

Santa Fe Community Housing Trust/The Housing Trust

CDBG- Revolving Loan Fund

Proposal Responding to City of Santa Fe

2018 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM RFP # '18/20/P

DUE: February 2, 2018



Downpayment Assistance Program



2018 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM RFP # '18/20/P

**Santa Fe Community Housing Trust Application
For Home Buyer's Revolving Loan Fund**

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City of Santa Fe Community Development Block Grant Program FY 2018-2019	
Name of Nonprofit Organization:	The Santa Fe Community Housing Trust/The Housing Trust
Name of Executive Director:	Sharron Welsh
Name of Board President:	Patricia Nie
Name, Contact Information (Address, Phone, and Email) of Person Submitting Request (Fiscal Agent if appropriate):	Denise Benavidez 1111 Agua Fria St. Santa Fe, NM 87501 505 989-3960 dbenavidez@housingtrustonline.org
Amount Requested:	200,000.00
Program Name or Service being requested for Funding:	CDBG- Community Development block Grant
Brief Program or Service Description: CDBG funding will provide vital down payment and closing cost assistance to low and moderate income level home purchasers. Lack of down payment has been cited as one of the most endemic obstacles to home purchasing by this demographic. CDBG loans continue to be the primary/sole source of the greatly needed assistance.	
Check which Category Describes your organization:	<input type="checkbox"/> Public Agency
	<input type="checkbox"/> Government Agency
	<input checked="" type="checkbox"/> Private Non-Profit
	<input type="checkbox"/> For Profit
DUNS or CAGE #	927532572
Business Registration #	13-00064129
Tax ID #	85-0392520
State CRS #	02-171649-008
Check One:	<input checked="" type="checkbox"/> Previous Recipient <input type="checkbox"/> New Applicant
Funding Categories to be Addressed (Check one): <input checked="" type="checkbox"/> Housing <input type="checkbox"/> Public Facility <input type="checkbox"/> Public Service	

Project Proposal Summary
 (If funded, the following will be written into the contract Scope of Services with
 Accomplishment Levels along with details provided in Section A)

Activity Name	CDBG Down Payment Assistance - Revolving Loan Fund
Brief Summary of the activity	CDBG funding will provide vital down payment and closing cost assistance to low and moderate income level home purchasers. Lack of down payment has been cited as one of the most endemic obstacles to home purchasing by this demographic. CDBG loans continue to be the primary/sole source of this greatly needed assistance.

Amount of CDBG funding requested for Activity	\$ 200,000.00
Total budget of Activity	\$ 200,000.00

To the best of my knowledge and belief, all data in this application is true and correct. If funded, I certify that the Applicant Organization is willing and able to adhere to the policies and procedures specified by the City of Santa Fe and all applicable program regulations of the US Department of Housing and Urban Development. Further, I understand there is not an agreement until the City of Santa Fe and the individual authorized to execute contracts on behalf of the Applicant Organization has signed the contract.

 Exec. Director 2-1-2018
 Authorized Signature (sign in blue ink) Title Date

CDBG funds can be used for specific Eligible Activities as outlined in the Overview. Select one type of Eligible Activity category that best describes your Project.

Type of Eligible Activity (check one)

Activities Related to Housing	<input checked="" type="checkbox"/>
Other Real Property Activities	<input type="checkbox"/>
Public Facilities/Improvements	<input type="checkbox"/>
Public Service	<input type="checkbox"/>

Section A: Activity to be funded

A1. Briefly describe the Activity you are requesting to fund with CDBG. This will help determine eligibility.

The CDBG Revolving Loan Fund Grant will provide down payment assistance to low and moderate-income clients earning under 80% of the area median income. The loans provided are zero-interest, due on sale, transfer, or refinance. We require that potential homebuyers complete a comprehensive 8-hour training class in addition to one-on-one housing counseling. Loans provided are based on need and family size. All loans are underwritten internally, with consideration of factors such as households under 60% of area median income, displaced homemakers, female heads of households, minorities, and households currently residing in substandard housing. Loans are reviewed by our Loan Committee, which is made up of community members, bankers, and experienced senior staff. CDBG down payment assistance remains the only form of assistance to help low and moderate-income home buyers to purchase existing home in the open market.

