



City of Santa Clara

The Center of What's Possible

Housing Rehabilitation
Loan Committee
Housing and Community Services
City Manager's Staff Conference Room
1500 Warburton Avenue

August 10, 2017
8:00 a.m.

AGENDA

Committee Members:

Teresa O'Neill – Chair
Carmen Pascual
Bianca Wilczoch
Michael Louis Ferrito

1. CONSENT CALENDAR

Items listed on the CONSENT CALENDAR are considered routine and will be adopted by one motion. There will be no separate discussion of the items on the CONSENT CALENDAR unless discussion is requested by a member of the Committee, staff or public. If so requested, that item will be removed from the CONSENT CALENDAR and considered under CONSENT ITEMS PULLED FOR DISCUSSION.

A. Approval of Minutes from **May 11, 2017**

*****End of Consent Calendar*****

2. ITEMS FOR DISCUSSION

- A. Introduction of New Division Manager
- B. Review NCIP FY2016-17 Budget Status Reports
- C. Program Status & Updates
- D. 2018 Calendar Meeting Dates:
 - February 8
 - May 10
 - August 9
 - November 8

3. ITEMS FOR ACTION

- A. Projects Pending Review and Action

4. OTHER BUSINESS

- A. Council Dinner Meeting Dates
 - Tuesday, August 29, 2017
 - Tuesday, May 8, 2018

5. ADJOURNMENT – Next meeting scheduled for **November 9, 2017 at 8:00 AM.**



City of Santa Clara
The Center of What's Possible

**Housing Rehabilitation
Loan Committee**
Housing and Community Services
City Manager's Staff Conference Room
1500 Warburton Avenue

**May 11, 2017
8:00 a.m.**

**MINUTES OF MEETING
(Subject to Committee Approval)**

Committee Members Present: Teresa O'Neill – Chair
Carmen Pascual
Bianca Wilczoch
Mike Ferrito

Staff Present: Andrew Crabtree, Community Development Director
Kelvin Malko, Housing Inspector
Kathy Flood, Staff Analyst
Jennifer Carvalho, Office Specialist III

1. CONSENT CALENDAR

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A. Approval of Minutes from February 9, 2017

Motion by Committee Member Wilczoch and unanimously carried to approve the **Minutes of February 9, 2017.**

*****End of Consent Calendar*****

2. ITEMS FOR DISCUSSION

A. Review NCIP FY2016-17 Budget Status Reports

Status Reports were reviewed and accepted. The current limitations in the use of HOME funds have increased the usage of CDBG funds. This combined with the rising cost of construction and the lower than anticipated levels of loan payoff's (program income) received to date this FY, program funding has reached current limits. All approved projects have been placed on hold and will continue/start based on priority level/urgent need as additional funding becomes available. A few clients have opted out of the program due to the anticipated delay. Federal funds for FY2017-18 are being determined at this time and will assist with continuing the program once received.

B. Program updates

The current funding status has created the need to update certain processes and formalize an approach for future spending. Approved projects have been listed by priority based on urgent need of code and mandated issues. This will act as a guide on how to move forward as funding becomes available. Applications are still being accepted and being placed on a waiting list.

The Division's goal is to complete the file reconciliation project in the next few months and identify and correct any compliance issues. Continued focus will be on loan payoffs which will help generate program income. HUD expert consultants are assisting with the Procedure Manual Update; they will maintain the City Council's direction which has helped develop the program and make updates based on current best practices. The goal is to have the draft in progress as the new Division Manager comes on board in June and any completed sections will be brought forward to the next Loan Committee meeting for review.

3. ITEMS FOR ACTION

A. Projects Pending Review and Action

1. Client Number 10520 – 683 Bucher Ave
 Motion: Approve an additional amount of \$6,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Ferrito and unanimously carried to approve additional loan of \$6,000.
2. Client Number 10538 – 2355 Castro Place
 Motion: Approve an additional amount of \$20,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Wilczoch and unanimously carried to approve additional loan of \$20,000.
3. Client Number 10539 – 643 Viader Court
 Motion: Approve an additional amount of \$20,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
 Client decided not to move forward with the increased scope, so no additional funding was requested. **No Motion made**
4. Client Number 10540 – 727 San Miguel Avenue
 Motion: Approve an amount of \$25,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Ferrito and carried (Committee Member Pascual abstained due to proximity of address) to approve a loan of \$25,000.
5. Client Number 10541 – 2780 Monroe St
 Motion: Approve an amount of \$70,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Pascual and unanimously carried to approve a loan of \$70,000.

