



Latino Social Venture Fund

Reaching the emerging Latino community across America

First-Time Homeowner Housing Development

Program Impact Priorities

A large number of Latinos are becoming homeowners each year, according to data collected through the Home Mortgage Disclosure Act (HMDA). This data indicates that more than 1.8 million Latino families purchased a new home between 2000 and 2004, with an all-time high of 49.6% in 2005. Even with this expansion, homeownership among Latinos currently lags 26% under the national average. In addition to supporting education in targeted areas of the U.S. (see Homeownership Counseling program section), the National Council of La Raza (NCLR) and the Raza Development Fund (RDF) wish to assist nonprofit organizations in developing affordable housing for first-time Latino homebuyers with predevelopment grants or grants to facilitate organizational growth that will increase the organization’s ability to develop quality affordable housing.

Target Areas

National Council of La Raza (NCLR) Affiliates and other Latino-serving agencies are eligible for funding in three geographic areas:

1. **Emerging Latino communities:** states that experienced growth of the Latino population in excess of 200% in a minimum of two counties, based on the 2000 Census:

Alabama	Kentucky	Oklahoma
Arkansas	Louisiana	Oregon
Colorado	Minnesota	Pennsylvania
Florida	Missouri	South Carolina
Georgia	Nebraska	South Dakota
Idaho	Nevada	Tennessee
Indiana	New York	Utah
Iowa	North Carolina	Virginia
Kansas	Ohio	Wisconsin

2. **Highly impacted states:** critical border states:

Arizona	New Mexico
California	Texas

3. **Metropolitan statistical areas:** designated by the interests of investors seeking to service families in these locations:

Aurora, IL	Lawrence, MA	San Antonio
Baltimore	Long Island	San Diego
Boston	Los Angeles	San Francisco
Chicago	Miami	Stamford/New
Dallas	Newark, NJ	Haven/Hartford, CT
Florida City, FL	New York City	Stockton, CA
Houston	Philadelphia	Washington, DC
Las Vegas	Sacramento	

Program Investments

Eligible grant investments can cover 1) predevelopment activities necessary to complete site *or* unit acquisition, site development and construction-financing commitments for first-time homeownership developments targeted to Latino families that are assisted-housing eligible, or 2) strategic planning activities necessary to increase the organization's capacity to develop *or* acquire housing units for its homeowner programs. This would include all typical third-party and consultant development assistance required to address key organization growth, project design, site development, and construction feasibility issues to initiate the applicant's planned project.

Grants awards will range up to \$25,000. A higher award may be considered on a case-by-case basis.

Key Business Plan Questions to Determine Grant Eligibility

Please review the following questions prior to considering an application. Your answers to these questions are required in conjunction with the application documentation.

1. Does your organization have a track record in affordable housing development and is this a major part of its mission? What are the growth objectives for your organization and are there barriers to achieving your goals?
2. How has your organization determined the community need and support for this project, or if applicable, how will your organization's growth impact the community?
3. Does your organization's development activity permit the maintenance of a consistent project development and construction management staffing?
4. Does your organization have formal program links to experienced housing counseling agencies or mortgage lenders?
5. Does your organization have site control or an executed purchase agreement for the development site under consideration?
6. Will your development timeline allow you to begin the project within the next year?

7. Does your organization have commitments or capital for the required equity contribution for the project?

Submission Requirements and Evaluation Criteria

Submission Requirements

Each submission to the Latino Social Venture Fund must include the following documentation:

- Existing organizational documents: provide mission and operational history, current financial statements, and operating budget as available.
- Project plan/proposal: the narrative should, at a minimum, respond to the key business plan questions for the specific program area for which you are applying. (Please limit your response to five pages). If a full business plan for the project already exists, it may be submitted in its entirety with supplementary responses to the appropriate key business plan questions.
- Identification of project team: include key staff, consultants, advisors, and other organizational partnerships responsible for the design and implementation of the proposed project, and their specific responsibilities.
- Include existing project development budget, timetable, and site information.

Evaluation Criteria

Applicant proposals will be evaluated on a 100-point system based on the following criteria:

- Community impact (30 points)
 - Does the proposal evidence the need for the services/project within the target market?
 - Is the project/proposal likely to result in a meaningful impact on the target population?
 - Is the intended impact measurable and what method of measurement is proposed?
- Agency capacity (15 points)
 - Does the organization have the operational experience, financial soundness, and capacity to adequately operate the proposed project?
- Project team (25 points)
 - Has the project team been established and does it have the experience necessary to implement the proposal?
- Project feasibility and readiness (30 points)
 - Does the proposal as outlined appear to be financially sustainable?
 - Is the project plan timetable reasonable and has there been adequate progress to date?
 - Does there appear to be adequate agency commitment to the project?
 - Do the agencies have adequate working capital to complete the project?

- Is the predevelopment request reasonable and appropriate for the needs of the project?

Program Contact

Should you have questions about the business plan questionnaire or the application requirements, please contact Mark Van Brunt at mvanbrunt@razafund.org.

Please submit all documents to:

Raza Development Fund, Inc.
Attn: LSVF – Charter Schools
101 N 1st Avenue, Suite 900
Phoenix, AZ 85003

Or you can submit documents via email to mvanbrunt@razafund.org.

The National Council of La Raza (NCLR) – the largest national Hispanic civil rights and advocacy organization in the United States – works to improve opportunities for Hispanic Americans. Through its network of nearly 300 affiliated community-based organizations (CBOs), NCLR reaches millions of Hispanics each year in 41 states, Puerto Rico, and the District of Columbia. Founded in 1968, NCLR is a private, nonprofit, nonpartisan, tax-exempt organization headquartered in Washington, DC. NCLR serves all Hispanic subgroups in all regions of the country and has operations in Atlanta, Chicago, Los Angeles, New York, Phoenix, Sacramento, San Antonio, and San Juan, Puerto Rico.

Raza Development Fund, Inc. (RDF) is a support corporation of the National Council of La Raza, and was established in 1998 as the community development lending arm for NCLR. Applicants involved in the grant process are eligible to apply for predevelopment loans as well as full or partial senior and subordinate debt financing for site acquisition, site development and unit construction financing. RDF typically participates with a private lender, often in a subordinate position, to facilitate site development and unit construction financing.