



City of Corona

Request for Proposals:

Real Property Development

**Harrington Street Project
A Neighborhood Stabilization Program (NSP)
Project**

Responses due: September 8, 2011

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1.0 Introduction

The City of Corona (“City”) Redevelopment Department is soliciting proposals from qualified non-profit or for-profit organizations for the development of a new mixed-income family oriented multi-family rental project. A portion of the units must be restricted to occupancy by low-income households under the requirements of the Neighborhood Stabilization Program (“NSP”). Occupancy of these low-income units is restricted to household whose gross annual income does not exceed 80% of area median income (AMI) as determined by the federal Department of Housing and Urban Development (HUD). The rents of those units must be restricted to an affordable rent. The number of units must be proportionate to the City’s contribution to the total development cost. The remaining units may have market rate/conventional rental rates. The City desires at least 30 affordable units including family units with three or more bedrooms. The affordable units will be restricted to the published “high HOME” rents published by HUD.

This project will be assisted using NSP 1 and 3 funds. NSP1 and NSP3 were created under Section 2301(b) of the Housing and Economic Recovery Act of 2008 (HERA), as amended, and Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010, approved July 21, 2010) (Dodd-Frank Act). NSP was established to assist state and local governments with high foreclosure rates in their communities. State and local governments may use NSP funds to purchase vacant and abandoned properties, rehabilitate, and redevelop foreclosed vacant and abandoned homes and property. The U.S. Department of Housing and Urban Development (“HUD”) is the federal agency responsible for implementation of the NSP. The federal rules and regulations regarding NSP1 and NSP3 are set forth in the Unified NSP1 and NSP3 “Notice of Formula Allocations and Program Requirements for Neighborhood Stabilization Program Formula Grants” in the Federal Register, Volume 75, No. 201, October 19, 2010 [Docket No. FR-5447-N-01] Pursuant to the Notice, NSP funds are to be considered Community Development Block Grant (“CDBG”) funds unless stated otherwise in the Notice.

The maximum NSP funding to be awarded in this Request for Proposal (RFP) is approximately \$2,500,000. The City award consists of both NSP 1 and NSP 3 program funds. The City will require the entire award to be used for acquisition of the land for the Harrington Street Project. The organization selected as developer of the Harrington Street Project will be expected to retain affordability of the units associated with the NSP funding award for a long term period of either 15, 30, or 55 years depending on the development financing package of the selected developer.

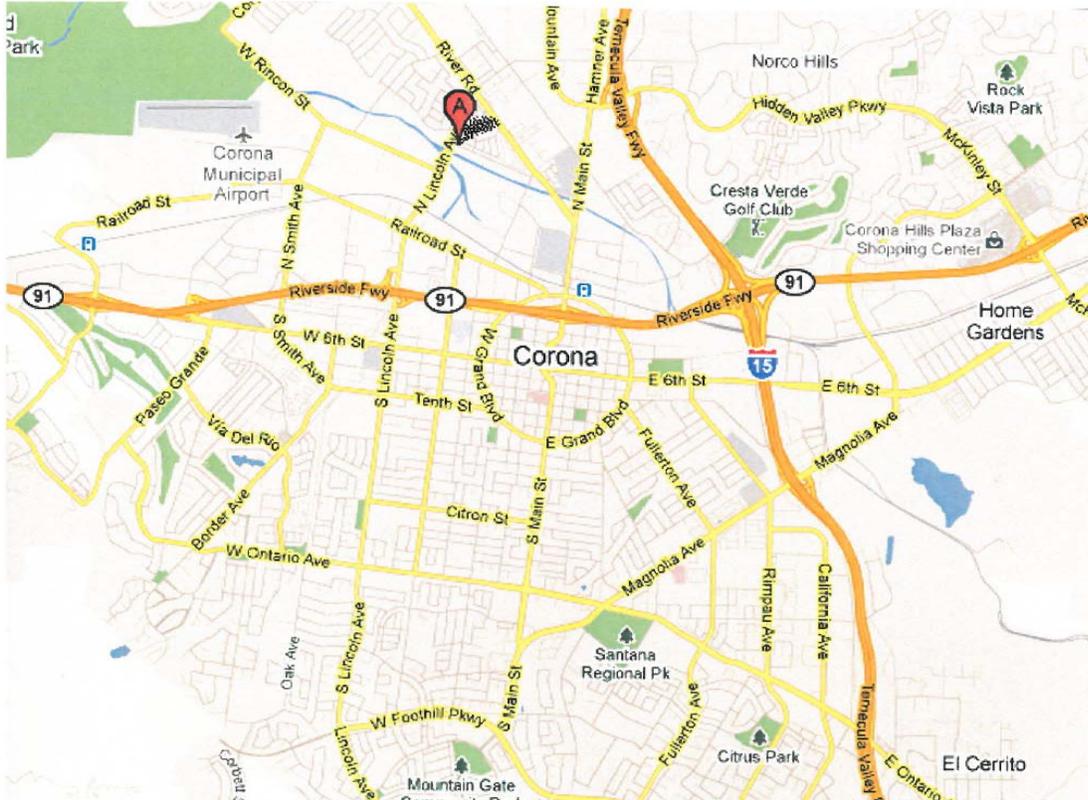
2.0 Overview

About the City of Corona

Corona is located in Riverside County at the junction of the 91 Freeway and Interstate 15. Corona is 47 miles east of Los Angeles, 90 miles north of San Diego and is the

gateway from Orange County to the Inland Empire. Corona's current population is 148,000 with a median household income of \$77,738.¹

