

SANTA FE COUNTY

BOARD OF COUNTY COMMISSION RESOLUTION NO. 2012-94

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS RESCINDING
RESOLUTION NO. 2011-82 AND ADOPTING NEW AFFORDABLE HOUSING ROOF
REPAIR OR REPLACEMENT AND RENOVATION REGULATIONS
FOR THE HAPPY ROOFS PROGRAM**

WHEREAS, roof repair or replacement and renovation can be an expense that is beyond the resources of low to moderate income households;

WHEREAS, the Affordable Housing Fund was established pursuant to Ordinance 2006-02, as amended, to enable Santa Fe County to support affordable housing within Santa Fe County, which includes the cost of owning and maintaining safe affordable housing;

WHEREAS, Santa Fe County Ordinance 2011-3, the Affordable Housing Roof Repair or Replacement and Renovation Ordinance, authorizes the Affordable Housing Administrator to provide financial assistance to make qualifying renovations, repairs or to replace a roof that poses health and safety hazards for the occupants of a Qualifying Residence;

WHEREAS, on May 31, 2011, the Board of County Commissioners approved Resolution No. 2011-82 approving the Affordable Housing Roof Repair or Replacement and Renovation Regulations, also known as the Happy Roofs Program;

WHEREAS, the Happy Roofs Program was previously coordinated with the assistance of the weatherization services provider Los Amigos, and should continue to be coordinated with the provision of home weatherization services performed under the New Mexico Energy Smart program; and

WHEREAS, staff has revisited the existing program regulations and has determined that they need to be changed in order to further improve administration of the program and better articulate processes and procedures which will improve the fair and efficient allocation of scarce resources.

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners hereby repeals Resolution 2011-82 and adopts the Affordable Housing Roof Repair or Replacement and Renovation Regulations, attached hereto as Exhibit "A".

APPROVED, ADOPTED AND PASSED this 28 day of August, 2012.

BOARD OF COUNTY COMMISSIONERS

Liz Stefanics

Liz Stefanics, Chairperson

ATTEST:

Valerie Espinoza
Valerie Espinoza, County Clerk

APPROVED AS TO FORM:

Stephen C. Ross
Stephen C. Ross, County Attorney



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss BCC RESOLUTIONS
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I Hereby Certify That This Instrument Was Filed for
Record On The 5TH Day Of September, 2012 at 01:10:11 PM
And Was Duly Recorded as Instrument # 1680532
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Valerie Espinoza
Deputy *Marcella* County Clerk, Santa Fe, NM

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Exhibit A
Santa Fe County
Affordable Housing Roof Repair or Replacement and Renovation Regulations

Article I
Short Title, Authority, Effective Date, Purpose

- 1.1. Short Title:** These regulations shall be known as the “Affordable Housing Roof Repair or Replacement and Renovation Regulations.”
- 1.2. Authority:** These regulations are adopted by the Board of County Commissioners of Santa Fe County pursuant to Santa Fe County Ordinance No. 2011-3, as amended.
- 1.3. Effective Date:** These regulations shall become effective immediately upon their filing with the Santa Fe County Clerk.
- 1.4. Purpose:** The purpose of the Affordable Housing Roof Repair or Replacement and Renovation program is to address substandard housing conditions of low to moderate income homeowners residing within the unincorporated areas of Santa Fe County. The program provides financial Assistance to make repairs or to replace a roof that poses health and safety hazards for the occupants of a Qualifying Residence and to support Infrastructure for programs that address special housing needs, including services for seniors. These Regulations are adopted for the following purposes:
- 1.4.1.** To establish a process to pay all or a portion of the cost of repairing or replacing the roof of the Qualifying Residence of Low to Moderate Income homeowners residing within the unincorporated areas of Santa Fe County.
 - 1.4.2.** To establish a process to pay all or a portion of the cost to renovate existing Infrastructure and a single-family residence or multi-family housing project occupied or intended primarily for occupancy by persons of Low or Moderate Income.
 - 1.4.3** To establish procedures, forms and guidelines for the development, implementation and operation of the Affordable Housing Roof Repair or Replacement and Renovation program as authorized by Ordinance No. 2011-3.
 - 1.4.4.** To establish internal controls to ensure proper administration of the Affordable Housing Roof Repair or Replacement and Renovation program and provisions for adequate security against the loss of public funds.
- 1.5. Definitions.** Capitalized words herein shall have the meaning assigned by the Santa Fe County Affordable Housing Roof Repair or Replacement and Renovation Ordinance No. 2011-3.

