

File No. 260183

Committee Item No. 4

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date March 11, 2026

Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
|                                     |                          | • MOHCD Memo 1/26/2026                       |
|                                     |                          | • MYR Memo 2/24/2026                         |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Grant Information Form                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Expenditure Schedule                         |
| <input type="checkbox"/>            | <input type="checkbox"/> | Statement on Retroactivity                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Notice of Award/Award Letter                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>AHSC Round 9 Program Guidelines 2/26/2025</u>             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>AHSC Round 9 Notice of Funding Availability 3/25/2025</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>PLN Notice of Final Approval 5/31/2023</u>                |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>MOHCD Presentation 3/11/2026</u>                          |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
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Completed by: Brent Jalipa Date March 5, 2026

Completed by: Brent Jalipa Date \_\_\_\_\_

1 [Execute Standard Agreements - Accept and Expend Grant - California Department of  
2 Housing and Community Development Affordable Housing and Sustainable Communities  
3 Program - 1939 Market Street - \$47,579,100]

4 **Resolution authorizing the Mayor’s Office of Housing and Community Development**  
5 **(“MOHCD”) to execute the Standard Agreements with the California Department of**  
6 **Housing and Community Development (“HCD”) under the Affordable Housing and**  
7 **Sustainable Communities Program for a total award of \$47,579,100 including**  
8 **\$35,000,000 disbursed by HCD as a loan to Mercy Housing California 109, L.P. for a**  
9 **100% affordable housing project at 1939 Market Street and \$12,579,100 to be disbursed**  
10 **as a grant to the City for public transportation improvements near 1939 Market Street,**  
11 **for the period starting on the execution date of the Standard Agreement through**  
12 **December 10, 2080; and authorizing MOHCD to accept and expend the grant of up to**  
13 **\$12,579,100 for transportation, streetscape and pedestrian improvements and other**  
14 **transit oriented programming and improvement as approved by HCD.**

15  
16 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the  
17 Department of Housing and Community Development (“HCD”) issued a Notice of  
18 Funding Availability (“NOFA”) dated March 25, 2025, under the Affordable Housing and  
19 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the  
20 Public Resources Code commencing with Section 75200; and

21 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC  
22 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines  
23 adopted by SGC on February 26, 2025 (“Program Guidelines”), an application package  
24 released by HCD for the AHSC Program (“Application Package”), and an AHSC standard  
25

1 agreement with the State of California (“Standard Agreement”), HCD is authorized to  
2 administer the approved funding allocations of the AHSC Program; and

3 WHEREAS, The AHSC Program provides grants and loans to applicants identified  
4 through a competitive process for the development of projects that, per the Program  
5 Guidelines, will create new affordable housing and achieve greenhouse gas reductions and  
6 benefit disadvantaged communities through increased accessibility to affordable housing,  
7 employment centers and key destinations via low-carbon transportation; and

8 WHEREAS, The AHSC Program requires that joint applicants for a project will be held  
9 jointly and severally liable for completion of such project; and

10 WHEREAS, Mercy Housing California 109, L.P., a California limited partnership  
11 (“Developer”), requested that the City and County of San Francisco (the “City”), acting by and  
12 through the Mayor’s Office of Housing and Community Development (“MOHCD”), be a joint  
13 applicant for AHSC Program funds for Developer’s affordable housing project located at 1939  
14 Market Street consisting of the new construction of a 185-units of affordable multifamily rental  
15 housing to low-income households and 2 manager units (the “Project”) identified as 1939  
16 Market St; and

17 WHEREAS, The San Francisco Department of Public Works (“SFDPW”) plans to  
18 create approximately 2,000 feet of safe and accessible walkway improvements, new ADA  
19 curb ramps, traffic signals, street lights, bulbouts, 0.95 lane miles of parking protected Class  
20 IV context sensitive bike lanes, landscaping and other streetscape improvements (“SFDPW  
21 Work”); and

22 WHEREAS, SFDPW and MOHCD will enter into a Memorandum of Understanding to  
23 make commitments related to the SFDPW Work as included in the Application package; and

24 WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to  
25 construct permanent Class IV context sensitive bikeways along 1.29 miles of street segments

1 on 8th Street from Stevenson to Mission; 13th Street from 11th to Bernice; and Polk Street  
2 from McAllister to Pine and from Cedar to Eddy by converting existing Class IV Quick Build  
3 infrastructure to permanent Class IV. SFMTA will install transit signal priority (TSP) software  
4 and hardware at 45 intersections along Fillmore St, between O'Farrell and Haight; McAllister  
5 St, between Broderick and Charles Brenham Pl; Mission St, between 11th and 25th streets;  
6 Church St, between 14th and 16th streets; and 16th Street, between Dolores and Guerrero;  
7 make TSP upgrades that will improve transit service along six bus routes: the 5 Fulton, 5R  
8 Fulton Rapid, 14 Mission, 14R Mission Rapid, 22 Fillmore, and 49 Van Ness-Mission to  
9 improve travel speed and increase reliability leading to increased ridership along all routes.  
10 SFMTA also plans to upgrade stop lighting at four locations along the 5/5R, 22, and  
11 14/14R/49 routes to improve safety and rider comfort using pole-mounted solar lights. SFMTA  
12 plans to install new or upgraded Transit Signal Priority hardware and software along all  
13 signals for three lane miles along McAllister Street, for over three lane miles along Fillmore,  
14 Church, and 16th Streets, and for over three lane miles along Mission Street ("SFMTA Work");  
15 and

16 WHEREAS, SFMTA and MOHCD will enter into a Memorandum of Understanding to  
17 make commitments related to the SFMTA Work as included in the Application package; and

18 WHEREAS, On May 31, 2023, by Notice of Final Approval of an SB 35 Project, the  
19 Planning Department determined that the development of the Property with an 187-unit  
20 affordable housing development and a ground floor commercial space, met all the standards  
21 of the Planning Code and would be eligible for ministerial approval under California  
22 Government Code, Section 65913.4 (Senate Bill 35) and the CEQA Guidelines,  
23 Sections 15002(i)(1), 15268, and 15369, and would therefore not be subject to the California  
24 Environmental Quality Act; said CEQA determination is on file with the Clerk of the Board of  
25 Supervisors in File No. 260183 and is incorporated herein by reference; and

1           WHEREAS, The grant budget includes a provision for indirect costs of up to  
2 \$1,886,865; and

3           WHEREAS, The grant does not require an ASO amendment; and

4           WHEREAS, Through a Conditional Award Commitment and Acceptance of Terms and  
5 Conditions award letter dated December 10, 2025, HCD made an award in the total amount of  
6 \$47,579,100, which includes \$35,000,000 to be disbursed by HCD as a loan to the Developer  
7 for the Project, and up to \$12,579,100 to be disbursed as a grant to the City for the SFMTA  
8 Work, SFDPW Work, and other transit-oriented programming and improvements approved by  
9 HCD, subject to the terms and conditions of the STD 213, Standard Agreement (“Standard  
10 Agreement”), a copy of which is on file with the Clerk of the Board of Supervisors in File  
11 No. 260183; now, therefore, be it

12           RESOLVED, That the Board of Supervisors approves and authorizes the MOHCD to  
13 enter into the Standard Agreement with HCD, with terms and conditions that AHSC Program  
14 funds are to be used for allowable capital asset project expenditures identified in Exhibit A;  
15 and, be it

16           FURTHER RESOLVED, That the Board Supervisors authorizes the City to accept and  
17 expend the grant funds disbursed under the Standard Agreement; and, be it

18           FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
19 MOHCD (or his designee) to execute and deliver any documents in the name of the City that  
20 are necessary, appropriate or advisable to accept and expend the AHSC Program funds from  
21 HCD, and all amendments thereto, and complete the transactions contemplated herein and to  
22 use the funds for eligible capital asset(s) in the manner presented in the application as  
23 approved by HCD and in accordance with the NOFA and Program Guidelines and Application  
24 Package; and, be it

1           FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
2 heretofore taken are ratified, approved and confirmed by this Board of Supervisors; and, be it

3           FURTHER RESOLVED, That within thirty (30) days of the Standard Agreement being  
4 fully executed by all parties, MOHCD shall provide the final agreement to the Clerk of the  
5 Board for inclusion into the official file.

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1 Recommended:

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3 /s/  
Daniel Adams, Director  
4 Mayor's Office of Housing and Community Development

5 Approved:  
6

7 /s/ Sophie Kittler  
Daniel Lurie, Mayor

/s/ Jocelyn Quintos for  
Greg Wagner, Controller

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**File Number:** 260183  
(Provided by Clerk of Board of Supervisors)

**Grant Resolution Information Form**  
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. **Grant Title:** Affordable Housing and Sustainable Communities Program – 1939 Market Street
2. **Department:** Mayor’s Office of Housing and Community Development
3. **Contact Person:** Benjamin McCloskey Telephone: 415-701-5575
4. **Grant Approval Status (check one):**  
 Approved by funding agency  Not yet approved
5. **Amount of Grant Funding Approved or Applied for:** \$12,579,100
- 6a. **Matching Funds Required:** \$0  
b. **Source(s) of matching funds (if applicable):** N/A
- 7a. **Grant Source Agency:** California Department of Housing and Community Development  
b. **Grant Pass-Through Agency (if applicable):** N/A
8. **Proposed Grant Project Summary:** Transportation infrastructure & transit-related amenity improvements
9. **Grant Project Schedule, as allowed in approval documents, or as proposed:**  
Start-Date: TBD End-Date: 12/10/2080
- 10a. **Amount budgeted for contractual services:** N/A  
b. **Will contractual services be put out to bid?** N/A  
c. **If so, will contract services help to further the goals of the Department’s Local Business Enterprise (LBE) requirements?** N/A  
d. **Is this likely to be a one-time or ongoing request for contracting out?** N/A
- 11a. **Does the budget include indirect costs?**  Yes  No  
b1. **If yes, how much? \$** Up to \$1,886,865  
b2. **How was the amount calculated?** 15% of grant award  
c1. **If no, why are indirect costs not included?**  
 Not allowed by granting agency  To maximize use of grant funds on direct services  
 Other (please explain):  
c2. **If no indirect costs are included, what would have been the indirect costs?** N/A
12. **Any other significant grant requirements or comments:**

**\*\*Disability Access Checklist\*\*\*(Department must forward a copy of all completed Grant Information Forms to the Mayor’s Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Existing Site(s)      | <input type="checkbox"/> Existing Structure(s)       | <input type="checkbox"/> Existing Program(s) or Service(s)       |
| <input type="checkbox"/> Rehabilitated Site(s) | <input type="checkbox"/> Rehabilitated Structure(s)  | <input checked="" type="checkbox"/> New Program(s) or Service(s) |
| <input type="checkbox"/> New Site(s)           | <input checked="" type="checkbox"/> New Structure(s) |  |

14. The Departmental ADA Coordinator or the Mayor’s Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor’s Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:


Comments:

Departmental ADA Coordinator or Mayor’s Office of Disability Reviewer:

Madeleine Sweet  
(Name)

Compliance Coordinator – Data, Evaluation and Compliance  
(Title)

Date Reviewed: January 26, 2026

  
(Signature Required)

**Department Head or Designee Approval of Grant Information Form:**

Daniel Adams  
(Name)

Director, Mayor’s Office of Housing and Community Development  
(Title)

Date Reviewed: 1/29/2026 | 8:54 AM PST

Signed by:  
  
(Signature Required)

## HCD AHSC 1939 Market St Expenditure Schedule

Proposed expenditures for the HCD AHSC 1939 Market St Grant.

	<b>Agency</b>	<b>Project Description</b>	<b>HCD Funding Amount</b>
STI #1	San Francisco Department of Public Works (SF DPW) via the Mayor's Office of Housing and Community Development (MOHCD)	This project is a complex, multi-discipline project along 11th Street between Market and Bryant Streets in San Francisco, California. Project scope will create more than 2,000 feet of Safe and Accessible Walkway improvements, new ADA curb ramps, traffic signals, street lights, bulbouts, 0.95 lane miles of parking protected Class IV context sensitive bike lanes, landscaping and other streetscape improvements.	\$8,000,000
STI #2	San Francisco Municipal Transportation Agency (SFMTA) via the Mayor's Office of Housing and Community Development (MOHCD)	The SFMTA will construct permanent Class IV context sensitive bikeways along 1.29 miles of street segments within the project area. These segments are: 8th Street, from Stevenson to Mission; 13th Street, from 11th to Bernice; and Polk Street, from McAllister to Pine and from Cedar to Eddy. The 8th Street, 13th Street, and Polk Street improvements are conversions of existing Class IV Quick Build infrastructure to permanent Class IV. These improvements will provide safe bike infrastructure for roadway users.	\$1,350,000
STI #3	San Francisco Municipal Transportation Agency (SFMTA) via the Mayor's Office of Housing and Community Development (MOHCD)	The SFMTA will install transit signal priority (TSP) software and hardware at 45 intersections along Fillmore St, between O'Farrell and Haight; McAllister St, between Broderick and Charles Brenham Pl; Mission St, between 11th and 25th streets; Church St, between 14th and 16th streets; and 16th Street, between Dolores and Guerrero. The TSP upgrades will improve transit service along six bus routes: the 5 Fulton, 5R Fulton Rapid, 14 Mission, 14R Mission Rapid, 22 Fillmore, and 49 Van Ness-Mission. These upgrades will improve travel speed and increase reliability leading to increased ridership along all routes. Included with this STI project is a request for upgraded stop lighting at four locations along the 5/5R, 22, and 14/14R/49 routes to improve safety and rider comfort using pole-mounted solar lights. This project will include installation of new or upgraded Transit Signal Priority hardware and software along all signals for three lane miles along McAllister Street, for over three lane miles along Fillmore, Church,	\$2,363,000

**HCD AHSC 1939 Market St Expenditure Schedule**

		and 16th Streets, and for over three lane miles along Mission Street. Each TSP project provides over two (2.0) consecutive Lane Miles of improvements on McAllister, Fillmore, and Mission Streets.	
PGM #1	Mission Hiring Hall	Mission Hiring Hall will expand workforce development services to disadvantaged residents of San Francisco through construction-focused training and job readiness programs. Services include outreach to residents in disadvantaged census tracts, career assessment, barrier removal support, case management, and placement into union apprenticeships.	\$150,000

PGM #3	San Francisco Community Land Trust	SFCLT will implement an expanded version of its Permanent Affordability Preservation Program, a strategy aligned with Strategy H: Community Land Trust or Land Banking activities. Through this program, SFCLT acquires small, vulnerable multi-unit buildings in the Mission District and surrounding neighborhoods, preventing speculative displacement. The buildings are transitioned to resident ownership under a Limited-Equity Housing Cooperative (LEHC) model, and SFCLT provides technical support, financing access, legal structuring, and long-term stewardship to ensure permanent affordability and resident self-governance.	\$150,000
PGM #4	San Francisco Municipal Transportation Agency	Each of the restricted units will be provided with one (1) free transit pass for three years. Each card or pass will have a minimum value of 40 average commute length rides a month as determined by the transit agency.	\$566,100

**Total: \$12,579,100**

**STANDARD AGREEMENT**

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (if applicable)

STD 213 (Rev. 04/2020)

25-AHSC-18844

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

## CONTRACTING AGENCY NAME

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

## CONTRACTOR'S NAME

Mercy Housing California, City and County of San Francisco

2. The term of this Agreement is:

## START DATE

Upon HCD Approval

## THROUGH END DATE

3. The maximum amount of this Agreement is:

\$12,579,100.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Authority, Purpose and Scope of Work	9
Exhibit B	Budget Detail and Payment Provisions	4
Exhibit D	AHSC Program Terms and Conditions	16
Exhibit E	Project Specific Provisions and Special Terms and Conditions	8

TOTAL NUMBER OF PAGES ATTACHED

37

*Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>*

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

See Attached

CONTRACTOR BUSINESS ADDRESS 1256 Market Street	CITY San Francisco	STATE CA	ZIP 94102
PRINTED NAME OF PERSON SIGNING	TITLE		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

**STATE OF CALIFORNIA**

## CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTING AGENCY ADDRESS 651 Bannon Street	CITY Sacramento	STATE CA	ZIP 95811
PRINTED NAME OF PERSON SIGNING	TITLE Contract Services Section Manager		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		

California Department of General Services Approval (or exemption, if applicable)

Exempt per; SCM Vol. 1 4.04.A.3 (DGS memo dated 06/12/1981)

**EXHIBIT A**AUTHORITY, PURPOSE, AND SCOPE OF WORK1. Authority

This Standard Agreement, STD 213, (hereinafter "Agreement") is the result of the Sponsor's application (the "Application") for funding under the Affordable Housing and Sustainable Communities Program ("Program") pursuant to the following (collectively, the "Program Requirements"):

- A. Part 1 of division 44 of the Public Resources Code (commencing with Section 75200);
- B. The Round 9 Program Guidelines dated February 26, 2025, (the "Guidelines") as may be amended from time to time; and
- C. The Program's Notice of Funding Availability (the "NOFA") issued by the Department of Housing and Community Development (hereinafter the "Department" or "HCD"), dated March 25, 2025.

This Agreement is entered under the authority of, and in furtherance of the purposes of the Program.

The Application and the Project Report dated as of the date specified in provision A.1 of Exhibit E of this Agreement (the "Project Report") including all representations made therein, are hereby incorporated in this Agreement by this reference.

2. Purpose

In accordance with Program Requirements, Sponsor applied to HCD for Program funding for the purpose of assisting in the development, operation, and maintenance of a residential rental Affordable Housing Development on certain real property (the "Property") as identified in the Application. The financial assistance from the Program shall be in the form of a permanent loan (the "Loan") as detailed in the award letter dated as of the date specified in provision A.2 of Exhibit E of this Agreement ("Award Letter") either directly to the Sponsor, or to an approved affiliate of the Sponsor (either of the foregoing entities, in the capacity as borrower of the Loan funds only, the "Borrower"), as owner of the Development evidenced by a promissory note, secured by a deed of trust and subject to a regulatory agreement between the Borrower and the Department. The purpose of the Loan is to ensure that the Development is constructed, owned, managed, maintained and operated in accordance with Program Requirements, and the representations of the Application and Project Report, and to ensure that certain residential units therein shall be occupied by eligible households at

Affordable Housing and Sustainable Communities (AHSC) Program

Round 9 - Loan

NOFA Date: 03/25/2025

Approved Date: 04/04/2025

Prep. Date: **TO BE ADDED**

**EXHIBIT A**

affordable rents as defined in the Guidelines for the full term of the Loan, regardless of sale or transfer of the Property or prepayment of the Loan. To further effect this purpose, if Borrower is an entity other than the Sponsor identified in the Application, HCD may require the Sponsor to enter into a Sponsor Operating and Control Agreement as a condition of closing the Loan. By entering into this Agreement and thereby accepting the award of Program Loan funds, the Sponsor agrees to comply with applicable statutory law, the Guidelines, the NOFA, and this Agreement, and to abide by the representations contained in the Application, and in the Project Report.

**3. Definitions**

Capitalized terms herein shall have the meaning of the definitions set forth in the Guidelines, and in page 1 of this Exhibit A, in addition:

- A. The "Development" refers to the residential rental Affordable Housing Development identified in the Award Letter, described in the Application and meeting the criteria set forth in the Project Report providing the affordable housing units, as described therein, in consideration of the Loan. The Development shall meet all criteria as set forth in the Guidelines.
- B. "Agreement" refers to this Standard Agreement.
- C. "Sponsor" refers to the entity or entities that made the Application to the Department for the Development and identified as "Contractor" on page 1 to this Agreement (STD 213). "Sponsor" also includes any affiliate or assignee of the Sponsor approved by the Department and undertaking all the obligations of the Sponsor hereunder. In the case of joint applicants, "Sponsor" shall refer to each applicant or the approved assignee of such applicant. Each joint applicant shall be jointly and severally liable for all obligations of a Sponsor as set forth herein.
- D. "TCAC" refers to the California Tax Credit Allocation Committee.
- E. Any reference to a specific "Section" or "section" of the Guidelines shall initially refer to that specific numbered section of the Guidelines adopted on and dated February 26, 2025. Notwithstanding, if and when the Strategic Growth Council ("SGC") amends any portion of the Guidelines, all references herein to any such portion of the Guidelines shall be deemed to refer to the updated version of the Guidelines, either in whole or in part, as may be applicable. To the extent that any Guidelines section or sections (Section or Sections) provision is or are amended, and thereafter receive(s) a new Guidelines section number(s), any reference herein to the old Guidelines section(s) number(s) shall be interpreted

Affordable Housing and Sustainable Communities (AHSC) Program

Round 9 - Loan

NOFA Date: 03/25/2025

Approved Date: 04/04/2025

Prep. Date: **TO BE ADDED**

**EXHIBIT A**

to refer instead to the Guidelines section(s) that is (or are) intended to replace the content and substance of the former Guidelines section(s).

- F. "Performance Milestones" refers to the development schedule and/or metrics of progress and performance referenced in Section 6 of Exhibit A.

4. Scope of Work

The Scope of Work ("Work") for this Agreement shall consist of the development and construction by or on behalf of Sponsor of the Development. The Development is to be developed and constructed by the Sponsor, or by a developer on behalf of the Sponsor, as provided in the Application, and must meet the criteria specified in Exhibit E of this Agreement as provision A.3:

Upon completion, the Development must meet or exceed the applicable minimum Net Density as set forth in Section 104(a)(1)(F)(i)-(ii) of the Guidelines. Further, the Sponsor shall take such actions, pay such expenses, and do all things necessary to complete the Development with all the design elements and features described in the Application, and Project Report, in accordance with all Performance Milestones and in compliance with the terms and conditions of this Agreement. All written materials or alterations submitted as addenda to the original Application, and which are approved in writing by a Division of Financial Assistance Operations Manager or higher Departmental official, as appropriate, are hereby incorporated as part of the Agreement. The Department reserves the right to review and approve all Work to be performed by the Sponsor in relation to this Agreement. Any proposed revision of the Work must be submitted in writing for review and approval by the Department. Approval shall not be presumed unless such approval is made by the Department in writing.

5. Evidence of Point Generating Activities

Based on the points awarded to its Application, Sponsor assures the Department of the existence or planned aspects of all point generating activities as detailed in the Application and Project Report. At the request of the Department, Sponsor shall provide further and additional evidence sufficient to demonstrate the existence and/or completion of the items for which the Sponsor's Application received points. Failure to provide such evidence to the reasonable satisfaction of the Department may result in a reevaluation of the Application and the reduction or cancellation of the award, and result in the disencumbrance of Program funds awarded.

**EXHIBIT A**6. Performance Milestones

Sponsor shall inform the Department of any anticipated delays, or changes to the Sponsor's proposed Performance Milestones as set forth in the Project Report no later than the date designated for such completion therein (each a "Milestone Completion Date"). Sponsor may submit a written request for extension of any such Milestone Completion Date. Any such request shall include Sponsor's demonstration of good cause and reasonable assurances that the extension will not adversely affect completion of the project. Approval of any such extension request shall be in the Department's sole discretion; however, such approval shall not be unreasonably withheld.

7. HCD Coordinator

The coordinator of this Agreement for HCD is the Loan Closing AHSC Program Manager for the Affordable Housing and Sustainable Communities, Division of Financial Assistance. Any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the AHSC Program Manager at the following address:

Loan Closing, AHSC Program Manager  
Department of Housing and Community Development  
Division of State Financial Assistance – Loan Closing Branch  
P.O. Box 952054  
Sacramento, California 94252-2054

8. Sponsor Contract Coordinator

The Sponsor's Coordinator for this Agreement is listed in Exhibit E of this Agreement as provision A.4. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class to the contact at the address specified in Exhibit E of this Agreement as provision A.4.

Affordable Housing and Sustainable Communities (AHSC) Program

Round 9 - Loan

NOFA Date: 03/25/2025

Approved Date: 04/04/2025

Prep. Date: **TO BE ADDED**

**EXHIBIT A****AUTHORITY, PURPOSE, AND SCOPE OF WORK****1. Authority & Purpose**

This Standard Agreement, STD 213, (hereinafter "Agreement") is the result of the Recipient's application ("Application") for funding under the Affordable Housing and Sustainable Communities Program ("Program") pursuant to:

- A. Part 1 of Division 44 of the Public Resources Code (commencing with Section 75200);
- B. The Round 9 Program Guidelines dated February 26, 2025, (the "Guidelines"), issued by the State of California, Strategic Growth Council ("SGC") and as may be amended from time to time; and
- C. The Program's Notice of Funding Availability ("NOFA") issued by the Department Housing and Community Development (hereinafter the "Department" or "HCD"), is dated March 25, 2025. References to the NOFA shall include any updates and amendments made thereto.

The Application and the Project Report dated as of the date specified in provision A.1 of Exhibit E of this Agreement (the "Project Report") including all representations made therein, are hereby incorporated in this Agreement by this reference. The Application describes a combination of housing, infrastructure and/or program activities to be delivered as part of a single project designed, inter alia, to reduce greenhouse gas emissions and vehicle miles traveled. The Department is entering into this Agreement to ensure delivery of the infrastructure and/or program activities described in the Application and Project Report.

By entering into this Agreement and thereby accepting the award of Program funds (sometimes referred to in this Agreement as the "Grant") as detailed in the award letter dated as of the date specified in provision A.2 of Exhibit E ("Award Letter"), the Recipient agrees to comply with applicable statutes, Guidelines, the NOFA, and this Agreement, and to abide by the representations made in the Application, Project Report, and the terms and conditions of the Disbursement Agreement, which is more particularly described in Exhibit B, Section 6 of this Agreement.

**2. Definitions**

Capitalized terms herein shall have the meaning of the definitions set forth in the Guidelines, and page 1 of this Exhibit A, in addition:

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“Development” refers to the residential Rental Affordable Housing Development or the Homeownership Affordable Housing Development described in the Application and meeting the criteria set forth in the Project Report providing the affordable housing units, as described therein, in consideration of the award of Program funds. The Development shall meet all the criteria as set forth in the Guidelines.

“Recipient” refers to the entity or entities submitting the Application or to a related entity approved by the Department entering into this Agreement and identified as “Contractor” on page 1 to this Agreement (STD 213). In the case of joint applicants, “Recipient” shall also refer to each applicant or the Department-approved assignee of such applicant. Each entity comprising “Recipient” shall be jointly and severally liable for all obligations of a Recipient as set forth herein.

Any reference to a specific “Section” or “section” of the Guidelines shall initially refer to that specific numbered section of the Guidelines adopted on and dated February 26, 2025. Notwithstanding, if and when SGC amends any portion of the Guidelines, all references herein to any such portion of the Guidelines shall be deemed to refer to the updated version of the Guidelines, either in whole or in part, as may be applicable. To the extent that any Guidelines section or sections (Section or Sections) provision is or are amended, and thereafter receive(s) a new Guidelines section number(s), any reference herein to the old Guidelines section(s) number(s) shall be interpreted to refer instead to the Guidelines section(s) that is (or are) intended to replace the content and substance of the former Guidelines section(s).

“Performance Milestones” refers to the development schedule and/or metrics of progress and performance referenced in Section 5 of this Exhibit A.

### 3. Scope of Work

The Scope of Work (“Work”) for this Agreement shall consist of one or more of the following categories, to be delivered by or on behalf of the Recipient, within the Program Project Area as detailed in provision of A.3 Exhibit E of this Agreement, and the Project Report:

Housing Related Infrastructure (HRI)  
Sustainable Transportation Infrastructure (STI)  
Program Costs (PGM)

The Department, the Recipient and other parties as required by the Department shall enter into a Disbursement Agreement governing among other things the disbursement of Program funds as more particularly described in Exhibit B, Section 6 hereto.

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At the request of the Department, Recipient shall provide further and additional evidence sufficient to demonstrate the existence and/or completion of the items for which the Recipient's Application received points. Failure to provide such evidence to the reasonable satisfaction of the Department may result in a re-evaluation of the Application and the reduction of the amount of the Grants or cancellation of the award or may require repayment of any disbursed Program funds and the disencumbrance of Program funds awarded.

The Development that is identified in the Award Letter and described in the Application, and that is supported by the HRI Work, if any, and which is to be developed and constructed by the Recipient, or other developer on behalf of the Recipient, contains the unit mix set forth in provision A.4 of Exhibit E of this Agreement.

### A. Housing Related Infrastructure

The Scope of Work for this Agreement for Housing-Related Infrastructure ("HRI Work") is as set forth in provision A.5 of Exhibit E of this Agreement. The HRI Work is necessary for the development of the Development. The Recipient is responsible for and shall ensure the completion of the HRI Work and the completion and occupancy of the Development in accordance with the criteria set forth above and in the Project Report. The Department reserves the right to review and approve all HRI Work to be performed by the Recipient, or contracted by the Recipient, in relation to this Agreement. Any revision to the HRI Work shall be submitted in writing for review and approval by the Department and shall require an amendment to this Agreement.

### B. Sustainable Transportation Infrastructure

The Scope of Work for this Agreement for Sustainable Transportation Infrastructure ("STI Work") is as set forth in provision A.6 of Exhibit E of this Agreement. The Recipient is responsible for and shall ensure the completion of the STI Work in accordance with Program requirements, the Application, and the criteria set forth in the Project Report. The Department reserves the right to review and approve all STI Work to be performed by the Recipient in relation to this Agreement. Any revision to the STI Work shall be submitted in writing for review and approval by the Department and shall require an amendment to this Agreement.