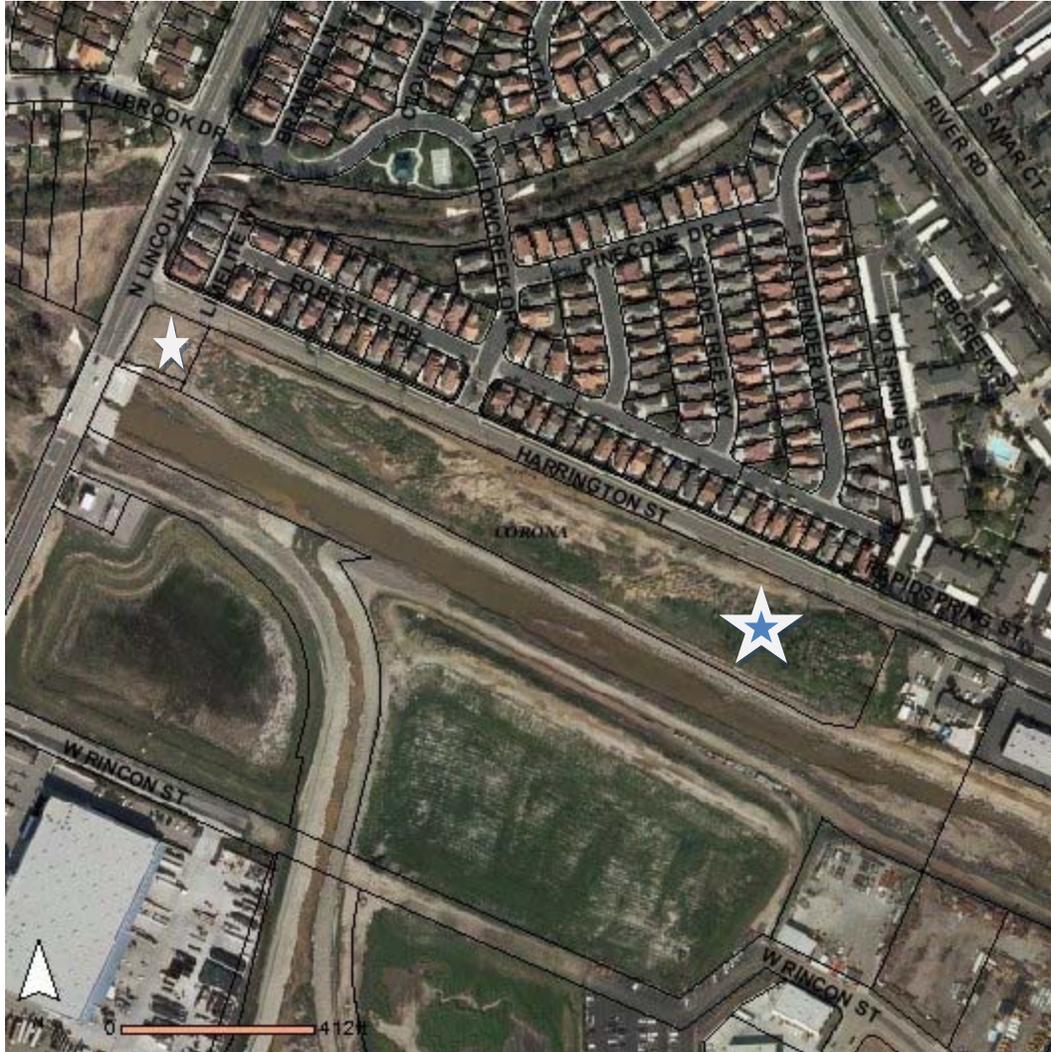
City map



¹ 2005-2009 American Community Survey 5-Year Estimates

About the Site

The Property is located at the southeast corner of Harrington Street and Lincoln Avenue, Corona, California, Assessor Parcel Number 119-190-022 and 025 ("Property"). See Exhibit A attached map. It is approximately one mile north of the 91 Freeway. The Property comprises approximately 7.71 acres (336,126 square feet) of gross area. The net useable after street dedications is estimated at 6.68 acres. The site is generally level and is rectangular shaped, oriented east to west, with the majority of the street frontage on Harrington Street. The site is bordered to the south by Temescal Creek.



Program Requirements

This RFP contains the program requirements for the City's NSP Multifamily Rental program (the "Program").

- A. **Terminology.** Capitalized terms not defined herein have the meaning given to them in the NSP Legal Documents (as hereinafter defined). The term "Developer" as used herein means the applicant seeking to borrow funds under the Program.

- B. **City Web Site.** References herein to City's web site refer to the following URL. www.coronansp.com

- C. **Program Objective.** The Program's objective is to finance the acquisition of a vacant foreclosed parcel of land for development of multifamily rental housing on NSP-eligible sites. Corona is seeking to contract with a qualified non-profit or for-profit developer for the development of a mixed income family oriented multi-family project located on Harrington Street, County Assessor's Parcel Numbers 119-190-025 and 119-190-022. A portion of the apartment units, approximately 15%, must be reserved for low income individuals and families whose gross annual income does not exceed 80% AMI. Construction for proposed project must commence construction within 6 months of receipt of the NSP funding award and be completed within 18 months of receipt of the NSP funding award. The City will work closely with the developer during the development process.

Below is the current 2011 income chart for households at 80 percent of AMI for Riverside County.

2011 Income Limits: Riverside County

Household Size	1	2	3	4	5	6	7	8
Low Income	36,700	41,950	47,200	52,400	56,600	60,800	65,000	69,200

Note: The Income Limits, Rent, and Utility Allowances applicable to the completed development project may change from year to year, and those applicable to the project at construction completion will be tied to the limits applicable at the time the project is first occupied.

Developers should review Attachment A "Creating an NSP-Eligible Rental Project" and the Multi-family Rental toolkit available from HUD at the following URL

<http://hudnsphelp.info/index.cfm?do=viewToolkitsHome>

- D. **Program Funding.** City has set aside approximately \$2,500,000 million of Neighborhood Stabilization Program 1 and 3 (“NSP”) funds, which may be utilized in combination with other sources of funding to develop a proposed project. The program award must be used towards the purchase of the project land, and be in the form of a long term loan to the project owners. The interest rate on the loan would be below market rates and could be forgiven if the qualified developer meets specified terms of the loan. Projects applying for the Program may not apply for or receive any other funds from City. All types of funds from sources other than City may be used by Developers, provided that they do not require City participation. Specifically excluded are projects involving the issuance of tax-exempt bonds or the use of low-income housing tax credit syndication proceeds. A development fee shall not be associated with this project.
- E. **Form of NSP Funding.** NSP funding is to be offered in the form of a Land Loan for the acquisition of the site as described above and in Section IV.
- F. **Timeline.** City envisions the following timeline for awarding funds:

Date	Event
July 21, 2011	RFP released to the public.
August 4, 2011	<p>Questions submitted by developers by the close of business (“COB”) on this date will be answered by City and posted on website on or before COB on August 11, 2011.</p> <p>Send questions regarding this RFP to Jesus M. Morales at email address: Jesus.Morales@ci.corona.ca.us</p>
September 8, 2011	Last date for submission of application, proposal, and supporting documentation at 5:00 PM.
September 29, 2011	City response to submissions.

- G. **Award Process.**
1. NSP award of approximately \$2,500,000 open to all eligible projects.
 2. Applicants must compete for the award. Complete applications received on or before the last date for submission of applications will compete against each other for funding. A point score will be associated with sections of the application and is further described in Section 8.0.
- H. **NSP Application Submission.** See Section 6.0 for the required contents of the application package.

Complete applications and supplemental documents must be received by City not later than **5:00 PM on September 8, 2011**. We strongly suggest that you hand deliver the application to avoid any issues with delivery services. All applications will be date stamped. Late applications will not be accepted, no exceptions.

Applications must be submitted to City at the following address:

City of Corona
Jesus M. Morales, Housing Manager
300 South Vicentia Avenue, #310
Corona, CA. 92882

The City reserves the right to request additional information and materials, to require confirmation of information furnished by the proposer and to clarify any submission received.

The City reserves the right, in its sole discretion, to accept or reject any or all proposals submitted in response to this RFP, to alter the selection process upon provision of reasonable notice, to submit written amendments or addendum to this RFP, or to postpone the selection process. For its own convenience, the City reserves the right to waive any informalities or minor irregularities or defects in a proposal and to re-advertise for this work, if necessary.

This RFP and any evaluation process shall not in any way be deemed to create a binding contract of any kind between the City and any proposer.

The proposer acknowledges and agrees that in submitting a proposal pursuant to this RFP, the preparation of all materials for submittal and all presentations are at its sole cost and expense and the City shall not under any circumstances be responsible for any cost or expenses incurred by the proposer in this regard. In addition, the proposer acknowledges and agrees that all submitted projects shall remain the property of the City. Materials submitted will not be returned unless portions of the submittals are designated as proprietary at the time of submittal and are requested to be returned. Notwithstanding the foregoing, the City shall not be liable to proposer for release or disclosure of any material if required pursuant to the California Public Records Act, or other law. Proposals received by City are considered public information and, except as otherwise noted, will be made available upon request after award.

