



MEMORANDUM

DATE: September 22, 2021

TO: HOUSING AUTHORITY CHAIR AND COMMISSIONERS

FROM: NICOLE RATHBUN, INTERIM HOUSING & COMMUNITY SERVICES
MANAGER
HOUSING AND COMMUNITY SERVICES DEPARTMENT

SUBJECT: COMMUNICATION – NOTICE OF FUNDING AVAILABILITY (NOFA)
POINTS SYSTEM UPDATE

This Communication Item is being provided for information only.

At the July 19th Regular Meeting of the Housing Authority, staff presented a Study Session to review the initial NOFA Points System used for evaluation of applications for funding in response to the Fiscal Year 2021-2022 Focused NOFA. During the meeting, an Ad-Hoc Committee was appointed to review and update the NOFA Points System with staff in anticipation of the next NOFA solicitation.

The Ad-Hoc Committee consisting of Commissioners Burke, Downey, and Owen, met with staff on August 25th, September 3rd, September 17th, and September 21st to review and update the Points System. The updated NOFA Points System is attached to this communication, and changes to the NOFA Points System are summarized below.

- Readiness Category language updated to better align with City's entitlement process.
- Affordability Category updated to include a table for calculation of affordability levels to more closely align with state funding and tax credit funding programs.
- Bedroom Size Category criteria adjusted to align with state requirements of 25% of units at 3-bedroom size or larger.



- Special Needs Set Asides Category language updated to clarify definition of Special Needs.
- Leveraging Category language adjusted to specify the current funding request, and criteria adjusted in anticipation of a smaller NOFA amount this fall.
- Project Competitiveness Category updated to better align with state funding and tax credit program application scoring.
- On-Site Services and Amenities Categories are separated.
- Other Factors Category updated to include distance from other affordable developments as criteria that can be considered.

The NOFA Points System will continue to be evaluated and updated as the affordable housing landscape in Santa Rosa evolves, with the intent to have an Ad-Hoc Committee appointed to review and update the NOFA Points System prior to each NOFA solicitation.

ENCLOSURES:

Attachment 1. New NOFA Points System

Attachment 2. NOFA Points System Previous Version – March 2021

Attachment 1. New NOFA Points System



Housing Authority of the City of Santa Rosa Notice of Funding Availability Points Scoring System

