

# 2023 Connecticut Neighborhood Assistance Act (NAA) Program Proposal Details

## Habitat for Humanity of Eastern Connecticut

### Description of program

The requested funds will support the full rehabilitation of a single-family split-level home at 42 Laurel Leaf Drive in Gales Ferry. We were fortunate to receive this home as a donation, but it will require full rehabilitation to be habitable. This includes siding, roofing, windows, sheetrock, insulation, kitchen, bath, and flooring if needed.

The home is approximately 1000 sq. ft. and has 3 bedrooms and 1.5 bathrooms. This home will be rehabbed with energy-efficient practices and outfitted with Energy Star appliances (please see the attached information sheet on Habitat Energy Efficiency information). It will be built primarily with donated funds and materials, as well as with both volunteer and contractor labor, under the supervision of a professional Construction Supervisor. We plan to begin the project in June 2022 and expect to complete it before June 2024. We are in the process of reviewing applications of potential families that may qualify for this property. Construction work will resume when a family is selected to help them fulfill their sweat-equity requirements.

Habitat for Humanity of Eastern Connecticut works in partnership with families to provide support throughout the homeownership process. Our support and partnership with homeowners are long-term and comprehensive. Habitat is committed to a long-term relationship with homeowner families as we continue to support them throughout the length of their mortgage. The goal of our partnership is to help families build strength, stability, self-reliance *and* shelter.

For example, each family is assigned a volunteer partner who develops a strong bond and supports the family through the program's requirements, including things like helping them shop for homeowner's insurance and to learn what to expect as a new homeowner. They also contribute hundreds of hours of sweat equity to build their own home and the homes of other future Habitat homeowners.

In addition, each family completes both financial education and homeowner education programs in preparation for homeownership. As part of the Habitat program, families are qualified for a no-profit mortgage with an affordable monthly payment that remains stable throughout the mortgage. This provides families the security of having a predictable and affordable payment that results in long-term economic stability.

One measure of the success of our work is the level of on-time and complete mortgage payments that we monitor and report monthly. In the fiscal year 2023, to date, an average of 90% to 96% of our homeowners are current/paid on time for their mortgage in any given month. This is consistent with data from the Mortgage Bankers Association, which shows that 85.4% of all mortgage holders in the U.S. are on time.

We also measure success by monitoring quarterly progress on our building goals and providing quarterly reports. We have set a goal to increase the number of new volunteers at build sites and will track our progress toward that goal. Habitat is also committed to building homes that are energy efficient and use sustainable materials and building practices.

## **Habitat for Humanity 2023 NAA Proposal Details, continued**

Grant funds help our organization lower the construction costs for our homes, which have increased since Covid. Thank you for considering our request.

### **Need for program**

United Way has documented through their ALICE (Asset-Limited, Income-Constrained Employee) Report that in Eastern Connecticut, 1 in 4 families struggle to afford their home and 1 in 10 families live in poverty. In addition, 38% of New London and Windham Counties households live in sub-standard housing.

This home will benefit a family that, in addition to earning 50% or less of the area's median income, also demonstrates a need for safe and decent housing, and is willing to partner with Habitat for Humanity through the completion of up to 350 hours of sweat equity and the completion of financial education and homeowner education classes.

Through affordable homeownership, this project will allow a family in need to create greater strength, stability, and self-reliance, for themselves and their community. Research documents higher levels of civic engagement, stronger financial stability, greater educational achievement, and better health outcomes for children in families who achieve affordable homeownership.

### **Neighborhood Area to be served**

This home is located at 42 Laurel Leaf Drive in the Gales Ferry section of Ledyard.

The benefits of this project will extend beyond the homeowner's family to the whole Ledyard community. The new homeowner family will contribute to the Ledyard tax base for years to come. These tax dollars help fund infrastructure improvements, local public education, and public institutions, further strengthening the community. In the year 2020, Habitat homeowners in Eastern Connecticut paid \$100,526 in local and state taxes and \$103,722 in property taxes. In addition, we support local contractors and businesses, injecting \$1.55 into the economy for every dollar invested by Habitat.

### **Plan to implement the program**

We began rehabilitation of this home in June, 2022 and are on track to finish in June, 2024. Habitat for Humanity has a track record of success. This year marks our 36th year of operation and we have completed over 105 homes in Eastern Connecticut. We have construction leads who oversee and manage each build to help ensure we stay on our construction schedule.

The funds raised through the Neighborhood Assistance Act will help to offset our increasing construction costs, which are reflective of the price of raw construction materials increasing during and after the global pandemic.

Thank you for considering our proposal. Your support will lift up a new homeowner and their family in Ledyard as they work to build a better future. You will also be supporting the growth of the Ledyard tax base, which will benefit the whole community.

Funding Sources

|                                    |                |                        |
|------------------------------------|----------------|------------------------|
| Community Foundation of ECT        | \$ 15,000.00   | Approved               |
| Pfizer Connecticut Labs            | \$ 2,000.00    | Approved               |
| Centreville Bank (formerly Putnam) | \$ 2,500.00    | Approved               |
| Electric Boat Employees            | \$ 7,500.00    | Approved               |
| TJX Foundation FY23                | \$ 2,500.00    | Approved               |
| Chelsea Groton                     | \$ 5,000.00    | Approved               |
| Dime Bank FY 2023                  | \$ 2,500.00    | Approved               |
| Liberty Bank                       | \$ 10,000.00   | Approved               |
| Ledyard NAA (2022)                 | \$ (20,000.00) | Approved, not received |
| Ledyard NAA (2023)                 | \$ 20,000.00   | Requested              |
| TOTAL                              | \$ 47,000.00   |                        |