Proposer and any subcontractors are required to obtain a City of Corona Business License and to maintain the license for the entire term of the Agreement. The Business License is not a prerequisite for submission of a proposal.

Proposers must certify in writing that they are familiar with the Federal Lobbyist Requirement and that all persons and/or subcontractors acting on behalf of the developer will comply with the Lobbyist Requirements. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any employee of a Member of Congress in connection with any Federal contract, grant, loan, or cooperative agreement, the successful proposer shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions as a prerequisite to entering into the Agreement.

Proposers acknowledge and agree to comply with the federal NSP/CDBG provisions set forth in Attachment A, which shall be attached to and incorporated into the Agreement. These provisions include, but are not limited to, compliance with Section 3 of the HUD Act of 1968, and overtime pay for covered nonexempt employees working over 40 hours per workweek.

3.0 Primary Requirements for Eligible Projects

- A. **Minimum and Maximum Project Size.** Projects must have at least 140 residential rental units. There is no maximum project size, subject only to Zoning and or other development constraints. Please check with the Planning Department regarding Zoning Requirements. Please contact Jason Moquin or Sandra Yang (951-736-2262) in the Community Development Department of the City of Corona regarding any site development questions.
- B. **Residential Rental Use Only.** A family oriented mixed income project (that is, a project that includes market rate and affordable units) is the only eligible use that will be considered.
- C. **Unit Types.** Please specify the number and type of units, market rate and affordable, that will be constructed on the site. This information must correlate with the number and type of units on the pro forma. The pro forma must clearly outline projected rental rates, other income, operating expenses, and project debt service over the term of the City NSP loan. The City desires affordable family size units, 3 and 2 bedrooms, for the NSP subsidy contribution. The number and type of affordable units must be proportional to the overall total of the same type of units in the development. Affordable units must be distributed across the site and be indistinguishable from market rate units.

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- D. **Maximum NSP Award.** The maximum NSP award will be the lesser of (1) The appraised Fair Market Value of the project land, based on an MAI appraisal, or (2) \$2.5 million.
- E. **NSP Leverage Requirement.** 100 percent of the NSP funding will be used for the acquisition of the land. The developer must show that they will be able to obtain a loan for the construction of the project and permanent financing after construction.
- F. **Affordable Units** Eligible projects must meet the following requirements to be considered affordable:
1. **Type and location**
 - a. The rental units designated as affordable units must be restricted to occupancy by low-income households whose gross annual income does not exceed 80% of area median income (AMI) as determined by the federal Department of Housing and Urban Development (HUD). The rents of those units must be restricted to an affordable rent. (See Section 7 “Underwriting.”)
 - b. All affordable units must be comparable to the remaining units. Quality of finishes, appliances, furnishings and materials must be the same as the market rate units.
 - c. Developers should note that income and rent limits are published annually and that the rents charged and limits applied to tenants will be adjusted accordingly.
 - d. Affordable units must be scattered throughout the development. They cannot be bunched together in one section.
 - e. The initial affordable unit mix by type must be maintained although the actual unit(s) dedicated as affordable may “float.”
- G. **Project Readiness Requirement.** The Developer must demonstrate, to the satisfaction of City in its sole discretion:
1. Commitments (acceptable to City) for all non-NSP sources of funding.
 - a. Please submit Letters of Intent (LOIs) for project financing that are dated no more than 30 days prior to the date on which the application is received by City and must extend at least 30 days past the anticipated NSP funding date indicated by the Developer in its electronic application.
 - b. City reserves the right to require updated LOI’s or other evidence of financial commitments as it deems necessary.
 - c. Conditions contained in commitments shall be subject to determination by City as to reasonableness. City may reject any commitment (and deem the application deficient) if, in

the sole discretion of City, any condition is outside of market requirements and/or is unlikely to be satisfied.

- d. Each commitment from a lender must acknowledge and permit the City NSP Loan, must consent to the form of, execution and delivery of the NSP Legal Documents, and must agree that the loan will be made subject to the NSP Regulatory Agreement.

- 2. Projects that plan to utilize 9% Low Income Housing Tax Credits (LIHTCs) will **not** be considered for this NSP funding as the City is limiting its assistance to the land purchase only.
- 3. Projects that plan to utilize 4% LIHTCs and bonds will **not** be considered for this NSP funding as the City is limiting its assistance to the land purchase only.

- H. **Environmental.** NSP environmental requirements include a requirement that no choice limiting actions (for example, purchasing the project site, or starting construction) may occur until City has been issued environmental clearance. That process has been underway and should be completed shortly.

The Developer must comply with any and all mitigation measures as called for in the final environmental review documentation and related studies. These documents will be available on the City's website once they are completed, reviewed and accepted by HUD. Please note that the EA is only for the City's compliance with HUD requirements. The Developer should perform its own due diligence related to potential environmental hazards. The Developer should not rely on city studies and documents. Any such studies will be performed at the Developer's own expense.

- I. **Appraisal Requirements.** The City will obtain an appraisal to determine the current Fair Market Value of the project land, and in order to meet NSP requirements. Please note that the appraisal will be only for the City's compliance with HUD requirements. The Developer should perform its own due diligence related to the value of the property. The Developer should not rely on city studies and documents.
- J. **Other Compliance Requirements.** In addition to requirements discussed in this Section, all awardees must meet the NSP regulatory compliance requirements contained in the NSP Legal Documents. These requirements include (without limitation) Section 504 accessibility requirements, fair housing, and NSP 3 reporting requirements.

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- K. **Non-compliance in Federal or Other Agency Programs.** Developers (including Affiliates²) who are not in good standing with regard to compliance in federal housing programs or in a project/program administered by City are not eligible to receive funding under this NOFA. This includes Developers and related entities that are listed in the federal Excluded Parties Listing System.

 - L. **Duration of Requirements.** All requirements will be applicable for the duration of the NSP Regulatory Agreement.

 - M. **Restrictions on Development Costs.** Although City does not impose any limits on project development costs and does not impose any per-unit development cost limits, City expects that other funders may impose such limits. Developers should determine whether other funders impose such limits. Developer will be responsible for obtaining a loan to cover all development costs; the City will not provide any additional assistance.

4.0 LOAN DOCUMENTS AND TERMS

- A. **Loan Documents.**
 - 1. **In General.** The NSP Loan will be documented using City's legal documents ("NSP Legal Documents") to be provided later. By submitting an application, Developers agree to execute the legal documents without modification. City may require modifications to the loan documents to address particular features of funding or other aspects of any given project.
 - 2. **Loan Documents Control.** The information in this Section is provided for the convenience of developers. If the information differs from the NSP Legal Documents, the NSP Legal Documents will prevail.
 - 3. **NSP Regulatory Agreement.** The NSP Regulatory Agreement will be subject to only those liens and encumbrances specifically agreed to by City. The lien of any permanent mortgage will be subject to the NSP Regulatory Agreement.
 - 4. **Mortgage.** The NSP Loan will have either (a) first lien position, or (b) second lien position behind the lien of permanent financing acceptable to City (in which case, if the first lien lender so requests, City agrees to execute City's standard form of Subordination Agreement contained in the NSP Legal Documents).
 - 5. **Transaction Costs/Expenses.** The developer will be responsible for all costs related to closing the loan, whether or not closing occurs, including all title costs, recording costs, legal fees (including fees for City's counsel), abstract fees, appraisal costs, environmental and historic property review, and site and progress

inspection fees (including fees for City’s inspector), survey costs, or such other costs associated with the funding. These costs will include City’s expenses, (if any) that may be incurred subsequent to the closing. Expenses provided under this paragraph and incurred subsequent to the closing but not escrowed at the time of closing shall be the responsibility of the developer.

