

## HDF GRANT SYNOPSIS

APPLICANT: NCALL Research, Inc.

PROGRAM NAME: Rural Development Homeownership Initiative (RDHI)

PROGRAM SUPPORT GRANT REQUEST: \$76,930 (one year)

TERMS: Grant to be used for administrative costs for NCALL to package RD 502 Homeownership applications and Section 504 Home Repair grants/loans for a 12-month period. Anticipated to close 30 RD - 502 loans and 2 RD - 504 grants/loans over the next 12 months.

### PROGRAM DESCRIPTION:

The RDHI program provides homeownership counseling services to households interested in using the USDA's Rural Development (RD) 502 Homeownership Loan Program to purchase homes in rural areas of the State. The RDHI counselors package RD's 502 applications for the homebuyers. Households must be at or below 80% of median to qualify for the RD 502 program. RDHI also provides packaging of RD Section 504 Home Repair Program for homeowners whose homes are substandard or in need of substantial repair. Households also receive credit and budget counseling. The RDHI program has received an HDF administrative grant since 1988 (cumulative HDF total \$1,407,174) and closed over 800 loans to-date. Average RD Mortgage is \$191,682.

Families assisted receive the following services:

- RD loan packaging
- Client interviews (qualifying applicants), application preparation
- Group information and training workshops
- Land search/House search, Contractor selection
- Attend RD interview with client and settlement
- Monitor construction
- Networking with other housing and social service agencies

APPLICANT EXPERIENCE: Organized in 1958, active in housing counseling and affordable housing development.

## SOURCES AND USES

<u>SOURCES:</u>	<u>FY11</u>
Bank of America	\$ 25,000
Neighborhood Works	12,500
CITI Foundation	10,000
ING Direct	7,500
Ally Financial	5,000
Deutsche Bank	5,000
Wells Fargo	5,000
Wilmington Trust	3,750
HSBC	2,500
BNY Mellon	1,250
Artisans Bank	1,000
WSFS Bank	1,000
NCALL Contribution	570
Subtotal	<u>\$ 80,070</u>
HDF	<u>\$ 76,930</u>
TOTAL	<u>\$ 157,000</u>

### USES

Salaries/Benefits*	\$ 124,840
Rent	7,375
Program Specific Equipment	2,500
Travel	2,127
Printing/Postage	1,800
Telephone	1,750
Consumables	1,300
Registration/publications/training	1,000
Memberships	35
Indirect Costs (accounting, equip rental, office supplies, agency insurance, annual audit)	<u>14,273</u>
TOTAL	<u>\$ 157,000</u>

\*Salaries include 2 Rural Housing Specialists.

NOTE: HDF funds support 49% of the budget.

RECOMMENDATION:

One year grant in the amount of \$76,930 from November 1, 2011 through October 31, 2012 with conditions listed below.

CONDITIONS OF FUNDING:

1. Grantee will receive quarterly installments of the approved funded amount on the first day of each quarter. Such installments will begin within 30 days of the signing of the Grant Agreement and subject to Grantee meeting all conditions of the resolution.
2. Grantor will receive quarterly reports detailing applications submitted to RD, RD rejection or approval, RD loan closings and any other pertinent information.
3. Grantor will receive a quarterly expense report consistent with the line items as shown in the program's operating budget.
4. Grantee will have 30 documented RD Section 502 loan closings by October 31, 2012.
5. Should RD funds be reduced to a point where Grantee cannot be reasonably expected to meet Grantor required closings, and Grantee provides appropriate documentation from RD as to why Grantee cannot meet Grantor's performance requirements, Grantor agrees to assess the feasibility of Grantee meeting its performance goals. Grantor agrees that, at its sole discretion, it will make reasonable efforts to keep Grantee's RDHI program in place should Grantee experience substantial reductions in RD funding.
6. If RD does not provide funding in FY12, this Grant is terminated.
7. Grantee agrees to submit a current audit to Grantor within 120 days after receipt thereof. Audit report will clearly show actual revenue expenses of program, including those in excess of Grantee's other funding sources.
8. Grantee's accounting records should provide a detailed schedule of all Grantee program expenses in excess of Grantee's other funding to enable Grantor to verify the need for additional sources to support the Grantee program.
9. Grantee will conduct outreach services to encourage participation of Public Housing tenants.
10. Grantee agrees that any other funds received from Grantor for packaging/counseling services for prospective homeowners involved with the Program's funding, will be deducted from Grant appropriation.
11. Grantee agrees that, as a pre-condition to Grantor entering into any agreement for future Program funding requests, Grantee shall have secured funding commitments from other sources for at least one-half of its Program budget.

