



Affordable Housing Trust Fund

2021-22 GRANTEE TRAINING

February 12, 2021

AGENDA

- WELCOME AND INTRODUCTIONS
- AHTF OVERVIEW
- ACTIVITY ELIGIBILITY
- CONTRACTING, PROCUREMENT, FINANCIAL SYSTEMS, RECORD-KEEPING & INVOICING
- REPORTING & MONITORING AUDITS
- LEVERAGE V. MATCH AND OTHER Q & A
- CONFLICT OF INTEREST

OFFICE OF AFFORDABLE HOUSING

- LEAN AND (not so) MEAN = Three and ½ staff people (Roberta, Toni, Jessica, Me)
- PROVIDE FUNDING THROUGH THESE RFPS
- CONDUCT PLANNING, REPORTING, ACCOUNTING, MONITORING FUNCTIONS FOR FUNDING CONTRACTS AS REQUIRED BY HUD AND THE STATE OF NM
- ADMINISTER SANTA FE HOMES PROGRAM (INCLUSIONARY REQ'M), ENSURE COMPLIANCE, MEMBER OF DRT
- REFERRAL TO SERVICE AND HOUSING PROVIDERS IN THE COMMUNITY
- RESEARCH, POLICY DEVELOPMENT, COMMUNITY ENGAGEMENT, AND OUTREACH RELATED TO HOUSING

AHTF OVERVIEW

- NM Affordable Housing Act provides exemption to the Anti-Donation Clause to allow the provision of public resources (land, infrastructure, buildings, direct financial assistance) for the purposes of providing affordable housing to income-eligible recipients
- NM Mortgage Finance Authority provides oversight of public donations to ensure compliance with the Act.
- Codified in City of Santa Fe Code = SFCC 26-3
- Funded activities must support the objectives of the five-year *Affordable Housing Plan* which provides an in-depth analysis of housing needs by type, income, and location. Available on the OAH webpage.

ELIGIBILITY OF USES

- **Rental vouchers** – Provide rental assistance vouchers to renters earning less than 80% AMI (60% is target)
- **Emergency shelter facilities** – Development, construction, improvement and preservation of shelter facilities
- **Provision of rental units for Low Income (up to 60 % AMI) and Extremely Low Income Renters (less than 30% AMI)** – acquisition, conversion, preservation and new construction of multi-income supported rental units; including infrastructure

ELIGIBILITY OF USES

- **Down payment assistance** – DPA in the form of soft-second mortgage that “buys down” principal amount of loan to lower monthly payment; acquisition, conversion, preservation and new construction of homeownership housing;
- **Homeowner Rehabilitation Programs, Energy Efficiency Upgrades, Accessibility Retrofits** – Acquisition, conversion, and preservation of affordable housing that accommodates needs of current homeowners with incomes that do not exceed 120% AMI.

ELIGIBLE APPLICANTS

- All individuals who are qualified to receive assistance pursuant to the New Mexico Affordable Housing Act and its rules (earning less than 120%AMI).
- All regional housing authorities, tribal governments, tribal housing agencies, and any governmental housing agencies;
- All for-profit organizations, including any corporation, limited liability company, partnership, joint venture, syndicate, or association; or,
- Nonprofit organizations with a mission to provide affordable housing & related services.

CONTRACTING WITH THE CITY

- Once a funding amount is recommended by the CDC, a draft scope of work + amount is approved to form by CAO (includes CRS# + CoSF business license#);
- **Register as vendor in City's Munis System**
<https://santafenm.munisselfservice.com/Vendors/default.aspx>
- City requires evidence of insurance (\$1,000,000): general liability, professional liability, workers' comp
- Contract is approved by Quality of Life (QOL) Committee, Finance Committee and City Council
- Executed contract and copy of PO will be sent to you which is your "notice to proceed"

PROCUREMENT

- Follow a **free and open competitive process** in securing products or services
- Properly **document** your purchasing activities and decisions
- Observe the special **rules for particular kinds of purchases** (small purchases, competitive sealed bids, competitive proposals, and sole source procurements)
- **Properly bond and insure** work involving large construction contracts and/or subcontracts
- Use **local businesses** and contract **with small, minority and/or women-owned businesses** to the maximum extent feasible

FINANCIAL SYSTEMS

- City requires compliance with audit (or fiscal agent) with standard accounting systems with ability to create sources/uses reports;
- Organizational financial policies, procedures and organizational chart that shows fiscal control;
- Files should contain documentation of all expenses, invoices and procurement method;
- Files should show matching/leveraged sources of funds and system for tracking their uses.

RECORD KEEPING

- **Administrative records:** personnel files; property management files; general program files (the subrecipient's application, the AHTF Agreement, program policies and guidelines, correspondence with grantee and reports, etc.); Legal files (articles of incorporation, bylaws of the organization, tax status, board minutes, contracts, leases and other agreements);
- **Financial records:** described on previous slide
- **Project/case files:** Documentation of funded activities, individual beneficiaries, property owners, and/or properties, including income verification and determination of eligibility.