A2. Why is this Activity needed? Does it address a gap? Describe the degree of need, or the severity of a problem including cause, extent, location, frequency and duration that will be addressed by the project. Provide a description of service gaps the activity fills in the community. Additionally, supply data, such as demographics, reports and/or other information supporting your information and proving the need exists. (Attach additional pages, if necessary)

The 2012 Santa Fe Housing Needs Assessment survey results documented the trend of Santa Fe's workforce shifting from resident to commuter-based. In fact, just 38 percent of Santa Fe workers live in the City, down from 51 percent in 2002. This change has been driven by the fact that Santa Fe's median rent increased by 25 percent between 2000 and 2010, while renters' incomes only increased 4 percent. This trend may be gaining strength as per the September 2015 CBRE September 2015 Alb/Santa Fe Multifamily Market Survey, which shows that Santa Fe has a higher than 97% rental occupancy rate, indicating a great shortage in the market. The 2012 Santa Fe Housing Needs Assessment survey also noted that 42 percent of renters plan on buying a home in Santa Fe - nineteen percent of the renters who responded to the survey cited lack of downpayment funds as the biggest barrier to purchasing a home. CDBG funding will offer a means to stabilize monthly housing costs and broaden the ability to purchase to many current renters, as well people living in undesirable conditions such as over-crowded multigenerational housing or substandard dwellings.

A.3 If applicable, what steps or phases will be taken to complete the Activity (provision of services, engineering/design, advertising, bidding, contract award, construction, etc.)?

N/A

A.4 Describe the population that the Activity will serve and how this population will be served. Describe the outreach and recruitment activities which will be conducted to make the proposed activity services known and accessible to the targeted population. Please include where these outreach and recruitment activities will take place.

The funds will assist individuals/families below 80% of area median income (low-moderate). The makeup of clients served in the 2014-2015 grant year were 100% White/Hispanic, 75% female head of households, 0% disabled; Average income was 67.12% AMI or an average of \$34,933. The outreach for our programs is conducted through multiple means and we generally have far more clients than resources to serve them. We received \$60,000 of funds in period 7/1/2014 to 6/30/2015 and extended to 9/30/2015. We received \$33,500.00 in Program Income in 2014 (recycled loans in the CDBG Revolving Loan Fund and used \$20,000.00 with an available amount of \$13,500.00 that was transferred to the new program year 2015-2016). For year 7/1/2015 to 6/30/2016, we received \$100,000.00 in CDBG funds and have used \$46,500.00 plus the \$13,500.00 in Program Income for a total of \$60,000.00 YTD, we have served 4 clients and 13 household members with these funds and expect to expend before end of year 6/30/2016. We have assisted more than 2600 families and we maintain numerous industry partners who continually refer new families to our programs. We actively utilize social media, posting 7/week on Facebook (follower increase of 25% in 2015) and up to 30/week on Twitter (200% engagement increase in 2015), providing immediate interaction with our client base. We also periodically advertise and place PSAs in local publications, as well as prepare and distribute monthly electronic newsletters to approximately 500 recipients. Our counselors frequently participate in community fairs, visit local businesses, government entities, and other community groups to provide our partners and potential clients with information about our services. We also work with residents at our LIHTC multifamily housing communities to help prepare them for eventual home purchasing.

A.5 Estimate the number of total persons / households that will benefit from the CDBG funded portion of this Activity: (Fill in Households OR Persons depending on the type of Activity you are providing).

Total number of clients you anticipate serving:		
Households:	OR	Persons:

A.6 Use the following Table 1 to break out the number of persons you anticipate serving at the low (30-50% AMI) and very low-income (< 30% AMI) levels and the type of client (Refer to overview of CDBG program for the most recent income amounts). Along with income, please anticipate the number of clients that are severely disabled adults, homeless persons, abused children, battered spouses, and illiterate adults, persons with AIDS, migrant farm workers, and elderly. (All of these clients fall under the presumed benefit categories as defined by CDBG and therefore, all under low or extremely low income). This would apply mainly to Public Service or Public Facilities/Improvements Activities.

Extremely Low Income <30%AMI	Very Low Income 31-50% AMI	Low Income 51-80%	Illiterate adults	Abused children	Severely Disabled Persons	Migrant Farm Workers	Elderly	Persons with AIDS	Homeless Persons

Table 1

A.7 Use the following Table 2 to breakout the number of households you anticipate serving at the income levels listed. (Refer to the 2017 AMI table on pg. 18 for the most recent income amounts). This would apply mainly to CDBG funding for housing projects such as Down Payment Assistance and Rehabilitation Activities.