6. **Conflicts.** Conflicts between the NSP Legal Documents and any other documents executed in connection with the project will be resolved in favor of the NSP Legal Documents. Developers should note that City will not be a party to “operating agreements” and other agreements between the Developer and its investor(s).
7. **Representations and Warranties.** Developers should note that the NSP Legal Documents contain representations and warranties that are ongoing. Accordingly it is possible (for example, because of subsequent non-compliance or other circumstances that prevent the Developer from making the required representations and warranties) that a Developer may cause an event of default thereby triggering the City’s rights to remedy under the loan documents.

B. Interest Rate and Loan Term. The interest rate on the loan may vary depending on the proposal terms submitted by the developer. Only the following interest rates and loan terms will be considered by the City for the NSP land loan. Loans will be due on sale, refinancing, or if accelerated pursuant to the terms of the NSP Legal Documents.

Affordability Period – Years	Interest Rate	Payment	Principal Balance
15	4%	Annual Interest only payment starting one year after Certificate of Occupancy is issued. Due at the end of the calendar year following the one year anniversary of the C of O.	100% payable at end of 15 years.
30	2%	Annual Interest only payment starting three years year after Certificate of Occupancy is issued. Due at the end of the calendar year following the one year anniversary of the C of O.	50% payable at end of 30 years.
55	0%	No repayment.	Balance forgiven at end of 55 years.

C. Timing for Funding.

- a. NSP Funding for the land purchase will be provided subsequent to the Developer’s execution of the construction loan documents and the City’s loan documents including but not limited to the Affordable Housing Agreement, Regulatory Agreement, Deed of Trust, Promissory Note, etc., for the construction of the project.

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- b. NSP Funding for the land purchase will be released through escrow upon execution of the City loan documents.
- D. **Required Payments.** Subject to the type of loan chosen, loan payments will be required to commence one or three years after the Certificate of Occupancy is issued based on the affordability period selected. Payments will be due at the end of the calendar year (12/31) following the one year anniversary of the C of O in the amount based on schedule selected above (B).

5.0 NSP Award Process

- A. **Questions Regarding This RFP.** Developers and other stakeholders may submit questions by email to Jesus M. Morales at jesus.morales@ci.corona.ca.us.
- B. **Answers to RFP Questions.** The City will post answers to questions regarding this RFP on City's web site. City will use best efforts to answer questions submitted by COB August 4, 2011 by COB August 11, 2011.
- C. **Process for Reviewing Applications.**
 - 1. **Communication with Contact Person.** City will communicate only with the primary contact person listed in the application. Information received from persons other than the contact person will be disregarded by City.
 - 2. **Completeness.** The review process will begin with a review for completeness. Applications that are incomplete will be rejected without further review, and no opportunity to complete the application will be given.
 - 3. **Potential City Requests for Clarification.** City may, but shall not be obligated to, follow-up with a Developer's contact person during the application review process in a telephone conversation or in writing in order to obtain clarification should City determine it to be advisable or necessary. Developers should endeavor, however, to provide thorough and complete applications as they may not have an opportunity for subsequent communications either oral or written other than the response to the deficiency letter.
 - 4. **Notification Letter.** All Developers who submitted complete applications will receive a notification letter based on City staff review of the application.
 - a. The notification letter will include the staff score. If a deficiency affects the score, the letter will state how the deficiency impacted the score.
 - b. Deficiencies are aspects of a complete application that are insufficient to allow City evaluation of the application. Examples of deficiencies include: statements (for example, in a market study) that are not adequately supported, inconsistent or conflicting information, and explanations that are confusing or ambiguous.

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5. **Selection of Developer.** Complete applications without deficiencies (including applications that cure deficiencies within the allowed response period), and that are determined to comply with the requirements hereof, will be listed in descending order of point score. The developer with the highest score will be selected. In case the selected developer is unable to perform as required the next highest scoring developer will be contacted. See below regarding applications that fail to address deficiencies within the allowed response period.
- D. **Rejected Applications.** If an application is rejected by City (for example, for failure to submit a complete application), the developer or by any successor/associated Developer that was associated with this application will be removed from any future consideration for this development.
- E. **Exclusive Negotiating Agreement (“ENA”).**
1. **Form of ENA.** Upon official notification and selection of the developer City will execute and ENA with selected Developer for specific term to allow developer to obtain financing and complete any due diligence. Developers should note that the ENA will require commencement of construction within six months after issuance of the ENA (a onetime three month extension is available for good cause). The developer will have one week, seven calendar days, from the date of the official notice of selection to execute and return the ENA. Failure to do so will result in the developer being removed from the list of eligible developers.
 2. **Funding Reservation.** The NSP funding will be reserved for the selected developer for the time period allowed in the ENA to allow the developer to obtain financing and City approvals for the proposed development.
- F. **Recapture.** If the Developer does not execute and return the ENA within the allowed time period, if the Developer does not comply with the terms of the ENA, or if the Developer relinquishes its rights under the ENA after executing it, City will cancel that ENA and select the next developer on the list and execute a new ENA.
- G. **Reservation Pursuant to Federal Regulations.** City reserves the right to make and revise any and all agreements in accordance with published federal regulations, rulings, guidelines and notices. City will not close the Land Loan until environmental clearance has been issued.
- H. **Funding Commitment.** City will not commit funding to the project until developer submits documentation to City’s satisfaction that they have financing and all required City approvals to start construction on the proposed development. City and Developer will immediately or

concurrently with construction loan open escrow with land purchaser for the development site.

6.0 NSP APPLICATION PACKAGE.

Developers must submit two complete printed applications with original signatures of the Developer on all pages that require signatures and an electronic copy of the application. Developers must use the City's application form, checklist and certifications. See Attachments C, D, E and F. Electronic applications must be submitted on CD or DVD. The disk must include a scanned version (PDF) of the complete application. Supplemental materials must be clearly identified and listed in a separate "Table of Exhibits."

The City encourages supplemental or supporting materials to be submitted in electronic form. In addition to any "printer-friendly" version included, spreadsheets must be submitted electronically with all formulas active to allow staff to examine the calculations performed by the Developer.

A. Supplemental Loan Application Documents, and/or Exhibits and Certifications.

1. Developers must complete and submit the electronic application form provided by City (available from the City web site).
2. All required certifications must be included and must be signed.
3. Selected developer will be required to share any self-contained appraisal or market study. The appraisal must include 1) an estimate of the market value of the land, 2) estimated value of the completed project at construction completion, and 3) at stabilized occupancy. The appraisal report must be completed by state-licensed MAI designated appraiser
4. Any required letters, certifications and appendices.
5. All exhibits and addenda required by the Underwriting Criteria in Section 7.0
6. Conceptual site and building plans including site layout of the development, number and type of units, unit and site amenities. Note that the affordable units may not differ (for example, in size, number of bathrooms, or quality of finishes) from other units within the property having the same number of bedrooms. If no other units within the property have the same number of bedrooms, the exhibit must demonstrate to City (in City's sole discretion) that the proposed unit sizes, numbers of bathrooms, and finish quality for the affordable units are comparable to the remaining units, taking into account differences in number of bedrooms. Please include a description of all unit and site amenities that will be provided.
7. Please refer to the application checklist in to ensure all supplemental documents, exhibits and/or certifications have been submitted.