Category	Pts	Criteria & Range																																																																																											
Readiness	10	7-10 = Planning entitlement approved, Building permit approved, Building Permits can be issued following award of funds																																																																																											
		4-6 = Planning entitlement approved, Building permit application under review (submitted and accepted by the Planning and Economic Development Department)																																																																																											
		1-3 = Planning entitlement application under review/pending approval (submitted and accepted by the Department)																																																																																											
		0 = No planning entitlement application submitted and accepted by the Department																																																																																											
Affordability (Affordability levels must be distributed among all bedroom size units, with at least 10% of units at each level of AMI)	20	20 = 100% of restricted units are at 30% AMI or below (all AMI is at HUD income levels not TCAC)																																																																																											
		19 = 75% of restricted units are at 30% AMI or below																																																																																											
		0-18 = Points based on Affordability Scoring Matrix below. Maximum points possible is 18 unless project fits above criteria.																																																																																											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="9" style="text-align: center;">Percent of Area Medium Income</th> </tr> <tr> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;">50%</th> <th style="width: 10%;">45%</th> <th style="width: 10%;">40%</th> <th style="width: 10%;">35%</th> <th style="width: 10%;">30%</th> <th style="width: 10%;">25%</th> <th style="width: 10%;">20%</th> </tr> </thead> <tbody> <tr> <td rowspan="8" style="text-align: center; vertical-align: middle;">Percent of Low-Income Units</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">0</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">12.6</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> </tr> <tr> <td style="text-align: center;">45%</td> <td style="text-align: center;">0</td> <td style="text-align: center;">12.16</td> <td style="text-align: center;">12.6</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> </tr> <tr> <td style="text-align: center;">40%</td> <td style="text-align: center;">7.2</td> <td style="text-align: center;">10.8</td> <td style="text-align: center;">12.6</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> </tr> <tr> <td style="text-align: center;">35%</td> <td style="text-align: center;">6.3</td> <td style="text-align: center;">9.46</td> <td style="text-align: center;">12.6</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> </tr> <tr> <td style="text-align: center;">30%</td> <td style="text-align: center;">5.4</td> <td style="text-align: center;">8.1</td> <td style="text-align: center;">10.8</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">16.2</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> </tr> <tr> <td style="text-align: center;">25%</td> <td style="text-align: center;">4.5</td> <td style="text-align: center;">6.76</td> <td style="text-align: center;">9</td> <td style="text-align: center;">11.26</td> <td style="text-align: center;">13.5</td> <td style="text-align: center;">15.76</td> <td style="text-align: center;">18</td> </tr> <tr> <td style="text-align: center;">20%</td> <td style="text-align: center;">3.6</td> <td style="text-align: center;">5.4</td> <td style="text-align: center;">7.2</td> <td style="text-align: center;">9</td> <td style="text-align: center;">10.8</td> <td style="text-align: center;">12.6</td> <td style="text-align: center;">14.4</td> </tr> <tr> <td style="text-align: center;">15%</td> <td style="text-align: center;">2.7</td> <td style="text-align: center;">4.06</td> <td style="text-align: center;">5.4</td> <td style="text-align: center;">6.76</td> <td style="text-align: center;">8.1</td> <td style="text-align: center;">9.43</td> <td style="text-align: center;">10.8</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">1.8</td> <td style="text-align: center;">2.7</td> <td style="text-align: center;">3.6</td> <td style="text-align: center;">4.5</td> <td style="text-align: center;">5.4</td> <td style="text-align: center;">6.3</td> <td style="text-align: center;">7.2</td> </tr> </tbody> </table>	Percent of Area Medium Income											50%	45%	40%	35%	30%	25%	20%	Percent of Low-Income Units	50%	0	13.5	12.6	13.5	18	18	18	45%	0	12.16	12.6	13.5	18	18	18	40%	7.2	10.8	12.6	13.5	18	18	18	35%	6.3	9.46	12.6	13.5	18	18	18	30%	5.4	8.1	10.8	13.5	16.2	18	18	25%	4.5	6.76	9	11.26	13.5	15.76	18	20%	3.6	5.4	7.2	9	10.8	12.6	14.4	15%	2.7	4.06	5.4	6.76	8.1	9.43	10.8	10%	1.8	2.7	3.6	4.5	5.4	6.3	7.2
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Bedroom Size	8	7-8 = 25% or more of the restricted units are 3-BD or larger
		4-6 = 25% or more of the restricted units are 2-BD or larger; fewer than 25% of units are 3-BD
		1-3 = Unit mix is varied between 0, 1, 2, 3-bedroom size units.
		0 = All units are studios
Special Needs Set Asides	12	9-12 = 25% of restricted units for formerly homeless, seniors or other Special Needs group as defined by HCD https://www.hcd.ca.gov/grants-funding/active-funding/mhp.shtml
		5-8 = 10-24% of restricted units for formerly homeless, seniors or other Special Needs group as defined by HCD
		0-4 = less than 10% of restricted units for formerly homeless, seniors or other Special Needs group as defined by HCD
Leveraging	10	9-10 = Current Housing Authority funding request is not more than 3% of project cost
		7-8 = Current Housing Authority funding request is between 3.1-6% of project cost
		4-6 = Current Housing Authority funding request is between 6.1-12% of project cost
		0-3 = Current Housing Authority funding request exceeds 12% of project cost
Project Competitiveness (This section is for projects that identify state funding sources in the project financial structure. Projects that don't include state funding sources (committed or pending) will not be subject to this section)	10	7-10 = For State programs which only require a minimum score and are considered "over the counter," must have at least that minimum score. For competitive State programs (MHP, NPLH, etc.), must have 100% of total points possible. For State tax credit programs which include tiebreakers (TCAC), must have 100% of total points possible; tiebreaker will also be considered. Projects which have already received allocations from state programs with no state applications pending.
		4-6 = Competitive State programs (MHP, NPLH, etc.) score is within top 2% of total points possible. For State tax credit programs, score is within top 1% of total points possible; tiebreaker will also be considered.
		0-3 = Competitive State programs (MHP, NPLH, etc.) scores are not within top 2% of total points possible. For State tax credit programs, score is not within top 1% of total points possible.
Developer & Management Experience	15	15 = Recent experience in the region. Completed projects that are leased up. No projects are out of compliance with local, state, or federal programs.
		10-14 = Recent experience in the region. Projects are under construction. Leased up projects in comparable areas.
		5-9 = No recent experience in the region. Projects are in comparable areas and are leased up.
		0-4 = No recent experience in the region or comparable area.