Article II
Housing Assistance Grants

2.1. Roof Repair or Replacement Application.

2.1.1. All applicants for a Housing Assistance Grant for roof repair or replacement shall complete, and submit to the Administrator, an application for Assistance.

2.1.2 The application form shall be approved by the Administrator and be available on the County website and at the County Administration office.

2.1.3. The application shall include all information required by Ordinance No. 2011-3, these Regulations, the Act, MFA Rules including, but not limited to, the following information:

- (a) name of applicant and each household member;
- (b) date of birth for each household member;
- (c) social security number of applicant;
- (d) relationship of each household member to applicant;
- (e) applicant's mailing address and phone number; and
- (f) address of residence proposed for roof repair or replacement;

2.1.4. Applicants shall submit the following supporting material upon submission of the application:

- (a) Proof of income for all household members 19 years of age and older;
 - i. copy of the two most recent Income Tax Returns (Federal or State) and W-2s; and
 - ii. copy of current Award Letter for Social Security and SSI income recipients; or
 - iii. last three (3) paycheck stubs with year to date totals; or
 - iv. notarized statement indicating applicant and/or household member over 18 is unemployed (if receiving unemployment also include a copy of award letter or printout of unemployment weekly benefit).
 - v. copy of the most recent month's account statement of all financial accounts, including but not limited to checking accounts, savings accounts, certificates of deposit, money market accounts, brokerage accounts, IRA accounts, deferred compensation accounts and 401(k) accounts.
- (b) Proof of home ownership;
 - i. copy of Warranty Deed; or
 - ii. copy of Mortgage Payment Coupon; or
 - iii. copy of County Property Tax Bill.
- (c) A signed agreement:
 - i. to maintain the Qualified Residence as an owner-occupied, single family residential property for residential purposes only, until the expiration of the Affordability Period or so long as any or the entire assistance is unpaid and outstanding, whichever is later;

- ii. to maintain the Qualifying Residence in good repair and to keep current any mortgages or notes on the property until the expiration of the Affordability Period or so long as any or the entire assistance is unpaid and outstanding, whichever is later;
- iii. to certify that the entire amount of the Assistance will be used to perform the roof repair or replacement on the Qualifying Residence;
- iv. to expressly authorize inspection of the Qualifying Residence by the County or the County's designee prior to and following completion of the work;
- v. The property may be transferred subject to the mortgage or lien if the transfer is to a person or family relation who has low or moderate income, as established by MFA and covenants in writing to maintain the property as Affordable Housing for the remainder of the Affordability Period and otherwise to comply with and assume all the terms and conditions of the applicable agreement or if a non-individual, the entity covenants in writing to maintain the Qualifying Residence as Affordable Housing or as a facility which provides housing related services to Persons of Low or Moderate Income for the duration of the Affordability Period.
- vi. to acknowledge that it is the responsibility of the Qualifying Grantee and the person or business repairing or replacing the roof to resolve any disputes regarding the quality of the work performed both during and after construction;
- vii. to acknowledge that Santa Fe County is not responsible for any Warranty claims by the person or business repairing or replacing the roof of the Qualifying Residence; and
- viii. to acknowledge that Santa Fe County will only release Housing Assistance Grants directly to the person or business repairing or replacing the roof following the Administrator's receipt of the required Final Inspection Report.
- ix. to acknowledge that the Qualifying Grantee is responsible for selecting and entering into an agreement with the contractor, to be selected in a bid process managed by the County or its designee, from an approved list of contractors to be maintained by the County or its designee;
- x. to acknowledge that the contractor shall only perform work that has been identified in a scope of work prepared by the County or its designee and included in the agreement between the Qualifying Grantee and contractor, unless the additional work is disclosed during the roof repair or replacement process to be necessary and is approved by the County as a change order;
- xi. to certify that the Qualifying Grantee has not previously received assistance under this program or the down payment assistance program;
- xii. to acknowledge that the Qualifying Grantee is responsible for complying with the terms of the note and mortgage which provide security for the amount of the financial assistance provided by the County.

(d)

- Proof of Occupancy;
 - i. copy of utility bills for the last three months and

- ii(a) copy of cable TV bill for the last three months; or
- ii(b) voter registration card or drivers license; or
- ii(c) other proof satisfactory to the Administrator.
- (e) Proof of Value;
 - (i) appraisal within the last twelve (12) months or
 - (ii) current notice of value from County Assessor.