B. Market Study.

1. The market study must state conclusions as of a date within 90 days prior to the date of application.
2. All applications must include a market study preferably completed by a qualified firm, such as the national firms Grubb and Ellis, Marcus and Millichap, Cushman Wakefield, CBRE or other similarly qualified real estate consulting firm.
3. At a minimum, the market study must include detailed discussion of comparable market rents for both market rate units and affordable units; and a demand and supply analysis for the local market.

NSP COMPLIANCE REQUIREMENTS. Funding of the Program is through the United States Department of Housing and Urban Development, Community Development Block Grant Program. Developers and their counsel should make themselves familiar with the full range of NSP compliance requirements. The following is a brief summary of certain aspects of some of these compliance requirements. Developers should review Attachment A “Creating an NSP-Eligible Rental Project” and the Multi-family Rental toolkit available from HUD at the following URL <http://hudnsphelp.info/index.cfm?do=viewToolkitsHome>

- a) **Environmental Clearance.** NSP environmental requirements include a requirement that no choice limiting actions (for example, purchasing the project site, or starting construction) may occur until City has been issued environmental clearance. That process has been underway and should be completed shortly. The Developer must comply with any and all mitigation measures as called for in the final environmental review documentation and related studies. A copy of the Environmental Assessment Report will be available on the web site upon completion.
- b) **Accessibility.** Projects will be subject to accessibility requirements under Section 504 of the Rehabilitation Act of 1973.
- c) **Davis-Bacon.** Since the City will be providing NSP funds as financing for the acquisition of the land, the requirement for payment of prevailing wages under the Davis-Bacon and related acts will not be triggered solely by the provision of funding for the acquisition of the property. Should the Developer subsequently use federal funds for construction, the prevailing wage requirement may be triggered. If prevailing wage is contemplated, the development pro forma must reflect the extra labor cost that is anticipated.
- d) **Lead Based Paint.** The funding provided will be for acquisition only. The site is vacant with no existing structures and no previous history of development. The Lead Hazard Reduction Act of 1992 and the requirements of 24 CFR Part 35 will not apply.

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- e) **Section 3 and Vicinity Hiring.** Since the City will be providing NSP funds as financing for the acquisition of the land, the requirement to hire local persons and contract with local firms will not apply.

 - C. **NSP Eligible Uses.** See Attachment A “Creating an NSP-Eligible Rental Project” for a discussion of NSP requirements regarding how properties are acquired.

 - D. **Other.** The loan documents, to be provided to the selected developer at a later date, will have a full listing of other compliance requirements.

7.0 UNDERWRITING CRITERIA FOR DEVELOPMENT PROPOSALS

City will employ the following criteria when evaluating applications and requires Developers to note these requirements when preparing their application.

- A. **In General.**
 - 1. The application must meet the requirements of the NSP Guidelines.
 - 2. The project pro forma submitted must note the criteria listed below.
 - 3. A sources and uses spreadsheet must be attached to the project pro forma. Clearly show the construction and permanent sources and uses. Separate soft and hard construction costs.

- B. **Rents.**
 - 1. **Rents for affordable units.** Gross rents may not exceed the lesser of the current “high HOME rent limit” published by HUD or 95% of the comparable gross market rent identified in the market study.

As discussed in Section 2 C, the Income Limits, Rent, and Utility Allowances applicable to the completed development project may change, and those applicable to the project at initial occupancy will be tied to the limits determined at that time.

Current “high HOME” rents are:

0BR	\$739/month
1BR	\$793
2BR	\$954
3BR	\$1094
4BR	\$1200

Please note that these rent limits are **gross** rent limits. Contract rents are gross rents less the applicable utility allowances published by the Riverside County Public Housing Authority. See Attachment B. Note that utility allowances for units deemed energy efficient are lower, allowing higher net rents.

Affordable net rents are calculated based on subtracting the utility allowance from the gross rent limit. In the case of an all gas 2BR unit, the standard utility allowance and net rent limit would be calculated as follows.

Heating - gas	\$	5.00
Cooking - gas		6.00
Other electric		33.00
Air conditioning		15.00
Water heating - gas		11.00
Monthly electric fee		8.00
Monthly gas fee		5.00
<u>Total utility allowance</u>		<u>83.00</u>

Gross rent limit	\$	954.00
Net rent limit		871.00

Tenant-paid utilities should be those customary to the local market. Sewer, storm water and garbage costs would not be charged to the tenant. For the tenant to pay for water, gas or electric service it must be individually metered. Range, oven, microwave and refrigerator are to be provided by the owner. The utility allowance amounts and method of calculation are subject to change.

2. **Rents for Market Rent Units.** Not to exceed the comparable market rent identified in the market study.
- C. **Rent Loss.**
1. 5% to 7.0% of gross potential rents (for vacancy loss, bad debt loss, and concession loss) as supported by the submitted market study.
 2. Projects that are expected to incur rent loss in excess of 10.0% based on the submitted market study are not eligible to be funded.
- D. **Operating Expenses.** The operating expenses listed in the project pro forma must be reasonable and consistent with the values reflected in the self contained appraisal report.
- E. **Replacement Reserve Deposit.** The proposed replacement reserve deposit must be not less than \$300 per unit per year nor more than \$500 per unit per year or as may be required by the first trust deed lender.
- F. **Inflation.** The project pro forma must reflect the following inflation rates: 2% annually for revenue and 3% annually for expenses.
- G. **First Mortgage Terms.**

-
1. **In General.** The application must include a commitment from a lender, and those loan terms must be reflected in the project pro forma.
 2. **Debt Service Coverage Ratio (on 1st Mortgage).**
 - a. The debt service coverage ratio reflected in the project pro forma must be not less than 1.15:1 and not more than 1.40:1.
 - b. If a Developer determines that an initial debt service coverage ratio above 1.40:1 is necessary, the application must include an exhibit that supports the need for the higher initial debt service coverage ratio (“DSCR”) (for example, a long term cash flow projection showing that the higher initial DSCR is needed in order to maintain an acceptable minimum DSCR over the compliance period).

8.0 SELECTION CRITERIA

- A. **Maximum Point Scores.** The maximum point score is 200.
- B. **Categories.**
 1. **Unit Mix and number of affordable units** *up to 50 points*
The total number of affordable units and the mix of affordable unit types will be given weight. A preference will be given to family units (3BR and above).
 2. **Financing Terms** *up to 75 points*
The terms associated with the primary conventional loan for the project, Debt Service Coverage Ratios, and the timing associated with returning the City’s principal amount of the loan will be considered, among other items.
 3. **Proposed Project Design** *up to 50 points*
The site plan, architectural design, and sustainability features will be considered. Preference will be given to energy efficient design above current building standards, appliances, and on-site photovoltaic energy generation. Construction methods that reduce GHG and micro-particulate emissions, and reduce solid waste disposal will also be considered. Unit and site amenities will also be considered.
 4. **Development Proposal Presentation** *up to 25 points*
The organization, presentation, and clarity of the development proposal will be considered.