### C. Program Costs

The Scope of Work for this Agreement for Program Costs ("PGM Work") is as set forth in provision A.7 of Exhibit E of this Agreement.

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The Recipient is responsible for and shall ensure the completion of the PGM Work associated with the Program Costs in accordance with the criteria set forth above and in the Project Report. The Department reserves the right to review and approve all PGM Work to be performed by the Recipient, or contracted by the Recipient, in relation to this Agreement. Any revision to the PGM Work shall be submitted in writing for review and approval by the Department and shall require an amendment to this Agreement.

### 4. Criteria Applicability

Based on the points awarded to its Application, Recipient assures the Department of the existence of the criteria of Section 111 of the Guidelines as set forth in provision A.8 of Exhibit E of this Agreement.

#### A. GHG Emissions Reductions Estimate

Based on the inputs in the Application, the estimated total MTCO<sub>2e</sub> over the life of the project is detailed in provision A.9 in Exhibit E of this Agreement. Information on this Project's GHG scoring data can be located on SGC's website in a document called Round 9 Data for Public Release.

### 5. Performance Milestones

Sponsor shall inform the Department of any anticipated delays, or changes to the Sponsor's proposed Performance Milestones as set forth in the Project Report no later than the date designated for such completion therein (each a "Milestone Completion Date"). Sponsor may submit a written request for extension of any such Milestone Completion Date. Any such request shall include Sponsor's demonstration of good cause and reasonable assurances that the extension will not adversely affect completion of the project. Approval of any such extension request shall be in the Department's sole discretion; however, such approval shall not be unreasonably withheld.

### 6. HCD Contract Coordinator

The HCD Contract Coordinator of this Agreement for the Department is the Division of State Financial Assistance Loan Closing AHSC Program Manager, or the Manager's designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class to the HCD Contract Coordinator at the following address:

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Loan Closing AHSC Program Manager  
Division of State Financial Assistance - Loan Closing Branch  
Department of Housing and Community Development  
P.O. Box 952054  
Sacramento, California 94252-2054

7. Recipient Contact Coordinator

The Recipient's Contract Coordinator for this Agreement is listed in provision A.10 of Exhibit E of this Agreement.

## EXHIBIT B

### BUDGET DETAIL AND PAYMENT PROVISIONS

#### 1. Project Sources and Uses

The sources and uses ("Sources and Uses") set forth in this Exhibit B contain the cost items for the design, development, and construction of the approved Work. Recipient agrees that any cost overruns or increases resulting in a total cost exceeding that set forth therein shall be the responsibility of Recipient.

#### 2. Contract Amount

A. For the purposes of performing the Work, the Department agrees to provide the Grant in the aggregate amount identified on page 1, number 3 of this Agreement (STD 213) in the form of a grant for the uses identified in the Sources and Uses. In no instance shall the Department be liable for any costs for the Work in excess of this Grant amount, or for any unauthorized or ineligible costs.

- 1) For the purposes of performing the Work related to the HRI, as set forth in provision A.5 of Exhibit E of this Agreement, the Department agrees to provide the amount set forth in provision B.1 of Exhibit E of this Agreement.
- 2) For the purposes of performing the Work related to the STI, as set forth in provision A.6 of Exhibit E of this Agreement, the Department agrees to provide the amount set forth in provision B.2 of Exhibit E of this Agreement.
- 3) For the purposes of performing the Work related to the PGM, as set forth in provision A.7 of Exhibit E of this Agreement, the Department agrees to provide the amount set forth in provision B.3 of Exhibit E of this Agreement.

B. The Department may approve a request from the Recipient to reallocate funds between authorized activities and itemized amounts stated in the budget for the designated grant Work, except where Scoring Criteria, total point scores, or overall ranking of the Project is impacted. Reallocation of funds between authorized activities that impact any of these areas will not be allowed. Changes in aggregate of ten percent or less, of the total Grant amount between activity categories during the term of this Agreement, and expenditures pursuant thereto,

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may be made only after the Department's express written approval, but do not require a written amendment to this Agreement.

### 3. Other Funding Sources

Where the Sources and Uses set forth in this Exhibit B identify funds other than Program funds, those funds shall be expended and applied to Project costs as provided therein. Recipient agrees that it will make best efforts to ensure that the other funds specified in the Sources and Uses are available for disbursement as provided in this Exhibit and approved for the use specified in the Sources and Uses, except to the extent the Sources and Uses may be updated and modified by the Disbursement Agreement described below. The Recipient shall provide evidence and assurance of the commitment and availability of such other sources of funding identified in the Sources and Uses as provided in the Disbursement Agreement. The terms and conditions of all construction financing to be used in conjunction with the Program funds shall be subject to the Department's review and approval.

### 4. Completion Dates

- A. Program funds must be disbursed no later than January 30, 2031.
- B. All un-disbursed funds remaining as of January 30, 2031, shall be disencumbered.
- C. All invoices for payment must be submitted to the Department no later than July 30, 2030.
- D. This Agreement shall expire on March 30, 2046.

### 5. Method of Payment

- A. Payment shall be made as reimbursed progress payments as set forth in the Disbursement Agreement. Recipient shall request payment for Work completed on forms provided by the Department and subject to such documentation as the Department may require.
- B. The Department shall not authorize payments unless it determines that the Program funds shall be expended and disbursed in compliance with the terms and provisions of the Guidelines, the NOFA, this Agreement, and the Disbursement Agreement.

## EXHIBIT B

### 6. Disbursement Agreement

- A. The Recipient, the Department and such other parties as may be reasonably required by the Department, shall enter into a Disbursement Agreement in a form provided by the Department. The Disbursement Agreement shall contain a specific description of the Work, an updated table of Sources and Uses, and the specific terms and conditions for the disbursement of Program funds. In the event of a conflict between this Agreement and the Disbursement Agreement, as determined by the Department, the terms of the Disbursement Agreement, being the later and more specific document, shall govern; provided however, that no resolution of any such conflict shall be contrary to, or result in a waiver or violation of, the Guidelines or the NOFA.
- B. The requirement for a Disbursement Agreement, set forth in this section, may be waived by the Department where, at its sole discretion, it determines that:
- 1) Satisfactory completion of the Work has occurred,
  - 2) Performance of, and compliance with, all the obligations, terms and conditions of this Agreement have occurred, and,
  - 3) Compliance with all applicable statutes, laws, guidelines, and regulations, all have been or will be achieved without the execution of a Disbursement Agreement. The Department may require the submittal by the Recipient of such information, records, documents, certificates, and other material, as it deems necessary to make this determination.
- C. Payee Data Record Form must be filled out by each Recipient receiving Grant funds. All Payee(s) receiving Grant funds are listed in provision B.4 of Exhibit E of this Agreement.

### SOURCES AND USES - HRI PROJECT BUDGET

Sources and Uses for the HRI Work are as set forth in provision B.5 of Exhibit E of this Agreement.

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SOURCES AND USES - STI  
PROJECT BUDGET

Sources and Uses for the STI Work are as set forth in provision B.6 of Exhibit E of this Agreement.

SOURCES AND USES – PGM  
PROJECT BUDGET

Sources and Uses for the PGM Work are as set forth in provision B.7 of Exhibit E of this Agreement.

## EXHIBIT D

### AHSC PROGRAM TERMS AND CONDITIONS

#### GENERAL

1. Effective Date, Commencement of Work and Completion Dates

This Agreement is effective upon approval by all parties and the Department, which is evidenced by the date signed by the Department on page one, Standard Agreement, STD 213 (the "Effective Date"). The Recipient agrees that neither the construction of the Development nor the Work has commenced as of the deadline for submittal of applications set forth in the NOFA. The Recipient agrees that the Work shall be completed as specified in this Agreement, and as set forth in the Project Report, subject to the Agreement expiration date specified on page 1, number 2, of this Agreement (STD 213), and in Exhibit B, unless a written request for an extension is submitted and written approval by the Department is provided at least 90 days prior to the expiration date of the Agreement. Any extension to the expiration date shall require an amendment to this Agreement.

2. Termination

Notwithstanding any other provision of this Agreement, the Department may terminate this Agreement at any time for cause by giving at least 14 days' notice in writing to the Recipient. Cause shall consist of violations by Recipient of any General or Special Terms and Conditions of this Agreement. Upon termination of this Agreement, unless otherwise approved in writing by the Department, any Grant funds received by the Recipient shall be returned to the Department within 14 days of the Notice of Termination. In the event of withdrawal of the Department's expenditure authority, all obligations of the Department to continue funding any amounts, whether for the benefit of Recipient or any other persons, shall fully and immediately cease and terminate, and the Department shall thereafter have no duty or obligation to undertake or perform any act that is not legally required. Department makes no representation or warranty, express or implied, to Recipient or any other persons that all or any portion of the Program Grant Documents described in section 3, below, will be enforceable after the withdrawal of the Department's funding authority.

3. Program Grant Documents

In addition to this Agreement, the Recipient shall execute and enter into a Disbursement Agreement which shall govern the terms, disbursement and use of the Program funds, the Covenant described below, and other additional agreements and documents, as the Department may deem reasonable and necessary to meet the requirements of the

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Program and the terms and conditions of this Agreement. The Department may request, and if requested, the Recipient shall agree to and record a performance deed of trust ensuring the completion of the Work. Said performance deed of trust shall be recorded against the entire legal parcel underlying the object which it ensures is being constructed.

**4. Covenant Regarding the Development**

Prior to the disbursement of Program funds, the Recipient shall enter into a written Covenant Regarding the Affordable Housing Development ("Covenant") with the Department, and including such other parties as the Department may reasonably require, which shall require the development and construction of the Development with, the number of units and the number of bedrooms per unit, the extent and depth of affordability, as set forth in the Project Report and Exhibit A, and other uses and amenities for which points were granted to the Application. The Covenant shall be recorded against the parcel or parcels of real property on which the Development is to be located and shall be binding on all successors, transferees, and assignees acquiring an interest in the Development as follows:

- A. For rental affordable housing developments, the Covenant shall require the continuation of the affordability of the Development for a period of not less than 55 years from the date of the filing of a Notice of Completion for the Development.
- B. For homeownership affordable housing developments, the Covenant shall require the continuation of the affordability for a period of no less than 30 years from the date of a filing of a Notice of Completion for the Development. The affordability will be ensured through a resale restriction.
- C. In addition to the Covenant, the Department may request, and if requested, the Recipient shall agree to and record a performance deed of trust ensuring the completion of the Work. Said performance deed of trust shall be recorded against the entire legal parcel underlying the object which it ensures is being constructed. Alternatively, the Department may require that the Covenant contains a power of sale clause, which may be exercised if the Work is not timely completed, or in the event of an uncured breach of this Agreement.

**5. Site Control**

The Recipient shall ensure that Site Control of the real property associated with the Work is sufficient to meet the requirements of the Program. This shall include, but not

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be limited to, sufficient control to ensure the timely commencement and completion of the Work as determined by the Department. Site control of the real property on which the Work will occur may be evidenced by one of the following:

- A. Fee title;
- B. A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit, prior to grant funding, compliance with all program requirements;
- C. An enforceable option to purchase or lease which shall extend through the anticipated date of the Program award as specified in the NOFA;
- D. An executed disposition and development agreement, right of way, or irrevocable offer of dedication to a Public Agency;
- E. An executed encroachment permit for construction of improvements or facilities within the public right of way or on public land;
- F. An executed agreement with a public agency that gives the applicant exclusive rights to negotiate with the agency for the acquisition of the site, provided that the major terms of the acquisition have been agreed to by all parties; or
- G. A land sales contract or enforceable agreement for acquisition of the property.

The Recipient shall also obtain all licenses, easements and rights-of-way or other interests required for completion of the Work and provide evidence of such instruments prior to the first disbursement of Program funds.

**6. Appraisals**

Recipient shall, at the request of the Department, provide an appraisal of the real property to be acquired as part of the Work, prepared in a form, and by a qualified appraiser, acceptable to the Department.

**7. Relocation Plan**

If there is, or will be any residential or commercial displacement directly or indirectly caused by the Work, as defined in state law, the Recipient shall provide a relocation

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plan conforming to the requirements of state law and the regulations adopted by the Department in California Code of Regulations, Title 25, section 6000 et seq. The

project and/or the development budget shall contain sufficient funds to pay all costs of relocation benefits and assistance as set forth in the relocation plan accepted by the Department. Should a relocation plan not be required, Recipient must provide documentation for Department approval that there are no relocation requirements and execute the Department's certification of no relocation form without amendment.

### 8. Environmental Conditions

The Recipient shall provide to the Department the following:

- A. All Environmental Site Assessment ("ESA") Reports (to include Phase I, II, III, supplemental or update assessments and reports) for the Work, in conformance with ASTM Standard Practice E 1527, evaluating whether the Work is affected by any recognized environmental conditions.
- B. Documentation and/or a certification satisfactory to the Department that all ESA Report recommendations including remediation and/or mitigation work have been completed.
- C. Mitigation requirements required as a result of the Final Environmental Impact Report ("EIR") or Mitigated Negative Declaration if applicable and evidence satisfactory to the Department that all mitigation requirements have been satisfied.

### 9. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

The Recipient agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Work, the Recipient, it's Contractors or Subcontractors, and any Grant activity.

### 10. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.

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B. The Recipient shall notify the Department immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the Development and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

**11. Milestones**

Recipient shall ensure the completion of the Performance Milestones set forth in the Project Report and referenced in Section 5 Exhibit A of this Agreement, and as further set forth in the Disbursement Agreement by the Milestone Completion Dates. Recipient shall timely inform the Department when a milestone is missed or at risk of being missed, provide an update of these timelines, and provide assurances from the Recipient for timely completion of the remaining Milestones. Failure to timely notify the Department shall be considered a default under this Agreement.

**12. Insurance**

The Recipient shall have and maintain in full force and effect forms of insurance, at such levels and for such periods, in accordance with the Disbursement Agreement.

**13. Change of Conditions**

Notwithstanding the Department's obligation to provide payments pursuant to Exhibit B hereof, the Department reserves the right to evaluate the Recipient's need for Program funds based on new information or funding sources associated with the Work. If the Department determines that the Program funds, or a portion thereof, are no longer

necessary to complete the Work, the Department may reduce the amount of the Grant accordingly. In the event the Department determines the Work is no longer financially feasible, any Grant commitment issued by the Department and this Agreement may be terminated.

**14. Obligations of Recipient with Respect to Certain Third-Party Relationships**

The Recipient shall remain fully obligated under the provisions of this Agreement, notwithstanding its designation of any third party or parties for the undertaking of all or any part of the Work with respect to which assistance is being provided under this Agreement. The Recipient shall comply with all lawful requirements of the Department necessary to ensure the completion, occupancy, and use of the Work in accordance with this Agreement.

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15. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the Department to enforce at any time the provisions of this Agreement or to require at any time performance by the Recipient of these provisions shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

16. Identity of Interests

As a condition of disbursement, Recipient shall execute a Certificate of Identity of Interest ("Certificate") listing all relationships constituting an identity of interest with entities providing goods or services in connection with Recipient's performance of the Work. The Certificate shall be in a form provided by the Department. At the Department's request, Recipient shall submit contracts, instruments, documents, correspondence, or other writings relating to Recipient's relationship with entities listed in the Certificate. The existence and nature of such relationships shall be subject to the review and approval of the Department and to the extent necessary to ensure compliance with Program requirements and this Agreement.

### DESIGN REQUIREMENTS

17. Architect

The Recipient shall utilize the services of an architect and/or an engineer to provide professional design and engineering services for the Work. The contract shall require an architect and/or an engineer to supervise the construction work, conduct periodic site visits, prepare periodic inspection reports, verify the validity of the construction contractor's payment requests, prepare or review change orders, and, upon completion of construction, provide the certification described in section 31 of these Program Terms and Conditions. At the request of the Department, Recipient shall submit any and all contracts for these services to the Department for its review and approval.

18. Plans and Specifications and Project Cost Estimates

At the request of the Department, the Recipient shall submit plans and specifications and project cost estimates for the Work to the Department for its review and approval. The Work shall be constructed in substantial compliance with the plans and specifications, subject to any change order(s) accepted by the Department where such acceptance is required.

**EXHIBIT D**19. Reasonable Development Costs

At the request of the Department, the Recipient shall provide evidence acceptable to the Department that the total costs of the Work are reasonable and necessary for the proposed improvements. To verify cost reasonableness, the Department may require qualified third-party verification of cost, evidence of the competitive bidding of major cost components and appraisals.

20. Adaptability and Accessibility

The Work shall comply with all applicable federal, state and local laws regarding adaptability and accessibility for persons with disabilities in the design, construction and rehabilitation of projects.

21. Approval by Public Works Department

Where approval by a local public works department, or its equivalent, is required for the Work, the Recipient must submit, prior to the disbursement of Grant funds, a statement from that department, or other documentation acceptable to the Department, indicating that the Work has been approved by that department.

**CONSTRUCTION REQUIREMENTS**22. Construction Contract

Except for work performed by its own employees, the Recipient shall enter into a written construction contract or contracts ("Construction Contract(s)") with a duly licensed contractor or contractors ("Contractor(s)") for the construction activities of the Work. The Construction Contract(s) shall require, where applicable, prevailing wages be paid in conformance with Labor Code section 1720 et seq. and applicable provisions of this Agreement. The Construction Contract(s) and any amendments thereto shall be subject to the prior approval of the Department.

23. Contractor's Assurance of Completion

The Contractor(s) shall provide security to assure completion of the Work by furnishing the Recipient with Performance and Payment Bonds, or a Letter of Credit, which shall remain in effect during the entire term of the Construction Contract(s), and which shall be in a form and from an issuer which is acceptable to the Department. The Performance Bond shall be in an amount at least equal to 100 percent of the approved construction costs included in the Construction Contract(s) to provide security for the

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faithful performance of the Construction Contract(s) including a warranty period of at least 12 months after completion. The Payment Bond shall be in an amount at least equal to 100 percent of the approved construction costs included in the Construction Contract(s) to provide security for the payment of all persons performing labor on the Work and furnishing materials in connection with the Construction Contract. A Letter of Credit shall be in an amount equal to at least 20 percent of the approved construction costs included in the Construction Contract(s), in the form of an unconditional irrevocable, stand-by letter of credit. The Department shall be named as an additional obligee in the Bonds or an additional beneficiary under the Letter of Credit.

**24. Prevailing Wages**

Pursuant to Section 110 of the Guidelines, Recipient will ensure compliance with State Prevailing Wage Law (Labor Code Sections 1720-1781).

**25. Construction Phase Information**

If requested by the Department, the Recipient shall provide the Department:

- A. Information during the construction period, including but not limited to all change orders and modifications to the construction documents, and all inspection reports of the Work. Upon written notice to Recipient, the Department may require its advance written approval of all future change orders and modifications. Deviations from the plans and specifications which have the effect of reducing the quality, life or utility of a specified item or system must receive the prior written approval of the Department. Should change orders be submitted to the Department for its approval, they shall be deemed accepted if not rejected in writing within 10 business days of receipt by the Department. Recipient shall not authorize or approve any change orders rejected by the Department where the Department's approval is required.
- B. Information during the construction period including but not limited to all change orders and modifications to the construction documents, all inspection reports prepared by the Development architect and other consultants, and information relative to the Development income, expenses, occupancy, relocation benefits and expenses, contracts, operations, and conditions of the Housing Development. Upon written notice to Recipient, the Department may require its advance written approval of all future change orders and modifications. Deviations from the plans and specifications which have the effect of reducing the quality, life or utility of a specified item or system must receive the prior written approval of the Department. Should change orders be submitted to the

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Department for its approval, they shall be deemed accepted if not rejected in writing within 10 business days of receipt by the Department. Recipient shall not authorize or approve any change orders rejected by the Department where the Department's approval is required.

### 26. Signage

- A. Recipient shall place signs on the construction site for the Work stating that the Department is providing financing through the Program in an appropriate location(s), typeface and size containing the message set forth in provision D.1 of Exhibit E of this Agreement.
- B. The sign shall be maintained in a prominent location visible and legible to the public through construction completion. If the job sign includes the acknowledgment and/or logo of one or more other public lenders or grantors, the acknowledgement and logos required by this Section 28 shall also be displayed in a similar size and layout. Copies of the Department, SGC and California Climate Investments ("CCI") logos can be obtained by contacting the HCD Contract Coordinator.
- C. Upon installation of the sign, the Recipient shall submit a digital photograph thereof to the Department. The Recipient will also provide the Department, upon its request, with copies of any photographs that may be taken of the Work by or on behalf of the Recipient or its architect. The Recipient will provide an acceptable written consent and release agreement authorizing use of said photographs, all at no expense to the Department.

## INSPECTION OF GRANT ACTIVITIES

### 27. Site Inspection

The Department reserves the right, upon reasonable notice, to inspect the Work site and any structures or other improvements thereon to determine whether the Work site meets the requirements of Program and this Agreement. If the Department reasonably determines that the site is not acceptable for the proposed Work in accordance with the Guidelines, the Department reserves the right to cancel its funding commitment and this Agreement.

**EXHIBIT D**

28. Work Inspection

- A. The Department and any authorized representative of the Department shall have the right, during construction and thereafter, to enter upon and inspect the construction of the Work to ensure that the construction is being and has been performed in accordance with the applicable Federal, State, and /or local requirements, the Guidelines, and the terms of this Agreement. Such right to inspect shall include, but shall not be limited to, the right to inspect all work done, all materials and equipment used or to be used, and all books and records, including payroll records, maintained in connection with the construction work. Such right of inspection shall be exercised in a reasonable manner.
- B. The Recipient shall be required to correct all circumstances found by such inspections not to conform to the applicable Program requirements, and to withhold payment to the Contractor and/or Subcontractor(s) until action(s) to correct the non-conforming circumstances is/are corrected by the Recipient and approved by the Department.
- C. The Department reserves the right to withhold payment for any costs found not to conform to applicable Program requirements until such actions have been taken to correct the non-conforming circumstances and such corrective actions have been approved by the Department.
- D. The Department shall have no affirmative duty to inspect the Work and shall incur no liability for failing to do so. Once having undertaken any inspection, neither the Department, nor any representative of the Department shall incur any liability for failing to make any such inspection properly, or for failing to complete any such inspection. The fact that such inspection may or may not have occurred shall not relieve the Recipient, the contractor, the construction lender, the architect, the structural engineer, the locality, or anyone else of any obligation to inspect the Work.

29. Audit/Retention and Inspection

- A. The Department, its representatives or employees, or its delegatee shall have the right to review, obtain, and copy all records pertaining to performance of the Agreement. Recipient shall provide the Department or its delegatee with any relevant information requested and shall permit the Department or its delegatee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material. Recipient further agrees to maintain such

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**EXHIBIT D**

- records for a minimum period of four years after final payment under the Agreement unless a longer period of records retention is stipulated.
- B. Payment for any cost which is not authorized by this Agreement, or which cannot be adequately documented, shall be disallowed, and must be reimbursed to the Department or its designee by the Recipient.
  - C. At any time during the term of this Agreement, the Department may perform or cause to be performed a financial audit of any and all phases of the Work. At the Department's request, the Recipient shall provide, at its own expense, a financial audit prepared by a certified public accountant.
  - D. The audit shall be performed by a qualified State, Department, local or independent auditor. The Agreement for audit shall include a clause which permits access by the Department to the independent auditor's working papers.
  - E. If there are audit findings, the Recipient shall submit a detailed response to the Department for each audit finding. The Department will review the response and, if it agrees with the response, the audit process ends, and the Department will notify the Recipient in writing. If the Department is not in agreement, the Recipient will be contacted in writing and will be informed as to the corrective actions required to cure any audit deficiencies. This action could include the repayment of disallowed costs or other remediation.
  - F. If so, directed by the Department upon termination of this Agreement, the Recipient shall cause all records, accounts, documentation and all other materials relevant to this Agreement to be delivered to the Department as depository.

**COMPLETION OF CONSTRUCTION****30. Relocation Plan Implementation Report**

The Recipient shall provide a report, in a form acceptable to the Department, summarizing the actions taken and identifying all recipients of relocation assistance and benefits, and the amounts paid, and benefits provided, to or on behalf of each recipient.

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**EXHIBIT D**31. Architect Certification

Where required by the Department, the Recipient shall cause the Work architect(s) or other appropriate professional to certify to the Department, in form acceptable to the Department, that all construction is completed in accordance with the "as-built" Plans and Specifications and in compliance with all applicable federal, state, and local laws relating to disabled accessibility.

32. Cost Certification

At the request of the Department, the Recipient shall submit a Work cost certification that shall have been audited by an independent certified public accountant in accordance with the requirements of the Department and the California Tax Credit Allocation Committee, if applicable. The Recipient (and the developer or builder if there is an identity of interest with the Recipient) shall keep and maintain records of all construction costs not representing work done under the construction contract and to make such records available for review by the Department.

33. Recorded Notice of Completion

The Recipient shall provide to the Department a certified copy of any Notice of Completion for the Development recorded in the county in which the Development is located.

34. "As-Built" Plans and Specifications

Upon completion, at the request of the Department, the Recipient shall submit "as-built" plans and specifications for the Work and Development acceptable to the Department.

**AFFORDABLE HOUSING DEVELOPMENT REQUIREMENTS**35. Confirmation of Permitted Housing Units

Conditions precedent to the first disbursement of Program funds shall include receipt of all required public agency entitlements and all required funding commitments for the Development. The housing units to be developed in the Development must be completed, as evidenced by receipt of a certificate of occupancy, within the time period established in the disbursement deadline.

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## EXHIBIT D

### REPORTING REQUIREMENTS

36. Reports on California Climate Investments

Upon Department's request, Recipient shall provide to the Department any and all necessary data that it is legally and factually able to provide that is required to be reported pursuant to the most recently adopted Funding Guidelines for California Climate Investments published by the California Air Resources Board.

37. Reports on Work

Recipient shall submit, upon request of the Department, a periodic performance report regarding the construction or implementation of the Work. The reports will be filed on forms provided by the Department.

38. Reports on Affordable Housing Development

Recipient shall submit to the Department periodic reports, as required by the Department, but not less than annually, describing the development, construction and

occupancy of the Development and the housing designated in the Application. The report shall include, but not limited to, information regarding unit affordability and

occupancy, construction, and permanent financing evidenced by commitment letters, and a construction and completion schedule demonstrating compliance with this Agreement and the Guidelines. The reports will be filed on forms provided by the Department.

39. Updated Information

Recipient shall provide the Department updated documentation for any substantial change in the information previously provided relating to the Work and the conditions described above.

40. Monitoring Requirements

The Department may perform program compliance and/or fiscal monitoring of the Grant. The Recipient agrees to cooperate with any such monitoring and provide reasonable access to all Work files, records, documents and other information to employees or representatives of the Department. The Recipient shall resolve any monitoring findings to the Department's satisfaction by the deadlines set by the Department.

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## EXHIBIT D

### REPAYMENT OF GRANT FUNDS

#### 41. Breach of this Agreement

In the event of a breach or violation by the Recipient of any of the provisions of this Agreement, including without limitation, the times for commencement and completion of the construction of the Development and the housing designated in the Application as set forth in this Agreement, the Department may give written notice to the Recipient to cure the breach or violation within a period of not less than 30 days. If the breach or violation is not cured to the satisfaction of the Department within the specified time, the Department, at its option, may declare a default of the Agreement and may seek remedies for the default, including the following:

- A. The Department may terminate this Agreement and demand repayment of the Program funds to the extent that Program funds have been disbursed to pay for eligible cost of work which remains unperformed or uncompleted. Recipient shall be liable for all costs to complete all such uncompleted or unperformed work.
- B. The Department may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the Work in accordance with Program requirements.
- C. The Department may seek such other remedies as may be available under this Agreement or any law or in equity.
- D. This Agreement may be canceled by the Department under any of the following conditions:
  - 1) An uncured breach or violation by Recipient of this Agreement or the Disbursement Agreement;
  - 2) The objectives and requirements of the Program cannot be met by continuing the commitment or this Agreement;
  - 3) Construction of the Work or Development cannot proceed in a timely fashion in accordance with the Performance Milestones referenced in Exhibit A of this Agreement; and,
  - 4) Funding or disbursement conditions have not been or cannot be fulfilled within required time periods.

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**EXHIBIT D**42. AHSC Cross-Default Provision

- A. This award was based on the total points awarded the Recipient's Application, during a highly competitive process. The Application proposed an integrated combination of some or all of the following Project components:

Affordable Housing Development (AHD);  
Housing-Related Infrastructure (HRI);  
Sustainable Transportation Infrastructure (STI);  
Program (PGM)

The Application's point score was based, in part, on the Project's total projected reduction of greenhouse gas (GHG) emissions. The Project components (AHD, HRI, STI, and PGM) that were proposed in the Application and approved by the Department must be completed in order to achieve this projected reduction of GHG emissions.

- B. By executing this Agreement, the Recipient acknowledges and agrees, that in the event the AHD component is not timely completed pursuant to Program requirements, that the Recipient will no longer qualify for the Grant award. In that event, all disbursements of Grant funds will cease, and the Recipient will be responsible for repayment of all disbursed Grant funds.
- C. The Department recognizes that the Recipient may enter into a separate side agreement to address each individual Recipient entity's responsibilities with respect to each other and with regard to the Program funds disbursed as grants and loans provided, however, in no event shall any such agreement alter or amend the respective obligations of the Recipients to the Department under the applicable Program Grant Documents or the instruments and agreements executed in connection with any loan of Program funds ("Program Loan"), including the joint and several nature thereof.