2.1.5. The County may designate a person, business, non-profit or agency to act as the County's agent for the purpose of receiving, processing or making decisions on applications, in which case the application shall be submitted to the County's designee. Any such designation shall be subject to auditing and periodic reporting, as specified in the delegation.

2.2. Eligibility for Roof Repair or Replacement Housing Assistance Grant.

2.2.1 An applicant must submit a completed application and all required supporting documentation.

2.2.2. An applicant's household income must be low or moderate, as established by the New Mexico Mortgage Finance Authority and the Department of Housing and Urban Development. Income shall be imputed from the cash value of that portion of a household's assets in excess of \$25,000.00, at the rate of 20% per annum, for applicants under the age of 65 and at a rate of 10% per annum, for applicants age 65 or older. The imputed income is determined by multiplying the asset value by the appropriate percentage and shall be added to the annual household income for the purpose of determining income eligibility. Exclusions from assets that are not subject to imputation of income are set forth in 2.2.3.

2.2.3. The applicant shall not have aggregate assets greater than \$125,000. The following assets shall not count toward the asset limitation: owner-occupied real estate and other non- income producing improved real estate; retirement funds that cannot be accessed without the payment of a penalty; the principal of trust funds, to the extent that the principal cannot be invaded by the household; personal property; education accounts committed to a dependent; life insurance policies and other assets that cannot be converted to cash quickly without significant impact to the price received.

2.2.4 If the ownership of the property is one of joint tenancy, the combined incomes and assets of both joint tenants, regardless of whether they both reside on the property, will be considered in the determination of income and asset eligibility for this program.

2.2.5. An applicant must own and occupy the home as a primary residence for which assistance is applied.

2.2.6. An Initial Inspection Report prepared by the County or its designee must determine that the roof poses health and safety concerns and needs to be repaired or replaced.

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2.2.7. An applicant may not own additional residential real estate from which rents are received, as reported on federal tax form Schedule E, Supplemental Income and Loss.

2.2.8. The value of an applicant's property, as determined by appraisal or County assessor's valuation, may not exceed the Federal Housing Administration (FHA) mortgage loan limits for Santa Fe County, unless the household is an extremely low income household with income of thirty percent (30%) or less of area median income (AMI).

2.2.9 If the subject property is a mobile home, it must be set on a permanent foundation in order to be eligible for funding under this program.

2.3 Application Review for Roof Repair or Replacement Housing Assistance Grant.

2.3.1. Within ten (10) business days of receiving an application the Administrator shall review the application and notify the applicant if additional information is needed.

2.3.2. Upon receipt of a completed application the Administrator shall review the application and determine if the applicant is eligible to receive assistance under Ordinance No. 2011-3. If an applicant is eligible, the Administrator shall initiate an Initial Inspection.

2.3.3. If the Initial Inspection Report verifies a roof repair or replacement is necessary the Administrator shall approve the eligible applicant as a Qualifying Grantee.

2.3.4. Within twenty (20) business days of receiving a completed application the Administrator shall send the applicant a notice stating whether the applicant is a Qualifying Grantee or is not eligible for Assistance. A Qualifying Grantee shall be noticed that the approval is valid for six (6) months.

2.3.5. Following approval of the application, the Qualifying Grantee shall execute liens, mortgages or other documents required by Ordinance 2011-3 as a condition precedent to receiving the assistance. The Administrator shall be responsible for filing the mortgage or lien prior to the commencement of the roof repair or replacement.

2.3.6. The Administrator may prioritize applicants for funding based upon extremely low household income (30% or under Area Median Income), emergency nature of roof problems as verified in the Initial Inspection Report, presence of elderly and/or disabled household members, veterans status, and amount of assets available to the applicant.

2.4 Renovation Application.

2.4.1. All applicants for a Housing Assistance Grant for renovation shall complete, and submit to the Administrator, an application for Assistance.

2.4.2. The application form shall be approved by the Administrator and available at the County Administration office.

2.4.3. The application shall include all information required by Ordinance No. 2011-3, these Regulations, the Act, and MFA Rules.

2.5 Roof Repair or Replacement Construction Process

2.5.1 The County or designee shall create and maintain an approved contractors list. To be eligible for the program, contractors must have a GS-21 license, a business license, be bonded and insured, must provide a minimum of five (5) references of past residential roofing jobs and must be willing to accept County terms of payment.

