

## **AHTF/CDBG Questions and Answers**

### **1) How much funding is available?**

AHTF: \$3,800,000

CDBG: Estimated \$600,000 (22-23 grant) + up to \$600,000 in reprogrammed funds

### **2) Is the training session mandatory?**

Before submitting an application for AHTF or CDBG funds, both new and prior applicants are required to attend a virtual training session with staff from the Office of Affordable Housing. This year it was held on Wednesday, January 25, 2023, at 10:00 a.m. If an applicant is unable to attend the live session, they are required to watch the recording on their own time, available here: <https://youtu.be/ii-ve-MEJWQ>.

### **3) Is there a size limit on email attachments for the application submission?**

The City's email server limits attachment size per email to 25MB. We recommend you submit your application via a dropbox link, especially if you include additional attachments.

### **4) Does the “match” requirement for AHTF (\$1:\$3) or CDBG (\$1:\$1) require cash?**

We require that the funds applied for are matched or leverage other investment but it doesn't have to be cash; you can use the value of staff time, of in-kind services provided by another organization, the costs incurred by your organization to provide the services, debt incurred to partially fund the project, or by a grant from another source that's also being used to support the work. A deferred developer's fee is also considered a match. Basically, we want to see that the budget is adequate to do the work!

### **5) Are applications required to be submitted using the fillable PDF file? Or can the same layout be used, but completed in Word, then saved and submitted as a PDF?**

Please use the cover sheet of the application but you can reformat the narrative section however you wish. Just make sure the wording is exact and you don't miss any required elements. The final narrative should be in PDF format.

### **6) Are we allowed to use funds outside of City limits?**

Using CDBG and AHTF outside of City limits is generally ineligible. Please see the City's GIS map for confirmation that the proposed use falls within City limits. If your organization

plans to use funds in the Metro area but technically outside of City limits (Agua Fria Village, El Dorado, Tesuque, La Cienega, etc.), please mention that in your application. Otherwise, the default is to use funds within City limits. On a case-by-case basis, we can provide exceptions, but our capacity to do that is very limited and would require your organization to submit a formal request to City staff before such use is authorized.

**7) Can CDBG and AHTF be used to fund public services, such as a homeless shelter?**

Generally, AHTF cannot be used for services or administrative costs. The operational costs of a public facility that provides shelter or housing services may be eligible, such as maintenance, cleaning, security, intake, food, and staff time related to any of those costs. Paying for utilities is an eligible cost. Insurance costs related to the facility are eligible, but the insurance related to the administrative functions of the organizations, such as workmen's comp, are NOT. Likewise, the executive director's salary is an administrative cost and NOT eligible. Office equipment, administrative materials, etc., are NOT eligible. Any social services provided to clients, whether provided by staff or an outside provider, are NOT eligible.

CDBG funds can be used to pay for administrative costs and social services. However, there is a 15% cap on public services the City can fund with the annual CDBG award. This amounts to about \$90,000 each year, and these funds are very competitive.

**8) How does Davis-Bacon apply to individual home repair?**

Individual home repair does not trigger Davis-Bacon. Davis-Bacon applies to the rehabilitation of residential property only if the property contains 8 or more units. Residential property that contains 7 or fewer units is exempt.

**9) What is the minimum amount of insurance coverage that the City requires?**

General Liability - \$1mm/\$2mm Aggregate  
Professional Liability - \$1mm/\$2mm Aggregate  
Worker's Comp - Statutory

**10) How does the requirement about keeping Board Minutes apply?**

Board minutes are usually an organizational requirement. The City assumes that the minutes are part of the grantee's record-keeping, particularly when decisions are made regarding the uses of City funds. The City doesn't regularly review them but may request

confirmation that they are on file during its site monitoring visits. If the project is using CDBG funds, the Dept of HUD will require that board minutes be kept.

**11) Will there be a section to add success stories or media coverage? Or is that something we would add to the report?**

The reporting form encourages sharing success stories but it is not required. However, when accomplishments are recognized or significant events occur, the City welcomes the opportunity to share them via its public outreach and communications networks and social media. Send photos, stories, testimonials anytime!

**12) Is rental assistance limited to tenant-based, scattered site only or can it be used to subsidize units on a project basis?**

Funds can be used to support units at a specific site. The applicant would need to identify the income range of the tenants to be served and show how funds would fill the gap between the affordable rent and the actual cost of operating the unit.

**13) Does the City have the discretion to reduce the amount the applicant requests or is it all or nothing?**

The City encourages applicants to structure their budgets into discrete steps or buckets so that partial funding can still be used effectively. The Community Development Commission sometimes asks during applicant presentations about modifying funding amounts if the total asked for is more than what's available.

**14) If project activities commence before funding is approved or the start of the program year, can these expenses be reimbursed retroactively if the project is funded?**

Never. Only the activities initiated after the effective date on the contract are eligible for reimbursement. Until you have a purchase order number, you can't submit any invoices.

**15) If we want to apply for both down payment assistance and provision of homeownership units, do I have to do 2 separate applications or can I combine them?**

Please submit two applications since these uses are quite distinct from one another. If applying for the same funding source, then you can submit ONE set of supporting documentation (the organizational documents such as nonprofit status, etc.) to serve both applications. But make sure to label everything very clearly.

**16) What budget categories are allowed for the AHTF funds?**

It's well spelled out in the Request for Application document. You can also refer to city code for eligible uses of funds:

[https://library.municode.com/nm/santa\\_fe/codes/code\\_of\\_ordinances?nodeId=CHXXVIH  
O\\_26-3AFHOTRFU\\_26-3.7USAFHOTRFU](https://library.municode.com/nm/santa_fe/codes/code_of_ordinances?nodeId=CHXXVIH_O_26-3AFHOTRFU_26-3.7USAFHOTRFU)