Attachment A: Creating an NSP Eligible Rental Project



Creating an NSP-Eligible Rental Project

About this Tool

Description:

This resource is intended for grantees and their partners developing multifamily rental projects. It contains a general discussion of rental basics, relevant rules and regulations, definitions, and more. Topic areas covered include property size, the 25 percent set-aside requirement, the tradeoff between affordability and long-term viability, the minimum affordability period, eligible uses under NSP, mixed-income projects, and funding types.

Source of Document:

This document was adapted from various NSP guidance documents and technical assistance tools used in the field.

Disclaimer:

This document is not an official HUD document and has not been reviewed by HUD counsel. It is provided for informational purposes only. Any binding agreement should be reviewed by attorneys for the parties to the agreement and must conform to state and local laws.

This resource is part of the NSP Toolkits. Additional toolkit resources may be found at www.hud.gov/nspta

Creating an NSP-Eligible Rental Project

In General

NSP permits a wide variety of eligible activities, but there are a series of NSP requirements that grantees must keep in mind when designing NSP rental programs, and that potential developers of rental projects need to keep in mind when designing a proposed rental project.

Who may develop Rental Properties with NSP Funds?

Rental properties may be developed by the NSP Grantee directly, or through individuals, non-profit organizations, or for-profit organizations.

Property Size

Rental strategies may be targeted for small rental properties (1-4 units) or for large rental properties (5 or more units).

In the Toolkit section of the NSP web site, the 1-4 unit properties are called “1-4 Unit Scattered Site Rental” and the larger properties are called “Multifamily Rental”. Notwithstanding this terminology in the Toolkits, grantees and potential sponsors should note that scattered site projects of more than 4 units can be funded under NSP.

The NSP 25% Set-aside Requirement for 50% AMI and Below

Grantees are required to expend 25% of their NSP funds for beneficiaries with household income at or below 50% of Area Median Income (“AMI”)¹. In this document, we will refer to this requirement as the “LH25 Set-Aside” requirement (LH25 is the funding code for this set-aside in HUD’s grant management software). In many areas, it is difficult to provide homeownership solutions for households in this income range. Accordingly, many grantees decide to pursue rental strategies to help achieve compliance with this set-aside requirement.

Only those units that are restricted for occupancy by households with incomes at or below 50% AMI, and that have rents affordable at 50% AMI², will count toward the LH25 Set-Aside requirement.

¹ In this document, we will not use the terms “very low-income” or “low-income” because these terms are potentially confusing. HUD has generally directed that CDBG terminology be used for NSP. Under CDBG terminology, beneficiaries with incomes at 50% AMI or below are termed “low income” beneficiaries, whereas in many other programs, these same beneficiaries are termed “very low-income”. Accordingly, grantees and developers are advised to request clarification when the terms “very low-income” and “low-income” are used in NSP.

² That is, with rent and utilities not more than 30% of 50% AMI (adjusted for household size).

Grantees and potential developers should keep in mind that activity must take place on “foreclosed” or “abandoned” property in order to count toward fulfillment of the LH25 Set-Aside requirement.

Grantees and potential developers should keep in mind that only permanent housing units may count toward the LH25 Set-Aside requirement. Homeless shelters, transitional housing, and other projects that are classified as “facilities” under CDBG are not eligible to count toward the LH25 Set-Aside requirement.

The Trade-off Between Affordability and Long-Term Financial Viability

Grantees and potential developers should also keep in mind that the 50% AMI rent may not provide adequate revenue to support the long-term viability of the project. Accordingly, a grantee should not require that 100% of units be affordable at 50% AMI unless the grantee is certain that the 50% AMI rent is sufficient to support viable projects. Similarly, before deciding on the mix of affordability within a proposed project, a developer should first make sure that the proposed project will have sufficient revenue to be viable long-term.

Definitions

(From April 9, 2010 Federal Register³): Abandoned. A home or residential property is abandoned if either (a) mortgage, tribal leasehold, or tax payments are at least 90 days delinquent, or (b) a code enforcement inspection has determined that the property is not habitable and the owner has taken no corrective actions within 90 days of notification of the deficiencies, or (c) the property is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to state, local or tribal law or otherwise meets a state definition of an abandoned home or residential property..

(From NSP Notice⁴): Blighted structure. A structure is blighted⁴ when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

“Demolished” is not defined in the NSP Notice.

(From April 9, 2010 Federal Register): Foreclosed. A home or residential property has been foreclosed upon if any of the following conditions apply: (a) The property’s current delinquency status is at least 60 days delinquent under the Mortgage Bankers of America delinquency calculation and the owner has been notified of this delinquency, or (b) the property owner is 90 days or more delinquent on tax payments, or (c) under state, local, or tribal law, foreclosure proceedings have been initiated or completed, or d) foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, contractor, subrecipient, developer, or end user

³ HUD published revised definitions for “Abandoned” and “Foreclosed” under NSP, in the April 9, 2010 Federal Register.

⁴ In this paper, references to the “NSP Notice” refer to the Federal Register notice dated October 6, 2008. Section II.A of the NSP Notice contains definitions.

“Vacant” is not defined in the NSP Notice. However, HUD posted the following FAQ that provides useful guidance. “Q: Is vacant, undeveloped land eligible to be redeveloped under Eligible Use E?

A: In order for a property to be “redeveloped” under Eligible Use E, it must have been previously developed and is now vacant. Raw land would not be eligible for redevelopment. It will be up to the grantee to demonstrate that the property had been previously developed. Previous redevelopment could include vacant buildings or infrastructure improvements such as roads, water, sewer, power lines, etc. However, land that has been farmland, open space, wilderness, etc. would not be eligible for redevelopment. The Department has not imposed any specific standard on how long a property has to be vacant in order to qualify for redevelopment under Eligible Use E; grantees should exercise reasonable judgment in this area. A property that had once been a factory and has been idle for 20 years is not going to raise any issue. However, reasonable minds might question using NSP1 funds to redevelop a site where the previous development was demolished 100 years ago and the property has lain fallow ever since.”

NSP Requirements Regarding “Affordable Rents” and Minimum Affordability Period

Grantees have flexibility in defining these provisions of their NSP Action Plans. Accordingly, potential developers of rental properties should become familiar with the Grantee’s NSP Action Plan to be in compliance with these requirements. The Grantee’s NSP Action Plan will include requirements for Affordable Rents for units targeted at 50%-80% AMI and for units targeted at 80%-120% AMI.

A Note Regarding Eligible Property Types

The discussion immediately below (NSP Eligible Uses) refers to NSP definitions of “foreclosed”, “abandoned”, “demolished” and “vacant” properties. For an extended discussion of these definitions, see the Definitions section above.

NSP Eligible Uses

There are five Eligible Uses of NSP funds. Eligible Uses can be combined within a single project.