2.5.2 The County or designee shall create a scope of work and a general cost estimate for each roofing job, based on the findings of the Initial Inspection Report, and shall distribute that scope of work to all firms on the approved contractors list.

2.5.3 The County or designee shall evaluate the responsiveness of bids to the scope of work, determine the cost reasonableness of the bid based on the general cost estimate and shall provide the Qualifying Grantee with those firms who have submitted a responsive, reasonable bid.

2.5.4 The Qualifying Grantee shall select and enter into a contract for roof repair or replacement with the contractor and shall direct the contractor to proceed, once Construction Industries Commission has reviewed contractor's plans and issued a building permit.

2.5.5 The County or designee may approve change orders that are presented by the contractor when unforeseen issues arise during construction, provided that the total amount of change orders does not exceed twenty percent (20%) of the contract amount and further provided that the total contract amount does not exceed \$10,000.

Article III Long Term Affordability

3.1. Mortgage or Lien.

3.1.1. The Roof Repair or Replacement Housing Assistance Grant shall be subject to a Mortgage or Lien securing the assistance as set forth in Ordinance No. 2011-3.

3.1.2. The Renovation Housing Assistance Grant shall be subject to a Mortgage or Lien securing the assistance as set forth in Ordinance No. 2011-3.

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3.2 Affordability Period.

- 3.2.1. Pursuant to Section 5(M) of Ordinance 2011-3 the Affordability Period for a Roof Repair or Replacement Housing Assistance Grant from \$1 to \$10,000 shall be five (5) years and the Qualifying Grantee shall enter into a restrictive covenant agreement to maintain the Qualifying Residence as his/her primary residence for the duration of the Affordability Period.
- 3.2.2. Pursuant to Section 7(H) of Ordinance 2011-3 the Affordability Period for a Renovation Housing Assistance Grant from \$1 to \$10,000 shall be five (5) years and the Qualifying Grantee shall enter into a restrictive covenant agreement to maintain the Qualifying Residence as his/her primary residence for the duration of the Affordability Period.

Article IV
Disbursement of Housing Assistance Grants

4.1. Final Inspection.

- 4.1.1. Prior to disbursement of a Roof Repair or Replacement Housing Assistance Grant the Administrator shall initiate and receive a Final Inspection Report verifying that the roof repair or replacement is complete and meets the following requirements:
- (a) Qualifying Grantee acknowledges the roof repair or replacement is complete by signing a Final Disclosure and Acceptance of Repair or Replacement of Roof.
 - (b) The Administrator has a copy of the final inspection certificate or permitting software entry evidencing that approval has been received from the State of New Mexico Construction Industries Division.
 - (c) The contractor has executed a final release of liens upon acceptance of payment.
 - (d) The County or its designee certifies that the contractor's work on the property was performed in accordance with the scope of work, the contractor's bid and the contractor's contract with the Qualifying Grantee.
- 4.1.2. Prior to disbursement of a Renovation Housing Assistance Grant the Administrator shall initiate and receive a Final Inspection Report verifying that the renovation is complete and meets the following requirements:
- (a) Qualifying Grantee acknowledges the renovation is complete by signing a Final Disclosure and Acceptance of Renovation; and
 - (b) The Administrator has a copy of the final inspection certificate or permitting software entry evidencing that approval has been received from the State of New Mexico Construction Industries Division.
 - (c) The contractor has executed a final release of liens upon acceptance of payment.

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(d) The County or its designee certifies that the contractor's work on the property was performed in accordance with the scope of work, the contractor's bid and the contractor's contract with the Qualifying Grantee.

4.2. Recordation and Release of Mortgage or Lien.

4.2.1. The Administrator shall be responsible for verifying that the mortgage or lien is properly executed and filed with the office of the Santa Fe County Clerk prior to disbursement of a Housing Assistance Grant.

4.2.2 The Administrator shall be responsible for releasing the mortgage or lien following the termination of the Affordability Period.

Article V

Affordable Housing Roof Repair and Replacement Regulations Review

5.1 The Board of County Commissioners shall review and may consider appropriate amendments to these Regulations or may repeal these Regulations in whole or in part.

5.2 Pursuant to Section 6-27-1 NMSA 1978 *et seq.*, MFA Rules Section 4, and Ordinance 2011-3, these Regulations and any amendments shall be consistent with MFA Rules.

Article VI

Severability

The provisions of these Regulations are severable and if any individual provision of these Regulations are held invalid by a Court of competent jurisdiction, then the offending provision shall be stricken but the remaining provisions shall remain in full force and effect.