Extremely Low Income (<30% AMI)	Very Low Income (31-50%AMI)	Low Income (51-80%)	Moderate Income (81-100%)	Female Head of Household

Table 2

A.8 CDBG funded construction activities must be in compliance with local land use plans and zoning. Explain how the proposed activity conforms to local housing and sustainability plans, and zoning ordinances. Provide a copy of the page(s) of resource document(s), pertinent sections, and page(s). This only applies to projects where the CDBG funds will be used for the actual construction, not acquisition.

A.9 Please describe the organization in terms of its administrative capacity and its qualifying experience and length of experience with activities or projects similar to the proposed Activity. Include purpose, goals, programs, activities, clients, and accomplishments, if any, in the area of activity for which funding is requested. Also, describe community partnerships and collaborations which will expand access to the housing and/or services proposed in this project and/or deepen community network capacity. Give examples of and list experience.

The Santa Fe Community Housing Trust has effectively administered the CDBG Down Payment Assistance Revolving Loan Fund for more than 24 years. The Housing Trust has administered numerous federal and state grant programs and multi-million dollar construction projects. The organization is adept at contract administration, timeliness, and regulatory compliance. The Housing Trust's Housing Counseling and Lending Manager, Denise Benavidez, the chief administrator of the program, has more than 36 years experience in banking, lending, underwriting, closing, and loan operations. All financial tracking and funds availability data is maintained by the Controller Eric Westlake who has over twenty-five years of finance and accounting experience with a variety of companies including American Airlines, Northwest Airlines, The Walt Disney Company and Sony Pictures Entertainment. He spent eight years serving as the CFO for Catholic Charities and prior to joining the Housing Trust he served as interim CFO for the New Mexico Finance Authority. All of our housing counselors are nationally certified and partake in regular training. Reports detailing the availability of funds and client status are updated and provided to staff weekly. Our comprehensive database tool for tracking counseling and report generation is CounselorMax.

A.10 Briefly describe your organization’s experience in government contract administration, and knowledge of federal regulations governing acquisition, procurement, equal employment opportunity, and labor standards.

The Housing Trust is a federally certified Community Financial Institution (CDFI), a Community Housing Development Organization (CHDO), A HUD-Approved Counseling Agency, and a prolific affordable housing developer. The Housing Trust is fully competent at maintaining compliance and crosscutting federal regulations. Specifically, The Housing Trust administers the following federal grants which require compliance with the above regulations: HUD Housing Counseling Grant, Shelter + Care, the Low Income Housing Tax Credit (LIHTC) program, Housing Opportunities for People with Aids (HOPWA), Community Housing Development Organization (CHDO) funds and Previous Community Development Block Grants (CDBG) funds for both housing development and homebuyer assistance. The Housing Trust is audited regularly by the US Department of Housing and Urban Development (HUD) to establish compliance with federal crosscutting regulations.

B. National Objective Compliance

1. Benefits Low/ Moderate Income persons/households by:	
Area Benefit (eligible area) (LMA)	
Limited Clientele (LMC)	
Housing Activities (LMH)	X
Job Creation or Retention (LMJ)	

B.2 Is the service area city wide: yes no
If no, fill out B.3.

B.3 If an activity is based on an area benefit, identify the Census Tract(s) and Block Group(s) that will be served. Make sure to read the Overview for a clear understanding of the requirements of an area benefit. Attach a map of the area.

Census Tract	Block Group	Total Population	Low/Mod Income Population	% Low/ Mod Income
N/A				
Total				

B.4 Explain fully how the proposed project meets the CDBG National Objective selected above. Provide substantiating documentation supporting the claims. Refer to Overview for more detail.

The project does meet the National Objective of Benefit to Low and Moderate-Income Persons through its housing activities. The CDBG Down Payment Assistance Revolving Loan Fund qualifies as an eligible CDBG-funded housing activity by providing direct financial assistance to expand homeownership opportunities for low and moderate-income households as authorized by CDBG regulations at 24CFR 570.201 (n). The benefit to low and moderate-income families is based on service to a limited clientele, which is verified through income certification.