Rental project development can take place under three of these five Eligible Uses (the examples below are for multifamily rental projects, but the same principles are applicable to small rental projects):

- Eligible Use A (financing mechanisms) – for example, the NSP Grantee could make a soft loan to the purchaser of an existing, foreclosed, multifamily rental project, with or without out rehab.
 - NSP funds must be provided as a loan, and may never be provided as a grant.
 - Grantees and potential developers should note that Eligible Use A is restricted to properties that are “foreclosed”.
 - The timing of the site acquisition will be important.⁵

⁵ The two most important timing considerations are: (a) the property cannot be acquired until the grantee has completed the environmental review process; and (b) the property must be acquired in a manner that satisfies the

- Eligible Use B (purchase and rehabilitation) – for example, The NSP Grantee could make a soft loan to the purchaser of an existing, foreclosed, multifamily rental project, with rehab.
 - Grantees and potential developers should note that Eligible Use B is restricted to properties that are “foreclosed” or “abandoned”.
 - Eligible Use B can fund rehab only (without funding the cost to acquire the underlying properties), but the underlying properties still must be “foreclosed” or “abandoned”, with the same timing restrictions as those noted above under Eligible Use A.
 - Eligible Use B can fund demolition and reconstruction as well as traditional rehab. Both activities count as “rehab” for NSP purposes.
 - While an abandoned property may hypothetically be purchased directly from the existing owner(s) before foreclosure is completed, it is a difficult, time-consuming, and probably impractical approach to purchasing existing properties.

- Eligible Use E (redevelopment) – for example, an NSP Grantee could make a soft loan to the purchaser of several scattered sites on which residential structures have already been demolished, for the new construction of a 28 unit rental project.
 - Grantees and potential developers should note that Eligible Use E is restricted to properties that are “demolished” or “vacant”.
 - Grantees and potential developers should note that never-developed sites on the fringe of development (“Greenfield” sites) are not eligible for NSP funding.
 - HUD’s definition of “previously developed” includes properties where infrastructure may exist, even though no physical structure has been on prior to the redevelopment, so infill lots in which infrastructure exists could be eligible for redevelopment under this provision.
 - Demolition funding cannot be provided under Eligible Use E. If a grantee wishes to provide NSP funding for demolition in connection with a multifamily rental project, the grantee would have to provide that funding under Eligible Use B (purchase and rehab) or Eligible Use D (demolition).

NSP and Mixed-Income Projects

Under current guidance (June 2010), NSP funds are restricted for use on projects that consist entirely of NSP-eligible units.⁶ NSP-eligible units must be restricted to occupancy by households with incomes no higher than 120% AMI. Under current guidance, a typical mixed income project (with 60% market rate units and 40% affordable units) would not be eligible for NSP funding. However, if the sponsor agreed to a restriction that the higher-rent units are available only to households at or below 120% AMI, and

requirements of the NSP definition of “foreclosed” (grantees should maintain documentation showing how the acquisition of each foreclosed property satisfied these definitional requirements).

⁶ Note: This requirement is expected to change through a technical correction in the NSP3 Notice.

that the rent would be affordable at 120% AMI, the entire project would be eligible for NSP funding. For example:

- In a 40 unit project with 24 market rate units and 16 units restricted at 50% AMI, the project would not be eligible for NSP funding.
- In a 40 unit project with 24 units restricted at 120% AMI and 16 units restricted at 50% AMI, all 40 units would be eligible for NSP funding, but only the NSP funds associated with the 16 50% AMI units could count toward satisfaction of the grantee's LH25 Set-Aside requirement.

Types of Funding to Support Rental Projects

Grantees are reminded that (in the "Bridge Notice" published in the June 19, 2009 Federal Register) HUD provided that "...grantees are strongly encouraged to avoid the undue enrichment of entities that are not subrecipients. For example, grantees are encouraged to structure assistance to developers that undertake acquisition and/or rehabilitation as loans rather than grants".

Most Grantees will likely provide NSP funds to rental project in the form of a soft loan. A recommended practice for issuing soft loans is to require repayment from any sales or refinancing proceeds (at any point during the affordability period) and to structure the loans so as to share in any excess cash flow.

If a particular project appears likely to have significant cash flow, the grantee might choose to provide some funding in the form of a "hard loan" (with fixed monthly payments) and to provide the balance in the form of a soft loan.

NSP does not have any requirements concerning the interest rate for a loan; accordingly, a grantee could choose to make loans at a market rate of interest or at a below-market rate of interest.

Attachment B: Utility Allowances

**Allowances for Tenant
Furnished Utilities and other
Services**

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality: Housing Authority of the County of Riverside, CA		Unit Type: Apartment/ Walk-Up		7/1/2011							
Utility or Service Standard		Monthly Dollar Allowances									
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR				
Heating	a. Natural Gas	\$4.00	\$4.00	\$5.00	\$5.00	\$6.00	\$7.00				
	b. Bottle Gas										
	c. Electric	\$8.00	\$11.00	\$13.00	\$16.00	\$19.00	\$21.00				
	d. Oil / Other										
Cooking	a. Natural Gas	\$4.00	\$4.00	\$6.00	\$7.00	\$9.00	\$10.00				
	b. Bottle Gas										
	c. Electric	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00	\$17.00				
	d. Coal / Other										
Other Electric		\$17.00	\$25.00	\$33.00	\$41.00	\$50.00	\$62.00				
Air Conditioning		\$8.00	\$10.00	\$15.00	\$21.00	\$26.00	\$31.00				
Water Heating	a. Natural Gas	\$5.00	\$8.00	\$11.00	\$14.00	\$17.00	\$20.00				
	b. Bottle Gas										
	c. Electric	\$10.00	\$16.00	\$21.00	\$27.00	\$33.00	\$38.00				
	d. Oil / Other										
Water		\$19.00	\$20.00	\$22.00	\$24.00	\$26.00	\$29.00				
Sewer		\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00				
Trash Collection and Garbage		\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00				
Range / Microwave Tenant-purchased		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00				
Refrigerator Tenant-purchased		\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00				
Other--specify: Monthly Electric Fee \$8.06		\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00				
Riverside Public Utilities Only-Add \$10.00		\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00				
Monthly Gas Fee \$5.10		\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00				
Actual Family Allowances				Utility or Service		per month cost					
To be used by the family to compute allowance. Complete below for the actual unit rented.				Heating		\$					
				Cooking		\$					
Name of Family				Other Electric		\$					
				Air Conditioning		\$					
				Water Heating		\$					
				Water		\$					
Address of Unit				Sewer		\$					
				Trash Collection		\$					
				Range / Microwave		\$					
				Refrigerator		\$					
				Other		\$					
				Number of Bedrooms				Other		\$	
								Total		\$	

