two years of household income and debt. Applicants must be comfortable with a monthly mortgage payment set at 25-30% of their gross monthly income, and have enough income through stable employment, or other forms of permanent income to afford a home and all basic living expenses. Our future homeowners work with a team of professionals and skilled volunteers to participate in the building of their own home. They are required to take educational classes on financial management and home maintenance to prepare families for long-term, sustainable homeownership. Lastly, Fox Cities Habitat families are provided a toolbox of resources and ongoing support to ensure they can keep up with their bills and home maintenance.

**Will this project increase your operational budget? If so, what is the organization's plan to sustain and maintain the project?**

Yes- The operational budget will increase for each home built or rehabbed. We create an annual budget based on the number of homes that we forecast to build, rehab, or repair. A portion of this proposed project is planned into our budget for FY2024 which started on July 1, 2023. The remainder of the project will be planned into our budgets for FY2025 through FY2027.

**Please attach the proposed scope of work and project timeline. -Attached**

**Project Funding**

**Please list funding sources (amount and funders) currently received or pledged as well as anticipated other sources of funding specific to the project.**

US-Dept of Housing and Urban Development- Self Help Homeownership Opportunity Program – Estimated \$15,000-25,000 per home, \$220,000 total.

In-kind partnerships - Estimated an average of \$17,685 per home, \$176,848 total.

Anticipated up to \$100,000 in down-payment assistance.

Anticipate using approximately 237,204 from the Fund for Humanity Revolving Fund and/or ReStore profits.

Anticipated \$192,000 from long-term relationships with sponsors and donors.

**Would Spirit Fund dollars be utilized as a match for other grants/awards/funding opportunities? If applying for other funds what is the timeline for a decision?**

Over the three years an average of \$237,023 per family is needed to support this program. Outside of this request, we have anticipated funding of \$734,615 through the sources listed above. Because HUD-SHOP, down-payment assistance, and in-kind donations are only available for each home built, this grant would help us leverage \$320,000 in government funding and \$177,591 in in-kind donations. We expect

to use \$237,024 from the Fund for Humanity and ReStore profits. We will need to raise an additional \$943,623, or \$94,362 per home for each of the ten homes we will build or rehab. Donations and sponsorships will be requested through a combination of corporate and foundational support, church groups, and individual giving. Our proposal to the Spirit Fund represents 21% of the total budget. When we are seeking additional funding sources, we would be proud to share this commitment from Winnebago County with prospective funders. Subsequent funding solicitations will leverage this commitment to show that the support behind increasing affordable housing opportunities is desperately needed.

This project is self-sustaining through the very way our Homebuyer program is designed. All homebuyers pay the cost of the home back to Habitat through a long-term fixed 0% interest mortgage set at 25%-30% of their income. All down-payments and mortgage payments are invested through the "Fund for Humanity," which is used to help more families gain access to affordable home ownership. The mortgage amount is set at appraised market value at the time of closing. When partner families become homeowners they also become taxpayers. We estimate the amount of property taxes they will pay over 30 year is \$1,452,218. Additionally, it is anticipated that \$2,426,839 will be recaptured by Habitat through mortgage payments and will be used to create additional homeownership opportunities increasing the tax revenue further. Long term, we estimate that this project will have a total economic impact of well over \$8,542,659 over the next thirty years. See attached Economic Impact Statement.

**Does the organization conduct a third-party audit?** (Attach the most current audit report) Yes

**Is the project dependent on receiving the full amount requested?** Yes- The project can only be completed if we receive the requested \$500,000 from the Spirit Fund, or if we find another donor or sponsor to cover this cost.

**Does the proposed program involve collaboration with other organizations?** (This is defined as organizations that have an established MOU or at a minimum, a strong, 2-way working relationship that together address problems and deliver outcomes that are not easily or effectively achieved by working alone.)

Yes - We work with ADVOCAP in Winnebago County and the Federal Home Loan Bank to help families find down-payment assistance. In the last two years, we have been involved in a number of collaborative task forces and workgroups composed of municipal representatives, housing service providers, home builders, and other stakeholders from across our region. While there are no MOUs in place, these groups have formed because of the affordable housing crisis. They meet regularly to take actionable steps to address the lack of affordable housing. These groups include the Housing Advocacy Committee, a joint committee of the Realtors of Northeast Wisconsin, and the Homebuilders of the Fox Cities; a Housing Advisory Task Force Community Health Improvement Plan Workgroup focused on Health and Housing, and many others.

### **Government Funding**

**Does the organization regularly receive other government funding (local, state, or federal)? (list government and the amount)** Yes

**What percent of this project will be funded by government funds (local, county, state & federal)?**  
We anticipate 13% of this project will be funded through HUD-SHOP and downpayment assistance funding. Including a \$500,000 award from Winnebago County, we estimate that government funding would cover 35% of total costs.

**Has the organization received ARPA funds from any municipality, state, or federal government? Yes**

**Please list all funding received from Winnebago County in the last 5 years. None**

**Applicant Agrees:**

By submitting this application, the applicant agrees to the following

- The individual submitting the application is authorized to apply for the funds on behalf of the organization
- The project will be completed by December 31, 2026
- The funds may not be spent on operational needs or as a pilot program
- The organization may be required to conduct a third-party audit of the funds
- The organization may be requested to attend a funding interview
- The individual and key leaders of the organization have read the Spirit Fund Framework Document and Funding Opportunities Information located on the county's website

**Attachment Checklist:**

- Application Document
- Project Budget
- Most Current Audit Report
- Proposed Scope of Work
- Timeline for the Project
- Organization's 2023 Operating Budget