

City of Santa Fe, New Mexico

memo

Date: June 9, 2021
To: Community Development Commission - June 21, 2021
From: Alexandra Ladd, Director, Office of Affordable Housing
Re. Amendments to 2020-21 AHTF Contracts

ACTION REQUESTED:

Recommend that amendments are made to 2020-21 Affordable Housing Trust Fund (AHTF) contracts awarded in response to RFP#19/24/P, RFP# 20/15/P and awarded through emergency procurement (April 2020) and CDBG CARES Act funds. The purpose of the amendments is to extend the term of performance through June 30, 2022 and to add compensation. (Total increase of compensation: \$ 1,703,040)

PROJECT	AMOUNT INCREASED	TOTAL CONTRACT AMOUNT
NMCEH – Consuelo’s Place (Midtown Shelter)	\$ 965,000.00	\$ 1,521,169.00
NMCEH – Homeless Early Intervention Project	\$ 250,000.00	\$ 430,000.00
HOUSING TRUST – Mortgage Reduction Assistance	\$ 200,000.00	\$ 357,500.00
HOMEWISE – Emergency Foreclosure Prevention	\$ 150,000.00	\$ 190,000.00
LIFE LINK – Emergency Rental Assistance/Hotel Stays	\$ 138,040.00	\$ 288,040.00
TOTAL	\$ 1,703,040.00	\$ 2,786,709.00

BACKGROUND

Affordable Housing Trust Funds (AHTF) are generated from development activity (developer fees, pre-inclusionary housing agreements), payoffs of City-held liens, and land sales from Tierra Contenta. When the funds reach a threshold balance, the City funds affordable housing projects and activities to benefit income-qualified grantees. Eligible housing activities are outlined in SFCC Chapter 26-3. Uses of funds are determined by the housing needs identified in the City’s Five Year Strategic Housing Plan and regulated by the NM Mortgage Finance Authority for compliance with the NM Affordable Housing Act.

AHTF funds were awarded through RFP#19/24/P to the Housing Trust Mortgage Reduction Assistance (\$157,500), through RFP#20/15/P to the NMCEH Homeless Intervention Project (\$180,000), and through emergency procurement in April 2020 to Homewise Emergency Foreclosure Prevention (\$40,000) and Life Link Emergency Rental Assistance (\$100,000). Shelter). Additionally, funds were awarded through the CARES Act,

via the City's CDBG entitlement grant, to support the operations of the Midtown Shelter by the New Mexico Coalition to End Homelessness (\$556,169).

ITEM and ISSUE

In April of 2021, the Governing Body approved allocating an additional amount of \$1,800,000 into the AHTF to provide direct support for affordable housing within the current fiscal year. This amount was added to the AHTF allocation for 2021-22 (\$1,200,000) for a total of \$3,000,000. In order to ensure that funds are allocated quickly and efficiently, staff recommends adding funds to existing contracts and extending the terms of performance through June 30, 2022.

An additional rationale is that pandemic-caused housing issues continue to affect the ability residents to cover their housing costs. People experiencing homelessness who were housed in area hotels to reduce population densities at shelters are not yet in permanent housing. And the Midtown Shelter continues to play an important role in the community to provide an alternate to congregate shelter. Until more permanent supportive housing opportunities are provided, the people housed at Midtown or in hotels are at risk of returning to homelessness or precarious housing situations.