

City of Santa Fe, New Mexico

memo

Date: April 1, 2022

To: Community Development Commission public meeting (April 6, 2022)
Public Works Committee meeting (April 25, 2022)
Finance Committee public meeting (May 2, 2022)
Quality of Life Committee public meeting (May 4, 2022)
Santa Fe City Council public hearing (May 11, 2022)

Via: Alexandra Ladd, Director, Office of Affordable Housing *AGL*

From: Cody Minnich, Project Manager, Office of Affordable Housing *CJM*

Re: Approval of the 2022-23 CDBG Annual Action Plan

ACTION REQUESTED

Review and recommend approval of the 2022-23 Annual Action Plan for submittal to the Department of Housing and Urban Development.

BACKGROUND

CDBG is the Community Development Block Grant Program funded by the U.S. Department of Housing and Urban Development (HUD). The CDBG Program provides an annual allocation of funds to local governments for a wide-range of eligible housing and community development activities. The City of Santa Fe, along with over 1,100 other cities in the country, is an “entitlement city” which means it automatically receives the federal money based on a formula that takes into consideration the community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth in relationship to other metropolitan areas.

ITEM AND ISSUE

The Community Development Commission (CDC) is tasked with setting funding priorities, reviewing requests for housing funding, including CDBG and Affordable Housing Trust Fund (AHTF) funds and making initial recommendations to the Governing Body for projects and funding amounts. The CDBG-funded projects are described in the Annual Action Plan and submitted to the Department of Housing and Urban Development (HUD) 45 days prior to the start of the upcoming program year (beginning July 1, 2022).

The Office of Affordable Housing estimates receiving a CDBG entitlement grant amount of \$600,000, of which approximately 20% (\$120,000) will be reserved for program administration costs. Additionally, the City proposes to reprogram \$875,711 of unspent funds from prior year projects and anticipates that activities from prior years will result in the generation of program income in the amount of \$200,000. This results in a total funding amount of \$1,675,711.

Funding Recommendation. On March 2, 2022, the CDC met to hear applicant presentations (via Zoom) and to discuss the proposed uses of funds. The following table provides a summary of the CDC's recommendation to the Governing Body for CDBG funding in 2022-23, as well as their funding source:

	Estimated CDBG Entitlement Award	Reprogrammed CDBG Funds from Previous Program Years	Program Income
Housing			
Lamplighter Inn Project (JL Gray)	\$290,000		
Habitat Home Repair Program (SF Habitat for Humanity)	\$100,000		
Acquisition of property for AH (City of SF)		\$422,549	
Program Income-funded Mortgage Principal Reduction Loans (Homewise and Housing Trust)			\$200,000 (estimated)
Public Services			
School Liaison Project (SFPS Adelante)	\$35,000		
Women's Summer Safe Haven Shelter (Interfaith Community Shelter)	\$35,000		
Transitional Living and Street Outreach Program (Youth Shelters & Family Services)	\$20,000		
Consuelo's Place Shelter (NM Coalition to End Homelessness)		\$353,162	
Public Improvements			
Public infrastructure costs associated with Ocate SF (SF Civic Housing Authority)		\$100,000	
Program Administration (20% of grant amount)			
Administration (City of Santa Fe's OAH)	\$120,000		
Subtotals	\$600,000	\$875,711	\$200,000
TOTAL BUDGET	\$1,675,711		

Public Participation. The CDBG Public Participation Plan, as approved by HUD, requires that Santa Fe residents be given adequate time to review the City's use of CDBG funds. The City complies with the HUD-mandated public comment period by making the Plan available for public review and soliciting comment. This public review period for the 2022-2023 Action Plan will be from April 11 – May 11.

Due to health considerations related to the global pandemic, the Plan is available via website link: <https://www.santafenm.gov/hudrequiredreportingandplans>. Also available is a Spanish translation of the Executive Summary of the Annual Action Plan.

In addition to attending public committee meetings, members of the public are invited to participate at a public hearing during the May 11 City Council meeting. Residents are also encouraged to respond to a brief survey, located at: https://www.santafenm.gov/affordable_housing.

SUMMARY OF PUBLIC PARTICIPATION:

- Annual Plan posted on City's website for comment (April 11 – May 11, 2022)
- Online survey link posted on City's website for distribution
- Community Development Commission public meeting (April 6, 2022, 3:30pm)
- Public Works Committee public meeting (April 25, 2022, 5:00pm)
- Finance Committee public meeting (May 2, 2022, 5:00pm)
- Quality of Life Committee public meeting (May 4, 2022, 5:00pm)
- The Santa Fe City Council public hearing (May 11, 2022, 7pm)