43. Departmental Cross-Default Provision

In the event the Project or Development is or has been awarded any other Departmental grant or loan funding in addition to the Program Loan and Program Grant contemplated by the Award Letter from the Department to Recipient (each such funding, including the Program Loan and Program Grant referenced in the Award Letter, being a "Departmental Funding"), then each Departmental Funding will be cross-defaulted to the other Departmental Funding so that:

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- A. the compliance by the obligated party(ies) under the Department's documentation relating to one Departmental Funding shall be a condition precedent to the funding and disbursement of the funds to be provided under all of the other Departmental Fundings; and
- B. a default under one Departmental Funding shall constitute a default under all of the other Departmental Fundings.

The loan and grant documentation for each Departmental Funding shall reflect the cross-defaulted nature of all such fundings.

**44. Departmental Policies**

- a. The Department retains the right and discretion to disencumber awards where awardees have failed to make sufficient progress in meeting applicable milestones and deadlines subject to Administrative Notice 2022-02 dated March 30, 2022 ("Notice 2022-02"), and any future amendments. Such determination will be on a case-by-case basis and may use the enumerated criteria set forth in Notice 2022-02 when making such decisions. The disencumbrance policy is applicable to HCD state funded multifamily housing programs. For awards made prior to July 1, 2022, the 24-month period shall begin on July 1, 2022. For awards made on or after July 1, 2022, the 24-month period will begin as of the date of the initial program funding awarded to the project, unless changed by amendment to Notice 2022-02.
- b. The Department will assess Negative Points, as applicable, to Recipient subject to Administrative Notice 2022-01, dated March 31, 2022 ("Notice 2022-01"), and any future amendments. The Negative Points policy is applicable to all HCD state and federal funding programs – loans and grants, administered by HCD's Divisions of State and Federal Financial Assistance. Negative points will be calculated based on the criteria outlined in Notice 2022-01 and will be applicable to all Notices of Funding Availability issued on or after the original date of Notice 2022-01 for the previous 5-year period, except when noted or amended. Such determination will be on a case-by-case basis and may use the enumerated criteria set forth in Notice 2022-01 when making such decisions. In addition, the Department reserves the right, in its sole discretion, to revoke an entity's eligible Sponsor/Applicant/Recipient status at any time based on documented serious issues with the operation, maintenance or implementation of project or program funds.

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**EXHIBIT E****PROJECT-SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS****1. Project-Specific Provisions**

The following are project-specific terms and conditions (and shall inform the references made to project-specific information not contained in prior exhibits).

Provision A.1 (As Referenced in Exhibit A, section 1)

The Project Report is dated [DATE].

Provision A.2 (As Referenced in Exhibit A, section1)

The Award Letter is dated [DATE]

Provision A.3 (As Referenced in Exhibit A, section 3)

The Scope of Work ("Work") for this Agreement shall consist of one or more of the following categories, by or on behalf of the Recipient, within the Program Project Area:

Included ("x")	Grant Award Categories
	Housing Related Infrastructure (HRI)
	Sustainable Transportation Infrastructure (STI)
	Program Costs (PGM)

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**EXHIBIT E**

Provision A.4 (As Referenced in Exhibit A, section 3)

The Development that is identified in the Award Letter and described in the Application, and that is supported by the HRI Work, if any, and which is to be developed and constructed by the Recipient, or other developer on behalf of the Recipient, contains the following unit mix:

Street Address, City, State County APN(s)		Insert Project Name		
Enter the number of units by bedroom size and income level.				
# of Bedrooms	# of Project Units	AHSC Assisted Units*	Income Limit (Percent of AMI)	TOTAL RESTRICTED UNITS**
<b>Total Project Units</b>	0	0		0

\*Program Assisted Units must equal at least 20 percent of the total residential units as Affordable Units with an overall Project average affordability of all Restricted Units within the Project no greater than 50 percent represented by Area Median Income (AMI)

\*\*Total Restricted units include all units restricted by the Program and TCAC. The Program Award amount was calculated based on the number of Total Restricted Units.

## EXHIBIT E

\*\*\*The HRI Grant amount, if any, was calculated based on the number of Total Restricted Units.

Provision A.5 (As Referenced in Exhibit A, section 3A)

### Housing Related Infrastructure

The HRI Work shall consist of the following:

**INSERT DESCRIPTION OF HRI - BE SURE TO DELETE NON-CONTRACTUAL LANGUAGE**

Provision A.6 (As Referenced in Exhibit A, section 3B)

### Sustainable Transportation Infrastructure

The STI Work shall consist of the following:

**INSERT DESCRIPTION OF STI- BE SURE TO DELETE NON-CONTRACTUAL LANGUAGE**

Provision A.7 (As Referenced in Exhibit A, section 3C)

### Program Costs

The PGM Work shall consist of the following:

**INSERT DESCRIPTION OF PGM- BE SURE TO DELETE NON-CONTRACTUAL LANGUAGE**

Provision A.8 (As Referenced in Exhibit A, section 4)

**EXHIBIT E**Criteria Applicability

Based on the points awarded to its Application, Recipient assures the Department of the existence of the following criteria of Section 111 in the Guidelines

AHSC Round 9 Guidelines, Section 111 Reference	Application Score
(a) Transit and Shared Mobility GHG (5 points)	
(b) Project Area GHG (10 points)	
(c) GHG Efficiency (15 points)	
(d) Sustainable Transportation Infrastructure (20 points)	
(e) Location Efficiency and Local Context (13 points)	
(f) Housing Affordability & Funds Committed (9 points)	
(g) Anti-Displacement Activities (4 points)	
(h) Local Workforce Development and Hiring Practices (4 points)	
(i) Climate Adaptation & Community Resiliency (7 points)	
(j) Community Benefit & Engagement (6 points)	
(k) Collaboration & Planning (4 points)	
(l) Equity & Transformation (3 points)	
<b>TOTAL</b>	

Provision A.9 (As Referenced in Exhibit A, section 4A)

GHG Emissions Reductions Estimate

Based on the inputs in the Application, the estimated total MTCO<sub>2e</sub> over the life of the project is [XXX]. This information can be found on the SGC's website in a document titled Round 9 Data for Public Release

Provision A.10 (As Referenced in Exhibit A, section 7)

Recipient Contact Coordinator

The Recipient's Contract Coordinator for this Agreement is listed below. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class to the contact at the following address:

**EXHIBIT E**

Recipient:	INSERT CONTACT INFO HERE
Authorized Representative Name:	INSERT CONTACT INFO HERE
Authorized Representative Title:	INSERT CONTACT INFO HERE
Address:	INSERT CONTACT INFO HERE
Phone No.:	INSERT CONTACT INFO HERE
Email:	INSERT CONTACT INFO HERE

Recipient:	INSERT CONTACT INFO HERE
Authorized Representative Name:	INSERT CONTACT INFO HERE
Authorized Representative Title:	INSERT CONTACT INFO HERE
Address:	INSERT CONTACT INFO HERE
Phone No.:	INSERT CONTACT INFO HERE
Email:	INSERT CONTACT INFO HERE

Provision B.1 (As Referenced in Exhibit B, section 2(A)(1))

For the purposes of performing the HRI Work, as set forth in provision A.5 of this Exhibit E, the Department agrees to provide [REDACTED].

Provision B.2 (As Referenced in Exhibit B, section 2(A)(2))

For the purposes of performing the STI Work, as set forth in provision A.6 of this Exhibit E, the Department agrees to provide [REDACTED].

**EXHIBIT E**

Provision B.3 (As Referenced in Exhibit B, section 2(A)(3))

For the purposes of performing the PGM Work, as set forth in provision A.7 of this Exhibit E, the Department agrees to provide [REDACTED].

Provision B.4 (As Referenced in Exhibit B, section 5)

All payees receiving Grant funds are listed below:

Payee Name	Activity	Award Amount

LIST OUT EACH ACTIVITY AND PAYEE IN WHITE ROWS, IF NO HRI ACTIVITY DELETTE BOTTOM GRAY AND WHITE ROW

Provision B.5 (As Referenced in Exhibit B, section 6C)

SOURCES AND USES - HRI  
PROJECT BUDGET

INFRASTRUCTURE DEVELOPMENT BUDGET AND SOURCES				
PROJECT NAME			RECIPIENT(S) or N/A	
ESTIMATED HRI CAPITAL IMPROVEMENT PROJECT COSTS			DEVELOPMENT COSTS BY FUNDING SOURCE	
DEVELOPMENT COSTS				
COST CATEGORY		TOTAL AMOUNT	AHSC GRANT PROGRAM	SUM OF ALL OTHER FUNDING

**EXHIBIT E**

Total Project Hard Costs		\$	\$	\$
Total Soft Costs		\$	\$	\$
<b>TOTAL PROJECT COSTS</b>		\$	\$	\$

Provision B.6 (As Referenced in Exhibit B, section 6C)

SOURCES AND USES - STI  
PROJECT BUDGET

INFRASTRUCTURE DEVELOPMENT BUDGET AND SOURCES				
PROJECT NAME			RECIPIENT(S)	
ESTIMATED STI CAPITAL IMPROVEMENT PROJECT COSTS			DEVELOPMENT COSTS BY FUNDING SOURCE	
DEVELOPMENT COSTS				
COST CATEGORY		TOTAL AMOUNT	AHSC GRANT PROGRAM	SUM OF ALL OTHER FUNDING
Total Project Hard Costs		\$	\$	\$
Total Soft Costs		\$	\$	\$
<b>TOTAL PROJECT COSTS</b>		\$	\$	\$

**EXHIBIT E**

Provision B.7 (As Referenced in Exhibit B, section 6C)

SOURCES AND USES – PGM  
PROJECT BUDGET

PROGRAM(S) BUDGET AND SOURCES				
PROJECT NAME			RECIPIENT(S)	
ESTIMATED PROGRAM COSTS			DEVELOPMENT COSTS BY FUNDING SOURCE	
DEVELOPMENT COSTS				
COST CATEGORY		TOTAL AMOUNT	AHSC GRANT PROGRAM	SUM OF ALL OTHER FUNDING
Total Cost and Other Project Related Costs		\$	\$	\$
<b>TOTAL PROGRAM COSTS</b>		\$	\$	\$

Provision D.1 (As Referenced in Exhibit D, section 26)

[INSERT WORK PROJECT/ DEVELOPMENT NAME]

THIS PROJECT HAS BEEN MADE POSSIBLE  
BY FINANCING FROM

CALIFORNIA CLIMATE INVESTMENTS  
(Funded through the GREENHOUSE GAS REDUCTION FUND)  
AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM  
THROUGH THE  
STRATEGIC GROWTH COUNCIL AND  
THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

1. Special Conditions

Affordable Housing and Sustainable Communities (AHSC) Program

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Approved Date: 04/04/2025

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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
**DIVISION OF STATE FINANCIAL ASSISTANCE**

651 BANNON STREET, SUITE 400, SACRAMENTO, CA 95811  
 P. O. BOX 952054, SACRAMENTO, CA 94252-2054  
 (916) 263-2771  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



December 10, 2025

Ramie Dare, Vice President Mercy  
 Housing California  
 1256 Market Street  
 San Francisco, CA 94102

Daniel Adams, Director  
 City and County of San Francisco  
 1 South Van Ness, 5th Floor San  
 Francisco, CA 94172

Dear Ramie Dare and Daniel Adams:

**RE: Conditional Award Commitment and Acceptance of Terms and Conditions  
 Affordable Housing and Sustainable Communities (AHSC), Round 9, Notice of  
 Funding Availability (NOFA), Fiscal Year 2025/2026  
 Mercy Housing California and City and County of San Francisco – 1939 Market  
 Contract No. 25-AHSC-18843 and 25-AHSC-18844**

The California Department of Housing and Community Development (“**Department**” or “**HCD**”) and the Strategic Growth Council (“**SGC**”) issued the AHSC Round 9, NOFA on March 25, 2025. The Department is pleased to inform you of this Conditional Award to Mercy Housing California and the City and County of San Francisco (“**Awardees**”). This Conditional Award is a loan and grant in the amount of \$47,579,100 (the “**Conditional Award**”) for the above-referenced project (the “**Project**”) and includes the following:

<b>AHSC Program Award Components</b>	<b>Award Amount</b>	<b>Contract Number</b>
AHSC Program Loan Award	\$35,000,000	<b>25-AHSC-18843</b>
AHSC Program Grant Award	\$12,579,100	<b>25-AHSC-18844</b>

The Conditional Award is based on and subject to the Applicant Representations and the Terms and Conditions of Conditional Award, both as further specified and described in this notice of the Conditional Award (the “**Conditional Award Commitment**”). This Conditional Award may only be accepted by timely delivery of a fully executed Acceptance of Terms and Conditions of Conditional Award form to the Department (an executed copy of this form is enclosed herein).

**I. Applicant Representations – Basis of Conditional Award**

In response to the above-mentioned NOFA, the Awardee(s) submitted an application for financing and grant funding of the Project (application, and all communications and documentation submitted to the Department in support thereof, the “**Application**”).

The Department and SGC are making this Conditional Award to the Awardee(s) on the basis of, and in reliance upon, the representations, warranties, projections, and descriptions that the Awardee(s) submitted as part of the Application (the “**Applicant Representations**”).

The Department and SGC may rescind this Conditional Award if the Department discovers, at any time prior to disbursement of the Conditional Award, that the Applicant Representations included material misrepresentations or omissions, regardless of whether or not such misrepresentations or omissions were innocent, unintentional, and/or based upon belief.

## **II. Terms and Conditions of Conditional Award**

TIME IS OF THE ESSENCE IN THE SATISFACTION OF THESE TERMS AND CONDITIONS OF CONDITIONAL AWARD.

The Department may rescind this Conditional Award if any of the terms and conditions enumerated in this Section II (the “**Terms and Conditions of Conditional Award**”) are not timely satisfied. The Terms and Conditions of this Conditional Award and their corresponding timelines are described below.

If the Terms and Conditions of this Conditional Award are timely satisfied, the Department will (i) promptly provide a written notification to the Awardee(s) via electronic mail; and (ii) circulate an executed copy of an STD 213, Standard Agreement, for all appropriate signatures and approvals in accordance with the timeline specified in Section III of this Conditional Award Commitment.

All timelines shall be calculated in calendar days. Any deadline falling on a weekend or State of California holiday shall be extended to the next business day.

### **A. Timely Execution of Acceptance of Terms and Conditions of Conditional Award Form**

The Awardee(s) shall execute and deliver a copy of the enclosed Acceptance of Terms and Conditions of Conditional Award to the Department within ten (10) calendar days of the date of this Conditional Award Commitment. The Department will deem this condition to be unsatisfied if it receives an executed Acceptance of Terms and Conditions of Conditional Award that has been substantively modified, altered, or amended in any way. The signed Acceptance of Terms and Conditions of Conditional Award form must be submitted to [AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov).

### **B. Timely Delivery of Authorization and Organizational Documents.**

If not provided at the time of application, the Awardee(s) shall deliver to the Department, within sixty (60) calendar days of the date upon this Conditional Award

Commitment, a legally sufficient set of Authorization and Organizational Documents, as further described and specified below. Specifically, the Awardee(s) shall deliver a duly adopted authorizing resolution, as well as a complete and duly filed or adopted set of organizational documents and all amendments (the “**Authorization and Organizational Documents**”), for each of the following entities as applicable:

- each Awardee entity; the ultimate borrower of the Conditional Award funds (the “**Borrower**”); and,
- each separate legal entity that is part of the Awardee’s or Borrower’s organizational structure.

Each entity’s resolution must constitute, to the Department’s reasonable satisfaction, an unconditional, duly adopted, and legally binding authorization of the entity to accept the total amount of these Conditional Award funds, to fully participate in the relevant Department program, and to be legally bound by the requirements of the Department program. The Department may agree to an extension of fifteen (15) calendar days based on the Awardee’s demonstration of necessity.

**Note:** Public Agencies, as defined in the above-mentioned NOFA and/or Final Program Guidelines, are not required to submit a complete and duly filed or adopted set of organizational documents and amendments. Both the Conditional Award and this Conditional Award Commitment are subject to Health and Safety Code section 50406, subdivision (p), as subsequently amended (“**AB 1010**”).

The Department has posted resolution templates on its website as informational guidance. Please note that use of the resolution templates is not compulsory. However, use of the provided templates will assist in the timely review and approval of the Standard Agreement. While entities may choose to use modified language in their resolutions, Awardees should be aware that this may delay preparation of the Standard Agreement or, if deemed insufficient, may result in the need to submit a revised resolution.

At any point prior to disbursement, the Department may also require the Awardee(s) to resubmit Authorization and Organizational Documents if the original submittals were determined to be inaccurate or incomplete.

### **III. Delivery of Standard Agreement**

In an effort to be responsive to each Awardee’s closing needs and to ensure timely commitment of funds, the Department commits to delivering an executed copy of the Standard Agreement relative to this Conditional Award within ninety (90) calendar days of receiving all required documents, including all legally sufficient Authorization and Organizational Documents, in connection with this Project and as applicable.

Please be advised that the form of the Standard Agreement, Exhibits A through D, are posted on the [Department's website](#) and will not be circulated for public comment or otherwise subject to change or negotiation except as may be required to achieve compatibility with the requirements of other governmental programs and third-party lenders.

Your contract is assigned to a Single Point of Contact (SPOC), Johnston Duckett, Housing & Community Development Representative II, Climate Change Branch at (916) 347-6674 or [Johnston.Duckett@hcd.ca.gov](mailto:Johnston.Duckett@hcd.ca.gov), which will serve as your contact for any and all inquiries related to the development and execution of the Standard Agreement. If this project has previously received funding from HCD, this new award will be referred to the same SPOC as your previous award so as to minimize the points of contact from within HCD. You will receive an email from your SPOC within 48 hours of receipt of your signed Acceptance of Terms and Conditions of Conditional Award.

Among the responsibilities of the SPOC will be to maintain contact throughout the next several months as you work to secure all necessary funding sources to begin construction. Your SPOC will be reaching out to you on a monthly basis to inquire on status and progress. In the meantime, should you have any changes to the status or make up of your project we ask that you communicate these changes as soon as possible to your assigned SPOC.

#### **IV. Deadline to Secure Permanent Financing**

Please note, that the Awardee must secure all permanent financing, including tax credits and bond allocations, within 24 months of the date of the first Department funding award to the Project, consistent with the Department's Disencumbrance Policy ([Administrative Notice Number 2022-02: Disencumbrance Policy](#)). Sponsors must demonstrate that all permanent financing is in place allowing the project to commence construction. Failure to meet this requirement shall result in the withdrawal or recapture of this Conditional Award and any other prior or subsequent funds awarded to the Project.

Congratulations on your successful Application. For further information, please contact your SPOC as outlined in Section III above.

Sincerely,



Jennifer Seeger  
Deputy Director  
Division of State Financial Assistance

Enclosure: Acceptance of Terms and Conditions of Conditional Award form

**California Department of Housing and Community Development**

**Affordable Housing and Sustainable Communities  
Acceptance of Terms and Conditions of Conditional Award**

Mercy Housing California and City and County of San Francisco (“**Awardees**”)  
1939 Market (“**Project**”)

Affordable Housing and Sustainable Communities award totaling \$47,579,100 (“**Conditional Award**”), as detailed below:

<b>AHSC Program Award Components</b>	<b>Award Amount</b>	<b>Contract Number</b>
Loan Award	\$35,000,000	<b>25-AHSC-18843</b>
Grant Award	\$12,579,100	<b>25-AHSC-18844</b>
HRI component		
STI component	\$11,713,000	
PGM component	\$866,100	

By signing this Acceptance of Terms and Conditions of Conditional Award, the Awardee acknowledges having read and fully understood the terms and conditions of the Conditional Award Commitment, dated December 10, 2025, in connection with the Project.

In addition, the Awardee acknowledges having read and fully understood all of the Department’s requirements relative to the Conditional Award, including the requirements set forth in Administrative Notice Number 2022-22: Disencumbrance Policy, and the Awardee agrees to abide by and comply with those requirements.

In addition, the Awardee(s) must acknowledge that they have reviewed and verified the accuracy of the final project report prepared by the Department no later than seven business days of receipt.

**Project Specific Award Conditions:**

1. The Standard Agreement Exhibits A, B, D, and E are posted on the [Department’s AHSC Program website](#) and will not be circulated for public comment or otherwise subject to change or negotiation.

Initials: Mercy Housing California: \_\_\_\_\_ City and County of San Francisco: \_\_\_\_\_

2. To facilitate timely processing of Standard Agreements, a condition of the award will be the delivery of a duly adopted and legally sufficient authorizing resolution and any duly filed or adopted organizational documents not included in the application, within 60 calendar days of the Department’s issuance of the conditional award letter, but no later than February 9, 2026. Failure to provide documentation may result in the assessment of negative points pursuant to the Departments Negative Points policy dated March 30, 2022, as amended, Section 102 (b) (1 & 2).

Initials: Mercy Housing California: \_\_\_\_\_ City and County of San Francisco: \_\_\_\_\_

3. The Awardee(s) shall remain a party to the Standard Agreement for the entire term of the Standard Agreement; removal of the awardee(s) without the Department’s prior written consent is prohibited and will result in a default.

Initials: Mercy Housing California: \_\_\_\_\_ City and County of San Francisco: \_\_\_\_\_

\_\_\_\_\_  
Ramie Dare, Vice President  
Mercy Housing California

\_\_\_\_\_  
Date

\_\_\_\_\_  
Daniel Adams, Director  
Mayor's Office of Housing and Community Development  
City and County of San Francisco

\_\_\_\_\_  
Date

**\*\* For HCD Use Only \*\***

Authorized Representatives Verified

All Parties Signed

Date Received: \_\_\_\_\_

HCD Acknowledgment

\_\_\_\_\_  
[Name, Position]



# 1939 MARKET ST

BUDGET AND FINANCE  
COMMITTEE

March 11, 2026

MATT GRAVES, SENIOR PROJECT  
MANAGER

MAYOR'S OFFICE OF HOUSING AND  
COMMUNITY DEVELOPMENT

## 1939 MARKET STBUDGET AND FINANCE COMMITTEE AGENDA ITEM

File #260183:

1. Request to execute the Standard Agreements with the California Department of Housing Community Development (HCD) under the Affordable Housing and Sustainable Communities Program (AHSC) for a total of \$47,579,100

\$35,000,000 - loan to Mercy Housing and MOHCD for housing construction,

\$12,579,100 - grant to various City agencies for public transit and social programming

\$47,579,100 – Total award

2. Request for authorization for MOHCD to accept the \$12,579,100 grant and expend the funds to SFMTA,

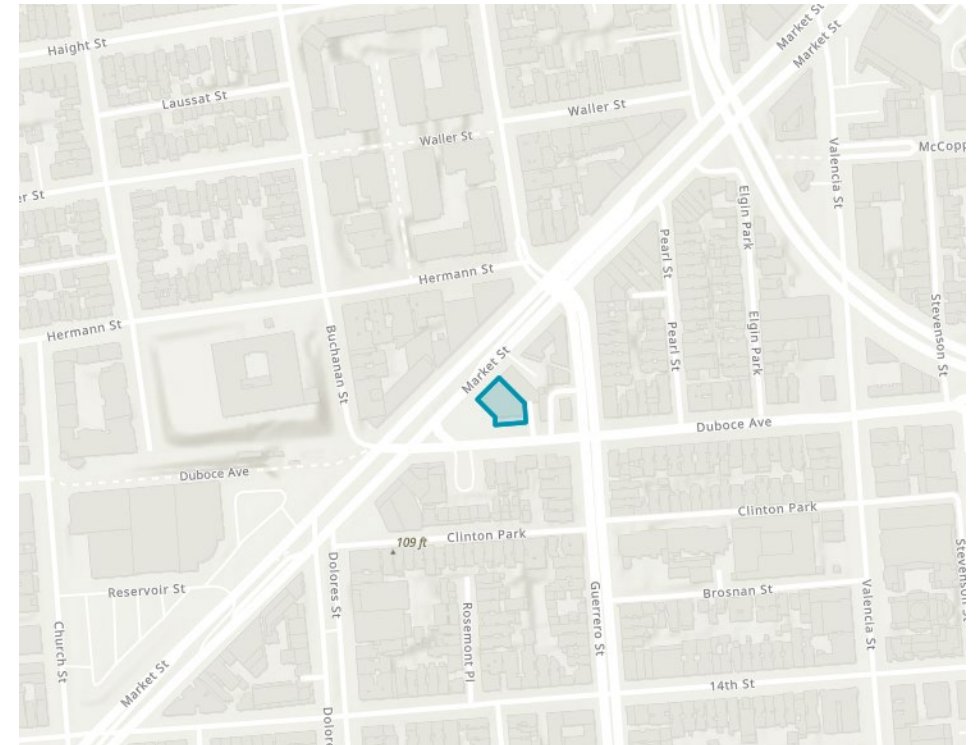


## PROPOSED PROJECT

- 185 affordable units
  - 106 studio units
  - 79 one-bedroom units
- Target Populations
  - 75 SOS units for Senior households
  - 55 VASH units for Veterans
  - 40 LO SP units for Homeless senior households
  - 9 PLUS units providing HIV+ services
  - Open House as service provider
- AMIs from 30% to 60% MOHCD AMI
  - \$32,750 - \$65,450 annual income for 1 person
- Commercial Space
  - 1,640 square foot ground floor: office and service space for therapy and social services

# PROJECT HISTORY – 1939 MARKET

- **2020** – City acquired the land at 1939 Market Street. The building’s three tenants re-signed leases and voluntarily waived relocation benefits.
- **2021** – Mercy Housing selected as Sponsor under MOHCD’s Multisite Request for Qualifications (RFQ)
- **2022** – Application to Planning for entitlements under SB-35. Approved by Planning on May 31, 2023.
- **2023** – Mercy applied for MHP, was denied due to scoring
- **2024** – Mercy applied for AHSC funding, was denied due to scoring
- **2025** – Mercy applied for AHSC in March ‘25 and was awarded in December ‘25



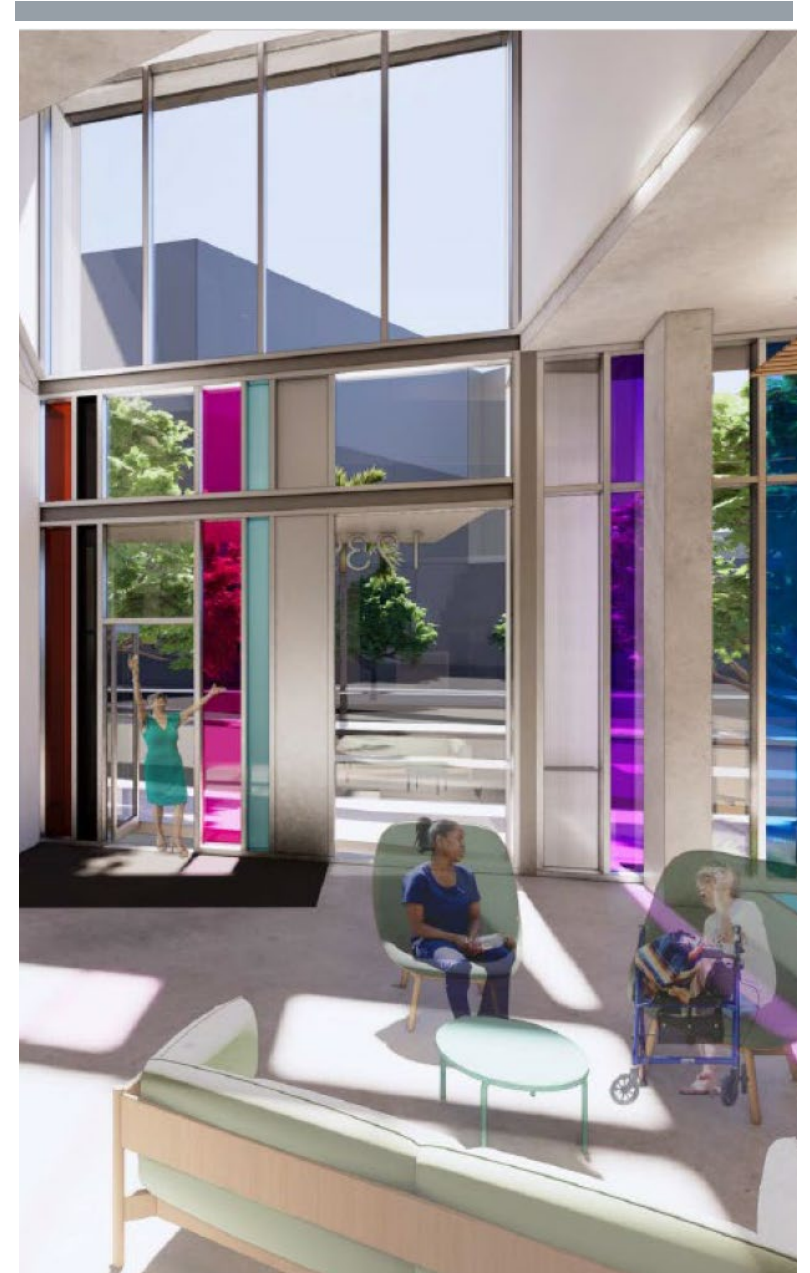
## PERMANENT FINANCING

### Total Development Costs

• 4% tax credit equity/bonds	\$76.1M
• MOHCD Loan	\$52.3M
• AHSC Housing Loan	\$35.0M
• GP Equity/Deferred Dev Fee	\$5.0M
• Permanent Loan	\$2.1M
• Accrued Interest	\$1.8M