On-Site Services	7	7-10 = Significant on-site services for residents, such as classes, childcare, community recreation space, etc.
		4-6 = Some on-site services; access to off-site services facilitated.
		0-3 = Very little or no on-site services, little or no off-site services facilitated.
Amenities	3	3 = Site is within 0.5 miles from transit stop, grocery, retail, public park, public library, etc.
		2 = Site is between 0.5 and 1.0 miles from transit stop, grocery, retail, public park, public library, etc.
		1 = Site is between 1.0 and 1.5 miles from transit stop, grocery, retail, public park, public library, etc.
		0 = Site is more than 1.5 miles from transit stop, grocery, retail, public park, public library, etc.
Other Factors	5	Other factors may include any of the following: Previous Santa Rosa Housing Authority loan; Previously awarded Project-Based Vouchers; Percentage of development cost from committed sources; Distance from existing affordable housing developments.
TOTAL	100	

Attachment 2. NOFA Points System - Previous Version March 2021

Category	Points	Range
Readiness	10	7-10 = Planning Approvals, Building Permits can be issued following award of funds 4-6 = Applications for entitlements have been submitted to PED, and are pending approval (currently under review) 0-3 = Applications for entitlements have not yet been submitted to PED
Affordability	20	20 = 100% of restricted units are at 30% AMI or below (all AMI is at HUD income levels not TCAC) 15-19 = 51% of restricted units or more are at 30% AMI or below 10-14 = 51% of restricted units or more are at 50% AMI or below 5-9 = 50% of restricted units or LESS are at 80% AMI 0-4 = 100% of restricted units are at 80% AMI or higher
Bedroom Size	10	10 = 30% or more of the restricted units are 3-BD or larger 6-9 = 50% or more of the restricted units are 2-BD or larger; less than 30% of units are 3-BD 2-5 = Fewer than 50% of the restricted units are 2-BD or larger; unit mix is not all studios 0-1 = All units are studios
Special Needs Set Asides	10	7-10 = 25% of restricted units for formerly homeless, seniors or identified special needs population 4-6 = 10-25% of restricted units for formerly homeless, seniors or identified special needs population 0-3 = less than 10% of restricted units for formerly homeless, seniors or identified special needs population
Leveraging	10	10 = Housing Authority funds are not more than 10% of project cost 6-9 = Housing Authority funds are between 10.1-20% of project cost 2-5 = Housing Authority funds are between 20.1-30% of project cost 0-1 = Housing Authority funds are over 30% of project cost
Project Competitiveness	10	7-10 = TCAC/CDLAC/MHP Score is within top 10% of top score possible 4-6 = TCAC/CDLAC/MHP Score is between 10.1-25% of top score possible 0-3 = TCAC/CDLAC/MHP Score is lower than 25.1% of top score possible
Developer & Management Experience	15	15 = recent exp in region. Completed projects that are leased up 10-14 = recent exp in region. Projects are under construction. Leased up projects in comparable areas. 5-9 = no recent exp in region. Projects are in comparable areas and are leased up. 0-4 = no recent exp in region or comparable area.
Services and Amenities	10	4-6 = within 1.0 mi of transit, retail, grocery, etc. and includes on-site amenities 0-3 = more than 1 mi from transit, retail, grocery, etc. and includes on-site amenities
Other Factors	5	4-5 = Previous financial assistance; OR City owned site, etc. 1-3 = HA/City/RED/County is reviewing potential loan assistance 0 = No City or HA prior investment in development
TOTAL	100	