



**FISCAL YEAR 2020/2021 FOCUSED NOTICE OF FUNDING AVAILABILITY
AFFORDABLE HOUSING
SANTA ROSA HOUSING TRUST
Issue Date: April 16, 2020 – Due Date: May 15, 2020**

The Santa Rosa Housing Trust is issuing this Focused Notice of Funding Availability (NOFA) for affordable housing in Santa Rosa on behalf of the Housing Authority of the City of Santa Rosa in an effort to position one or more projects for the 2020 second round California Tax Credit Allocation Committee (TCAC) 9% tax credits (applications due July 1, 2020) and/or the Multifamily Housing Program (MHP) (applications due September 2020).

The Housing Authority has approximately \$4,200,000 available comprised of approximately \$3,000,000 of Local Funds and \$1,200,000 of U.S. Housing and Urban Development Department Community Development Block Grant (CDBG) funds. Applications will be considered for all or a portion of the funds. **No Project Based Vouchers are available at this time.**

Qualified affordable housing developers/project sponsors (“Applicants”) that meet the Focused NOFA requirements are encouraged to submit proposals. Eligible Applicants include for-profit or non-profit corporations, individuals, general or limited partnerships, or limited liability companies. Applicants without the necessary experience must enter into joint venture agreements with experienced developers in order to be considered.

The Housing Authority reserves the right to request that Applicants submit additional information as requested by staff. The Housing Authority also reserves the right to suspend, amend or modify the provisions of this NOFA, to reject all proposals, to negotiate modifications of proposals, or to award less than the available funding.

ELIGIBLE USE OF FUNDS

Funds may be used for the development of new affordable housing.

SELECTION CRITERIA

Selection Criteria will be based on the project’s ability to submit a competitive 9% Tax Credit application in the July 2020 funding round and/or a competitive MHP application in the September 2020 funding round. Factors for evaluation include competitiveness in the State funding programs; project readiness; financial feasibility of the project; qualifications, capability and expertise of the development team to finance, design, build/rehabilitate and manage affordable housing; affordability levels; number of units; unit mix (number of bedrooms); any information requested in the Loan Application; Housing Authority policies; and preferences; and completeness, accuracy, and quality of the proposal/application. The Housing Authority reserves the right to weigh certain selection criteria over others.

LOAN TERMS AND CONDITIONS

- Projects must target extremely low-income households, very low-income households, and/or low-income households. Tenants may be families, seniors, veterans, special needs, or homeless (or at-risk), and/or other eligible tenants.
- The Housing Authority has requested that developers consider setting aside units for households experiencing homelessness, who are engaged through the Homeless Outreach Services Team (HOST) Program that is operated by Catholic Charities of the Diocese of Santa Rosa and funded by the City of Santa Rosa.
- The borrower shall enter into loan documents with the Housing Authority, including but not necessarily limited to: (1) Loan Agreement, (2) Promissory Note, secured by (3) Deed of Trust with the Housing Authority's Deed of Trust Rider, (4) Regulatory Agreement, (5) Hazardous Substances Indemnity Agreement, (6) Assignment of Architects' and Engineers' Agreements, Plans and Specifications and Consent, (7) Assignment of Construction Contracts & Agreements and Consent, (8) HOME Agreement capturing the requirements of the HOME program, and any other necessary documents.
- The borrower must accept the Housing Authority standard loan terms: three percent (3%) simple interest per annum, principal and interest deferred for the fifty-five (55) year loan term. Interest shall commence with the recordation of the deed of trust. The term of affordability will be fifty-five (55) years, secured by a recorded Regulatory Agreement.
- Projects must have reasonable acquisition, construction and operation costs.
- Applicants must leverage other financing sources such as, but not limited to, state, federal and other local sources and private equity.
- Applicants must demonstrate readiness.
- Projects must be soundly underwritten.
- Applicants recommended for funding must enter into the Pre-Commitment agreement with the Housing Authority.
- Applicants must have site control demonstrated by fee title ownership, an executed long-term lease or option to execute a long-term lease, signed option or purchase agreement, or equivalent legally enforceable instrument.
- Projects must comply with the requirements of the California Environmental Quality Act (CEQA). Projects with CDBG funding must also be assessed in accordance with the National Environmental Policy Act (NEPA). Compliance with CEQA and NEPA must be completed prior to finalization of the funding commitment.
- Applicants must comply with all funding source requirements, including but not limited to California prevailing wage requirements and federal Davis Bacon federal labor standards; Section 504 of the Rehabilitation Act of 1973; Americans with Disabilities Act (ADA); Fair Housing Act; Section 3 of the U.S. Housing Act of 1968, Equal Opportunity and related requirements in 24 CFR Section 982.53, as amended; Architectural Barriers Act of 1968; federal labor standards regulations under 29 CFR Part 5 and other regulations; and state and federal regulations pertaining to remediation of lead, asbestos and other hazards.

- Projects must comply with Housing Authority policies and policies; plans and ordinances of the City of Santa Rosa; state and federal regulations; and funding source guidelines and regulations.
- The Applicant / Owner shall pay any and all fees to the Housing Authority, including a loan application fee, loan document processing fee, compliance monitoring fee, subordination fee and other applicable fees, all of which are updated annually. If applicable, the applicant must pay all fees and costs associated with a tax-exempt bond issuance. Contact the Planning and Economic Development Department for discretionary application processing fees, building permit fees, impact fees and other fees that may be applicable to the project.
- Applicants should understand that under the California Public Records Act all documents that they submit in response to this NOFA are considered public records and will be made available to the public upon request.
- Funding Commitment Duration: The funds are intended to assist projects in obtaining either 9% tax credits or MHP funding in the current 2020 second rounds. In the event the Housing Authority commits funds to a project that is not successful in these current funding competitions, the funds will remain committed for up to two additional funding rounds with state applications due through September 2021. If the State funding is not awarded following the additional application round, as applicable, the Housing Authority funds will be rescinded and made available via a subsequent NOFA.

The ability to satisfy these terms conditions is not a guarantee of project funding, and the Housing Authority reserves the right in its sole and absolute discretion to modify or waive any terms and conditions under its purview without further notice to proposers or potential proposers.

APPLICATION PROCESS

- ❖ Application: Please visit [Affordable Housing Loan Application Information](#) to obtain loan application information. Submit (1) a completed Housing Authority Loan Application Form, including its attachments and (2) an application fee in the amount of \$1,845, payable to the Housing Authority of the City of Santa Rosa. Please also see the current Housing Authority Fee Schedule for other fees if your application is selected for funding.
- ❖ Due Date: Applications and the application fee are due no later than May 15, 2020, at 4:00 pm. Applications will be reviewed on a continuous basis until all HOME funds are committed to eligible projects. Please send one (1) hard copy of the application and attachments by US Mail and one (1) electronic version by Drobbox. The hard copy must be tabbed, and the electronic files must be individually named.

Hard Copy by US Mail to:

Frank Kasimov, Program Specialist
City of Santa Rosa
Department of Housing and Community Services
First Floor
90 Santa Rosa Avenue
Santa Rosa, CA 95404

Electronic version by Dropbox to:

fkasimov@srcity.org

- ❖ Housing Authority Selection: Applications will be reviewed for completeness and evaluated for competitiveness by staff and an ad hoc committee of the Housing Authority. Interviews may be scheduled. Applications which are determined to best meet or exceed the selection criteria are anticipated to be recommended for Housing Authority approval at a meeting in June 2020.

- ❖ For additional information: Please contact Frank Kasimov at (707) 543-3465 or fkasimov@srcity.org.