### Timeline

• TCAC/CDLAC Application Deadline:	May 2026
• TCAC/CDLAC Award:	Aug 2026
• BOS approval of Ground Lease and Loan Agreement	Dec 2026
• Construction Start:	Feb 2027
• Construction End:	Feb 2029
• Marketing & Leasing :	July 2028



# AHSC Transportation Grant

## Right of Way Improvements (Blue)

- 11<sup>th</sup> St (Market St to Bryant St)

\$8,000,000

## Sensitive Bikeway Improvements (Orange)

- 8<sup>th</sup> St – Stevenson St to Mission
- 13<sup>th</sup> St – 11<sup>th</sup> St to Bernice St
- Polk St – McAllister St to Pine St

\$1,350,000

## Rapid Bus Transit Improvements (Red)

- 9 station improvements, enhanced traffic signals, safety enhancements

\$2,363,000

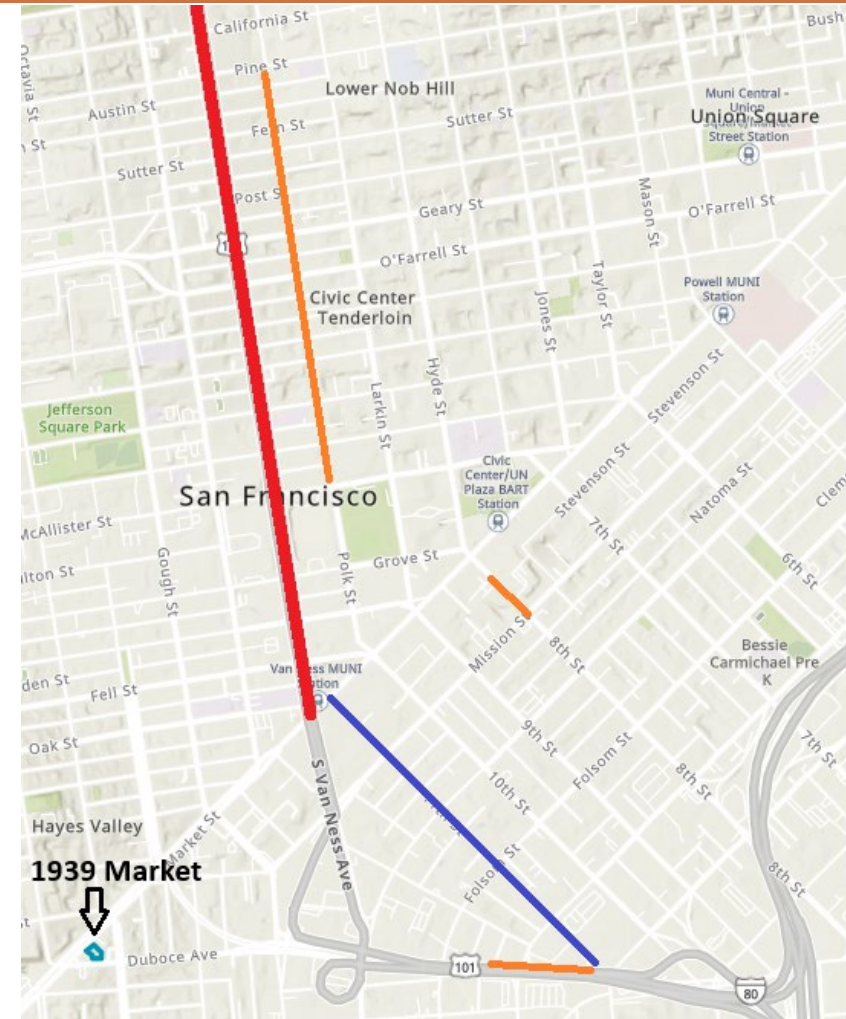
## Program Enhancement

- Workforce Training, transit passes, internet access

\$866,100

## TOTAL GRANT

\$12,579,100





Representatives from Mercy Housing:

SEAN WILS, SENIOR PROJECT MANAGER, MERCY HOUSING

MICHAEL KAPLAN, ASSOCIATE DIRECTOR, MERCY HOUSING

RAMIE DARE, DIRECTOR OF REAL ESTATE, MERCY HOUSING

# AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

ROUND 9 PROGRAM  
GUIDELINES

Adopted: Feb. 26, 2025



CALIFORNIA  
STRATEGIC  
GROWTH  
COUNCIL



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## Article I. Affordable Housing and Sustainable Communities General Overview

### Section 100. Purpose and Scope

The purpose of these **Program Guidelines** is to implement Division 44, Part 1 Chapter 2 of the California Public Resources Code (PRC) (commencing with Section 75200), which establishes the **Affordable Housing and Sustainable Communities (AHSC) Program**, hereinafter referred to as the **AHSC Program**.

Per the California Public Resources Code, the purpose of the **AHSC Program** is to reduce greenhouse gas (GHG) emissions through **Projects** that implement land use, housing, transportation, and **Agricultural Land** preservation practices to support infill and compact development, and that support related and coordinated public policy objectives, including the following:

- Reducing air pollution;
- Improving conditions in **Disadvantaged Communities (DACs)**;
- Supporting or improving public health and other co-benefits as defined in Section 39712 of the Health and Safety Code;
- Improving connectivity and accessibility to jobs, housing, and services;
- Increasing options for mobility, including the implementation of the **Active Transportation Program** established pursuant to Section 2380 of the Streets and Highway Code;
- Increasing transit ridership;
- Preserving and developing affordable housing for lower income households, as defined in Section 50079.5 of the Health and Safety Code; and
- Protecting **Agricultural Lands** to support infill development.

These **Program Guidelines** will serve as the primary document related to eligibility, scoring, and the application process for Round 9 of the **AHSC Program**. Unless stated in this document, previous versions of **AHSC Program Guidelines**, attachments, Quantification Methodologies, Question and Answer (Q&A) documents, or personal communications with staff from previous rounds are superseded by this document and no longer in effect for **Projects** applying to Round 9.

If any provision of these **Guidelines** is found to be unlawful, unenforceable, or invalid in whole or in part for any reason, such provisions will be severed without affecting any other provision of this document. The validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.

Individuals who seek clarity on portions of these **Guidelines** after **Council's** adoption, may pose questions and see publicly-available answers on the Round 9 Materials page of the **California Strategic Growth Council (SGC)** Website:  
<https://sgc.ca.gov/programs/ahsc/resources/guidelines.html>.

The **AHSC Program** is part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in **Disadvantaged Communities (DACs)**. The **AHSC Program** furthers the purposes of [AB 32](#) (Chapter 488, Statutes of 2006), [SB 375](#) (Chapter 728, Statutes of 2008), and [SB 32](#) (Chapter 249, Statutes of 2016) by investing in **Projects** that facilitate **GHG Reduction** by supporting more compact, infill development patterns, encouraging **Active Transportation** and transit usage, and protecting **Agricultural Land** from sprawl development.

### Program Administration, Implementation, and Coordination

The **AHSC Program** is administered by the **California Strategic Growth Council (Council or SGC)**. The **Department of Housing and Community Development (Department)** will implement the transportation, housing, and infrastructure components of the **AHSC Program**. The **Council** staff will coordinate efforts with **Department** staff, working with the California Air Resources Board (CARB) and the **Council** to administer the broader **AHSC Program**, including developing **Program Guidelines**, evaluating applications, preparing agreements, monitoring agreement implementation, and **AHSC Program** reporting.

The **Council** will coordinate with CARB to develop and incorporate consistent guidance in the following areas, which will apply to all Greenhouse Gas Reduction Fund (GGRF) programs, including the **AHSC Program**:

- Expenditure records to ensure investments further the goals of [AB 32](#).
- Investment targets in **DACs, Low-Income Communities, and Low-Income Households**.
- Consistent methodologies for quantifying **GHG Reductions** and other economic, environmental, and public health co-benefits.
- **Project** tracking and reporting.

### AHSC Program Scope

The **AHSC Program** provides grants and/or loans for **Projects** that achieve **GHG Reductions** and benefit communities across California, particularly **DACs, Low-Income Communities, and Low-Income Households**, through increasing accessibility of affordable housing, employment centers, and **Key Destinations** via low-carbon transportation. These investments result in fewer vehicle miles traveled (VMT) through shortened or reduced vehicle trip length or mode shift to transit, bicycling, or walking.

The **AHSC Program** supports the Climate-Friendly, Climate-Ready Housing goals as outlined by [Governor Gavin Newsom's letter to CARB dated July 22, 2022](#). The **AHSC Program** funds infill **Projects** that are dense, affordable, and located in transit-rich areas to reduce VMT. **AHSC Projects** also promote carbon neutrality by requiring all electric design and incentivizing green building techniques, **Urban Greening**, and purchase of **Zero Emission Vehicles (ZEVs)**.

Three **Project Area Types** have been identified to implement this strategy: 1) **Transit-Oriented Development (TOD) Project Areas**, 2) **Integrated Connectivity Project (ICP) Project Areas**, or 3) **Rural Innovation Project Areas (RIPA)**. **AHSC Program** award funds will be allocated through a competitive process, based on the merits of applications within each **Project Area Type**.

An overview of the **AHSC Program** is available on **SGC** Website: <https://sgc.ca.gov/grant-programs/ahsc/>.

### Priority Population Benefits

California Climate Investment (CCI) Programs must target investments to priority populations, per AB 1550, and maximize benefits to **DACs**, per SB 535 and AB 1532. The investment minimums apply to the overall appropriations from the GGRF, rather than to each agency appropriation. CCI Programs are encouraged to meet minimum levels of investments to **Projects** that benefit residents of **DACs**, **Low-Income Communities**, and **Low-Income Households**, collectively referred to as “**Priority Populations**” to help ensure statutory requirements are met. These program targets for **Priority Populations** are outlined in the [2024 Funding Guidelines for Agencies that Administer California Climate Investments \(Funding Guidelines\)](#).

To count toward statutory investment minimums, administering agencies must determine if a **Project** meets the criteria for providing direct, meaningful, and assured benefits to **Priority Populations** by identifying that a **Project** is located within an area identified as a **DAC** or **Low-Income Community**, or directly benefits residents of a **Low-Income Household**; that the **Project** meaningfully addresses an important need; and that the **Project** directly addresses the identified need. **SGC** will use the **Priority Populations** Map to determine the geographic eligibility based upon the location of the **Project’s** AHSC-funded **Affordable Housing Development (AHD)** and will use the **Priority Population Benefit Assessment Tool** to determine if investments have a direct benefit to **Priority Populations**. The **Priority Populations** Map is available at: <https://www.caclimateinvestments.ca.gov/priority-populations>. **Priority Population Benefit Assessment Tool** for this **AHSC Program** will be available at: <https://www.caclimateinvestments.ca.gov/reporting-tools>.

### Vision for Racial Equity

The **Council** is committed to achieving racial equity in its operations, investments, and policy initiatives and to achieving its vision that: All people in California live in healthy, thriving, and resilient communities regardless of race. Read more in the [SGC Racial Equity Action Plan](#).

## Section 100.1. Uniform Multifamily Regulations (UMRs) and Other Authorities Incorporated by Reference

- (a) The Uniform Multifamily Regulations (UMR) (Cal. Code Regs., tit. 25, § 8300 et seq.), effective November 15, 2017, and as subsequently amended, are hereby incorporated by reference as if set forth in full herein, with the exceptions of any UMR provision that would be inconsistent with these **Guidelines**.
- (b) The following administrative notices, policies, and guidance are hereby incorporated herein by reference and shall be deemed to have the same force and effect as if set forth in full herein:
- (1) The **Department's** "[Disencumbrance Policy](#)" (Administrative Notice No. 2022-02), dated March 30, 2022, as amended on December 19, 2022, and as may be subsequently amended (**AHD Award Recipients** will be subject to the Disencumbrance Policy);
  - (2) The **Department's** "[Negative Points Policy](#)" (Administrative Notice No. 2022-01), dated March 30, 2022, as amended on November 9, 2022 and April 3, 2023, and as may be subsequently amended;
  - (3) The **Department's** "[Repeal of Stacking Prohibition of Multiple Department Funding Sources](#)" (Administrative Notice No. 21-06), dated August 20, 2021, as amended on September 13, 2023, and as may be subsequently amended;
  - (4) The **Department's** "[Notice of Omnibus Program Guideline Amendments Supportive Services Costs Limits](#)" (Administrative Notice No. 24-05) dated October 7, 2024, and as may be subsequent amended;
  - (5) The **Department's** "[Pooled Transition Reserve Policy](#)" (Administrative Notice No. 23-01), dated January 3, 2023, as amended on August 8, 2023, and as may be subsequently amended.

## Section 101. Definitions

Defined terms are **bolded** throughout the document. Refer to Appendix A for complete definitions.

## Article II. Administration of Funds

### Section 102. Eligible Projects

- (a) The **AHSC Program** includes three eligible **Project Area Types**: 1) **Transit-Oriented Development (TOD) Project Areas**; 2) **Integrated Connectivity Project (ICP) Project Areas**, and 3) **Rural Innovation Project Areas (RIPA)**. The frequency of nearby transit is the primary differentiating requirement between **TOD** and **ICP Project Area Types**.
- (1) **RIPAs** must be located within a **Rural Area**, as defined in Section 50199.21 of California Health and Safety Code.
- (b) **Projects** must include the following:
- (1) One **STI** component; and
- (2) One **Affordable Housing Development (AHD)** and/or **Housing Related Infrastructure (HRI)** component.
- (c) **Project** funds will be primarily utilized in the **Project Area**, which must:
- (1) Be a contiguous circular area measured from any single point inside the parcel of the **AHD**. The point may be chosen anywhere inside of the **AHD** site and must be referenced consistently through all application materials, including mapping and calculation of distances.
- (A) For **Scattered Site Projects**, **Applicant** must identify a single point in any one of the **AHD** parcels to establish the radius.
- (B) A **Project Area** may not contain more than one **AHD Capital Project**. A single **AHD Capital Project** may not include more than one **AHD**.
- (C) For **TOD Project Areas** and **ICP Project Areas**, the radius must be no greater than one (1.0) mile.
- (D) For **RIPAs**, the radius must be no greater than two (2.0) miles.
- (2) Include at least one **Transit Station/Stop** consistent with the requirements set forth below and be located no farther than one-half (0.50) mile from the **AHD** along a **Pedestrian Access Route**. If the **Pedestrian Access Route** is not clearly identified in the submitted supporting documentation, additional clarification may be requested to substantiate compliance with requirements;
- (A) **TOD Project Areas** must include at least one **Transit Station/Stop** that is served by **High Quality Transit** at the time of application submittal. **TOD Project Areas** must not be located in a **Rural Area**.
- (B) **ICP Project Areas** must include at least one **Transit Station/Stop** that is served by the **Qualifying Transit** at the time of application submittal. At the time of application it must not include a **Transit Station/Stop** that is served by **High Quality Transit** which is located within one-half (0.50) mile from the **AHD** along a **Pedestrian Access Route**. **ICP Project Areas** must not be located in a **Rural Area**.
- (C) **RIPAs** must include at least one existing, or planned fixed route, **Transit Station/Stop** that is or will be served by the **Qualifying Transit** or **High Quality Transit** that is located no farther than one-half (0.50) mile from the **AHD** along a **Pedestrian Access Route**.
- (i) If proposing planned transit the **Applicant** must submit a letter on transit agency letterhead signed by an authorized signatory affirming that the planned **Transit Station/Stop** will be served by transit service that meets the criteria of **Qualifying Transit**

or **High Quality Transit** and will be operational by the **AHD** certificate of occupancy issuance.

- (D) For all **Project Area Types**, if the **Pedestrian Access Route** is not in place at the time of application, the **Applicant** must affirm that the **Pedestrian Access Route** will be in place by the **AHD** certificate of occupancy issuance. The **Sustainable Transportation Improvements (STI)** components of the **Project** can fund this improvement.
- (3) Include all AHSC-funded **Sustainable Transportation Improvements (STI)**:
  - (A) **STI** components (e.g., a bus-only lane, **Transit Signal Priority (TSP)**, a bikeway, or sidewalk) may extend beyond the boundaries of the **Project Area**, but a pedestrian or cyclist entrance to the facility must be located within the **Project Area**.
  - (B) If making an **STI** improvement to a fixed transit route that includes a portion outside of the **Project Area**, there must be a **Transit Station/Stop** on that route within the **Project Area** at the time of application.
  - (C) If making **STI** improvements to an **On-Demand Transit Service**, there must be a designated pick-up location in the **Project Area**.
  - (D) If making **STI** improvements to **Carshare** or **Carpool** service, the vehicles must reside at the AHSC funded **AHD** site.
- (d) To be an eligible **AHD Capital Project**, it must:
  - (1) Contain five (5) or more Units. A single-family house is considered to be one Unit, and an apartment Unit in an apartment building is considered to be one Unit regardless of the number of bedrooms within the apartment Unit. The **AHD Capital Project** must consist of one or more of the following:
    - (A) New Construction
    - (B) Acquisition and **Substantial Rehabilitation** (including preservation of affordable housing at-risk of conversion to market rate). The acquisition must be made through a bona fide sale or transfer from the existing ownership entity to the new ownership entity comprised of a completely disparate ownership structure, which contains no common entity interest at any level of the organizational structure.
      - (i) **Substantial Rehabilitation AHDs** with existing **Department** restrictions must comply with loan restructuring requirements pursuant to HSC Sections 50560 through 50562 and current Portfolio Restructuring Guidelines published by the **Department**. Restructuring transaction fees are set forth in UMR Section 8317.
    - (C) **Adaptive Reuse** of one or more building structures.
  - (2) Demonstrate that the **AHD** will not cause the number of existing bedrooms to be reduced:
    - (A) Proposed **AHD** involving new construction or **Substantial Rehabilitation** and requiring the demolition of existing residential units are eligible only if the number of bedrooms in the new **AHD** is at least equal to the number of bedrooms in the demolished structures, with equal or greater affordability. The new **Affordable Units** may exist on

separate parcels provided all parcels are part of the same **AHD** meeting the requirements of the UMRs Section 8303 (b).

- (B) The **Department** may approve **AHDs** involving new construction or **Substantial Rehabilitation** and requiring the demolition of existing residential units that result in a number of bedrooms less than the number in the demolished structures where it determines that such approvals will substantially improve the livability of the remaining units, or serve some other compelling public policy objective, as long as the reduction does not result in more than 25 percent fewer units upon **AHD** completion.
- (3) Demonstrate that construction or **Substantial Rehabilitation** of the **AHD** has not commenced as of the application due date, except for emergency work or structural repairs.
- (4) **Rental** and **Homeownership AHDs** must include at least 20 percent of the total units as **Affordable Units**.
- (5) **Rental AHDs** must demonstrate an overall **Project** average affordability of all **Restricted Units** within the **Project** no greater than 50 percent represented by **Area Median Income (AMI)**. Average affordability means the total number of **Restricted Units** multiplied by each restricted affordability level divided by the total **Restricted Units**. For example, for a 30-unit **Project** with 10 units restricted to 40 percent **AMI** and 10 units restricted to 60 percent **AMI** the calculation of the average affordability would be as follows:
- (A) 10 units @ 40% **AMI** is  $10 \times 40 = 400$ .
  - (B) 10 units @ 60% **AMI** is  $10 \times 60 = 600$
  - (C)  $400 + 600 = 1,000$ ; and
  - (D)  $1,000/20$  total **Restricted Units** =average affordability of 50%
- (6) **Homeownership AHDs** have no minimum overall **Project** average affordability requirements
- (7) The **AHD** must demonstrate a minimum **Net Density** as outlined in (i)-(ii) below. *Note: **Applicants** must calculate **Net Density** as the number of un-adjusted dwelling units per acre in the AHSC Benefits Calculator Tool.*
- (A) To calculate the **Net Density** based on the total number of dwelling units, the **Applicant** may use either:
    - (i) The un-adjusted total number of dwelling units in the **Project** based on the type of development and **Project Area Type**:
      - Residential Only **Projects: TOD Projects** must meet a minimum net density of 30 units per acre; **ICP Projects** must meet a minimum net density of 20 units per acre; and **RIPA Projects** must meet a minimum **Net Density** of 15 units per acre.
      - **Mixed Use Developments** may demonstrate consistency with the **Net Density** requirements through either the unit per acre, as stated above, or **Floor Area Ratio (FAR)**. **TOD Projects** must reach a **FAR** greater than 2.0; **ICP Projects** must reach a **FAR** greater than 1.5; and **RIPA** must reach a **FAR** greater than 0.75.

- (ii) A number adjusted for unit size by multiplying the factors in this subsection by the total number of units in each unit size category, then summing the resulting products:
  - 0 Bedroom = 0.7 factor
  - 1 Bedroom = 0.9 factor
  - 2 Bedroom = 1.5 factor
  - 3 Bedroom = 1.6 factor
  - 4 Bedroom = 1.8 factor
- (B) Acquisition and **Substantial Rehabilitation** (including preservation of affordable housing at-risk of conversion to market rate housing) are exempt from the minimum density requirements in this section but shall not result in fewer units or lower percentage of total affordability than currently exists except where reductions in unit count are required to meet building code requirements.
- (8) The **AHD Capital Project** or **Mixed Use Development** in the case that non-residential uses are included, must be powered entirely through electricity with no connections to natural gas infrastructure. **Projects** required to include fossil fuel-based backup power by regulation or code should consider the cleanest and most renewable technology first, starting with gaseous fuel (e.g., Renewable Natural Gas (RNG), Natural Gas (NG), Liquefied Petroleum Gas (LPG), and then Tier 4 compliant diesel.
- (9) The **AHD** must offer high speed broadband internet service to residents, with speeds listed in Section 103.1(g)(7), to each **Assisted Unit** for a minimum of three years, free of charge to the tenants, and available within six months of the **AHD's** placed-in-service date.
- (10) Must supply at least one **Secure Overnight Bicycle Parking** spot for every two residential units.
- (11) **AHD Capital Projects** may:
  - (A) Include residential units that are rental or homeownership, but not both.
  - (B) Consist of a **Scattered Site** constituting a single, integrated **AHD**. **Rental AHDs** on a **Scattered Site** must meet all the requirements set forth by Section 8303(b) of the UMRs. For **Homeownership AHDs** on **Scattered Sites**, the individual sites must have a single owner at the time of execution of the AHSC grant **Standard Agreement**;
  - (C) Include nonresidential uses that are compatible under local zoning.
- (12) **AHD Capital Project** shall not include:
  - (A) An **AHD** that contains multiple development sites when one development site is receiving 4 percent low-income housing tax credits and another is receiving 9 percent low-income housing tax credits, or when the multiple development sites are each receiving separate 4 percent low-income housing tax credits.
  - (B) An application proposing an **AHD** with both 4 percent low-income housing tax credits and 9 percent low-income housing tax credits, or with multiple 4 percent low-income housing tax credits, will be disqualified on the grounds that it is not proposing an **AHD** within the meaning and design of the **AHSC Program**. To the extent such tax credit scenarios are contemplated, they shall constitute two separate

and independent **AHDs**, each of which must submit an entirely separate application and qualify independently of the other.

- (C) Any **Project** that proposes a single **AHD** at application for scoring purposes, but after receiving an award letter attempts to split its single **AHD** into multiple **AHDs** with separate ownership structures or separate financing structures will be disencumbered as it no longer meets the requirements of the **AHSC Program**.

## Section 103. Eligible Applicants

- (a) Eligible **Applicant** entities shall include any of the following:
  - (1) A **Locality**, public housing authority, redevelopment successor agency, transit agency or transit operator, Regional Transportation Planning Agency (RTPA), local Transportation Commission, Congestion Management Agency, Joint Powers Authority (JPA), school district, facilities district, University or Community College District.
    - (A) For **HRI** or **STI Capital Projects** to be completed by a non-Applicant, the **Applicant** must provide an executed agreement with the **Locality** or transportation agency non-Applicant for the completion of the **HRI** or **STI Capital Project**.
  - (2) **Program Operator**: for **PGM** components only
  - (3) **Developer**: for **Homeownership AHD, HRI, and STI Capital Projects** only
  - (4) **Sponsor**: for **Rental AHD** and onsite **HRI Capital Projects**
  - (5) A **Tribal Entity** whose **Project** meets requirements described in Appendix B.
- (b) The eligible **Applicant** for a **Rental AHD Capital Project** is a **Sponsor**
  - (1) The **Sponsor** shall be the legal entity that the **Department** and the **Council** rely upon for experience, **Site Control**, and capacity
    - (A) A **Sponsor** shall be any individual, joint venture; partnership; limited partnership; trust; corporation; cooperative; **Locality**; **Tribal Entity**; or other legal entity; or any combination thereof;
    - (B) **Sponsor** shall submit the application for **Department** funds and be the **Recipient** of the **Department's** award of funds;
    - (C) **Sponsor** shall be organized on a for-profit, limited profit, or nonprofit basis.
- (c) The eligible **Applicant** for a **Homeownership AHD Capital Project** is a **Developer**
  - (1) The **Developer** shall be the legal entity that the **Department** and the **Council** rely upon for experience, **Site Control**, and capacity:
    - (A) **Developer** shall be any individual, joint venture; partnership; limited partnership; trust; corporation; cooperative; **Locality**; **Tribal Entity**; or other legal entity; or any combination thereof;
    - (B) **Developer** shall submit the application for **Department** funds and be the **Recipient** of the **Department's** award of funds
    - (C) A **Developer** who is a nonprofit corporation must be a corporation whose exempt purposes for the two years prior to the date of application have included the activity for which it is applying
- (d) The eligible **Applicant** for an **HRI** or **STI Capital Project** is any entity type described in Section 103(a)(1) (except **Program Operator**) that meets all relevant requirements set forth in Section 103 that the **Department** and the **Council** may rely upon for experience, **Site Control**, and capacity.
- (e) The eligible **Applicant** for a **Program (PGM)** is any entity type.
- (f) **Applicant** eligibility is dependent upon meeting the experience requirement relevant to the specific **Capital Project** component proposed.
  - (1) **Applicants** must demonstrate experience by providing evidence of two projects that are similar to each proposed **AHSC Capital Project (AHD, HRI, and STI)**, as applicable, which have been completed by the **Applicant** proposing completion of that **Capital Project** component, during the ten

- years preceding the application due date. Experience is attributable to entities only, not individual persons.
- (2) For **AHD** components, completed projects submitted to demonstrate project completion and operational experience must include functionally equivalent:
    - (A) Unit type: including affordability, tenure, population, bedroom count, and other metrics;
    - (B) Project size: including the number of units in the building, including total units in the proposed **AHD** not to exceed two hundred (200) percent of the **Sponsor/Developer's** largest **AHD**;
    - (C) Scope: including the general services provided or amenities within the housing development; and
    - (D) Unit counts used for demonstration of experience may not be cumulative across multiple projects and phases.
  - (3) For **HRI** or **STI Capital Projects** to be completed by a non-**Applicant**, the **Applicant** must provide an executed agreement with the **Locality** or transportation agency non-**Applicant** for the completion of the **HRI** or **STI Capital Project**, thereby demonstrating that the **Locality** or transportation agency will be serving as the **HRI** or **STI Developer** for that **Capital Project**.
- (g) The **Sponsor/Developer** shall demonstrate capacity to acquire, develop, and own either affordable rental or homeownership housing at the time of application that is consistent with the housing type proposed in the application. For purposes of this subdivision, an entity has capacity if it has adequate staff, capital, assets, and other resources to meet the development and operational needs of the **AHD**; to maintain the **Fiscal Integrity** of the **AHD**; and to satisfy all legal requirements and obligations in connection with the **AHD**. The **Department** will exercise reasonable discretion in determining capacity. In all cases, the **Department** will base its capacity determination on the experience, past performance, and organizational documents of the **Sponsor/Developer**.
- (1) The **Department** may request any of the following subsequent to application submittal:
    - (A) Staff rosters, which include the job titles and duty statements of all staff positions, and payroll records;
    - (B) Certified audited financial statements for the past three (3) consecutive years;
    - (C) Certificates of Good Standing from the California Secretary of State, the California Franchise Tax Board, or the relevant regulatory agencies of foreign jurisdictions; and
    - (D) Any other documentary evidence that reasonably supports the **Applicant's** ability to satisfy the capacity requirement.
- (h) A **Locality's** controlled affiliate is an Eligible **Applicant** if it demonstrates experience, capacity and **Site Control** or if both the **Locality** and its affiliate are **Applicants** and between the two of them they demonstrate experience, capacity, and **Site Control**.
- (i) If **Applicant** is applying for a **Rental AHD**, the **Applicant** with experience must perform a substantial management role in the borrowing entity from the time of award through the full term of the Regulatory Agreement, as evidenced by the applicable organizational documents. Such role shall include the substantial management duties set forth at UMR Section 8313.2.
  - (j) For **HRI** and **STI** components only, an **Applicant** may demonstrate the requisite experience for Section 103(f) by using past experience of work completed of a

- Locality** or transportation agency non-**Applicant** so long as the **Applicant** can provide an executed agreement with that specific **Locality** or transportation agency non-**Applicant** for the completion of the **HRI** or **STI Capital Projects**.
- (k) A special purpose entity formed and controlled by the **Sponsor/Developer**, and which will serve as the ultimate borrower of **AHSC Program** funds, is not an eligible **Applicant**. A special purpose entity ultimate borrower meeting the requirements of UMR Section 8313.2 may be listed on the **AHSC Program** application in the appropriate, designated fields for listing such a borrower entity.
- (1) Single purpose entities not meeting the requirements of a special purpose entity pursuant to UMR Section 8313.2, whether serving as an intermediate entity within the ultimate borrower structure or not, are not eligible **Applicants**. Such single purpose entities will not be included as a separate party on any **AHSC Program** legal documents, including but not limited to, **Standard Agreements**, nor are they eligible to be **Recipients** of **AHSC Program** funds.
- (l) Where a **Public Agency** has a real property interest in the proposed **Project**, the application must include the **Public Agency** as a joint **Applicant** or otherwise include a commitment to enter into a contractual agreement to develop the **Project**, if it is awarded.
- (m) All **Applicants** appearing on the application for the **Project** will be held jointly and severally liable for the completion of the **Project** and as such, will each sign all **Standard Agreements** to the award of **AHSC Program** funds. Each **Recipient** of **Department** funds must remain liable for performing all requirements of the award of funds as set forth in the **Standard Agreement**. Where there are multiple **Recipients**, all such **Recipients** must remain jointly and severally liable to the **Department** for that performance. Notwithstanding the foregoing, **Recipients** may indemnify each other by entering into agreements with one another as to individual **Capital Projects**. In no event will any such agreement alter, amend, or revoke each individual **Recipient's** obligations to the **Department**, including the joint and several liability.
- (n) All **Payees** shall execute the **Standard Agreement** generated in connection with the funds which they are to receive.