6. Client Number 10542 – 3498 San Marco Way
Motion: Approve an amount of \$100,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Ferrito and unanimously carried to approve a loan of **\$100,000.**

7. Client Number 10543 – 3828 Melody Lane
Motion: Approve an amount of \$100,000 plus a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Wilczoch and unanimously carried to approve a loan of **\$100,000.**

8. Client Number 10544 – 10544 Santa Maria Ave
Motion: Approve an amount of \$45,000 (includes a \$15,000 Urgent Loan previously approved by Director on 3/30/17 plus \$30,000), a 25% contingency loan for identified work; 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds.
Motion by Committee Member Pascual and unanimously carried to approve a loan of **\$45,000.**

4. OTHER BUSINESS

- Review of the vetting process and HUD requirements for new contractors, and how the new contractors are fitting into the program.
- New Division Manager to start June 20, 2017

5. ADJOURNMENT – Next meeting scheduled for **August 10, 2017 at 8:00 AM.**

Meeting adjourned at 9:25 a.m.

Prepared by: 
Jennifer Carvalho
Office Specialist III

Reviewed: 
Kathy Flood
Staff Analyst

NCIP FY2016-17 Budget Status Report
Budget Summary as of 6/30/2017

HUD Grant	CDBG	HOME	TOTAL
FY2016-17 Total HUD Grant	\$ 897,752.00	\$ 299,478.00	\$ 1,197,230.00

Source of NCIP Funds	CDBG	HOME	TOTAL
FY2015-16 Carryover	\$ -	\$ 478,629.09	\$ 478,629.09
FY2015-16 Unallocated CDBG funds from Public Services	\$ 72,800.00	\$ -	\$ 72,800.00
FY2016-17 Program Allocation	\$ 103,539.00	\$ 268,091.00	\$ 371,630.00
FY2016-17 Program Income-Loan Payments (PI)	\$ 419,203.83	\$ 175,795.89	\$ 594,999.72
FY2016-17 Other PI (Special Assessment and Interest)	\$ 4,823.94	\$ 32,357.69	\$ 37,181.63
Total NCIP Source of Funds	\$ 600,366.77	\$ 922,515.98	\$ 1,555,240.44
Set aside from current FY PI for FY2016-17 admin (20% CDBG) & (10% HOME)	\$ (84,805.55)	\$ (20,815.36)	\$ (105,620.91)
15% set aside from current FY PI for FY2017-18 Public Services	\$ (62,880.57)	\$ -	\$ (62,880.57)
Total NCIP Available Source Funds	\$ 452,680.64	\$ 901,700.62	\$ 1,386,738.95

Use of Funds	CDBG	HOME	TOTAL
FY2016-17 Loan Expenditures	\$ 345,703.95	\$ (63,014.85)	\$ 282,689.10
FY2016-17 Grant Expenditures (AP, Direct Charges & Burden)	\$ 227,159.59	\$ 13,548.94	\$ 240,708.53
Total Use of Funds	\$ 572,863.54	\$ (49,465.91)	\$ 523,397.63

Available Source Minus Use Balance	\$ (120,182.90)	\$ 951,166.53	\$ 1,031,842.81
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NCIP Loans	CDBG	HOME	TOTAL
FY2016-17 Total of Approved Loans w/contingency	\$ 1,016,968.43	\$ -	\$ 1,016,968.43
Total of Recommended Loans w/ contingency	\$ 50,000.00	\$ -	\$ 50,000.00
Total	\$ 1,066,968.43	\$ -	\$ 1,066,968.43

FY2017-18 Source of Funds	CDBG	TOTAL
Program Allocation	\$ 463,802.00	\$ 463,802.00
Projected Program Income	\$ 600,000.00	\$ 600,000.00
	\$ 1,063,802.00	\$ 1,063,802.00

FY2017-18 Use of Funds	CDBG	TOTAL
FY2016-17 Carryover expenditures	\$ 120,182.90	\$ 120,182.90
FY2016-17 Total of Approved Loans w/contingency	\$ 1,066,968.43	\$ 1,066,968.43
FY2016-17 Loan Expenditures	\$ (345,703.95)	\$ (345,703.95)
Estimated Grant Expenditures	\$ 192,082.94	\$ 192,082.94
	\$ 1,033,530.32	\$ 1,033,530.32

FY2017-18 Estimated Available Source Minus Use Balance	\$ 30,271.68	\$ 30,271.68
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source data:

CSC Account Activity Detail Query

NCIP FY2016-17 Financial Status
Program Income as of 6/30/2017

Client	CDBG	HOME	Total
00153	\$ 27,776.94		\$ 27,776.94
00569	\$ 31,195.34		\$ 31,195.34
00789/10536	\$ 833.69		\$ 833.69
00864	\$ 27,486.22		\$ 27,486.22
10059		\$ 27,486.75	\$ 27,486.75
10061		\$ 900.00	\$ 900.00
10066	\$ 2,592.91	\$ 52,307.58	\$ 54,900.49
10154	\$ 12,323.26		\$ 12,323.26
10177	\$ 18,247.99		\$ 18,247.99
10186	\$ 48,682.38		\$ 48,682.38
10193	\$ 26,102.13		\$ 26,102.13
10214	\$ 2,000.00		\$ 2,000.00
10228	\$ 90,486.32		\$ 90,486.32
10280	\$ 103,300.57		\$ 103,300.57
10358		\$ 849.45	\$ 849.45
10381	\$ 7,000.00		\$ 7,000.00
10391	\$ 13,742.07		\$ 13,742.07
10467	\$ 834.01	\$ 21,146.57	\$ 21,980.58
10488		\$ 79,705.54	\$ 79,705.54
10504	\$ 6,600.00	\$ (6,600.00)	\$ -
Program Income to Date	\$ 419,203.83	\$ 175,795.89	\$ 594,999.72

Fiscal Year	CDBG/HOME
2007/08	\$ 515,631.00
2008/09	\$ 178,427.00
2009/10	\$ 421,465.00
2010/11	\$ 317,855.00
2011/12	\$ 378,590.00
2012/13	\$ 427,989.00
2013/14	\$ 748,935.00
2014/15	\$ 544,733.00
2015/16	\$ 581,303.00
2016/17	\$ 594,999.72
Total	\$ 4,709,927.72

NCIP FY2016-17 Financial Status
Loan Approvals and Expenditures as of 6/30/17

Fiscal Year Activity		Expenditures				
Approved Loans	Prior Loan Amount	Loan Amount FY2016-17	CDBG	HOME	Estimated Grant Costs	Available Balance
00240		\$ 19,534.00	\$ 19,534.00			\$ -
00320	\$ 22,000.00				\$ 5,500.00	\$ 22,000.00
00338		\$ 21,250.00	\$ -		\$ 5,312.50	\$ 21,250.00
10016	\$ 3,700.00	\$ 8,000.00	\$ 11,700.00			\$ -
10226	\$ 13,870.00		\$ 13,870.00			\$ -
10228			\$ (400.00)			\$ -
10274			\$ -	\$ (56,414.85)		\$ -
10462		\$ 3,190.00	\$ 3,190.00			\$ -
10502	\$ 20,000.00	\$ 88,204.43	\$ 57,362.00		\$ 10,820.44	\$ 50,842.43
10504			\$ 6,600.00	\$ (6,600.00)		\$ -
10505	\$ 135,000.00		\$ 13,622.07			\$ -
10510	\$ 109,613.00		\$ 24,000.00			\$ -
10519	\$ 135,000.00		\$ 13,795.00			\$ -
10520		\$ 32,900.00	\$ 14,648.20			\$ 18,251.80
10524	\$ 82,500.00	\$ 47,500.00	\$ 123,517.09			\$ -
10528		\$ 28,200.00	\$ 28,200.00			\$ -
10532		\$ 110,000.00	\$ 3,015.59		\$ 16,500.00	\$ 106,984.41
10535		\$ 2,390.00	\$ 2,390.00			\$ -
10538		\$ 100,000.00	\$ 10,660.00		\$ 15,000.00	\$ 89,340.00
Total of executed loans		\$ 461,168.43				
10533		\$ 30,800.00			\$ 7,700.00	
10539		\$ 100,000.00			\$ 25,000.00	
10540		\$ 31,250.00			\$ 7,812.50	
10541		\$ 87,500.00			\$ 21,875.00	
10542		\$ 125,000.00			\$ 31,250.00	
10543		\$ 125,000.00			\$ 31,250.00	
10544		\$ 56,250.00			\$ 14,062.50	
Total of approved* loans		\$ 555,800.00				
Totals		\$ 1,016,968.43	\$ 345,703.95	\$ (63,014.85)	\$ 192,082.94	\$ 308,668.64

Total Expenditures CDBG/HOME FY2016-17 \$ 282,689.10

Recommended Loans	CDBG	HOME
10545	\$ 40,000.00	
Total	\$ 40,000.00	\$ -
25% contingency	\$ 10,000.00	
Maximum loan amount	\$ 50,000.00	

*Approved only, no loan documents signed yet, subject to availability and project scope priority