12. Grantee shall make a full disclosure of Program funds or commitments received from matching sources prior to execution of Grant Agreement with Grantor.
13. Grantee is encouraged to provide outreach efforts and coordination with the State of Delaware's Office of Minority and Women-Owned Enterprise to maximize the number of minorities and women-owned businesses participating in HDF funded projects/programs, when applicable.
14. Grantee agrees to affirmatively further fair housing and comply with the provisions of all applicable federal, state and local law prohibiting discrimination including but not limited to Title VI of the Civil Rights Act of 1964 as amended.
15. All terms and conditions of this Grant shall be set forth in a fully executed Grant Agreement between Grantor and Sponsor within 30 days of Grant approval or the Grant approval shall be null and void.

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9/28/11

COUNCIL ON HOUSING

RESOLUTION NO. 429

NATIONAL COUNCIL ON AGRICULTURAL LIFE AND LABOR RESEARCH FUND  
ADMINISTRATIVE GRANT

WHEREAS, National Council on Agricultural Life and Labor Research Fund, Inc. ("Grantee") is a nonprofit corporation located in Dover, Delaware, which provides rural housing technical assistance to farm workers, rural families and organizations; and

WHEREAS, Grantee is seeking a 12-month administrative grant ("Grant") for the purpose of continuing its Rural Delaware Homeownership Initiative Program ("Program") of assisting eligible households whose income is 80% of median or less in applying for Rural Development (RD) Section 502 Homeownership loans.

WHEREAS, Grantee is a housing technical assistance agency approved by the Delaware State Housing Authority ("Grantor") and is an approved nonprofit organization meeting the prescribed requirements for financial responsibility; and

WHEREAS, Households participating in the Program also receive credit and budget counseling; and

WHEREAS, Grantor requires that administrative grants be matched at least dollar for dollar by other funding sources; and

WHEREAS, Grant will provide administrative support funding for approximately 50% of Grantee's fiscal year 2012 budget; and

WHEREAS, Grantee has demonstrated there is a need for its services; and

WHEREAS, Grantee has demonstrated for numerous years the capability to administer a program to package RD loans/grants in the State of Delaware; and

WHEREAS, Grantee expects to have completed 30 documented RD Section 502 closings by October 31, 2012.

NOW, THEREFORE, the Council on Housing advises approval to the Director of Housing of the Grant to Grantee which shall not be in excess of \$76,930 for a period of one year. The Grant shall be subject to the terms and conditions fixed by Grantor including, but not limited to, the following:

1. Grantee will receive quarterly installments of the approved funded amount.
2. Grantor will receive quarterly progress reports detailing applications submitted to RD, RD rejection or approval, RD loan closings and any other pertinent information.

3. Grantor will receive a quarterly expense report consistent with the line items as shown in the program's operating budget.
4. Grantee agrees to submit on a quarterly basis upon request of Grantor, accounting records providing detailed schedule of all program expenses in excess of Grantee's other funding sources.
5. Grantee will have 30 documented RD 502 loan closings by October 31, 2012.
6. Should RD funds be reduced to a point where Grantee cannot be reasonably expected to meet Grantor required closings, and Grantee provides appropriate documentation from RD as to why Grantee cannot meet Grantor's performance requirements, Grantor agrees to assess the feasibility of Grantee meeting its performance goals.
7. If RD does not receive funding in FY12 this Grant is terminated.
8. Grantee agrees to submit a current audit to Grantor within 120 days after receipt thereof. Audit report to show actual revenue expense of program including those in excess of Grantee's other funding sources.
9. Grantee will conduct outreach services to encourage participation of Public Housing tenants.
10. Grantee agrees that any other funds received from Grantor for packaging/counseling services for prospective homeowners involved with Program's funding, will be deducted from Grant appropriation.
11. Grantee agrees that, as a pre-condition to Grantor entering into any agreement for future Program funding requests, Grantee shall have secured funding commitments from other sources for at least one-half of its Program budget.
12. Grantee shall make a full disclosure of Program funds or commitments received from matching sources prior to execution of Grant Agreement with Grantor.
13. Grantee is encouraged to provide outreach efforts and coordination with the State of Delaware's Office of Minority and Women-Owned Enterprise to maximize the number of minorities and women-owned businesses participating in HDF funded projects/programs, when applicable.
14. Grantee agrees to affirmatively further fair housing and comply with the provisions of all applicable federal, state and local law prohibiting discrimination including but not limited to Title VI of the Civil Rights Act of 1964 as amended.
15. All terms and conditions of this Grant shall be set forth in a fully executed Grant Agreement between Grantee and Grantor within 30 days of this date or this Grant approval shall be null and void.