## Section 103.1. Threshold Requirements

To be eligible for **AHSC Program** funding, an application shall demonstrate to the **Department** all the following requirements.

- (a) The application includes an eligible **Project** that meets the requirements of Section 102;
- (b) The proposal is submitted by an eligible **Applicant** pursuant to Section 103;
- (c) All proposed uses of **AHSC Program** funds are eligible pursuant to Section 104;
- (d) The application is complete pursuant to Section 113;
- (e) The application satisfies funding limitations and terms per Sections 105, 106, 107, and 108;
- (f) By the time of application submission, the **Project** shall meet the following requirements:
  - (1) The proposed **Project** supports the implementation of the applicable Sustainable Community Strategy (SCS) or Alternative Planning Strategy (APS) as confirmed by the Metropolitan Planning Organization (MPO), or the equivalent regional planning agency, as required by Public Resources Code Section 75210 et seq. The application must be consistent with activities or strategies identified in the SCS, APS, or equivalent planning document that demonstrates a per capita reduction in VMT and GHG.
  - (2) The proposed **Project** must be consistent with the State Planning Priorities established pursuant to Section 65041.1 of the Government Code.
  - (3) Completion and approval or adoption of environmental clearances required under the California Environmental Quality Act (CEQA). For **Projects** receiving federal funds subject to review under the National Environmental Policy Act (NEPA), a copy of the **Project's** Authority to Use Grant Funds must be provided prior to the construction loan closing. It is not necessary to have the Authority to Use Grant Funds at application stage. **Applicants** must also affirm all lawsuits or appeals will have resolved within 30 days after the application due date, including the expiration of all periods for filing lawsuits or appeals.
    - (A) **STI** component(s) of a **Project** are not required to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA) as stated in Section 103.1(f)(3) above until prior to the initial disbursement of grant funds.
    - (B) **Applicants** are not required to complete any necessary environmental clearances prompted exclusively by rental and/or operating subsidies prior to the **AHSC Program** application deadline.
  - (4) The **Applicant** must document the status of local land use approvals by submitting the **Project's** local approvals and environmental review verification form. If the **Applicant** is applying for streamlined, ministerial approval under Section 65913.4 of the Government Code, the form must indicate that an application has been submitted to the relevant local government. The local approvals and environmental review verification form must be completed and signed by the local authority and must provide the status of all entitlements related to the **Project**, the applicability of the California Environmental Quality Act ("CEQA") and the National Environmental Policy Act ("NEPA") to the **Project**, and the status of the **Project's** compliance with CEQA and NEPA, to the extent applicable.

- (A) This threshold requirement is not applicable where a **Tribal Entity Applicant** is proposing a **Project** that is located in **Indian Country**.
- (5) Environmental Site Assessment (ESA) reporting:
  - (A) A Phase I ESA must be completed and dated no more than 12 months prior to the Application deadline. The Phase I ESA must indicate that the **AHD** site(s) is free from severe adverse environmental conditions, such as the presence of toxic waste.
  - (B) If the Phase I ESA recommends a Phase II ESA or reveals known or potential contamination, a Phase II ESA is required to be completed and dated no more than 12 months prior to the application deadline. The forgoing Section 103.1(f)(5)(A) notwithstanding, if a Phase II ESA has been completed and dated within 12 months prior to the application deadline, the recommending Phase I ESA may have been completed and dated 12 months or more prior to the application deadline.
  - (C) For rehabilitation **Projects**, the following additional documents would be required:
    - (i) Physical Needs Assessment (PNA)
    - (ii) Capital Needs Assessment (CNA)
    - (iii) Lead-based paint, mold, and asbestos reports
  - (D) This threshold requirement is not applicable where a **Tribal Entity Applicant** is proposing a **Capital Project** located in **Indian Country**.
- (6) Applications that include a **Locality** as an **Applicant** must, at the time of application, have submitted their two previous housing element annual progress reports to the **Department** as required by Government Code section 65400.
- (7) The **Project** must not be designated as **Agricultural Land** according to the California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) Tool ([California Important Farmland Finder](#)). An exemption to the **Agricultural Land** designation may be allowed for applications that submit documentation that substantiates a description of an **Infill Site**.
- (8) As of the date of application, the **Applicant(s)**, the **Project**, or the real property on which the **Project** is proposed may not be party to or the subject of any claim or action in the state or federal courts that affects or potentially affects the feasibility of the **Project**. Further, the **Applicant(s)** shall disclose and describe all claims or actions undertaken by or against the **Applicant(s)**, the **Project** or the property.
- (9) Where approval by a local public works department, or other responsible local agency, is required for the **STI Capital Project**, the application must include a statement from that entity indicating that the **STI** is consistent with all applicable local rules, regulations, codes, policies, and plans enforced or implemented by that entity.
- (10) The **Applicant** must document compliance with or exemption from [AB 680](#) (2021) Project Standards as described in Section 115(b).
- (g) **Applicants** must also demonstrate the following at the time of application, unless otherwise indicated:
  - (1) The proposed **Project** will achieve a reduction in GHG emissions through fewer VMT, pursuant to the most recent **AHSC Program** Quantification Methodology, available on the California Air Resources Board's Climate Change Investments

- (CCI) [Reporting Tools webpage](#). This must be evidenced by a completed GHG Benefits Calculator tool, described in the **AHSC Program** application, displaying VMT and **GHG Reductions** for each **Project** component.
- (2) All proposed **AHDs** located in a jurisdiction that has fare-based transit must provide at least one transit pass or card to each **Assisted Unit** for at least three (3) years. If the transit agency does not provide passes with unlimited rides, the card or pass shall have a minimum value of 40 average commute length rides a month as determined by the transit agency. These passes or cards may be funded with **AHSC Program** funding pursuant to Section 104(d).
  - (3) The application must be sufficiently complete to assess the feasibility of the proposed **Project** and its compliance with **AHSC Program** and application requirements.
  - (4) The **Applicant** must demonstrate that the **Project** is financially feasible as evidenced by documentation including, but not limited to, **Enforceable Funding Commitments (EFCs)**, a market study (dated within one year of the application due date and consistent with **MHP** Guidelines Section 7309(c)), project pro-forma, sources and uses statement, proposed operating budget, multi-year pro-forma, or other feasibility documentation that is standard industry practice for the type of proposed **AHD**.
  - (5) The **Rental AHD Capital Project** is feasible pursuant to the underwriting standards in UMR Section 8310 and will maintain **Fiscal Integrity** consistent with either proposed and/or restricted **Rents**.
  - (6) The **Applicant** or **Locality** serving as the **Sponsor/Developer** of a particular component of the **Project** must demonstrate **Site Control** of the property on which that **Project** component will be located as set forth at UMR Sections 8303 and 8316 with the additional requirement that the **Applicant** shall maintain **Site Control** through the award date.
    - (A) The following shall apply to **Capital Projects**:
      - (i) Where **Site Control** is in the name of another entity, the **Applicant** shall provide documentation, in form and substance reasonably satisfactory to the **Department** (e.g., a purchase and sale agreement, an option, a leasehold interest/option, a disposition and development agreement, an exclusive right to negotiate with a **Public Agency** for the acquisition of the site), which clearly demonstrates that the **Applicant** has an acceptable form of right to acquire or lease the **Project** property.
      - (ii) Where **Site Control** will be satisfied by a long-term ground lease, the **Department** will require the execution and recordation of the **Department's** form lease rider at the time of permanent loan closing, which shall be entered into by and among the ground lessor, the ground lessee, the **Department**, and any other parties as the **Department** may require. In all cases (with applicable exceptions made for **Projects** developed on trust or restricted real property), the lease rider shall be recorded against the fee interest in the **Project** property. For **Projects** developed on trust or restricted real property, the **Department's** form lease rider, together with any and all other use restriction instruments, shall be approved by, and recorded with,

- the U.S. Department of Interior's Bureau of Indian Affairs ("BIA").
- (B) For **Capital Projects** developed in **Indian Country**, the following exceptions apply:
    - (i) Where **Site Control** is a ground lease, the lease agreement between the **Tribal Entity** and the **Project** owner is for a period not less than 50 years; and
    - (ii) For trust or restricted land, a current title status report issued by the BIA is acceptable in lieu of a title report.
  - (7) **AHD** and **HRI** components must be capable of accommodating broadband internet service with at least a speed of 100 megabits (50 megabits for rural) per second for downloading and 20 megabits (10 megabits for rural) per second for uploading.
    - (A) **AHD** and **HRI** components must provide a conduit from the public right of way or property line and provide pathways, wiring, cables, and other necessary infrastructure extended to each unit and public common space to provide a broadband internet connection.
    - (B) For some **Rural Areas**, other technologies like fixed wireless, might offer the highest caliber connection.
    - (C) All **Applicants** should consult with their local jurisdictions about their broadband internet infrastructure planning, as well as existing broadband internet service providers in the area.
  - (h) All **Applicants** must:
    - (1) Certify that any **Rental AHD** development will be smoke free and demonstrate compliance by submitting a draft of the development's **Smoke Free Housing** lease addendum.
    - (2) Integrate applicable climate adaptation measures as described in Section 111 Narrative Based Policy Scoring (a).
    - (3) Demonstrate all of the following to the satisfaction of the **Department** if requesting **AHSC Program** funding for **AHDs** and **HRI Capital Projects**:
      - (A) **Rental AHDs** must meet the underwriting standards in the UMRs and **MHP** Guidelines Section 7312 and 7312.1.
      - (B) If any component of the **Projects** involves the demolition of existing units that are affordable to **Low-Income Households**, the application must demonstrate the replacement of demolished units, comparable in size, of equal or greater affordability and equal to or greater than the number of the demolished **Affordable Units** located within comparable access to transit and include first right of return to displaced residents.
    - (4) Demonstrate to the satisfaction of the **Department** that **AHSC Program** costs are infeasible without **AHSC Program** funds, and other committed funds are not being supplanted by **AHSC Program** funds.
    - (5) Demonstrate that other development funding sources, including all tax credit equity generated by the **AHD**, are insufficient to cover **AHD** development costs.
    - (6) Demonstrate that outreach and education on reducing potential health impacts of air pollution will be provided to residents of **AHDs**.
    - (7) Demonstrate that where approval by a local public works department, or other responsible local agency, is required for the **HRI Capital Project**, the application must include a statement from that department indicating that the **HRI Capital Project** is

consistent with all applicable local rules, regulations, codes, policies, and plans enforced or implemented by that department.

## Section 104. Eligible Use of Funds

The **AHSC Program** funds **Capital Projects** and eligible **Program Costs** within **TOD, ICP** and **RIPA Project Areas** consistent with requirements of Section 102, as follows:

- **Affordable Housing Development (AHD)**
- **Housing Related Infrastructure (HRI)**
- **Sustainable Transportation Infrastructure (STI)**
- **Community Education and Other Program Costs (PGM)**

Each **Capital Project** or **PGM** must be unique to a single application and cannot be split over multiple applications.

Examples of **Eligible Costs** within each category of eligible **Capital Projects** and **PGMs** are identified below. Note that these are examples and not an exhaustive list. To be considered a stand-alone component under any of the categories, the improvements must meet the **Guidelines** definition of that component (i.e., **AHD, HRI, STI, or PGM**):

- (a) Eligible Costs for **AHD Capital Projects** are limited to:
  - (1) Loans for **Rental AHD**. Eligible loan costs for a **Rental Housing Development**, as specified in Section 7304 of the **MHP Guidelines**.
  - (2) Grants for **Homeownership AHD**. Eligible grant costs as specified in Section 400.2 of the **CalHome Guidelines** dated December 30, 2022.
  - (3) Soft costs such as those incidentally but directly related to construction or other pre-development components including, but not limited to, planning, engineering, construction management, architectural, and other design work, required mitigation expenses, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 10 percent of costs associated with the funding request for the **AHD Capital Project**.
  - (4) Bicycle parking at the **AHD** will be considered only as an eligible **AHD** cost.
- (b) **Eligible Costs** for **HRI Capital Projects** are limited to the following costs:
  - (1) Capital improvements that are an integral part of, or necessary to facilitate the development of the **AHD** or required by a **Locality**, transit agency, or special district as a condition to the approval of the **AHD**.
  - (2) **Factory-Built Housing** components utilized in the construction of the **AHD**, including deposits required to initiate construction.
  - (3) **HRI** related soft costs such as those incidentally but directly related to the **HRI Capital Project** construction or other pre-development components including, but not limited to, planning, engineering, construction management, architectural, and other design work, required mitigation expenses, appraisals, legal expenses, and necessary easements. **HRI** Soft costs shall not exceed 10 percent of costs associated with the **HRI Capital Project**.
  - (4) Required environmental remediation necessary for the **HRI Capital Project** where the cost of the remediation does not exceed 50 percent of **AHSC Program** award amount.
  - (5) Real property acquisition (not inclusive of the **AHD** site) of the **HRI Capital Project** site and associated fees. Real estate commissions for purchase or acquisition are not an eligible expenditure.
  - (6) Impact fees required by local ordinance are eligible for funding only if used for the identified eligible **HRI Capital Project** not to exceed \$300,000.
  - (7) The purchase and installation of on-site energy storage in the form of battery arrays, as certified by an energy consultant or architect.

- (8) Examples of eligible **HRI** costs include:
- Installation of energy efficiency and renewable energy capital improvements
  - Installation of broadband internet trunk line or fixed wireless infrastructure
  - Onsite publicly accessible **ZEV** Open Network charging infrastructure
  - **Urban Greening** and **Water Efficiency** capital improvements
  - Zero emission generators
- (c) Eligible costs for **STI Capital Projects** (including **Active Transportation** and transit infrastructure) are limited to the following costs:
- (1) Capital improvements that either:
- (A) Result in the improvement or addition of infrastructure that encourages mode-shift by enhancing: 1) public transit access, speed, and/or reliability; 2) pedestrian network; or 3) bicycle network (includes public bike-share infrastructure and fleet), as well as transit operations that directly support transit expansion, within the defined **Project Area**; or,
- (B) Are publicly accessible and provide supportive amenities to cyclists, pedestrians, and transit riders (e.g., bike parking, bus shelter, benches, street trees, etc.) within the defined **Project Area**
- (i) Any **STI** that is publicly accessible must be equally accessible to all members of the public in accordance with state and federal anti-discrimination laws. This includes providing full and equal access to people with disabilities.
- (2) Soft costs such as those incidentally but directly related to construction or project plans, specifications and estimates including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed thirty (30.0) percent of costs associated with the **STI Capital Project**.
- (3) **Activity Delivery Costs** that are associated with the implementation of the **STI Capital Project** not to exceed 10 percent of the costs associated with the **STI Capital Project**.
- (4) Transit operations expenditures for up to 10 years that directly expand fixed route transit, **On-Demand**, or paratransit service by supporting new, restored, or expanded routes and may include wages, maintenance, and other costs to operate those services.
- (5) All vehicles purchased using **AHSC Program** funds must be **ZEV**. Transit types that do not have an approved zero emission passenger locomotive for use, must provide documentation stating so, and purchase vehicles that meet EPA Tier 4 emission standards.
- (6) Other **STI Capital Project** costs required as a condition of local approval for the **STI Capital Project**, as approved by the **Department**.
- (7) Examples of eligible **STI** costs also include:
- Installation of new or improved walkways that improve mobility and access of pedestrians
  - Installation of new or improved bikeways that improve mobility and access of cyclists
  - **Pedestrian Access Route** improvements
  - Installation of new or improved pedestrian crossings or over-crossings
  - Repaving and road reconstruction costs, only for the portion of the roadway

- where the new or improved walkway and bikeway is installed
- Streetscape improvements, including, but not limited to the installation of lighting, signage, or other related amenities that improve the safety or convenience of pedestrians, cyclists, or transit riders, but do not increase capacity for private vehicles
- Street crossing enhancements including installation of accessible ramps or pedestrian signals
- Installation of traffic calming measures including development of curb extensions, roundabouts, median islands, traffic diverters, chicanes, “road diets”, and lane narrowing projects
- Signage and way-finding markers for pedestrians or transit users
- Bike sharing infrastructure and fleet
- Signage and striping of a dedicated bus lane
- Transit operations for new service or service expansion
- Transit **ZEVs**, charging, or transit vehicle storage infrastructure for new service or service expansion
- **ZEVs** and charging infrastructure for use in a **Carshare** program that provides its service for a reduced cost for low-income participants
- Transit related equipment to increase service or reliability, including software and related items necessary for managing public access to and use of **On-Demand Transit**
- **Transit Signal Priority (TSP)** technology systems
- Transit passenger amenities (e.g., Wi-Fi access, Digital or Integrated Fare Collection)
- Street furniture (e.g., benches, shade structures, etc.)
- Development or improvement of transit facilities or stations
- Real-time arrival/departure information systems
- Development or improvement of shelters or waiting areas at **Transit Stations/Stops**
- Transit fare machine purchase or improvements
- Publicly accessible bicycle parking or repair kiosks
- Bicycle carrying devices on public transit
- Station area signage capital improvements
- **Urban Greening** and **Water Efficiency** capital improvements associated with other **STI** eligible components.

(d) **PGMs**

- (1) **PGMs** include those costs typically associated with 1) program creation or 2) expansion of existing programs to serve new populations or offer new program service and implementation. Eligible costs may include operational costs for programs for the term of the grant. Access and availability of **PGMs** may be limited to **AHD** residents or may be offered to the greater community. Additionally, costs and fees associated with the ongoing provision of broadband internet service, as defined in Section 102(d)(9), provided free of charge to the **AHD** residents are an eligible **PGM**.
- (2) The total grant amount for **PGMs** within a **Project Area** shall not exceed \$600,000. Costs incurred for required transit passes or cards described in Section 103.1(g)(2) will not contribute to this cap.
- (3) Examples of eligible **PGM** costs also include:

- Pedestrian and bicycle safety education programs
  - Activities listed under Section 111 QPS Anti-Displacement Activities
  - Development and implementation of “walking school bus” or “bike train” programs
  - School crossing guard training programs
  - Bicycle and pedestrian safety clinics or bike rodeos
  - Safe Passages Programs
  - Bike sharing program operations
  - **ZEV Carshare** programs
  - Transit subsidy and Universal ‘Mobility Wallet’ programs
  - Education and marketing of transit subsidy programs
  - **Transportation Demand Management (TDM)** programs
  - Air pollution exposure reduction program
  - Workforce development partnerships
  - Digital or financial literacy programs for **AHD** residents
  - Tenant education and support services (e.g., finances, legal, wellness, workforce)
- (e) Each AHSC application may budget up to 2 percent of their total funding request for **Employment Benefits and Outcomes Reporting**. This amount will scale with the size of the **Applicant’s** funding request. **Applicants** should consider the size of their loan and grant funded project components when allocating this item into capital cost budgets. **Employment Benefits and Outcomes Reporting** costs are not included within the soft costs cap.
- (f) Ineligible costs include, but are not limited to, all the following:
- (1) Routine maintenance or operations of transportation infrastructure unrelated to AHSC-funded transit service, including the general transit fleet;
  - (2) In lieu fees for local inclusionary housing programs;
  - (3) Ongoing operational costs beyond the term of the grant for **PGMs**;
  - (4) Costs associated with automobile or motorcycle parking (excluding **ZEV** charging infrastructure);
  - (5) Costs associated with fossil fuel-based backup power;
  - (6) Procurement, site preparation, installation, or operation of fossil fuel-based generators; and
  - (7) Re-syndication of an **AHD**.

## Section 105. Cost Limitations

- (a) When calculating per unit **AHSC Capital Project** subsidy (loans for **Rental AHDs** and grants for **Homeownership AHDs**), the **Department** will consider all other available financing and assistance, including the full amount of any tax credit equity generated by the **Project**. In addition, the per unit subsidy amount shall not exceed the total eligible costs required to do the following:
  - (1) Acquire, develop, and construct or rehabilitate the **AHD**;
  - (2) Ensure that rents or sale prices for **Assisted Units** comply with **AHSC Program** requirements; and
  - (3) Operate the **AHD** in compliance with all other **AHSC Program** requirements.
  - (4) With the exception of the deferred developer fee, **Department** funds shall not be used to supplant other available financing, including funds committed by local jurisdictions.
- (b) The limits on developer fee specified in UMR Section 8312 shall apply, except that:
  - (1) UMR Section 8312(a),(c), and (d) shall not apply.
  - (2) For non-tax credit new construction projects, the total developer fee shall be consistent with Title 4 CCR, Section 10327(c)(2)(A).
  - (3) For projects utilizing 9 percent tax credits, the total developer fee shall be consistent with Title 4 CCR, Section 10327(c)(2)(A).
  - (4) For projects utilizing 4 percent tax credits, developer fee payments shall not exceed the amount that may be included in project costs pursuant to Title 4 CCR, Section 10327(c)(2)(B).
  - (5) In no event shall the total developer fee for acquisition basis exceed 5 percent of the unadjusted eligible acquisition basis.

## Section 106. Funding Terms

- (a) Loans terms for **Rental AHD** component are established in **MHP** Guidelines, Section 7306.
- (b) Grants for **HRI, STI, PGM, and Homeownership AHD** components shall be subject to the following terms:
  - (1) The **Applicant** must demonstrate that the grant will not result in a profit that exceeds the commercially reasonable range for other developments of similar size and level of risk.
  - (2) **AHSC Program** grant funds will be disbursed as reimbursed progress payments in the amount not to exceed the **AHSC Program** award of funds.
  - (3) Eligible costs incurred after the award date are eligible for reimbursement once the **Standard Agreement** is executed. Costs incurred prior to award are not eligible for reimbursement.
  - (4) For **HRI Capital Project** grants:
    - (A) Conditions precedent to the initial disbursement of **AHSC Program** funds shall include:
      - (i) Receipt of all required **Public Agency** entitlements and
      - (ii) All construction funding commitments for the **AHD** supported by the **HRI Capital Project**.
    - (B) **Rental AHDs** supported by the **HRI Capital Project** shall be subject to a recorded **Covenant** ensuring affordability for duration of at least 55 years, recorded on the fee interest of the real property on which the **Rental AHD** is to be located.
    - (C) **Homeownership AHD** supported by the **HRI Capital Project** shall be subject to a recorded **Covenant** providing a 30-year resale restriction, recorded on the fee interest of the real property on which the **Homeownership AHD** is to be located.
  - (5) For **Homeownership AHD** grants:
    - (A) Conditions precedent to the initial disbursement of **AHSC Program** funds shall include:
      - (i) Receipt of all required **Public Agency** entitlements;
      - (ii) The **Applicant** shall have **Site Control** of the proposed project property through the application award date (for evidence of **Site Control** see **CalHome Program** Guidelines Section 400.3);
      - (iii) All construction funding commitments for all costs to complete the **Homeownership AHD**;
      - (iv) The **Applicant** shall have met all other **Department** conditions for disbursement as stated in the **Standard Agreement**.
    - (B) All **Assisted Units** must be made available for sale to qualified **First-Time Homebuyers**.
    - (C) A **Homeownership AHD** must have a minimum of five units, and the term includes subdivisions or **Scattered Sites** with common ownership, development financing, and management.
    - (D) The **Recipient** is obligated to ensure long-term affordability of **Assisted Units** through a 30-year deed resale restriction.

## Section 107. Maximum Loan Amounts

- (a) Loans for **Rental AHD** component shall be subject to the following limits:
- (1) Per Unit Loan Limit
    - (A) The per unit funding limits shall be defined in the **NOFA**. For per unit subsidy limit calculations, the unit count shall include the number of units within the **Rental AHD**.
    - (B) The per unit funding limits will be calculated based upon the units' level of income restriction, number of bedrooms per unit, and the county in which the **AHD** is located.
    - (C) For an **AHD** required to be constructed as a condition of approval of one or more market rate developments pursuant to an inclusionary housing ordinance, or similar local requirement, units required under the ordinance or other requirements shall not be counted in determining applicable loan limits, except for the following:
      - (i) Units restricted under the **AHSC Program** at a lower rent level than required by the ordinance.
      - (ii) Units developed under a land dedication to the local government agency in which the project is located.
    - (D) For purposes of Section 107 (a)(1)(C), site-specific affordability requirements of public land sales and affordability requirements under the Surplus Land Act are not considered to be inclusionary housing ordinances or similar local requirements.
    - (E) **AHDs** developed pursuant to an inclusionary housing ordinance applying for any **Department** funds, including those meeting one of the above Section 107 (a)(1)(C) (i)-(ii), must disclose such at application, or the **Department's** award to the **Project** will be void.
  - (2) Per **Project** Loan Limit
    - (A) In each **NOFA**, the **Department** shall establish a maximum per **Project** subsidy amount. This maximum shall be set at a level that ensures sufficient demand for **AHSC Program** funds while meeting the **AHSC Program** geographic and other distribution goals, considering the demand evidenced in previous funding rounds, the availability of other sources of subsidy financing, and the total amount of **AHSC Program** funds available for award.

## Section 108. Maximum Grant Amounts

- (a) Grants amounts and calculations for **HRI**, **STI**, **PGM**, and **Homeownership AHD** are set forth in the **NOFA**

## Section 109. Transition Reserves

- (a) Transition Reserve policy set forth in **MHP** Guidelines Section 7312.1 is hereby incorporated into these **Guidelines** by reference.

## Section 110. State and Federal Laws, Rules, Guidelines and Regulations

- (a) To the extent applicable and unless preempted by federal law, the **Applicant** or **Developer** of the **Project** must ensure compliance with the following requirements:
- (1) **AHDs** must comply with all applicable local, state, and federal laws, constitutions, codes, standards, rules, guidelines, and regulations, including, without limitation, those that pertain to accessibility, construction, health and safety, labor, fair housing, fair employment practices, affirmatively furthering fair housing, nondiscrimination, and equal opportunity, including the laws detailed in **MHP Guidelines Section 7314**.
  - (2) **Projects** must demonstrate a preference for **Accessible Housing Unit(s)** to persons with disabilities requiring the accessibility features of those units in accordance with CCR, Title 4, Section 10337(b)(2), as may be amended and renumbered from time to time.
  - (3) **Applicants** must demonstrate consistency with State Relocation Assistance Law (CA Gov Code Sec. 7260-7277). This requirement does not apply to tribes who are exercising their sovereignty on trust land or by utilizing the Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) funding.
    - (A) **AHD Applicants** must also demonstrate consistency with relocation requirements detailed in **MHP Guidelines Section 7315**.
  - (4) For the purposes of the State Prevailing Wage Law (including Labor Code Sections 1720 – 1785), a grant or loan under the **AHSC Program** shall be considered public funding for the construction, rehabilitation, demolition, relocation, preservation, or other physical improvement of the **Capital Project** subject to the provisions of the State Prevailing Wage Law. **AHSC Program** funding of the **Project** shall not necessarily, in and of itself, be considered public funding of a **Project** unless such funding is considered public funding under the State Prevailing Wage Law. It is not the intent of the **Department** in these regulations to subject **Projects** to the State Prevailing Wage Law by reason of **AHSC Program** funding of the **Project** in those circumstances where such public funding would not otherwise make the **Project** subject to the State Prevailing Wage Law. Although the use of **AHSC Program** funds does not require compliance with federal Davis Bacon wages, other funding sources may require compliance with federal Davis Bacon wages.
  - (5) All proposed **Project** components are subject to all applicable codes, including the California Building Standards Code (CCR, Title 24).

## Article III. Application Procedures

### Section 111. Scoring Criteria

**AHSC Program** funds will be allocated through the process outlined in Section 112, based on the merits of the application to support a sustainable housing development that expands and improves transit, walking, and biking infrastructure, providing opportunities to reduce VMT by supporting connectivity between housing and destinations to bring about reduction of GHG emissions.

The scoring criteria is divided into three broad categories, each with additional subcategories, for a total of 100 points. Scoring elements are detailed under AHSC Scoring Elements and Criteria. It is the intent of the **AHSC Program** to use scoring to differentiate **Projects** for ranking, so it is not expected that any **Project** will score the full 100 points.

**Projects** will be reviewed and scored only after meeting threshold requirements as detailed in Section 103.1. **Projects** that do not meet threshold requirements will not be scored and therefore are not eligible for award. All the scoring criteria will be applied to every **Project**, regardless of the **Project** components present in each specific **Project**.

