

Memorandum

To: City Council Members
Douglas Faseler, City Manager

From: Mayor Don Keil

Subject: Habitat for Humanity Lots

Date: October 10, 2017

The City of Seguin has received a request from Guadalupe Valley Habitat for Humanity (GVHFH) for a lot within the corporate City limits to construct a single family home. GVHFH has built twenty-five homes in neighborhoods throughout Seguin since 1973. Several homes are located on Elley Street, Mesquite, and East New Braunfels Streets. The homes are located throughout the city's west side. Habitat for Humanity is practical, simple, and straightforward. Volunteers do most of the construction work in an effort to keep housing costs low. Partner families pay a down payment and a monthly mortgage held by Habitat. They also invest hundreds of hours, called sweat equity, into building their own home and houses for others. As Habitat homeowners pay their no-interest mortgages, the money goes into a revolving fund that helps build more houses for other families.

Habitat's home ownership program is designed for families with inadequate housing who are motivated to help themselves. Habitat's Family Selection Committee reviews applications and interviews candidates. Selection is based upon:

- Housing Need: Habitat looks at the physical condition of the current dwelling and the number of people living there.
- Willingness to Partner: They require each family member, more than eighteen years of age, to accumulate at least 200 volunteer hours of "sweat equity."
- Ability to Repay a No-Interest Mortgage: They follow Habitat guidelines; looking for families whose income is 30-80% of the median for Guadalupe County.

Typical Habitat House is:

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| • 1150 Sq. Ft. of Living Space | • Meets or Exceeds Local Building Codes |
| • 3 or 4 bedrooms | • Includes Central Air and Heat |
| • Utility Shed and Paved Driveway | • No Interest No Profit Mortgage |
| • Costs \$65,000 to \$75,000 | |

The City of Seguin currently has a lot available at 928 Rhone. (See attached map and appraisal). Staff recommends approval.

The property is zoned R-1. The lot is 45.0 ft. wide x 102 ft. deep. Utility services are available.