

## **Business Beat: Homewise offers home improvement loans**

**Bruce Krasnow | Posted: Monday, September 16, 2013 8:00 pm**

Most Santa Feans know about the Homewise programs for purchasing a new energy-efficient home — and some of the recent successes with projects such as Old Las Vegas Place, Rincon del Sol and Piñon Ridge.

But now the organization has a home-loan program for just about anyone, from Casa Solana to Eldorado and Tierra Contenta, who wants to replace a roof, stucco or do specific improvements. The Homewise Home Improvement Loan Program is available to those in owner-occupied homes valued at \$500,000 or less and with a household income of no more than \$103,000.

The improvements can be for energy-efficient improvements such as windows, solar water heating or insulation, but can also be used for general maintenance like stucco, windows, appliances, additions and disability modifications.

The loan amounts are from \$4,000 to \$40,000, and like a home-equity line of credit, would be secured with a lien on the property so interest would be tax deductible. But unlike a HELOC, the Homewise money has to be tied to a specific project, and the bid amount or a proposal from an insured and licensed contractor must be submitted with the application — so forget about that new RV or boat.

There are no fees, and processing time is often shorter than a HELOC — most loans close in a few weeks, said Kate Campbell, a Homewise loan officer who made a presentation to the Santa Fe Area Home Builders Association.

The loans are available in Santa Fe, Los Alamos, Taos, Mora, San Miguel, Rio Arriba and Colfax counties. Manufactured housing is not included in the program. For more information, go to [www.homewise.org](http://www.homewise.org) or contact Campbell at 955-7042 or [kcampbell@homewise.org](mailto:kcampbell@homewise.org).

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This year has been an interesting one for the city of Santa Fe's Land Use Department. Part of that has to do with historically low interest rates, but it also might be because the Santa Fe City Council waived residential impact fees for new building permits from Jan. 23, 2012, to Jan. 23, 2014. That dropped the cost of building a new home or residential complex in Santa Fe almost \$4,000 and, along with low borrowing costs, certainly helped the local construction market when it needed a boost.

Land Use Director Matthew O'Reilly said the city had its busiest month on record in February 2013, when it issued 90 residential permits for construction. For the first 13 months of the impact-fee rollback, the number of permits for construction in the city more than doubled. The total amount of fees waived during that time has surpassed \$1 million.

No one would argue that all the growth is a result of the rollback, but “no one wants to say it has had no effect,” O'Reilly told a group of home builders. Some of the impact-fee revenue was offset by higher gross receipts taxes, but there is no doubt the city lost money that could have been used for infrastructure projects during the period.

That's what councilors will be weighing as they consider how to proceed with impact fees — the ordinance expires Jan. 23, 2014, and don't be surprised to see a rush of permitting before that date.

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