#### AHSC Scoring Elements and Criteria

##### *Estimated GHG Reductions Scoring (30 points)*

- Transit and Shared Mobility GHG (5 points)
- Project Area GHG (10 points)
- GHG Efficiency (15 points)

##### *Quantitative Policy Scoring (50 points)*

- Sustainable Transportation Infrastructure (20 points)
- Location Efficiency and Local Context (14 points)
- Housing Affordability and Funds Committed (9 points)
- Anti-Displacement Activities (4 points)
- Local Workforce Development and Hiring Practices (3 points)

##### *Narrative-Based Policy Scoring (20 points)*

- Climate Adaptation & Community Resiliency (7 points)
- Community Benefit & Engagement (6 points)
- Collaboration & Planning (4 points)
- Equity & Transformation (3 points)

To receive points related to a specific **Project** component, the **Applicant** must request a portion of the costs through the **AHSC Program** (e.g., an **Applicant** can only receive points related to an **AHD** when requesting **AHD** or **HRI** funds).

In all scoring categories, it is the responsibility of the **Applicant** to provide accurate, complete, and clear descriptions of their proposed **Project**. The **Department** and **Council** staff will use the required supporting documentation provided in the submitted application to verify claims, and cannot accept, nor rely on, additional or alternate materials provided after the application deadline. **Applicants** shall not provide intentionally unclear or vague answers to avoid disclosing relevant or material details of a **Project** and are instead required to be forthcoming in their application and respond clearly in the spirit and intent of the **AHSC Program**. The **Department** and **Council** staff reserve the right to withhold all points in any scoring categories if **Applicant**-submitted documentation is determined to be unclear or incomplete. **Project** details not disclosed to the **Department** that are later discovered or

disclosed, and which are determined to be inconsistent with the requirements of the **AHSC Program**, will result in disencumbrance of the awarded funds and negative points, if applicable.

### Estimated GHG Emission Reductions – 30 Points Maximum

Applications will be scored on the GHG emission reductions of proposed **Project** components, for a total of 30 points. **Applicants** are required to adhere to quantification requirements and guidance published by California Air Resources Board (CARB) and **SGC** regarding GHG emission reduction estimates and should refer to the AHSC Quantification Methodology and the AHSC User Guide available on the CARB [CCI Reporting Tools](#) webpage.

**Applicants** should refer to the AHSC Quantification Methodology for a complete list of quantifiable **Project** components. The GHG emission reductions attributable to the **AHSC Program** will be scored in the following GHG categories:

- Transit and Shared Mobility GHG: Transit and shared mobility project component(s) for a maximum of 5 points;
- Project Area GHG: Affordable housing, **Active Transportation**, and/or grid-connected solar photovoltaic (PV) project component(s) for a maximum of 10 points; and
- GHG Efficiency: Total GHG emission reductions per **AHSC Program** dollar for a maximum of 15 points

(a) Estimated GHG Emission Reductions Scoring Process:

(1) **Applicants** will estimate GHG emission reductions of each quantifiable **Project** component using the most recent AHSC Benefits Calculator Tool, available on the CARB [CCI Reporting Tools](#) webpage.

- (A) Each application requesting GGRF funding must include at least one of the project components listed in the AHSC Quantification Methodology. Applications are not required to estimate the benefits of all quantifiable project components. Also note that the AHSC Benefits Calculator Tool will prorate **GHG Reductions** according to the share of GGRF funding from **AHSC** and other GGRF programs. GGRF Funding from other programs should be specified by the **Applicant** in the Project Info Tab and prorated GHG emission reductions will appear in the GHG Summary Tab.
- (B) Applications that include a single **ZEV** purchase as a **Project** component must use **AHSC Program** dollars to fund more than 50 percent of the vehicle cost to be eligible for GHG quantification. In the case that multiple **ZEV** of a single mode type are purchased, all but one vehicle must be funded entirely by **AHSC** while the additional vehicle shall have more than 50 percent funded by **AHSC** to be eligible for quantification.
- (C) Applications quantifying solar PV electricity generation will only receive credit for electricity generation above state code requirements. **Applicants** should refer to the applicable energy code at the time of project building permit application submittal.
- (D) Phased **Projects** should only quantify the **Project** components for the phase seeking **AHSC** funding in the current application cycle. Previously funded or future phases are not included in the GHG calculation.

- (2) The GHG emission reductions of each application will be ranked from highest to lowest within each GHG category. Each application will be assigned to one of five bins in ranked order. Each bin will receive an assigned point score as follows:
- (A) Transit and Shared Mobility GHG
    - (i) Bin 1: 5 points
    - (ii) Bin 2: 4 points
    - (iii) Bin 3: 3 points
    - (iv) Bin 4: 2 points
    - (v) Bin 5: 1 point
  - (B) Project Area GHG
    - (i) Bin 1: 10 points
    - (ii) Bin 2: 8 points
    - (iii) Bin 3: 6 points
    - (iv) Bin 4: 4 points
    - (v) Bin 5: 2 points
  - (C) GHG Efficiency
    - (i) Bin 1: 15 points
    - (ii) Bin 2: 12 points
    - (iii) Bin 3: 9 points
    - (iv) Bin 4: 6 points
    - (v) Bin 5: 3 points
  - (D) Note: **Projects** that do not include a transit component or include transit components that result in a net increase in emissions will be placed in Bin 5 but receive zero points for the Transit and Shared Mobility GHG Category.
- (3) The score of each GHG category will be combined to determine the **Project's** Total GHG Score.
- (4) Please note that while all **Projects** are scored together, independent of **Project Area Type**, **Projects** will only compete within their **Project Area Type** for the first 80 percent of funding available in the **NOFA** per Section 112.

#### Quantitative Policy Scoring – 50 Points Maximum

##### (a) Sustainable Transportation Infrastructure (STI) – 20 Points Maximum

- (1) Up to 4 points for the total length (in **Lane Miles**) of AHSC-funded **Context Sensitive Bikeways**, as follows:
- (A) 4 points for at least two (2.0) **Lane Miles**
  - (B) 1 point for at least one (1.0) **Lane Mile**
  - (C) Note: **AHSC Program** funds may be used to install new or improved bikeways, even if they do not meet the requirements of a **Context Sensitive Bikeway**; however, points will only be awarded for **Context Sensitive Bikeways**. Improved bikeways must be facility enhancements that allow an upgrade from Class II to Class I or IV; or Class III to a facility that creates dedicated bicycle space (Class I, II, or IV). A project that converts a temporary Class IV bikeway (e.g., paint, plastic bollards, and/or K-rail) to a permanent Class IV bikeway using permanent physical barriers (e.g., poured concrete and/or plantings) is an eligible cost and eligible **Context Sensitive Bikeway**, but would not be eligible for GHG Quantification since it is not a new bikeway.

- (2) 2 points for **Projects** that expand an existing bicycle network. A new **Context Sensitive Bikeway** funded by **AHSC** must have an entry point within the **Project Area** and directly intersect with an existing bikeway as a way to connect to the existing bike network. The existing bikeway and bikeway network is not required to be comprised of **Context Sensitive Bikeways**.
- (3) Up to 3 points for the length of AHSC-funded **Safe and Accessible Walkways**, as follows:
  - (A) 3 points for repairing or constructing sections of sidewalks, walkways, or ramps that create more than 2,000 feet of continuous **Safe and Accessible Walkway**.
  - (B) 1 point for repairing or constructing sections of sidewalks, walkways, or ramps that create more than 1,000, but at or less than 2,000 feet, of continuous **Safe and Accessible Walkway**.
  - (C) Note: **STI** improvements that will make walkways safe and accessible (e.g., through new or repaired sidewalks or curb ramps) will be measured for the distance of the entire block face on which the infrastructure improvement will be made so long as the entire distance of its walkway will then meet the definition of **Safe and Accessible Walkway**. Crosswalk improvements, which are eligible **STI** components, can be measured for the crosswalk distance plus the distance of one block face to which it connects, so long as the block face already is or will be a **Safe and Accessible Walkway** at the completion of the **Project**.
- (4) Up to 2 points for **Projects** that fund the construction of new pedestrian facilities where none exist at the time of application submission. **Projects** will be eligible for points based on the continuous linear feet of new pedestrian facilities as listed below in subsections (A) and (B). Examples include new overpasses or underpasses, and new Class 1 path or sidewalk where no walkway currently exists so long as these facilities meet the definition of **Safe and Accessible Walkway**. To be considered 'continuous,' the distance of the new facility should be represented by one singular, unbroken, unduplicated line on the **Project Area** Map. Curb ramps or other wheelchair-accessible entry points are required for any crossings in this new facility but would not be sufficient in and of themselves to be eligible for this point. The **Lane Miles** of one Class I Multi-Use Path can be counted to fulfill the distance of this scoring section; but **Applicants** may not use the same portion of a Multi-Use Path for both bikeway and walkway scoring sections.
  - (A) 2 points for at least 1,000 continuous linear feet of new pedestrian facilities where none exist at the time of application submission.
  - (B) 1 point for at least 500 continuous linear feet of new pedestrian facilities where none exist at the time of application submission.
- (5) Up to 4 points for **Projects** that improve a local bus route by implementing any (or multiple) of the following will be eligible for 2 points for each strategy. An **Applicant** may double the minimum thresholds (e.g. 2.0 miles or 10 bus shelters) for each strategy to achieve the full four points in this section. To qualify for these points, the AHSC-funded improvements must improve service along at least one bus route that serves at least one **Transit Station/Stop** or station

inside the **Project Area**. If the improvement to the bus route(s) extends beyond the border of the **Project Area**, the improvement's effects to improving reliability and/or speed inside the **Project Area** should be evident.

- (A) At least one (1.0) **Lane Mile** of a Bus Only Lane that includes prohibition of private vehicles or High Occupancy Toll (HOT) Lanes that are in effect at least eight hours a day, at least five days a week.
  - (B) Installation of bus bulb-outs or transit boarding islands that eliminate the need for buses to pull out of the general flow lane at least five stops in the **Project Area**.
  - (C) Installation of level floor boarding infrastructure to ensure wheelchair users are able to access transit vehicles without the need for mechanical ramps.
  - (D) Installation of new or upgraded **TSP** hardware and software along all signals for one (1.0) consecutive **Lane Mile**.
  - (E) Installation of at least five new bus shelters where none currently exist in the **Project Area**.
  - (F) Procurement of at least one new transit **ZEV** that allows the provider to modify published schedules that will achieve headways of 20 minutes or less during **Peak Period** or reduce **Peak Period** existing headways by more than 10 minutes.
- (6) Up to 5 points for applications with an **AHSC Program** funds request for **STI** that comprises at least a certain amount of funds or a percentage of the total AHSC funds request (whichever is the lower amount) as detailed below:
- (A) 5 points for at least \$9,000,000 or 30.0 percent of total funding request
  - (B) 2 points for at least \$6,000,000 or 20.0 percent of total funding request
- (b) **Location Efficiency and Local Context - 14 Points Maximum**
- (1) Up to 3 points will be given for **Projects** that provide the location of existing **Key Destinations** within one-half (0.50) mile of the **AHD**. For **TOD Project Areas** and **ICP Project Areas** each type of **Key Destination** is worth one-third (1/3) of a point. For **RIPA Project Areas** each type of **Key Destination** is worth one-half (1/2) of a point. Each **Key Destination** category may only be counted once. Facilities that meet multiple categories (e.g., a Grocery Store with a Pharmacy) may be counted toward multiple categories. Please see definitions and further specifications for each **Key Destination** in Appendix A. Please see **Project Area Mapping Guidance** for how to map and document **Key Destinations**.
- (A) Market or grocery store (SNAP Retailer)
  - (B) Food bank
  - (C) Medical clinic that accepts Medi-Cal payments or offers free medical services to low-income individuals
  - (D) Licensed childcare facility as identified by the California Department of Social Services
  - (E) Pharmacy
  - (F) Park accessible to the general public
  - (G) Community or recreation center accessible to the general public
  - (H) Public library
  - (I) Public elementary, middle, high school, non-profit university, or non-profit junior college
  - (J) Bank or credit union
  - (K) Post office

- (2) 3 points for **Projects** which provide documentation that their site is one or more of the following:
- (A) Near an environmentally cleared High-Speed Rail Station: An **AHD** that is within one (1.0) mile of an environmentally cleared California High-Speed Rail Station; or
  - (B) Funding the construction of community-identified components from another SGC program: A **Project** that funds community-identified components from another **SGC**-funded project, such as Transformative Climate Communities (TCC), Sustainable Agricultural Lands Conservation (SALC); or
  - (C) An **AHD** which is to be developed on land disposed of in accordance with Executive Order (EO) N-06-19: For excess state-owned property disposed of in accordance with EO N-06-19, the **AHD** must have been selected by the **Department** and the Department of General Services to enter into a long-term, low-cost ground lease with the state to create affordable housing on excess state-owned property.
  - (D) Utilizing Surplus or Exempt Surplus Land: An **AHD** which is to be developed on land declared surplus or exempt surplus by a local agency (“Surplus Land”) and land acquired from an agency of the State of California are eligible for these points as follows:
    - (i) Up to 3 points. For surplus or exempt surplus land owned by a local agency, including transit agencies, and state-owned land acquired through means other than EO N-06-19, points shall be awarded as follows:
      - a. 1 point for documentation either of acquisition directly from a state agency not pursuant to EO N-06-19, OR 1 point for acquisition or lease agreement from local agency with an HCD findings letter documenting compliance with Surplus Land Act (SLA), as defined in SLA Guidelines Section 500(c). All applications must include the letter directly in the application submission, even if it is available in the [Department catalogue of findings letters](#); and either
      - b. 1 point if the disposition is discounted at least 20 percent or more from the property’s current appraised value or market rate lease terms. Current appraised value should be supported by an independent third-party appraisal prepared by a Member Appraisal Institute (MAI) qualified appraiser within one year prior to the application deadline; or
      - c. 2 points if the disposition is provided as a land donation or equivalent, or leased for a nominal fee of \$20,000 or less per year.
- (3) Up to 3 points: For **AHDs** located in jurisdictions that have met either of the following criteria:
- (A) 1 point will be awarded for **AHDs** located in jurisdictions that have adopted a housing element that has been found by the **Department** to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code pursuant to Section 65585 of the Government Code by application due date.
  - (B) 2 points will be awarded for **AHDs** located in jurisdictions that are

designated prohousing pursuant to subdivision (c) of Section 65589.9 of the Government Code, in the manner determined by the **Department** pursuant to subdivision (d) of Section 65589.9 of the Government Code by application due date.

- (4) Up to 5 points will be awarded to **Projects** as follows:
- (A) 5 points will be awarded for **Projects** where the **Tribal Entity** is the **Developer** for the **AHD** and/or **HRI** components, or the **Project** partner responsible for the **STI** components.
  - (B) 5 points will be awarded for a **Project** that includes an **AHD** located in an area identified as one of the following in the CCI **Priority Populations Mapping Tool 4.0**:
    - (i) Disadvantaged community: CES, Disadvantaged community: Tribal land, Low-income community
    - (ii) Disadvantaged community: CES, Low-income community
    - (iii) Disadvantaged community: Tribal land, Low-income community
  - (C) 3 points will be awarded for a **Project** that includes an **AHD** located in an area identified as one of the following in the CCI **Priority Populations Mapping Tool 4.0**:
    - (i) Disadvantaged community: CES
    - (ii) Disadvantaged community: Tribal land
  - (D) 2 points will be awarded for a **Project** that includes an **AHD** located in an area identified as one of the following in the CCI **Priority Populations Mapping Tool 4.0**:
    - (i) Low-income community
    - (ii) DAC 1/2 mile neighbor: low-income community

(c) **Housing Affordability and Funds Committed - 9 Points Maximum**

- (1) Up to 5 points will be awarded to **Projects** based on housing affordability.
- (A) For **Rental AHDs**, the following shall apply:
    - (i) Up to 3 points will be awarded based on the percent of total **Units** in a **Rental AHD** restricted to **Extremely Low Income (ELI)** households as follows:
      - a. 15 to 19.9 percent of total **Units** = 1 points
      - b. 20.0 to 24.9 percent of total **Units** = 2 points
      - c. 25 percent or more of total **Units** = 3 points
    - (ii) Up to 2 points will be awarded based on the percent of total units in a **Rental AHD** that are three-bedroom or larger and are restricted to **ELI** or **Very-Low Income** households as follows:
      - a. 10 to 19.9 percent of total units = 1 points
      - b. 20 percent or more of total units = 2 points
  - (B) For **Homeownership AHDs**, the following shall apply:
    - (i) Up to 5 points will be awarded for applications which restrict a percentage of units in a **Homeownership AHD** to **Low-Income (LI) households**. Points will be awarded based on the percent of total units restricted to **LI households** as follows:
      - a. 20 to 29.9 percent of total units = 2 points
      - b. 30 to 39.9 percent of total units = 3 points
      - c. 40 to 49.9 percent of total units = 4 points
      - d. 50 percent or more of total units = 5 points

- (2) 4 points will be awarded for applications demonstrating committed funding for all permanent financing, grants, and operating subsidies, excluding: the amount requested from the **AHSC Program**, an allocation of tax-exempt bonds, and 4 percent or 9 percent tax credits. For **Projects** with bond financing, any applicable permanent lender commitment of bond financing is required for these points. Assistance for capital expenditures will be deemed to be an **EFC** if it has been awarded to the **Project** or if the **Department** approves other evidence that the assistance will be reliably available. Contingencies in commitment documents based upon the receipt of an allocation of tax-exempt bonds, 4 percent tax credits or 9 percent tax credits will not disqualify a source from being counted as committed.

For **Homeownership AHDs** only: Construction loans which will be repaid with revenue from the sale of homes to low-income or moderate-income homebuyers will be considered committed funding.

(d) **Anti-Displacement Activities - 4 Points Maximum**

- (1) Up to 4 points for **Projects** that document a commitment to implement at least one new or expanded Anti-Displacement activity listed in this section, as supported by an assessment of housing needs and displacement vulnerability.

Commitment Letter: All proposals must complete the AHSC Commitment Letter Template provided that describes how each **Program** or activity will be implemented. The template form will require a complete scope of work; current status of work; current status of the role the non-profit plays in the **Project Area**; proposed measures of success & tracking protocols; why the **Program** was chosen; and signatures from the **Applicant** and the implementing parties signifying an agreement to the scope of work.

In the AHSC Commitment Letter Template, **Applicants** will be required to explain how they decided which Anti-Displacement Activities were most appropriate for the **Project Area** by either using the AHSC Anti-Displacement Tool or referencing the jurisdiction's housing element, other research, community feedback, or other existing documents.

**Projects** may select any activity listed in this section. These activities must be implemented by the indicated entity with dedicated **PGM** funding of a minimum \$150,000 per activity, unless otherwise indicated:

- (A) For AHSC **Homeownership AHDs Applicants: AHD Developer** or **Locality Applicant** has provided **Mortgage Assistance Loans** to qualified **First-Time Homebuyers** for a minimum of two years within the four years immediately preceding the application.
- (B) An independent non-profit and/or **Locality** developing a Community-Driven, Neighborhood-Scale Anti-Displacement Plan.
- (C) An independent non-profit and/or **Locality** developing or implementing a pipeline or training programs that will build capacity for local affordable housing developers.
- (D) An independent non-profit and/or **Locality** developing or implementing a process for data collection, monitoring, and tracking systems related to the causes of displacement (e.g., rental property registry, inventory of at-

risk units, landlord licensing, local eviction tracking, a speculation watchlist, or tracking the loss and formation of culturally-relevant and community-serving small businesses).

- (E) An independent non-profit and/or **Locality** developing or implementing foreclosure or eviction prevention and landlord anti-harassment programs. If proposed program includes tenant legal counseling services, the services cannot be provided by the **Developer**, building manager, or related entity.
- (F) An independent non-profit and/or **Locality** developing, administering, or implementing rental assistance or voucher programs to residents of the **Project Area** who are not the residents of the **AHD**.
- (G) An independent non-profit and/or **Locality** developing or implementing a Small/Family Business Protection Program for community businesses in the **Project Area**.
- (H) An independent non-profit and/or **Locality** developing or operating a Community Land Trust or Land Banking activities.
- (I) An independent non-profit and/or **Locality** developing or implementing programs that provide subsidized work to weatherize or repair existing **Low-Income Households** to increase energy efficiency and/or air quality in the **Project Area**.
- (J) An independent non-profit and/or **Locality** implementing a policy or action identified in a previously published Anti-Displacement Plan that is not listed above. **Applicants** should reference a specifically outlined goal, strategy, or action from the plan.

(e) **Local Workforce Development and Hiring Practices - 3 Points Maximum**

- (1) Up to 3 points (1.5 points per strategy) for **Projects** that implement workforce development strategies that advance the recruitment, training, and hiring of individuals who live within **Priority Populations** census tracts or **Low-Income Households**. Strategies should aim to connect these populations with training and hiring opportunities created by the **Project**. Workforce development strategies may be implemented during **Project** construction or after completion of the **Project**, but they must be implemented within the contract reporting period as stipulated in the **Standard Agreement**:

- (A) Partnership with a Workforce Development organization or a Workforce Development Board: **Applicants** must provide the following information and verifiable documentation in a letter jointly signed by the **Applicant** and the external organization:
  - (i) The name(s) of the organization(s)
  - (ii) The nature of the partnership between the **Applicant** and the organization
  - (iii) Demonstrate that the implementing organization has a track record of success serving disadvantaged populations
  - (iv) Demonstrate that the implementing organization has a history of success in job placement rates for trainees from **Priority Populations**
  - (v) The written agreement that details the partnership strategy or policy undertaken and its outcomes
  - (vi) The number and the demographic composition (race, education, and income) of participants in the external organization over the last three years, for each of the following:

- a. Participants who enrolled in the program;
  - b. Participants who completed the program; and
  - c. Participants who were successfully placed into state-certified apprenticeship or related job.
- (B) **Project** is bound by a Skilled and Trained Workforce Commitment: **Applicants** must provide the certification letter submitted to a local government pursuant to Article 4 (Labor Standards) in AB 2011 (Section 65912.130 and 65912.131 of Government Code) or provide the following information and verifiable documentation in a letter jointly signed by the **Applicant** and the external organization:
- (i) A letter of intent between the **Developer** and the state-certified apprenticeship program including the mechanism to deliver on the term of that commitment
  - (ii) The number and the demographic composition (race, education, income) of participants in the external organization over the last three years, for each of the following:
    - a. Participants who enrolled in the program;
    - b. Participants who completed the program; and
    - c. Participants who were successfully placed into a state-certified apprenticeship or related job.
- (C) **Projects** that have developed a Project Labor or Community Workforce Agreement: **Applicants** must provide the following information and verifiable documentation in a letter jointly signed by the **Applicant** and the external organization:
- (i) Documentation of the agreements, including, a Targeted Hiring Plan, as defined in HSC 38599.10, demonstrating how the **Applicant** will:
    - a. Create **High-Quality Jobs** for residents of under-resourced, Tribal, and **Low-Income Communities** in the same region as the proposed **Project**
    - b. Ensure access for the aforementioned residents to those jobs
    - c. Create a defined cohort of pre-apprentices from local programs with close and demonstrable connections to state-certified apprenticeships.
- (D) **Projects** that are located in jurisdictions with Local Hire Ordinances: **Applicants** must provide the following information and verifiable documentation in a letter:
- (i) Date the ordinance took effect
  - (ii) Documentation of the ordinance's requirements
  - (iii) Confirmation the **Project** will be subject to and comply with the ordinance's requirements including:
    - a. A specific number of targeted workers or apprenticeships to be hired;
    - b. The mechanism for targeting the workers or apprenticeships; and
    - c. The programs from which workers or apprenticeships will be recruited from.

## Narrative Based Policy Scoring – 20 Points Maximum

The Narrative-Based Policy Scoring section of the application will be scored only for **Projects** that meet threshold requirements listed in Section 103.1. For Narrative-Based Policy Scoring, **Applicants** must provide responses to the questions and prompts outlined in the Narrative Prompts document. Please reference the Narrative Prompts document and rubric at the [SGC AHSC Program Website](#) for instructions, the specific questions to answer, and necessary application materials. The following is a summary of each section:

(a) **Climate Adaptation & Community Resiliency – 7 Points Maximum**

Communities will continue to experience effects of climate change in many ways, including increased likelihood of droughts, flooding, heatwaves, sea level rise, severe weather, and wildfires. Due to these effects, climate resiliency is a key part of planning, design, and **Project** implementation. The prompts will ask **Applicants** to: 1) outline the risks posed from climate change and other environmental exposures; 2) address how the risks will be reduced by appropriate green building, **Urban Greening**, adaptation, or mitigation strategies; and 3) how, more broadly, the **Project** will promote equity and reduce the health risks of climate change and other environmental exposures including extreme heat, wildfires and smoke, air pollution from vehicle emissions, and more. Under this section applicants must fill out the Climate Adaptation Assessment Matrix and related prompts.

(b) **Community Benefits & Engagement - 6 Points Maximum**

Community involvement and leadership are crucial to ensuring that both the principal objectives and co-benefits of the **Project** respond to the true needs of its future residents and the existing community, broadly. The prompts will ask **Applicants**, how: 1) local residents, the developer(s), stakeholders, government, and/or community-based organizations were engaged to help shape the **Project** to date; 2) community-based organizations and local residents, especially from **Disadvantaged and Low-Income Communities** and/or those with disabilities, were meaningfully engaged in identifying needs as well as **Project** components; 3) the **Project** is planning to continue engagement in the future; and 4) the **Project** is taking concrete steps to address community-identified needs and promote equity, community health, and well-being.

(c) **Collaboration & Planning – 4 Points Maximum**

Collaboration across local governments and housing and transportation providers is critical to create a **Project** that ensures connectivity and responds to the day-to-day needs of the community. Taken together, the responses to the prompts of this section should outline how the proposed **Project**: 1) aligns with previous planning efforts of local government; 2) brings together local government, including housing and transportation agencies in collaboration, to realize the vision of those efforts through the **Project**; and 3) will equitably translate that vision into improvements that address community needs related to climate adaptation, health, housing, mobility, access, and safety.

(d) **Equity & Transformation – 3 Points Maximum**

As stated in the **AHSC Program** Overview, **SGC** is committed to achieving racial equity in its operations, investments, and policy initiatives and to achieving its vision that: “All people in California live in healthy, thriving, and resilient communities regardless of race” (read more in the **SGC** [Racial Equity Action Plan](#)). The **AHSC Program** encourages a holistic approach to community development and broader investments in neighborhoods. Under this section, the prompts will ask **Applicants** to describe how the **Project** is going above and beyond, either: piloting new or innovative approaches or policies, leveraging existing resources in a new way, advancing equity, or shaping future projects in the nearby communities.

## Section 112. Selection Process Criteria

Funds for **AHSC Program** will be decided per the objectives and policies listed below.

(a) The highest scoring applications that meet all threshold requirements as determined by the **Department**, based on criteria set forth in these **Guidelines**, shall be recommended to the **Council** for funding as specified in the **NOFA** to the extent funding is available:

(1) **Project Area Type** funding goals:

(A) At least thirty-five (35.0) percent of funds as designated in the **NOFA** to **TOD Project Area** applications;

(B) At least thirty-five (35.0) percent of funds as designated in the **NOFA** to **ICP Project Area** applications;

(C) At least ten (10.0) percent of funds as designated in the **NOFA** to **RIPA** applications; and

(D) **Remaining Funds**: After designating funds to **Projects** that meet the **Project Area Type** funding targets, remaining available funds may be awarded to any eligible **Project Area Type** that meets the goals detailed in this section.

(2) **Geographic Goal**: The **Council** strives to achieve a diverse distribution of resources and recognizes that in order to meet the state's environmental commitments, GHG emission reductions must be made in all parts of the State. The **Council** will use **Remaining Funds**, as described in Section 112(a)(1)(D) to ensure a distribution of total **AHSC Program** funds that allows for all geographic areas with a competitive application to receive funds, with a minimum of one **Project** per geographic area to be awarded.