INVOICING

- Invoice submitted monthly or quarterly with quarterly reports; due **NO LATER** than 15th of the following month;
- Cover invoice, titled “Invoice,” referencing PO#, name of project, name/address of payee, contact person, shows use of funds to date and balance remaining;
- Quarterly report attached with description of progress to date according to scope of work, # of people served by AMI% and type of service provided, \$ amount of assistance – do NOT include names, SSNs or any confidential info;
- Record expense (supporting documentation such as copies of invoices, payroll, timesheets, etc.) and provide proof of payment (canceled checks, bank statement);
- 10 days – 2 weeks to process payment — delayed if not all supporting documentation is received.


REPORTING

- Complete CDBG or AHTF reporting form (separate from invoice summary) and submit to City
- Due on the 15th of the following month of each end of quarter. The due dates are:
 - October 15, 2021**
 - January 15, 2022**
 - April 15, 2022**
 - July 15, 2022**
- Provide success stories, copies of media coverage, event materials and the City will broadcast through Public Info Office, Facebook, TV/radio/podcasts.

MONITORING AUDITS

- Following end of Quarter 4, you will receive monitoring/site visit notification that describes area to be monitored;
- A self-reporting form will be filled out and submitted to City which will be used as basis for site visit;
- Areas monitored include: participant eligibility, financial systems, accomplishment of proposed deliverables;
- Findings letter sent to grantees within 30 days after site visit;
- Subrecipient has 15 days to cure deficiencies.

BREAK TIME!



**Take
A
Break**

LEVERAGE VS. MATCH

For every \$1 of AHTF, applicant must demonstrate \$3 from matching or leveraged sources

- A match is the amount the applicant will contribute in cash or in-kind goods and services to the project
- Leverage is the additional financial support from outside resources that the applicant brings to the project; this can be cash, government or private funds, in-kind services provided by another entity.

LEVERAGE VS. MATCH

Sample Calculation: Sub-recipient Matching and Leveraging: Home Purchase

Funding Sources		Project Budget for 10 homebuyers	
First Mortgage	\$175,000	\$1,750,000	Leverage
Sub-recipient's Amortizing Second Mortgage	\$40,000	\$400,000	Sub-recipient Match
Buyer's Cash Contribution	\$6,500	\$65,000	Leverage
Down Payment Assistance Loan	\$10,000	\$100,000	AHTF
Total Home Purchase Financing	\$231,500	\$2,315,000	

AHTF Grant Request	\$100,000	Ratio
Total Leverage	\$1,815,000	\$18 to \$1
Total Sub-recipient Match	\$400,000	\$4 to \$1

Sample Calculation: Sub-recipient Matching and Leveraging: Rental Units

Sources of Funds		
Per unit/renter (avg.)	Project Budget for 10 units/renters	
\$150/mo.	\$150 X 10 = \$1,500 X 12mo = \$18,000	Leverage
\$550/mo. (rental voucher)	\$550 X 10 = \$5,500 X 12mo = \$66,000	AHTF
100 hrs. counseling & case mgt.* (@20/hr) = \$2,000/mo	\$2,000 X 10 = \$20,000 X 12mo = \$240,000	Leverage
40 hrs staff time (@20/hr) = \$800 10% of facility used for this program = \$5,000/mo facility cost (\$500/mo)= \$1,300	\$1,300 X 10 = \$13,000 X 12 = \$156,000	Match
Total cost per renter = \$2,500	Total Project Cost = \$216,000	

AHTF Grant Request	\$66,000	Ratio
Total Leverage	\$258,000	\$3.90 to \$1
Total Sub-recipient Match	\$156,000	\$2.36 to \$1

CONFLICT OF INTEREST

- Applies to employees, agents, consultants, officers of the board, or elected/appointed officials of your organization who
 - Exercise any functions or responsibilities related to AHTF-funded activities
 - Participate in decision-making processes
- Results in obtaining inside information, a financial interest or benefit as a result of an AHTF or contract activity for themselves or someone with immediate business or family ties.

RFP Important Dates

- **February 12:** Subrecipient/Grantee training
- **February 17:** Last day to submit written questions (agladd@santafenm.gov)
- **February 24:** Submittals DUE @ 3pm
- **ELECTRONIC SUBMITTAL ONLY to:**
purchasing@santafenm.gov
- **March 3, 8:30am – 3:30pm:** Applicant Presentations (15 min/project) to the Community Development Commission via Zoom (Schedule TBD)

THANK YOU!

Contracting, invoicing, payments:

Roberta Catanach, Contract Administrator: 505-316-4565

Email: rlcatanach@santafenm.gov

Quarterly reporting, monitoring, general assistance:

Toniette Candelaria Martinez, Project Specialist: 505-316-4634

Email: tocandelariamartinez@santafenm.gov

Procurement Manager:

Alexandra Ladd, Director of Office of Affordable Housing

Email: agladd@santafenm.gov