NCIP FY2016-17 Financial Status
Grant Expenditures as of 6/30/17

Borrower/Indirect Labor	CDBG Grant	CDBG Direct Charges	HOME	HOME Direct Charges	TOTAL
CDBG Admin	\$ 3,759.00				\$ 3,759.00
00198/10105	\$ 100.00	\$ 293.33			\$ 393.33
00240	\$ 100.00	\$ 3,157.45			\$ 3,257.45
00320	\$ -	\$ 3,994.95			\$ 3,994.95
00338	\$ -	\$ 984.94			\$ 984.94
00351/10535	\$ -	\$ -			\$ -
00364	\$ 166.07	\$ 211.03			\$ 377.10
00399*	\$ 468.75	\$ 47,589.00			\$ 48,057.75
00569	\$ 28.00				\$ 28.00
00811	\$ 390.00				\$ 390.00
00847	\$ 33.00				\$ 33.00
00895	\$ 1,070.00	\$ 2,135.98			\$ 3,205.98
00988	\$ 2,740.00	\$ 1,961.98			\$ 4,701.98
10016	\$ 2,442.00	\$ 1,997.03			\$ 4,439.03
10214	\$ 35.50				\$ 35.50
10226	\$ 887.00	\$ 4,194.13			\$ 5,081.13
10228	\$ 400.00				\$ 400.00
10371	\$ 3,220.00	\$ 558.41			\$ 3,778.41
10376	\$ 980.00	\$ 51.40			\$ 1,031.40
10462	\$ 3,834.67	\$ 812.41			\$ 4,647.08
10486	\$ 100.00	\$ 952.19			\$ 1,052.19
10493	\$ (2,796.00)				\$ (2,796.00)
10494	\$ 3,246.00				\$ 3,246.00
10502	\$ 790.00	\$ 224.84			\$ 1,014.84
10504	\$ 100.00				\$ 100.00
10505	\$ 10,985.00	\$ 810.69			\$ 11,795.69
10510	\$ 2,252.99	\$ 2,567.19			\$ 4,820.18
10515	\$ -	\$ 270.23			\$ 270.23
10519	\$ 1,410.00	\$ 1,502.98			\$ 2,912.98
10520	\$ 9,250.32				\$ 9,250.32
10524	\$ 10,939.21	\$ 11,662.96			\$ 22,602.17
10528	\$ 826.00	\$ 5,042.42			\$ 5,868.42
10529	\$ 8,435.50	\$ 3,637.40			\$ 12,072.90
10530	\$ 307.00	\$ 333.25			\$ 640.25
10531	\$ 2,124.88	\$ 432.37			\$ 2,557.25
10532	\$ 12,752.02	\$ 5,825.17			\$ 18,577.19
10533	\$ 4,789.00	\$ 2,205.63			\$ 6,994.63
10534	\$ -		\$ 10,018.00	\$ 3,530.94	\$ 13,548.94
10535	\$ 100.00	\$ 4,257.40			\$ 4,357.40
10537	\$ 1,531.00	\$ 730.85			\$ 2,261.85
10538	\$ 6,083.00	\$ 2,466.21			\$ 8,549.21
10539	\$ 9,986.58	\$ 1,766.74			\$ 11,753.32
10540	\$ 988.00	\$ 523.99			\$ 1,511.99
10541	\$ 1,056.00	\$ 618.31			\$ 1,674.31
10542	\$ 200.00	\$ 449.68			\$ 649.68
10543	\$ 625.00	\$ 1,118.83			\$ 1,743.83
10544	\$ 1,715.15	\$ 2,799.74			\$ 4,514.89
10545	\$ 517.00	\$ 50.84			\$ 567.84
Total Expenditures	\$ 108,967.64	\$ 118,191.95	\$ 10,018.00	\$ 3,530.94	\$ 240,708.53

*Burden - employee benefits based on direct labor hours

NCIP FY2016-17 Project Status Report

Project Status as of August 10, 2017

Activity	Status
<i>Completed since last Committee Meeting - May 11, 2017</i>	
10462	100% complete
<i>Construction in Progress</i>	
10502	75% complete
10520	56% complete
10538	20% complete
<i>Planning & Bidding</i>	
00320	Scheduling/pending funding
00338	Scheduling/pending funding
10520	Scheduling/pending funding
10532	Planning pending funding
10533	Planning pending funding
10538	Planning pending funding
10539	Planning pending funding
10540	Planning pending funding
10544	Scheduling/pending funding
10541	Planning pending funding
10542	Planning pending funding
10543	Planning pending funding
<i>Non Active projects</i>	
00895	Withdrew
10515	waiting special approval
10529	Withdrew
<i>Pending projects</i>	



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**Housing Rehabilitation
Loan Committee Meeting
Neighborhood Conservation
Improvement Program (NCIP)**
Housing and Community Services
City Manager's Staff Conference Room
1500 Warburton Avenue

**August 10, 2017
8:00 a.m.**

**Projects Pending Committee Review and Action
Additional and New Work Requested**

1. Client #10545

2196 San Antonio Place

Eligibility:	<80% of County Median Income
Household Number:	1
Estimated Value:	\$949,000
Secured indebtedness:	\$0
LTV Ratio:	0%
Requested work:	Re Roof, New Driveway, approach, and walk to front step; re hang front door in new frame; exterior paint

Staff Estimate:	\$40,000
Staff Recommendation:	Approve an amount of \$40,000 for identified work, plus a 25% contingency loan, 3% interest, and twenty year deferred payment. Loan is subject to availability of program funds. Not to exceed maximum \$50,000.