

## MEMBER'S EMERGENCY LOAN PROGRAM

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**Purpose:** The Member's Emergency Loan Program provides small, short-term, emergency loans to SJCLT members for unexpected emergencies.

**Funding:** The Board shall establish a fund account for the Member's Emergency Loan Program. Five percent (5%) of monthly ground lease fees collected on SJCLT Shared Equity Homes shall be set-aside to fund this program, in addition to private donations or re-allocations from the General Fund when approved by the Board.

The Board may establish an application fee to cover program administrative costs. The Board may also establish minimum and maximum fund balances for the fund account. There shall be no loans when funds are below the minimum balance in the fund account. Contributions to the fund shall cease when the fund reaches the maximum balance, with the exception of private donations. This is a revolving loan program.

### **Policies and Implementation:**

1. SJCLT shall develop suitable application forms and loan documents prior to implementation of the program. The Loan Committee shall review and approve all forms and documents prior to distribution, and shall review and approve all proposed updates.
2. Loans are only available to SJCLT members who meet the requirements for continuing regular membership defined in Article II.B of the Bylaws, except that applicants must have maintained continuous membership for at least twenty-four (24) months preceding an application for a loan. Current Board Directors, staff, contract personnel, and Loan Committee members are ineligible for loans. Former Board Directors, staff, contract personnel, and Loan Committee members shall have a waiting period of one hundred twenty (120) days after leaving their positions before they may apply for a loan.
3. This loan program is intended for emergencies not covered by insurance or public relief such as, but not limited to:
  - a. Recovery from natural disasters caused by wind, fire, flood, earthquake, and other acts of God;
  - b. Funeral expenses;
  - c. Emergency repairs to a home owned by the applicant involving plumbing, heating, roofs, foundations, and structural elements;
  - d. Emergency repairs to a primary household vehicle;
  - e. Sudden, uncovered medical expenses; and
  - f. Replacement of essential household items (such as clothing and kitchenware) lost through theft, vandalism, or disaster.



4. The Loan Committee shall review loan applications and take action to approve or deny such requests. The Loan Committee may decide the amount of an approved loan provided the amount does not exceed the request in the loan application. Decisions by the Loan Committee shall consider:
  - Recommendations by staff
  - Whether the loan request is consistent with these policies
  - The ability of the loan applicant to repay a loan in full within the requisite time
  - Prior loan history with SJCLT
  - SJCLT membership status, and
  - Other factors known to them from application forms and documents on file with SJCLT

The Loan Committee Chair may schedule meetings at times and locations that are mutually convenient to the Committee and the applicants. All decisions by the Loan Committee are final and may not be appealed to the Board of Directors. Staff shall report all loan approvals to the Treasurer who shall report the loan to the Board at the next scheduled Board meeting. Loan meetings are not open to applicants or their representatives except by invitation.

5. Loan recipients are ineligible for subsequent Member's Emergency Loans for two years following approval of a loan request, or six (6) months following denial of a loan request.
6. An application fee may be required for loan applications to assist with SJCLT expenses. The loan amount may include the application fee and amortized over the term of the loan.
7. Initial fees and terms shall not exceed the following:

<b>Application Fee:</b>	\$50
<b>Maximum Loan Amount:</b>	\$600, depending on funding availability
<b>Maximum Term of Loan:</b>	12 months
<b>Interest Rate:</b>	0%
<b>First Payment Due:</b>	The first business day of the whole month following the dispersal of loan funds
<b>Other Payments Due:</b>	The first business day of each month

The Board shall review and make necessary adjustments to these fees and terms at the Annual Meeting, or at a regular Board meeting if there is a good reason.

8. Staff shall only accept complete applications as determined by a complete application checklist. If requests for additional information are not satisfied within thirty (30) days, then the application and all application materials shall be returned to applicants and a copy of the application shall be made for SJCLT records with a memorandum explaining the reason the application was returned. Returned applications are not denials, but reapplication shall require a new application fee unless waived by the Executive Director or Board President.
9. Emergency loans shall not be in addition to, or in combination with, other SJCLT loans.