**Allowances for Tenant
Furnished Utilities and other
Services**

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169

Locality: Housing Authority of the County of Riverside, CA		Unit Type: Apartment/ Walk-Up		7/1/2011							
Utility or Service Energy Efficient		Monthly Dollar Allowances									
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR				
Heating	a. Natural Gas	\$3.00	\$4.00	\$4.00	\$4.00	\$4.00	\$5.00				
	b. Bottle Gas										
	c. Electric	\$6.00	\$8.00	\$10.00	\$12.00	\$15.00	\$17.00				
	d. Oil / Other										
Cooking	a. Natural Gas	\$4.00	\$4.00	\$6.00	\$7.00	\$9.00	\$10.00				
	b. Bottle Gas										
	c. Electric	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00	\$17.00				
	d. Coal / Other										
Other Electric		\$17.00	\$25.00	\$33.00	\$41.00	\$50.00	\$62.00				
Air Conditioning		\$6.00	\$8.00	\$12.00	\$16.00	\$20.00	\$24.00				
Water Heating	a. Natural Gas	\$5.00	\$8.00	\$11.00	\$14.00	\$17.00	\$20.00				
	b. Bottle Gas										
	c. Electric	\$10.00	\$16.00	\$21.00	\$27.00	\$33.00	\$38.00				
	d. Oil / Other										
Water		\$19.00	\$20.00	\$22.00	\$24.00	\$26.00	\$29.00				
Sewer		\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00				
Trash Collection and Garbage		\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00				
Range / Microwave Tenant-purchased		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00				
Refrigerator Tenant-purchased		\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00				
Other--specify: Monthly Electric Fee \$8.06		\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00				
Riverside Public Utilities Only-Add \$10.00		\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00				
Monthly Gas Fee \$5.10		\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00				
Actual Family Allowances				Utility or Service		per month cost					
To be used by the family to compute allowance. Complete below for the actual unit rented.				Heating		\$					
				Cooking		\$					
Name of Family				Other Electric		\$					
				Air Conditioning		\$					
				Water Heating		\$					
				Water		\$					
Address of Unit				Sewer		\$					
				Trash Collection		\$					
				Range / Microwave		\$					
				Refrigerator		\$					
				Other		\$					
				Number of Bedrooms				Other		\$	
								Total		\$	

Attachment C: Application Form



CITY OF CORONA

HARRINGTON STREET PROJECT NSP LOAN APPLICATION

PROJECT NAME: Harrington Street Project
LOCATION: APN 119190025 and APN 119190022
APPLICANT INFORMATION:

Organization	
Address	
Primary Contact	
Phone Number	
E-mail Address	

Organizational Background

<i>Non-Profit Entity :</i>		<i>For-Profit Entity:</i>	
Tax Exempt	<input type="checkbox"/>	Incorporated	<input type="checkbox"/>
Local Development Corporation	<input type="checkbox"/>	LP	<input type="checkbox"/>
CHDO	<input type="checkbox"/>	Sole Proprietor	<input type="checkbox"/>

APPLICANT CERTIFICATION

Applicant hereby certifies that it understands the regulations governing NSP loans, and agrees to abide by such regulations. Violations of these regulations shall constitute grounds for cancellation of any commitment or loan. Applicant hereby certifies that the information and supporting materials submitted for any financial assistance for the project is true, accurate, and complete to the best of its knowledge. Applicant acknowledges and understands that if facts and/or information herein are found to be misrepresented, it shall constitute grounds for the default of the loan (or other financial assistance) for which application is being made.

By: _____ Title: _____

Signature: _____ Date: ____/____/____

PROJECT OWNER INFORMATION:

List ALL project owners (general partners, limited partners) and their respective percent of interest. Ownership interests must total 100%.

Report any joint interests in entities within the owner list.

Name	Address	Phone Number	Title	Nature of Interest	Percent of Interest	Tax ID Number

**Please attach Articles of Incorporation, By-Laws, IRS tax-exempt status determination, list of board members, and the current and prior year's financial statements for all project owners. Financial Statements must be submitted for all development partners, and the City will require authorization for a credit inquiry for all partners.

Please complete and submit the attached disclosure and authorization forms along with this application.

HOUSING EXPERIENCE:

Please describe your prior experience with building affordable housing and market rate housing below. Please list ten (10) of your most recently completed projects.

Project Name	Address	Total # of Units	# Affordable Units	Construction Company	Year Completed	Current Occupancy

Please describe the local, state or federal financial assistance you have received to develop the above listed projects:

--

DEVELOPMENT TEAM INFORMATION

Please list your development team members, their contact information below and attach copies of their resumes.

	Name	Phone #	Address	E-Mail Address	Organization and Title
Project Manager					
Architect					
Attorney					
Civil Engineer					
General Contractor					
Property Manager					
Other					
Other					
Other					

Please provide a list of references in the real estate and financial services industry that can attest to your experience in real estate development. A minimum of 6 references are required, including two lenders.

Name	Phone #	Address	E-mail Address	Organization and Title

PROPOSED PROJECT

Total # of Units of Project		Total # of Buildings	
Total # of Affordable Units		Total # of Stories	

UNIT TYPES	0 Bdrm	1 Bedrm	2 Bedrm	3 Bedrm	4 Bedrm	Total
Low-income						
Market						
TOTAL						

RENTAL RATES	0 Bdrm	1 Bedrm	2 Bedrm	3 Bedrm	4 Bedrm	
Low-income						
Market						
TOTAL						

Attachment D: Application Checklist

Application Checklist

Please use this checklist to assure a complete submittal. If any notes are required, please use the column to the right. See the RFP for detailed requirements.

Check	Requirement	Applicant Notes
<input type="checkbox"/>	Signed Application Form	
<input type="checkbox"/>	Electronic Application and Supplemental Documents	
<input type="checkbox"/>	Sources and Uses – Construction	
<input type="checkbox"/>	Sources and Uses – Permanent	
<input type="checkbox"/>	Operating Budget with Rent Schedule	
<input type="checkbox"/>	15 Year Cash Flow	
<input type="checkbox"/>	Construction Budget – hard and soft costs	
<input type="checkbox"/>	Total Development Budget – hard and soft costs	
<input type="checkbox"/>	Conceptual Site and Building Plans	
<input type="checkbox"/>	Market Study	
<input type="checkbox"/>	Audited Financial Statements	
<input type="checkbox"/>	Articles of Incorporation and Bylaws	
<input type="checkbox"/>	Evidence of Non-Profit Status (if applicable)	
<input type="checkbox"/>	Evidence of Insurance	
<input type="checkbox"/>	Project Timeline	

Attachment E: Non-Collusion Affidavit

NON-COLLUSION AFFIDAVIT

This affidavit shall be fully executed by Bidder, notarized, and submitted with Proposal.

The undersigned, being first duly sworn, deposes and says that he or she holds the position listed below, the party making the foregoing proposal, that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or a sham; that the proposal has not directly or indirectly induced or solicited any other interested party to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, plotted, or agreed with any interested party or anyone else to put in a sham proposal, or that anyone shall refrain from submitting a proposal; that the party submitting the proposal has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price or the price from any other interested party, or to fix any overhead, profit or cost element of the proposal price, or of that of any other interested party, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and, further, that the party submitting the proposal has not, directly or indirectly, submitted his or her proposal price, or any breakdown thereof, or the contents hereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

Signature

Typed or Printed Name

Party Submitting Proposal

State of California } CALIFORNIA ALL- PURPOSE
ACKNOWLEDGEMENT

County of Riverside } ss.

On _____ (date), before me, _____
(here insert name and title of the officer), personally appeared _____
who proved to

me on the basis of satisfactory evidence to e the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s)
on the instrument the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Attachment F: Certification Regarding Debarment, Suspension,
Ineligibility and Voluntary Exclusion

**Certification Regarding Debarment, Suspension, Ineligibility
and Voluntary Exclusion**

This is to certify that the proposer nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in Federally funded contracts or projects.

Proposer

Name (Printed)

Signature

Date _____