

Threshold housing subdivision spurs local economy

By Christine Haines HeraldStandard.com | Posted: Friday, June 29, 2012 2:00 am

REDSTONE TWP. — The construction of 36 new houses by Threshold Housing Development Inc. in Redstone Township is expected to infuse as much as \$7 million into the local economy during the construction phase.

That's according to Ken Klein, president of the nonprofit organization that already has constructed 150 houses in Fayette and Greene counties since 1991. The group works in Fayette, Greene and Washington counties, constructing new houses as well as rehabilitating existing homes for low- to moderate-income families.

Andrew French, executive director of the Fayette County Redevelopment Authority, said more money will be generated through property taxes. French said the 36 new homes in the Three Oaks subdivision are expected to generate about \$90,000 a year in local taxes.

French said Stone Church Estates, completed by Threshold Housing several years ago, infused nearly \$5 million into the local economy through local contractors and now provides about \$60,000 a year in local taxes, up from \$1,500 a year before the development.

“Prior to this, that site didn't generate any property taxes because it was owned by the redevelopment authority and was tax-exempt,” French said.

Of the 36 houses to be built adjacent to Stone Church Estates, six will be sold at market value of about \$150,000, while 30 will be built through a self-help program for families with incomes no higher than 80 percent of the median income. Klein said that figure is \$52,000 for a family of four, around \$41,500 for a family of two and \$36,750 for one person. The three-bedroom, two-bath homes also feature a two-car garage and a basement that could be finished with a fourth bedroom and half-bath, Klein said.

Families in the self-help program are required to put in 30 hours of work a week for the nine- to 10-month construction period, working on their own homes and on those of their neighbors, Klein said.

“The families are invested in it and they want to do it right,” Klein said.

The families also will receive financing as low as 1 percent through the USDA’s Rural Development program.

Gary Reed, the area specialist with the USDA’s Rural Development program, said the groundbreaking coincided with Home Ownership Month.

“Now is a great time to purchase a home because interest rates are low and there are record-low housing costs, too,” Reed said.

Klein said the development will be divided into two phases, with construction of the first 14 houses to start in September and the remainder done within the next two years.

Applications for the sites are currently being accepted by Threshold.

Klein said that the mortgage, insurance and taxes for a family qualifying for the 1 percent interest rate will be a little more than \$500 a month.

Klein said utilities for the new houses also should be low because they are all being constructed to meet the federal government’s Energy Star efficiency guidelines.



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New home construction

Roberto M. Esquivel/HeraldStandard.com

Members of Threshold Housing Development Inc., and the Fayette Count Redevelopment Authority gathered at site in Redstone Township, Thursday morning, to announce the construction of 36 new homes, including 30 self-help houses and six market-rate houses.



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New home construction

Roberto M. Esquivel/HeraldStandard.com

Ken Klein, president of Threshold Housing Development Inc., points to plans for a new housing development to be constructed in Redstone Township during a ground-breaking ceremony held Thursday morning at the site. The development will include the construction of 36 new homes, including 30 self-help houses and six market-rate houses.



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New home construction

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Andrew French, executive director of the Fayette County Redevelopment Authority, comments on the development of a new self-help housing development to be constructed in Redstone Township during a groundbreaking ceremony Thursday morning.