The **AHSC Program** defines the eight geographic areas as follows (listed by geographic area followed by counties pertaining to each area):

(A) Central Coast: Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Ventura

(B) Coastal Southern California: Los Angeles, Orange

(C) Inland Southern California: Imperial, Riverside, San Bernardino

(D) North State and Sierras: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tuolumne

(E) Sacramento Area: El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba

(F) San Diego Area: San Diego

(G) San Francisco Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma

(H) San Joaquin Valley: Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare

(3) **Tribal Entity Goal**: To the extent qualifying **Projects** are received, the **Council** will seek to provide \$50M of funding for **Tribal Entities**, an amount equivalent to the maximum request available for one **Project**. To be considered for the **Tribal Entity Goal**, a **Tribal Entity** must be the **Developer** for the **AHD** and/or **HRI** components, or the **Project** partner responsible for **STI** components. **Projects** where the only involvement of a **Tribal Entity** is as an **Applicant** for **PGMs**, will not contribute towards the **Tribal Entity Goal**. The **Project** must meet the requirements laid out in Appendix B to qualify for

- the **Tribal Entity** Goal. The **Project** must meet all **AHSC Program** requirements unless stated otherwise in **Guidelines** or which have been waived or modified pursuant to AB1010 (2019) (HSC Section 50406 subdivision (p)). Following the selection of **Projects** to meet this target, any remaining **Project(s)** involving a **Tribal Entity** will compete for the **Remaining Funds** along with all other **Projects**. Any funds not utilized under this target will be considered part of the **Remaining Funds** that can be used to meet any of the other designated targets and goals detailed in Section 112.
- (4) **Disadvantaged Communities (DAC)** Statutory Requirement: At least fifty (50.0) percent of **AHSC Program** expenditure for **Projects** that have direct and meaningful benefits to **DACs** and have the AHSC-funded **AHD** located within a **DAC**.
  - (5) Affordable Housing Statutory Requirement: At least fifty (50.0) percent of the annual proceeds appropriated for the **AHSC Program** shall be expended for **AHD(s)**. For the purposes of this set-aside, expenditures related to **AHD** and **HRI Capital Projects** shall count toward this requirement.
  - (6) A single **Project** may count toward any or all the requirements and targets in Section 112(a)(1)-(5).
  - (7) After all the requirements and targets in Section 112(a)(1)-(5) are achieved, any **Remaining Funds** will be awarded to the highest scoring applications. In the event that two or more applications have the same final score, the **Project** with the total highest **GHG Reductions** (MTCO<sub>2e</sub>), after appeals and CARB review, will take precedence.
  - (8) In the event there are insufficient **Projects** that have scored at least 70 points or to the extent applications received are insufficient to meet any of the targets detailed in Section 112(a)(1)-(5), the **Council** reserves the right to waive these targets at their discretion.
- (b) The following additional policies will inform the final decision of **Project** awards:
- (1) A single **AHD Developer** award limits per funding cycle are established in the **NOFA**. However, this limitation may be waived if necessary to meet **AHSC Program** statutory funding set-asides.
  - (2) **Projects** will not be partially funded. Given the interconnected nature of the **AHSC Program**, any unfunded portion of the **Project** would have a potential change to scoring. At the discretion of the **Council**, a **Project** that received a lower score may be awarded funding if the **Remaining Funds** are sufficient to fully fund the **Project**. If funds remain after awards, those funds will roll forward into the next **NOFA**.
  - (3) To support implementation of an applicable SCS or APS and consistency with activities or strategies identified in a regional SCS, APS, or equivalent planning document that demonstrates per capita reductions in VMT and GHG, as allowed by [SB 862](#) (Chapter 36, Statutes of 2014), an MPO or regional agency may develop its own process prior to the application due date to identify and recommend applications that have the highest regional priorities based on criteria established by the MPO/region. Agency staff may request participation by emailing the [AHSC@sgc.ca.gov](mailto:AHSC@sgc.ca.gov) inbox no later than 30 days after the release of **NOFA**.

### Section 113. Application Process

- (a) Pursuant to direction of the **Council**, the **Department** shall offer funds through a **NOFA** and applications will be reviewed based on the criteria set forth in these **Guidelines**.
- (b) The **Department** will schedule optional pre-application consultations as detailed in the **NOFA** to provide assistance to **Applicants** regarding minimum threshold eligibility and other requirements. Additionally, no-cost technical assistance may be available to help **Applicants** prepare their application materials, see the [AHSC Program webpage](#) for more information.
- (c) Applications will be made available through the **Department**, and complete applications and supporting documentation must be submitted to the **Department** by the deadline detailed in the **NOFA**. An application workbook will be developed by **SGC** and the **Department** in accordance with these **Guidelines** and will outline the required documentation and methods by which compliance with the **Guidelines** is demonstrated.
- (d) The **Department** may elect to not evaluate compliance with some or all threshold requirements for applications that are not within a fundable range.
- (e) Applications will be reviewed, and negative points assessed against the **Applicant** and all Responsible Parties, consistent with the **Department's** Negative Points Policy.
- (f) Applications recommended for funding and approved by the **Council** are subject to conditions specified by the **Department**. **Applicants** will receive a conditional letter of award after funding recommendations are approved by the **Council**.
- (g) Applications will be treated in accordance with the Public Records Act. Certain information, in accordance with the Public Records Act, may be publicly disclosed.
- (h) Applications are selected as outlined in Section 112.
- (i) **Applicant(s)** shall respond to all **Department** requests for information and/or deliverables in a commercially reasonable period of time following the award letter or risk disencumbrance of the award in the **Department's** sole and absolute discretion.
- (j) During application review, **Department** staff may request or accept clarifying information as set forth in the **NOFA**.

## Article IV. Operations

### Section 114. Legal Documents

- (a) Loans for **Rental AHD** shall be governed by one or more agreements, which shall ensure that the provisions of these **Guidelines** are applicable to the **Project** covered by the agreement(s) and enforceable by the **Department**. The agreement or agreements will contain such other provisions as the **Department** determines are necessary to meet the requirements and goals of the **AHSC Program**.
- (1) **Standard Agreement**: Upon the award of **AHSC Program** funds to a **Project**, the **Department** shall enter into a **Standard Agreement** with the **Recipient** and **Payee**, which shall commit funds from the **AHSC Program**, subject to specified conditions, in an amount sufficient to encumber the approved **AHSC Program** grant amount. The **Standard Agreement** shall require the **Recipient** to comply with the requirements and provisions of these **Guidelines**, and generally applicable state contracting rules and requirements, and all other applicable laws. The **Standard Agreement** shall include, but not be limited to the following:
- (A) A description of the approved **AHD** and the permitted uses of **AHSC Program** funds;
  - (B) The amount and terms of the **AHSC Program** loan;
  - (C) The regulatory restrictions to be applied to the **AHD** through the **Regulatory Agreement**;
  - (D) Provisions governing the construction work and, as applicable, the acquisition of the **Project** site, and the disbursement of award proceeds;
  - (E) Special conditions imposed as part of the **Department's** approval of the **AHD**;
  - (F) Requirements for the execution and the recordation of the agreements and documents required under the **AHSC Program**;
  - (G) Terms and conditions required by federal and state law;
  - (H) Requirements regarding the establishment of escrow accounts for the deposit of documents and the deposit and disbursement of **AHSC Program** loan proceeds;
  - (I) The approved schedule of the **AHD**, including land acquisition if any, commencement and completion of construction or rehabilitation work, and occupancy by **Affordable Units**;
  - (J) The approved **Project** development budget and sources and uses of funds and financing;
  - (K) Requirements for reporting to the **Department**;
  - (L) Terms and conditions for the inspection and monitoring of the **Project** in order to verify compliance with the requirements of the **AHSC Program**;

- (M) Provisions regarding compliance with California’s Relocation Assistance Law (Gov. Code, Section 7260 et seq.) and the implementing regulations adopted by the **Department** (Cal. Code Regs., tit. 25, Section 6000 et seq.), or to the extent applicable, compliance with federal Uniform Relocation Act requirements. This requirement does not apply to **Tribal Entities** who are exercising their sovereignty on trust land or by utilizing the Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) funding;
  - (N) Provisions relating to the placement of a sign on or in the vicinity of, the **AHD** site indicating that the **Council** has provided financing for the **AHD**. The **Council** may also arrange for publicity of the **AHSC Project** in its sole discretion;
  - (O) Provisions to ensure that the **Eligible Costs** and use of **AHSC Program** funds maintain the required **GHG Reduction** represented in the application;
  - (P) Other provisions necessary to ensure compliance with the requirements of the **AHSC Program** and applicable state and federal laws;
  - (Q) Description of the conditions constituting breach of the agreement(s) and remedies available to the parties thereto;
  - (R) Provisions identifying the modification or waiver of state housing finance requirements for **Tribal Entities** pursuant to Appendix B, if applicable;
  - (S) Provisions expressly providing that all awards of **Department** loan or grant funding made to the **Project**, or to any component or components of the **Project**, are cross-defaulted to one another such that:
    - (i) Compliance with all **Department** funding awards to the **Project** is a prerequisite of funding any of the **Department** funding awards; and
    - (ii) A default on any one award of **Department** funding constitutes a default of all other **Department** funding awards made to the **Project**;
  - (T) Provisions expressly providing that if any **Project** components (**AHD**, **HRI**, **STI**, or **PGM**, as applicable) are not timely completed pursuant to **AHSC Program** requirements, the **Project** will no longer qualify for the **AHSC Program** award, and the award will be disencumbered; and
  - (U) Any of the **Department’s** standard contractual terms that may be applicable.
- (2) **Regulatory Agreement:** For **Rental AHDs**, the **Department** shall enter into a **Regulatory Agreement** with the **Applicant** for not less than the original term of the loan that shall be recorded against all sites comprising the property of the **AHD** prior to the disbursement of funds. The **Regulatory Agreement** shall include, but not be limited to, the following:
- (A) The number, type and income level of **Assisted Units**;
  - (B) Standards for tenant selection pursuant to 25 CCR 8305;

- (C) Provisions regulating the terms of the rental agreement pursuant to 25 CCR 8307;
- (D) Provisions related to an annual operating budget approved by the **Department** pursuant to **MHP** Guidelines Section 7327;
- (E) Provisions related to a management plan pursuant to **MHP** Guidelines Section 7325;
- (F) Provisions related to a Rent Schedule, including initial rent levels for **Restricted Units** and non-Restricted Units pursuant to subsections (a) and (b) of **MHP** Guidelines Section 7312;
- (G) Conditions and procedures for permitting rent increases pursuant to **MHP** Guidelines Section 7312;
- (H) Provisions for limitations on **Operating Income** pursuant to 25 CCR 8314 and on developer fees pursuant to 25 CCR 8312;
- (I) Provisions relating to annual reports, inspections, and independent audits pursuant to **MHP** Guidelines Sections 7326 and 7327;
- (J) Provisions regarding the deposit and withdrawal of funds to and from reserve accounts in accordance with 25 CCR 8308 and 8309;
- (K) Assurances that the **AHD** will be maintained in a safe and sanitary condition in compliance with state and local housing codes and the management plan, pursuant to **MHP** Guidelines Section 7325;
- (L) Description of the conditions constituting breach of the **Regulatory Agreement** and remedies available to the parties thereto;
- (M) Provisions governing use and operation of all Units including non-**Assisted Units** and common areas to the extent necessary to ensure compliance with **AHSC Program** requirements;
- (N) Provisions relating to enforcement of **AHSC Program** requirements by tenants;
- (O) Special conditions of loans approval imposed by the **Department**;
- (P) Provisions specifying that the **Regulatory Agreement** shall be binding on all assigns and successors in interest of the **Recipient** and that all sales, transfers, and encumbrances shall be subject to the terms of **MHP** Guidelines Section 7323;
- (Q) "Operations," **MHP** Guidelines Sections 7322 through 7327, shall apply to **Rental AHDs** assisted by the **AHSC Program**;
- (R) Provisions expressly providing that all awards of **Department** loan or grant funding made to the **Project**, or to any component or components of the **Project**, are cross-defaulted to one another such that:
  - (i) Compliance with all **Department** funding awards to the **Project** is a prerequisite of funding any of the **Department** funding awards, and
  - (ii) A default on any one award of the **Department** funding constitutes a default of all other **Department** funding awards made to the **Project**;

- (S) Provisions governing income from commercial uses pursuant to **MHP Guidelines 7327, 7304(b)(8), and 7304(c)**; and
  - (T) Other provisions necessary to assure compliance with the requirements of the **AHSC Program**.
  - (U) Health and Safety Code (HSC) provisions identifying the modification or waiver of state housing finance requirements for **Tribal Entities** pursuant to HSC Section 50406, Subdivision (p).
- (3) Promissory Note: All **AHSC Program** loans for assistance to **Rental AHDs** shall be evidenced by a promissory note payable to the **Department** in the principal amount of the loan and stating the terms of the loan consistent with the requirements of the **AHSC Program**. The note shall be secured by a deed of trust on the **AHD** property naming the **Department** as beneficiary or by other security acceptable to the **Department**; this deed of trust or other security shall be recorded junior only to such liens, encumbrances and other matters of record approved by the **Department** and shall secure the **Department's** financial interest in the **AHD** and the performance of **Applicant's AHSC Program** obligations.
- (4) Recipient Operating and Control Agreement: The **Recipient** and the borrowing entity must enter into a Recipient Operating and Control Agreement with the **Department** at or prior to permanent financing close of escrow. Pursuant to the Recipient Operating and Control Agreement, the **Recipient** shall be responsible for performing certain activities for the full term of the **Regulatory Agreement** and at no cost to the borrowing entity. Such activities are described in **MHP Guidelines Section 7322(d)**.
- (b) Grants for **Homeownership AHD** shall be governed by one or more agreements, which shall ensure that the provisions of these **Guidelines** are applicable to the **Project** covered by the agreement and enforceable by the **Department**. The agreement or agreements will contain such other provisions as the **Department** determines are necessary to meet the requirements and goals of the **AHSC Program**.
- (1) **Standard Agreement**: Upon the award of **AHSC Program** funds to a **Project**, the **Department** shall enter into a **Standard Agreement** with the **Recipient** and **Payee**, which shall commit funds from the **AHSC Program**, subject to specified conditions, in an amount sufficient to encumber the approved **AHSC Program** grant amount. The **Standard Agreement** shall require the **Recipient** to comply with the requirements and provisions of these **Guidelines**, and generally applicable state contracting rules and requirements, and all other applicable laws. The **Standard Agreement** shall include, but not be limited to, the following:
- (A) A description of the approved **AHD** and the permitted uses of **AHSC Program** funds;
  - (B) Provisions governing the amount, terms, and conditions of the **AHSC Program** grant to **Recipient**;

- (C) Provisions governing the construction work and, as applicable, the acquisition of the project site, and the disbursement of grant proceeds;
- (D) The approved schedule of the **AHD**, including land acquisition if any, commencement and completion of construction work, and occupancy by **Affordable Units**;
- (E) Requirements for the execution of the agreements and documents required under the **AHSC Program**, which may include the Monitoring Agreement, Disbursement Agreement, and Covenant.
- (F) The scope of work performed by the **Recipient**, which shall consist of **Homeownership AHD** Grants undertaken by or on behalf of the **Recipient** and **Payee**, within the **Project Area**.
- (G) For a **Homeownership AHD**, the **Recipient's** responsibilities for the development of the project, including, but not limited to, number, type and income level of **Assisted Units**, marketing, expiration date, report submissions, file documentation, standards for homebuyer selection procedures, and purchasing price of **Assisted Units**;
- (H) Reporting requirements, including annual reports, progress reports in connection with the development plan and any updates to the timeline for completion of the **Project**, and all additional reporting requirements as detailed in the **AHSC Program Guidelines**, **NOFA**, or as deemed necessary by the **Department** to monitor compliance and/or perform **AHSC Program** evaluation;
- (I) Manner, timing, and conditions for disbursement of **AHSC Program** funds to **Recipients**;
- (J) Provisions regarding compliance with California's Relocation Assistance Law (Gov. Code, Section 7260 et seq.) and the implementing regulations adopted by the **Department** (Cal. Code Regs., tit. 25, Section 6000 et seq.), or to the extent applicable, compliance with federal Uniform Relocation Act requirements;
- (K) Provisions relating to the placement of a sign on or in the vicinity of the **Homeownership AHD** site indicating that the **Council** has provided financing for the **AHD**. The **Council** may also arrange for publicity of the **AHSC Project** in its sole discretion;
- (L) Description of the conditions constituting breach of the **Standard Agreement** and remedies available to the parties thereto;
- (M) Requirements that the **Recipient** permit the **Department** or its designated agents and employees the right to inspect the **Project** and all books, records and documents maintained by the **Recipient** in connection with **Homeownership AHD Grant**;
- (N) Provisions to ensure that the eligible costs and use of **AHSC Program** funds maintain the required **GHG Reduction** represented in the application;
- (O) Provisions identifying the modification or waiver of state housing finance requirements for **Tribal Entities** pursuant to Appendix B, if applicable;
- (P) Provisions expressly providing that all awards of **Department** loan or grant

funding made to the **Project**, or to any component or components of the **Project**, are cross-defaulted to one another such that:

- (i) Compliance with all **Department** funding awards to the **Project** is a prerequisite of funding any of the **Department** funding awards; and
  - (ii) A default on any one award of **Department** funding constitutes a default of all other **Department** funding awards made to the **Project**;
- (Q) Provisions expressly providing that if any **Project** components (**AHD**, **HRI**, **STI**, or **PGM**, as applicable) are not timely completed pursuant to **AHSC Program** requirements, the **Project** will no longer qualify for the **AHSC Program** award, and the award will be disencumbered;
- (R) Special conditions imposed as part of the **Department's** approval of the **Homeownership AHD**;
- (S) Terms and conditions required by federal or state law;
- (T) Other provisions necessary to ensure compliance with the requirements of the **AHSC Program**; and
- (U) Any of the **Department's** standard contractual terms that may be applicable.
- (2) Disbursement Agreement

Upon the Award of **AHSC Program** funds, the **Department** shall also enter into a Disbursement Agreement with the **Recipient** and **Payee**, which shall govern disbursement of funds from the **AHSC Program** to ensure timely completion of the **Capital Project** and **AHD(s)**, subject to specified conditions, in an amount sufficient to encumber the approved **AHSC Program** grant amount. The Disbursement Agreement shall require the **Recipient** to comply with the requirements and provisions of these **Guidelines**, and generally applicable state contracting rules and requirements, and all other applicable laws. The Disbursement Agreement shall be executed prior to commencement of any construction except as may be allowed for emergency repairs to existing structures required to eliminate hazards or threats to health and safety. The agreement shall contain provisions relating to the use of funds, disbursement schedule, contractors and subcontractors, construction responsibilities, general conditions of disbursement, conditions precedent to individual disbursement, and other provisions which ensure an orderly disbursement of funds and timely completion of the **Capital Project** and **AHD(s)**.

- (3) Covenant
- (A) The **Department** shall enter into a **Covenant** with the **Developer** which shall ensure construction and long-term affordability of the **AHD(s)**, in consideration for the **AHSC Program** grant.
  - (B) The **Covenant** shall be executed and recorded on the fee title of any **AHD(s)** assisted by **AHSC Program** funds before any disbursement of funds no later than construction closing.
  - (C) **Homeownership AHD** supported by the **Capital Project** shall be subject to a recorded **Covenant** that includes a resale restriction (for which the

**Covenant** duration is at least 30 years), recorded on the fee interest of the real property on which the **Homeownership AHD** is to be located. The **Covenant** shall contain provisions which ensure that each **Affordable Unit** is deed restricted for the term of the **Covenant** so as to ensure any transfer of ownership is (1) to a household which complies with applicable occupancy restrictions; and (2) for a price which complies with applicable affordability restrictions.

- (D) For **AHDs** and **Capital Projects** on land held in trust by the BIA, the **Covenant** shall be recorded against an Indian Tribe's leasehold estate with the Land Titles and Records Office at the BIA and in the appropriate official records of the county in which the **AHD** property is located.
- (4) Monitoring Agreement: **Homeownership AHDs** supported by the **AHSC Program** grant shall be subject to a Monitoring Agreement with a duration of at least 20 years. The Monitoring Agreement shall contain, but may not be limited to, the following information:
- (A) An annual borrower certification;
  - (B) Insurance documentation, and;
  - (C) Other provisions necessary to ensure compliance with the requirements of the **AHSC Program**
- (c) Grants for **HRI**, **STI**, and **PGM** shall be governed by one or more agreements, which may be in the form of a State of California **Standard Agreement** or other agreement with the **Recipient** in a form prescribed by the **Department**. The agreement or agreements shall ensure that the provisions of these **Guidelines** are applicable to the **Project** covered by the agreement and enforceable by the **Department**. The agreement or agreements will contain such other provisions as the **Department** determines are necessary to meet the requirements and goals of the **AHSC Program**, including but not limited to the following:
- (1) Upon the award of **AHSC Program** funds to a **Project**, the **Department** shall enter into a **Standard Agreement** with the **Recipient**, which shall commit funds from the **AHSC Program**, subject to specified conditions, in an amount sufficient to encumber the approved **AHSC Program** grant amount. The **Standard Agreement** shall require the **Recipient** to comply with the requirements and provisions of these **Guidelines**, and generally applicable state contracting rules and requirements, and all other applicable laws. A **Standard Agreement** shall include, but not be limited to, the following:
    - (A) A description and sources and uses of the approved **Project** and the permitted uses of **AHSC Program** funds;
    - (B) Provisions governing the amount, terms and conditions of the **AHSC Program** grant;
    - (C) Provisions governing the construction work and, as applicable, the acquisition and preparation of the site of the **Capital Project**, and the manner, timing and conditions of the disbursement of grant funds;
    - (D) A schedule for completion of the **Project** and a series of milestones for progress toward **Project** completion together with the remedies available to

- the **Department** in the event of the failure to meet such milestones;
- (E) Provisions for the payment of prevailing wages if and as required by state or federal law;
  - (F) Requirements for periodic reports from the **Recipient** on the construction and use of the **Project** and provisions for monitoring of the **Project** by the **Department**;
  - (G) The **Recipient's** responsibilities for the development of the approved **Project**, including, but not limited to, construction management, maintaining of files, accounts and other records, and report requirements;
  - (H) Provisions relating to the placement on, or in the vicinity of, the **Project** site, a sign indicating that the **Council** has provided financing for the **Project**. The **Council** may also arrange for publicity of the **Project** in its sole discretion;
  - (I) Remedies available to the **Department** in the event of a violation, breach or default of the **Standard Agreement**;
  - (J) Requirements that the **Recipient** permit the **Department** or its designated agents and employees the right to inspect the **Project** and all books, records and documents maintained by the **Recipient** in connection with the **AHSC Program** grant or loan or both;
  - (K) Special conditions imposed as part of **Department** approval of the **Project**;
  - (L) Terms and conditions required by federal or state law;
  - (M) Provisions to ensure that the **Project** maintains the required **GHG Reduction** as represented in the application;
  - (N) Provisions expressly providing that all awards of **Department** loan or grant funding made to the **Project**, or to any component or components of the **Project**, are cross-defaulted to one another such that:
    - (i) Compliance with all **Department** funding awards to the **Project**, is a prerequisite of funding any of the **Department** funding awards; and
    - (ii) A default on any one award of **Department** funding constitutes a default of all other **Department** funding awards made to the **Project**;
  - (O) Provisions expressly providing that if any **Project** components (**AHD, HRI, STI, or PGM**) are not timely completed pursuant to **AHSC Program** requirements, the **Project** will no longer qualify for the **AHSC Program** award, and the award will be disencumbered; and
  - (P) Other provisions necessary to ensure compliance with the requirements of the **AHSC Program**.
- (2) **Disbursement Agreement:** Upon the award of **AHSC Program** funds, the **Department** shall also enter into a Disbursement Agreement with the **Recipient**, which shall govern disbursement of funds from the **AHSC Program** to ensure timely completion of the **Capital Project** and **AHD(s)**, subject to specified conditions, in an amount sufficient to encumber the approved **AHSC Program** grant amount. The Disbursement Agreement shall require the **Recipient** to comply with the requirements and provisions of these **Guidelines**, and generally applicable state contracting rules and requirements, and all other applicable

laws. The Disbursement Agreement shall be executed prior to commencement of any construction except as may be allowed for emergency repairs to existing structures required to eliminate hazards or threats to health and safety. The agreement shall contain provisions relating to the use of funds, disbursement schedule, contractors and subcontractors, construction responsibilities, general conditions of disbursement, conditions precedent to individual disbursement, and other provisions which ensure an orderly disbursement of funds and timely completion of the **Capital Project** and **AHD(s)**.

- (3) **Covenant:** Upon the award of **AHSC Program** grant funds, the **Department** shall also enter into a **Covenant** with the real property owner (“Owner” shall include all successors, assigns and transferees of any or all of the owner’s interest in the **AHD(s)** and the property on which it is located), which shall ensure construction and continued operation of the **AHD(s)**, in consideration for the **AHSC Program** grant.

The **Covenant** shall be executed and recorded on the fee title of any **AHD(s)** assisted by **AHSC Program** funds before any disbursement of funds no later than construction closing.

**Rental AHD(s)** supported by the **Capital Project** shall be subject to a recorded **Covenant** ensuring affordability for duration of at least 55 years, recorded on the fee interest of the real property on which the **Rental AHD** is to be located. The **Covenant** shall ensure construction and continued operation of the **AHD(s)** and shall contain provisions relating to the repair, maintenance, and insurance requirements of the property or improvements of the **AHD(s)**, encumbrances, liens, and charges, and such other provisions as the **Department** may require in order to ensure compliance with **AHSC Program** requirements. The owner shall remain the same for the duration of the affordability **Covenant**.

**Homeownership AHD** supported by the **Capital Project** shall be subject to a recorded **Covenant** that includes a resale restriction (for which the **Covenant** duration is at least 30 years), recorded on the fee interest of the real property on which the **Homeownership AHD** is to be located. The **Covenant** shall contain provisions which ensure that each **Affordable Unit** is deed restricted for the term of the **Covenant** so as to ensure any transfer of ownership is (1) to a household which complies with applicable occupancy restrictions; and (2) for a price which complies with applicable affordability restrictions.

For **AHDs** and **Capital Projects** on land held in trust by the BIA, the **Covenant** shall be recorded against an Indian Tribe’s leasehold estate with the Land Titles and Records Office at the BIA and in the appropriate official records of the county in which the **AHD** property is located.

## Section 115. Reporting Requirements

- (a) The **Recipient** shall submit, upon request of the **Department** and the **Council**, an annual performance report that demonstrates satisfaction of all reporting requirements pursuant to the **AHSC Program** reporting requirements identified in the **Standard Agreement**. **Recipient** shall also submit any additional reporting requirements developed by the **Department**, the **Council** or CARB. The reports will be filed on forms provided by the **Department**.
- (1) For applications that include **Rental Housing Affordable Development** loans, **Recipients** shall also submit the reports required by **MHP** Guidelines Article 5. Operations as applicable.
  - (2) For applications that include **Homeownership AHD** grants, **Recipient** shall also submit the reports required by **CalHome Program** Guidelines Section 602.
- (b) As outlined in **CARB's** [2024 Funding Guidelines for Agencies that Administer California Climate Investments](#) (*Funding Guidelines*), AB 680 Workforce Standards apply to the **AHSC Program**. As such, **Projects** must comply with AB 680 Project Standards, unless the **Project** meets one of the criteria for a project-level exemption. The exemptions outlined here are abbreviated descriptions, see *Funding Guidelines* for a full description of project exemptions. **Applicants** will be required to submit evidence verifying eligibility for the exemption in their application submission.
- (1) A **Project** must satisfy one of the following requirements to qualify for a project-level exemption:
    - (A) Receive federal funding
    - (B) Conduct research
    - (C) Provide technical assistance
    - (D) **Applicant** is not an employer
    - (E) Create 100% units affordable to households whose income does not exceed 120% **AMI** and subject to an affordability restriction for 55 years excluding manager units (HSC 50093)
      - (i) If all units in the **AHD** qualify as affordable units (except manager units), the **AHSC Project** in its entirety (including **STI** and **PGM** elements) is exempt from the AB 680 Project Standards. If the **AHD** contains any units above 120% **AMI** (except manager units), the **Project** must comply with AB 680 Project Standards.
  - (2) If AB 680 Project Standards apply, **Applicants** will provide evidence of compliance with the following four project standards in their application package. Note these are abbreviated descriptions, see the *Funding Guidelines* for a full description of each of the following.
    - (A) Fair and responsible employer standards, meaning documented compliance with applicable labor laws and labor-related commitments concerning wages, workplace safety, rights to association and assembly, and nondiscrimination standards.
    - (B) Inclusive procurement policies that prioritize bids from entities that demonstrate the creation of **High-Quality Jobs**, or the creation of jobs in **Priority Populations** or California tribes.

- (C) Prevailing wage for any construction work funded in part or in full by the grant.
  - (D) Evidence of a community workforce agreement (CWA) for **Projects** over one million dollars (\$1,000,000) that involve a construction component.
- (c) **Recipient** is responsible for meeting the applicable **Project** reporting requirements of CARB’s *2024 Funding Guidelines*. These may include but are not limited to:
- (1) The administering agency will track and report **Project** metrics to CARB once a **Standard Agreement** with a **Project Recipient** is signed. The administering agency will report GHG emissions reductions, co-benefits and other information collected through the AHSC application, AHSC Calculator Tool, and **Standard Agreement**. The administering agency may contact awardees to collect such information.
  - (2) The administering agency will assess and report the benefits to **Priority Populations** using the Affordable Housing and Sustainable Communities **Priority Populations Benefit Assessment Tool (BAT)** found at: <https://www.caclimateinvestments.ca.gov/reporting-tools>
  - (3) Consistent with the *2024 Funding Guidelines for Agencies that Administer California Climate Investments*, **AHSC funding Recipients** must track and report the employment outcomes of their **Projects** to be reported to CARB once a **Standard Agreement** is signed.
    - (A) **Recipients** will be required to conduct **Employment Benefits and Outcomes Reporting** for employment benefits and outcomes created supported by the **AHSC** investment and all leveraged funding, while accommodating provisions for data privacy. Once funds are disbursed, reporting may occur as frequently as an annual basis. **AHSC Program** staff will work with **Recipients** to clarify what the jobs reporting process may look like.
    - (B) For **Projects** in which the total **Project** costs, including GGRF and other funding sources, exceed \$1,000,000. **Recipients** must report on all jobs created as a result of the construction or delivery of the **AHSC Projects**. This includes all jobs created, regardless of their funding source, that are used for delivering **Project** components funded at least in-part by **AHSC**. The **Project’s** total development costs reported in the **AHSC** Application Workbook contains the scope of the AHSC-funded **Project** and all jobs created by it.
    - (C) **Recipients** must report annually on all jobs created from the date the **Standard Agreement** is executed and continues until the following milestones are reached.
      - (i) Grant **Standard Agreement**: all funds are disbursed, and/or
      - (ii) Loan **Standard Agreement**: The **AHD** converts to permanent financing
    - (D) **Recipients** must specify jobs created by the **AHSC Program** that employ individuals who live within **Priority Populations** areas or **Low- Income Households**. To identify individuals who live within **Priority Populations** census tracts or in **Low-Income Households**, refer to the “Read Me” tab of the AHSC Jobs Reporting Template, posted on the [CCI Reporting Tools](#)

webpage.