C. Consolidated Plan Compliance

The City of Santa Fe provides guidance in its Consolidated Plan on funding uses, whether Federal, State, City, or Private. In accordance with federal regulations, each project must be consistent with the priorities outlined in the City's Consolidated Plan. (See Consolidated Plan on City's website) Mark the **one priority need** that the proposed project will meet.

P-25 Priority Needs

Check ONE	Priority Need Name	Population Served	Consolidated Plan Goals Addressed
<input type="checkbox"/>	Rental Vouchers	Extremely low-income renters; people at risk of being homeless; persons with disabilities; homeless youth; veterans; elderly; families in transition; persons with HIV/AIDS and their families; public housing residents; mentally ill; chronic substance abusers; victims of domestic violence	Reduced rate of cost burden and corresponding drop in poverty rate for homeless households and those in danger of becoming homeless. <i>(HUD Objective: Increase Opportunities for At Risk Populations)</i> ; Inventory of rental units and vouchers expanded to meet increased demand <i>(HUD Objective: Increase Affordable Housing Opportunities)</i>
<input type="checkbox"/>	Emergency Shelter (note: could be classified as Public Service which is restricted in allocation amount)	Extremely low-income residents; chronic homeless; homeless youth; veterans; families in transition; mentally ill; chronic substance abusers; victims of domestic violence	Reduced rate of cost burden and corresponding drop in poverty rate for homeless households and those in danger of becoming homeless. <i>(HUD Objective: Increase Opportunities for At Risk Populations)</i>
<input type="checkbox"/>	Support Services for Homeless or People at Risk of Homelessness (note: could be classified as Public Service which is restricted in allocation amount)	Extremely low-income renters; people at risk of being homeless; persons with disabilities; homeless youth; veterans; elderly; families in transition; persons with HIV/AIDS and their families; public housing residents; mentally ill; chronic substance abusers; victims of domestic violence	Reduced rate of cost burden and corresponding drop in poverty rate for homeless households and those in danger of becoming homeless. <i>(HUD Objective: Increase Opportunities for At Risk Populations)</i>
<input type="checkbox"/>	Refinancing Services and Support for Current Homeowners	Low-income homeowners; homeowners in risk of foreclosure; homeowners in substandard housing	Reduced rate of cost burden and corresponding drop in poverty rate for homeless households and those in danger of becoming homeless. <i>(HUD Objective: Increase Opportunities for At Risk Populations)</i> ; Increased homeownership opportunities and support for long term affordability and accessibility for current homeowners. <i>(HUD Objective: Increase Affordable Housing Opportunities)</i>

Priority Needs (cont.)

	Priority Need Name	Population Served	Goals Addressed
<input type="checkbox"/>	Homeowner Rehabilitation Programs; Energy- efficiency Upgrades; Accessibility Retrofits	Low- and moderate-income homeowners; residents in redeveloping or transitioning neighborhoods; homeowners living in aging or substandard housing stock; seniors who need to “age in place;” people with disabilities	Increased homeownership opportunities and support for long term affordability and accessibility for current homeowners. <i>(HUD Objective: Increase Affordable Housing Opportunities);</i> Housing opportunities reflect emerging needs, changing demographics and are aligned with redevelopment projects, economic development objectives and sustainability goals <i>(HUD Objective: Address Emerging and Current Needs and Changing Demographics)</i>
<input type="checkbox"/>	Construction of affordably-priced homes for homeownership	Low- and moderate-income homebuyers and current renters; local workforce	Increased homeownership opportunities and support for long term affordability and accessibility for current homeowners. <i>(HUD Objective: Increase Affordable Housing Opportunities)</i>
<input type="checkbox"/>	Fair Housing Outreach	Low- and moderate-income renters; low-income landlords; persons with disabilities; Spanish speakers; large families; general public	Housing opportunities reflect emerging needs, changing demographics and are aligned with redevelopment projects, economic development objectives and sustainability goals <i>(HUD Objective: Address Emerging and Current Needs and Changing Demographics)</i>
<input type="checkbox"/>	Diversity of Housing Types	Low- and moderate-income renters; seniors; small households; entrepreneurs; aging veterans; entrepreneurs and other self-employed	Housing opportunities reflect emerging needs, changing demographics and are aligned with redevelopment projects, economic development objectives and sustainability goals <i>(HUD Objective: Address Emerging and Current Needs and Changing Demographics)</i>
<input type="checkbox"/>	Non-Housing Community Facilities and Services	Low- and moderate-income residents; residents in redeveloping or transitioning neighborhoods; youth	Housing opportunities reflect emerging needs, changing demographics and are aligned with redevelopment projects, economic development objectives and sustainability goals <i>(HUD Objective: Address Emerging and Current Needs and Changing Demographics)</i>

Priority Needs (cont.)

	Priority Need Name	Population Served	Goals Addressed
<input type="checkbox"/>	Provision of Rental Units and Support Services for LI/ VLI Renters	Low- and very low-income renters; persons transitioning out of homelessness; renters in need of support services; public housing residents	Inventory of rental units and vouchers expanded to meet increased demand (<i>HUD Objective: Increase Affordable Housing Opportunities</i>); Housing opportunities reflect emerging needs, changing demographics and are aligned with redevelopment projects, economic development objectives and sustainability goals (<i>HUD Objective: Address Emerging and Current Needs and Changing Demographics</i>)
<input type="checkbox"/>	Rental Rehabilitation	Low- and moderate-income renters; low-income landlords; residents of low- income neighborhoods that are redeveloping or in transition; public housing residents	Inventory of rental units and vouchers expanded to meet increased demand (<i>HUD Objective: Increase Affordable Housing Opportunities</i>); Housing opportunities reflect emerging needs, changing demographics and are aligned with redevelopment projects, economic development objectives and sustainability goals (<i>HUD Objective: Address Emerging and Current Needs and Changing Demographics</i>)
<input checked="" type="checkbox"/>	Down Payment Assistance	Low- and moderate-income residents who are "buyer ready"; first responders (fire, police, etc.)	Increased homeownership opportunities and support for long term affordability and accessibility for current homeowners. (<i>HUD Objective: Increase Affordable Housing Opportunities</i>)
<input type="checkbox"/>	Homebuyer Training & Counseling	Low- and moderate-income homebuyers; current renters	Increased homeownership opportunities and support for long term affordability and accessibility for current homeowners. (<i>HUD Objective: Increase Affordable Housing Opportunities</i>)

D. Budget

D1. Describe the Proposed Budget for this Activity. Please explain all budgeted expenses including contractual services, personnel services, commodities, and capital outlay. Also explain what the CDBG funds will be used for. Also explain the effect of not receiving any or only a portion of a CDBG allocation has on the project budget.

The CDBG funding allocation received will be used exclusively for down payment assistance to our target market in the form of funds disbursed in the home buying process. All other program related activities and staff time are paid for outside of this grant. The requested allocation of \$200,000.00 is anticipated to provide funding for 10-15 households, benefitting 20-45 household members with the maximum subsidy amount of \$20,000.00 per household. A decrease in the funding amount would in effect decrease the number of individuals/households who would receive assistance.

D.2 Please complete the following table to identify the funding sources and amounts. Indicate total project cost that incorporates the total CDBG request and what funds or services, if any, the sponsor and/or other agencies will contribute. Also enter other **committed** funding sources (committed funds are funds available or will be available to fund the Activity during the CDBG Fiscal Year). Please be as accurate as possible. Should your organization be awarded funding, a revised budget (as needed) will become an Addendum to the CDBG Contract.

Type of funding	Source/ amount	Source/ amount	Source/ amount	Totals
Requested CDBG amount				\$ 200,000.00
Other HUD funds i.e. HOME, Section 108				\$
Other Federal Funds				\$
City Funding i.e. Youth and Family, Human Services				\$
State funding, i.e. MFA				\$
Other i.e. in- kind, private funds				\$
Total of all funding sources				\$

D.3 If you are proposing to utilize CDBG funds to pay for staff costs, please list each position title and the percentage of their salary and benefits that will be funded by CDBG. Depending on the Activity, listing this information does not guarantee the position will be funded by CDBG as it may not be eligible.

PERSONNEL Position Title	New (Y/N)	% salary & benefits paid for with CDBG
N/A		

E. Performance Measurement System/Work Plan
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CDBG/ Work Plan - FY 2017-2018

Provide the performance measurement goals, objectives and outcomes for your proposed CDBG project. Please refer to Exhibit B at the end of this document. Based on these measurements, attach a Work Plan that describes the goals, objectives and outcomes in greater detail and be:

- (A) Specific
- (B) Measurable
- (C) Achievable
- (D) Results-orientated
- (E) Time bound