- (E) **Recipients** must ensure that all subcontractors receiving \$100,000 or more, **AHSC Program** funds or otherwise, from the **Recipient** must report on jobs created by the **Project**. Reporting must be completed using the AHSC Jobs Reporting Template developed by CARB and provided by the **Department**.
- (d) At any time from **AHSC Program** award through the term of **AHSC Program** loan or grant, the **Department** may perform or cause to be performed a financial audit of any and all phases of the **Recipient's Project**. At the **Department's** request, pursuant to the applicable legal document, the **Recipient** or owner shall provide, at its own expense, a financial audit prepared by a certified public accountant. The State of California has the right to review **Project** documents and conduct audits during **Project** implementation and over the **Project** life.

## Section 116. Performance Deadlines

- (a) **Recipients** shall begin construction of the housing units and associated **HRI** improvements to be developed in the **AHD** that is a **Capital Project** within the time set forth in the **Standard Agreement** but not later than two years from date of award letter.
  - (1) **Recipients** may request an extension of this performance requirement by addressing a letter to **SGC's** AHSC Program Manager describing the specific circumstances that justify the need for an extension, and detailing a plan to meet the extended performance requirement deadline. At the discretion of **SGC's** AHSC Program Manager, an extension of up to two years may be granted. Only one extension to the requirements of this section may be granted.
- (b) The housing units and associated **HRI** improvements developed in the **AHD** that is a **Capital Project** must be completed, as evidenced by receipt of a certificate of occupancy not later than five years from date of award letter.
  - (1) **Recipients** may request an extension of this performance requirement by addressing a letter to **SGC's** AHSC Program Manager describing the specific circumstances that justify the need for an extension, and detailing a plan to meet the extended performance requirement deadline. At the discretion of **SGC's** AHSC Program Manager, an extension of up to two years may be granted. Only one extension to the requirements of this section may be granted.
- (c) **STI** components must be placed in service or operational no later than five years from date of award letter. Transit operation expenditures must be disbursed within 10 years from date of award letter, as described Sec. 104 Eligible Costs (c)(4).
  - (1) **Recipients** may request an extension of this performance requirement by addressing a letter to **SGC's** AHSC Program Manager describing the specific circumstances that justify the need for an extension, and detailing a plan to meet the extended performance requirement deadline. At the discretion of **SGC's** AHSC Program Manager, an extension of up to two years may be granted. Only one extension to the requirements of this section may be granted.
- (d) **PGM** expenditures must be disbursed within three years from **AHD** placed in service.
- (e) **AHSC Program** funds must be disbursed in accordance with deadlines specified in the **Standard Agreement**, and in no event later than the disbursement deadlines outlined in the **NOFA**.
- (f) Recipients may not apply for **AHSC Program** funds in a subsequent **NOFA** for the same **Project** if it has been funded by a prior award of **AHSC Program** funds.
- (g) **AHD** award **Recipients** will also be subject to the **Department's** Disencumbrance Policy (as described in Section 100.1(b)(1)).

## Section 117. Defaults and Cancellations

- (a) In the event of a breach or violation by the **Recipient** of any of the provisions of the **Standard Agreement, Regulatory Agreement, the Promissory Note, or the Deed of Trust**, or any other agreement pertaining to the **Project**, the **Department** may give written notice to the **Recipient** to cure the breach or violation within a period of not less than 15 days. If the breach or violation is not cured to the satisfaction of the **Department** within the specified time period, the **Department**, at its option, may declare a default under the relevant document(s) and may seek legal remedies for the default including, but not limited to, the following:
- (1) The **Department** may accelerate all amounts, including outstanding principal and interest, due under the loan and demand immediate repayment thereof. Upon a failure to repay such accelerated amounts in full, the **Department** may proceed with a foreclosure in accordance with the provisions of the deed of trust and state law regarding foreclosures.
  - (2) The **Department** may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the **Project** in accordance with **AHSC Program** requirements.
  - (3) The **Department** may seek such other remedies as may be available under the relevant agreement or any law.
  - (4) In the event the **Project** is or has been awarded additional **Department** funding, any and all such funding will be cross defaulted to and among one another in the respective loan or, where applicable, grant documents. A default under one source of **Departmental** funding shall be default under any and all other sources of **Department** funding in the **Project**.
- (b) If the breach or violation involves charging tenants rent or other charges in excess of those permitted under the **Regulatory Agreement**, the **Department** may demand the return of such excess rents or other charges to the respective households. In any action to enforce the provisions of the **Regulatory Agreement**, the **Department** may seek, as an additional remedy, the repayment of such overcharges.
- (c) The **Department** may cancel funding commitments and **Standard Agreements** under any of the following conditions:
- (1) The objectives and requirements of the **AHSC Program** cannot be met by continuing the commitment or **Standard Agreement**;
  - (2) There has been a material change, not approved by the **Department**, in the **Project**;
  - (3) Construction of the **Capital Project** or implementation of **PGMs** cannot proceed in a timely fashion in accordance with the timeframes established in the **Standard Agreement**; or
  - (4) Funding conditions have not been or cannot be fulfilled within required time periods.
- (d) Upon receipt of a notice of intent to cancel the award from the **Department**, the **Recipient** shall have the right to appeal to the Director of the **Department**.

## Appendix A. Definitions

“Accessible Housing Unit(s)” refers collectively to “Housing Units with Mobility Features” and “Housing Units with Hearing/Vision Features” as defined in this definition:

- 1) A “Housing Unit with Mobility Features” means and refers to a housing unit that is located on an accessible route and complies with the requirements of the Code of Federal Regulations (CFR) 24 Section 8.22 and all applicable provisions of Uniform Federal Accessibility Standards (UFAS) or the comparable provisions of the **Alternative Accessibility Standard**, including but not limited to Sections 809.2 through 809.4 of the 2010 Standards for Accessible Design. A Housing Unit with Mobility Features can be approached, entered, and used by persons with mobility disabilities, including individuals who use wheelchairs. Such units must also comply with CBC 11B.
- 2) A “Housing Unit with Hearing/Vision Features” means and refers to a housing unit that complies with 24 CFR Section 8.22, and all applicable provisions of UFAS or the comparable provisions of the **Alternative Accessibility Standard**, including but not limited to Section 809.5 of the 2010 Standards for Accessible Design. Such units must also comply with the California Building Code (CBC) 11B.

“Active Transportation” means infrastructure projects that encourage increased use of active modes of transportation but does not include funding program operations. The project types include but are not limited to: design and construction of capital improvements (construction) that will improve safety and convenience of people who are biking, walking, or using non-motorized mobility devices. These infrastructure projects may include bikeways, paths, sidewalks, crosswalks, crossing beacons or signals, curb ramps, curb extensions and other similar facilities. Traffic calming devices such as roundabouts, lane narrowing, lane reductions, or other facilities focused on vehicles speed and volume reductions may be considered **Active Transportation** infrastructure if installed in tandem with facilities dedicated to biking or walking.

“Active Transportation Program” means non-infrastructure related programs which instill safe pedestrian, bicyclist, and motorist behaviors to make safe **Active Transportation** possible. Non-infrastructure activities can stand-alone or be conducted with infrastructure projects (fixed facilities or permanent structural changes) to increase effectiveness. Programs that seek funding for distribution of safety gear or bicycles should refer to the Caltrans Active Transportation Program Guidelines for guidance on distribution.

“Activity Delivery Costs” means staff costs directly related to implementing specific **Capital Projects** and **PGMs** incurred by a **Public Agency**. Eligible **Activity Delivery Costs** include project document preparation, project underwriting, construction management, inspections, or reporting to the **Department**.

“Adaptive Reuse” means the repurposing of building structures (e.g., offices, commercial spaces, business parks) for residential purposes. When referring to building structures, **Adaptive Reuse** means the retrofitting and repurposing of existing buildings in order to create new residential rental units, and expressly excludes an **AHD** that involves rehabilitation or any construction affecting existing residential units that are, or have been, recently occupied.

“Affordable Housing Development” or “AHD” means a **Capital Project** of residential development or the residential portion of a **Mixed Use Development**.

“Affordable Unit” means a housing unit that is made available at an affordable rent, as defined in Health and Safety Code Section 50053, to a household earning no more than 60 percent of the **AMI**. For homeownership **AHDs**, it means a housing unit that is made available at an affordable housing cost, as defined in Health and Safety Code Section 50052.5, to a household earning no more than 120 percent of the **AMI**.

“Agricultural Land” means the following categories of farmland in the California Department of Conservation’s Farmland Mapping and Monitoring Program (FMMP) tool ([California Important Farmland Finder](#)): Prime Farmland, Farmland of Statewide Importance, Unique Farmland, Farmland of Local Importance, and Grazing Land.

“AHSC Program” means the program as outlined by these **Program Guidelines**.

“Alternative Accessibility Standard” also referred to as the HUD Deeming Notice (HUD-2014-0042-0001), means the alternative accessibility standard for accessibility set out in HUD’s notice at 79 Fed. Reg. 29671 (May 23, 2014), when used in conjunction with the requirements of 24 CFR pt. 8, 24 CFR Section 8.22, and the requirements of 28 CFR pt. 35, including 28 CFR Section 35.151 and the 2010 Standards for Accessible Design as defined in 28 CFR Section 35.104.

“Applicant” has a meaning set forth in Section 103 in these **Program Guidelines**.

“Area Median Income” or “AMI” means the most recent applicable county median family income published by the **TCAC**. For **Tribal Entity Applicants**, if United States Department of Housing and Urban Development’s (HUD’s) income for a county/parish located within a **Tribal Entity’s** service area is lower than the United States median, the **Tribal Entity** may use the United States median income limit.

“Assisted Unit” means a housing unit that is subject to Program **Rent** or sale and/or occupancy restrictions as a result of financial assistance provided under the **AHSC Program**.

“Bus Rapid Transit” means a transit line as described in Public Resources Code (PRC) 21060.2 and is listed as a ‘major\_stop\_brt’ (under ‘hqta\_type’) in the dataset of the California Open Data Portal: <https://data.ca.gov/dataset/high-quality-transit-stops>.

“CalHome Program” or “CalHome” shall mean the **CalHome Program** authorized and governed by Sections 50650 through 50650.8 of the Health and Safety Code, and the **CalHome Program** Guidelines (or **CalHome** Guidelines) dated December 30, 2022, or as amended.

“Capital Project” consists of the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement that is an integral part of or is necessary for completion of the greater capital improvement.

“Carpool” is the grouping of drivers and passengers with common origins and/or destinations into a shared vehicle. Carpooling is a “self-serve” system, meaning the driver is a traveler in the pool like other passengers, as opposed to a hired driver in a shared taxi rides or ride-hailing services. Only **Zero Emission Vehicles** are eligible for funding.

“Carshare” provides members with access to an automobile through short-term rentals. Only **Zero Emission Vehicles** are eligible for funding. Services provided by taxi companies and transportation network companies are not an eligible cost.

“Commercial Space” means any nonresidential space located in or on the property of an **Affordable Housing Development** that is, or is proposed to be, rented, or leased by the owner of the **Project** and that is or will be used to serve clients or customers. The income from the **Commercial Space** shall be included as **Operating Income**.

“Context Sensitive Bikeway” means on-street infrastructure for bicycle riding that is appropriately applied based on the traffic volumes and speeds on a specific street, as [recommended by the California Department of Transportation \(see Caltrans Contextual Guidance for Preferred Bicycle Facilities\)](#) based on guidance from the Federal Highway Administration, American Association of State Highway and Transportation Officials, and the California Highway Design Manual.

- 1) **Projects** may consider either the design year or post-**Project** implementation conditions for posted speed and Annual Average Daily Traffic (AADT).
- 2) Class I multi-use or bicycle paths are considered **Context Sensitive Bikeways** at any AADT and posted speed.
- 3) For the purposes of **AHSC Program** scoring and GHG quantification, a Class III bikeway must be a ‘Bicycle Boulevard.’ A Bicycle Boulevard is more than just shared lane markings. A Bicycle Boulevard must combine all the following traffic calming measures: signs, pavement markings, speed and volume management measures, and infrastructure for safe and convenient crossings of busy arterials (5,000+ AADT or more). **Applicants** must specify which speed and volume management measures are proposed for each proposed Class III bikeway they are seeking scoring or GHG quantification on the **Project Area Map**.
- 4) All Class III bikeways must be on roads that has a posted speed limit no greater than 30 miles per hour, as specified in the California Streets and Highways Code Sec. 891.9.
- 5) For **AHSC Program** scoring purposes, “Rural Main Streets” shall be considered any roadways within one-quarter (0.25) of a mile of federal, state, and or county highway within a **Rural Area**.
- 6) For **AHSC Program** scoring purposes and GHG Quantification, bikeways should be measured using **Lane Miles**.

“Council” means the **California Strategic Growth Council (SGC)**, established pursuant to Public Resources Code Section 75121.

“Covenant” means an instrument which imposes development, use, and affordability restrictions on the real property site(s) of the **AHD(s)**, and which is recorded against the fee interest in such real property site(s). The **Covenant** is executed as consideration for the **AHSC Program Award** to the **Recipient**. For **Projects** located on Tribal Trust or Restricted Land, the **Covenant** shall be recorded with the Land Title and Records Office at the

Bureau of Indian Affairs (BIA) against an **Indian Tribe's** leasehold estate and in the appropriate official records of the county in which the **AHD** property is located, as may be applicable.

“Department” means the California Department of Housing and Community Development.

“Developer” means the legal entity that the **Department** and the **Council** rely upon for experience, **Site Control**, and capacity, and which controls:

- 1) **Rental AHD** during development through **Department's** use restrictions. A **Rental AHD** Developer is also known as a **Sponsor**;
- 2) **HRI** and **Homeownership AHD** during development through sale of all units; or
- 3) **STI** during development through operation;

“Disadvantaged Community” (DAC) is defined by the following conditions (See [Priority Populations Map](#) for more information):

- 1) Census tracts receiving the highest 25 percent of overall scores in CalEnviroScreen 4.0;
- 2) Census tracts lacking overall scores in CalEnviroScreen 4.0 due to data gaps, but receiving the highest 5 percent of CalEnviroScreen 4.0 cumulative pollution burden scores;
- 3) Census tracts identified in the 2017 SB535 DAC designation as disadvantaged, regardless of their scores in CalEnviroScreen 4.0; and
- 4) Lands under the control of federally recognized Tribes. For purposes of this designation, a Tribe may establish that a particular area of land is under its control even if not represented as such on CalEPA's DAC map and therefore should be considered a DAC by requesting a consultation with the CalEPA Deputy Secretary for Environmental Justice, Tribal Affairs and Border Relations at [TribalAffairs@calepa.ca.gov](mailto:TribalAffairs@calepa.ca.gov).

“Employment Benefits and Outcome Reporting” means activities undertaken by **Local Agencies** and **Recipients** to coordinate and monitor the development of **Capital Projects** and **Programs** funded by the **AHSC Program** award as well as submission of data about the jobs and related benefits created by the **AHSC Program** investment as required by the [2024 Funding Guidelines for Agencies Administering California Climate Investments](#).

“Enforceable Funding Commitment” or “EFC” means a letter or other document evidencing, to the satisfaction of the **Department**, a commitment of funds or a reservation of funds by a project funding source for construction or permanent financing, including, but not limited to, the following:

- 1) Private financing from a lender other than a mortgage broker, the **Applicant**, or an entity with an identity of interest with the **Applicant**, unless the **Applicant** is a lending institution actively and regularly engaged in residential lending;
- 2) Deferred-payment financing, residual receipts payment financing, grants, and subsidies from public agencies;
- 3) Funds awarded by another **Department** program. Proof of award must be issued prior to final rating and ranking of the **AHSC Program** application;
- 4) A land donation in fee for no other consideration that is supported by an appraisal or purchase/sale agreement (“Land Donation”) or a local fee waiver resulting in quantifiable cost savings for the **AHD** where those fees are not otherwise required by federal or state law (“Local Fee Waiver”) shall be considered a funding

commitment. The value of the Land Donation will be the greater of either the original purchase price or the current appraised value as supported by an independent third-party appraisal prepared by a Member Appraisal Institute-qualified appraiser within one year of the application deadline. A funding commitment in the form of a Local Fee Waiver must be supported by written documentation from the local **Public Agency**. A below market lease that meets the requirements of UMR section 8316 would be considered a land donation (\$1 per year).

- 5) Owner equity contributions or **Developer** funds. Such contributions or funds shall not be subsequently substituted with a different funding source or forgone if committed in the application, except that a substitution may be made for up to 50 percent of deferred developer fee. The **Department** may require the **Applicant** to evidence the availability of the proposed amount of owner equity or **Developer** funds.
- 6) For **Homeownership AHDs** only: Construction loans which will be repaid with revenue from the sale of homes to low- or moderate-income homebuyers.
- 7) Funds for transportation projects which are programmed for allocation and expenditure in the applicable capital improvement plan consistent with the terms and timeframes of the **Standard Agreement**.
- 8) **EFC** Letters must contain the following:
  - A. The name of the **Applicant, Developer, or Sponsor**;
  - B. The **Project** name;
  - C. The **Project** site address, assessor's parcel number, or legal description;
  - D. The amount, interest rate (if any), and terms of the funding source; and
  - E. Signature of the **Applicant, Developer, or Sponsor** indicating acceptance of terms if the document includes an acceptance provision.

"Extremely Low Income" or "ELI" means households with Gross Incomes not exceeding 30 percent of Area Median Income as set forth in Health and Safety Code section 50106

"Factory-Built Housing" as set forth in Health and Safety Code Section 19971 means a residential building, dwelling unit, or an individual dwelling room or combination of rooms thereof, or building component, assembly, or system manufactured in such a manner that all concealed parts or processes of manufacture cannot be inspected before installation at the building site without disassembly, damage, or destruction of the part, including units designed for use as part of an institution for resident or patient care, that is either wholly manufactured or is in substantial part manufactured at an offsite location to be wholly or partially assembled onsite in accordance with building standards published in the California Building Standards Code and other regulations adopted by the commission pursuant to Section 19990. **Factory-Built Housing** does not include a mobile home, as defined in Section 18008, a recreational vehicle, as defined in Section 18010.5, or a commercial modular, as defined in Section 18012.5.

"First-Time Homebuyer" is defined as a borrower who has not had an ownership interest in any principal residence or resided in the home owned by a spouse during the previous three years.

"Fiscal Integrity" means that the total **Operating Income** plus funds released pursuant to the **Regulatory Agreement** from the operating reserve account is sufficient to:

- 1) Pay all current Operating Expenses;
- 2) Pay all current debt service (excluding deferred interest);
- 3) Fully fund all reserve accounts (other than the operating reserve account) established pursuant to the **Regulatory Agreement**; and
- 4) Pay other extraordinary costs permitted by the **Regulatory Agreement**. The ability to pay any or all of the permitted annual distributions shall not be considered in determining Fiscal Integrity.

“Floor Area Ratio” (FAR) means the square footage of the floor area of a building divided by the site square footage, excluding therefrom dedicated streets, sidewalks, parks, and open space. The floor area of a building is the sum of the gross area of each floor of the building, excluding mechanical space, cellar space, floor space in open balconies, enclosed parking and elevators or stair bulkheads. Multiplying the FAR by the area of the site produces the minimum amount of floor area required in a building on the lot. For example, on a 10,000 square-foot site in a district with a minimum FAR of 1.5, the floor area of a building must be at least 15,000 square feet.

“Greenhouse Gas Reduction” (GHG Reduction) means actions designed to reduce emissions of one or all the following gases: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

“High-Quality Job” means a job that facilitates an individual's economic mobility by providing, at minimum, compensation at or above the regional median wage and offers vacation and sick leave, training opportunities, and retirement benefits featuring an employer contribution (Health and Safety Code 38599.10(i)).

“High Quality Transit” means a **Qualifying Transit** line with high frequencies AND permanent infrastructure as follows:

- 1) Frequency: **High Quality Transit** must have **Peak Period** headway frequency on the same route, in the same direction, of every 20 minutes or less (e.g., every scheduled departure is not more than 20 minutes from the last) and service seven days a week. This level of service must have been publicly posted by the provider at some point between January 2025 and the time of application.
- 2) Permanent Infrastructure: **High Quality Transit** must operate on a railway or meet the definition of **Bus Rapid Transit**

“Homeownership Affordable Housing Development” or “Homeownership AHD” means new construction, **Adaptive Reuse**, or **Substantial Rehabilitation** of housing units which shall initially be sold to and occupied by qualified households and shall be subject to a resale restriction for at least 30 years, as described in Section 106(b)(5)(D) of these **Guidelines**. A **Homeownership AHD** must have a minimum of five units, and the term includes subdivisions or **Scattered Sites** with common ownership, development financing, and management.

“Housing Related Infrastructure” means a capital infrastructure improvement that is an integral part of, or necessary to facilitate the development of the **AHD** or required as a condition of approval of an **AHD** by a **Locality**, transit agency or special district such as sewer, water or utility system upgrades, streets, drainage basins, etc. or a capital infrastructure improvement allowed under Section 104(b).

“Indian Country” means (i) all land located in “Indian country” as defined by 18 U.S. Code (USC) 1151; (ii) all land within the limits of a Rancheria under the jurisdiction of the United States Government; (iii) all land held in trust by the United States for an **Indian Tribe** or individual; and (iv) all land held by an **Indian Tribe** or individual subject to a restriction by the United States against alienation.

“Infill Site” means a site that has been previously developed or at least three of four sides or 75 percent of the perimeter of the site adjoins parcels that are currently developed with qualified **Urban Uses**. Perimeters bordering navigable bodies of water and improved parks shall not be included in this calculation. To qualify as an Infill Site, the site must also be located in an urbanized area meaning that it fulfills one of the following requirements:

- 1) Located within an incorporated city with a charter recorded with the State of California, OR
- 2) For unincorporated areas, the site shall be within a designated urban service area that is designated in the local general plan for urban development and is served by public sewer and water.
- 3) Applications from **Tribal Entities** may request an exemption to the requirement to be located within an urbanized area or urban cluster.

“Integrated Connectivity Project (ICP) Project Area” means a **Project Area** which includes at least one **Transit Station/Stop** that is served by **Qualifying Transit**, but not **High Quality Transit**.

“Key Destinations” means vital community amenities and resources. The specification of each **Key Destination** is described in this definition. **Key Destinations** must be operational at the time of application. For **Scattered Site Projects**, **Applicants** should identify distance of **Key Destinations** around the single point identified for the **Project Area** Map. Applications where a **Tribal Entity** is a **Developer** for a **Capital Project**, may include destinations that perform similar function or use to those outlined below that serve Tribal specific needs or are specifically for Tribal members.

- 1) Grocery store: either a full-service grocery store or neighborhood market that sells produce and is listed on the U.S. Department of Agriculture (USDA) [SNAP Retail Locator tool](#).
- 2) Food bank: A distribution site for a food bank that is managed by a non-profit that distributes free groceries or meals at least once a week throughout the year on a publicly advertised schedule.
- 3) Medical clinic: a medical clinic that provides primary care services and accepts Medi-Cal payments or has an equally comprehensive subsidy program for low-income patients.
- 4) Licensed childcare facility: infant center, school age childcare center, childcare center, childcare center preschool, family childcare home (small), or family childcare home (large) as licensed by the [Department of Social Services](#).
- 5) Pharmacy.
- 6) Public park: An open space accessible by the general public managed by a **Public Agency**. A public park shall not include 1) school grounds unless there is a bona fide, formal joint use agreement between the jurisdiction responsible for the parks/recreational facilities and the school district or private school providing availability to the general public of the school grounds and/or facilities, 2) greenbelts or pocket parks, or 3) open space preserves or biking parkways unless there is a

- trailhead or designated access point within the specified distance.
- 7) Community or recreation center that offers programming accessible to the general public and managed by a **Public Agency** or nonprofit.
  - 8) Public library: must be a book-lending public library that also allows for inter-branch lending (when in a multi-branch system).
  - 9) Public elementary, middle, high school (which includes public charter schools as indicated by the California Department of Education) and non-profit university or non-profit community or junior college.
  - 10) Bank or credit union: Must include on-site staff.
  - 11) Post Office: United States Postal Service (USPS) Post Office location as indicated by the [USPS Locator tool](#).

“Lane Mile” means the total length of roadway or bikeway taking number of lanes into account. For scoring, consistency and reporting purposes, **Applicants** are required to describe all bikeways and busways using **Lane Miles**. As an example, a **Project** that installs a bikeway in only one direction along one mile of roadway would be considered having installed one **Lane Mile**. If the bikeway is bidirectional or on both sides of the roadway for one mile, the **Project** would be considered having installed two **Lane Miles** (one mile each way).

“Locality” means a California city, unincorporated area within a county, or a city and county.

“Lower Income” has the meaning set forth in Health and Safety Code Section 50079.5, households with gross incomes not exceeding 80 percent of **AMI**.

“Low-Income Community” means a census tract with either 1) median household incomes at or below 80 percent of the statewide median income, or 2) median household income at or below the threshold designated as low-income by the **Department’s** State Income Limits pursuant to the Health and Safety Code Section 50093. See the [Priority Populations Map](#) for more information.

“Low-Income Households” mean individual households with either 1) household incomes at or below 80 percent of the statewide median income, or 2) household incomes at or below the threshold designated as low-income by the **Department’s** State Income Limits adopted pursuant to Health and Safety Code Section 50093. Income levels verified and confirmed by the **Department** through the application workbook.

“Micromobility” refers to sharing-systems that makes bicycles, electric bicycles (e-bikes), electric scooters, and electric mopeds available to members on a short-term rental basis. Only **Zero Emission Vehicles** are eligible for funding.

“Mixed Use Development” means a building, combination of buildings, or building complex, designed to functionally and physically integrate residential and publicly available non-residential uses such as retail, **Commercial Space**, institutional, recreational, or community uses, in a complementary manner.

“Moderate Income” has the meaning set forth in Health and Safety Code Section 50093, households with gross incomes not exceeding 120 percent of **AMI**.

“MHP” means the Multifamily Housing Program authorized and governed by Sections 50675 through 50675.14 of the Health and Safety Code, and the **MHP** Guidelines published

February 13, 2025, or as amended.

“Natural Infrastructure” means improvements that result in the preservation and/or restoration of ecological systems, or utilization of engineered systems that use ecological processes, to increase resiliency to climate change and/or manage other environmental problems. Some examples relative to the **AHSC Program** could include: street trees and greenspace for water catchment; infiltration and surface cooling; water treatment facilities that utilize ecologically functioning wetlands; flood mitigation systems that utilize the natural floodplain and stable shorelines used in tandem with constructed flood barriers.

“Net Density” means the total number of dwelling units per acre of land to be developed for residential or mixed use, excluding allowed deductible areas. Allowed deductible areas are septic system requirements and public dedications of land which are for public streets, public sidewalks, public open space, and public drainage facilities. Areas that are non-developable due to natural landscape features (ex: steep grade) are allowable deductible areas so long as the size and location of the non-developable area is identified by a licensed surveyor. Non-allowed deductible areas include utility easements, setbacks, private drives and walkways, general landscaping, common areas and facilities, off street parking, and traditional drainage facilities exclusive to a development project. Mitigations required for development will not be included in the allowed deductible areas.

“NOFA” means a Notice of Funding Availability issued by the **Department**.

“On-Demand Transit Service” includes shuttles, vans, circulators, paratransit services, and private sector transit solutions commonly referred to as “microtransit.” The transit service must serve the general public and be demand-responsive (i.e. route and/or frequency of service are dispatched in real time based on customer demand) and capable of serving multiple riders simultaneously (not only a single rider service). Only **ZEVs** are eligible for funding.

“Operating Income” means all income generated in connection with operation of the **Rental AHD Capital Project** including rental income for all Units, all rental income for **Commercial Space** or commercial use, laundry and equipment rental fees, rental subsidy payments, and interest on any accounts, other than approved reserve accounts, related to the **Rental AHD Capital Project**. “Operating Income” does not include security and equipment deposits, payments to the **Sponsor** for Supportive Services not included in the **Department**-approved operating budget, cash contributed by the **Sponsor**, or tax benefits received by the **Developer**.

“Payee” means any entity to whom the **Department** disburses **AHSC Program** funds, which entity is (1) a **Recipient**; or (2) a special purpose entity controlled by the **Recipient/Sponsor** within the meaning of UMR 8313.2; or (3) a non-applicant entity who is party to an executed agreement described in Section 103(a)(1)(A)(i).

“Peak Period” means the two periods of the day with the highest ridership during the entire transit service day. Unless otherwise publicly documented by the agency, **Peak Period** means 7:00AM – 9:00AM and 4:00PM – 6:00PM Monday through Friday. If defined by the transit operator, each **Peak Period** cannot be longer than two hours.

“Pedestrian Access Route” means a continuous and unobstructed path of travel provided for pedestrians with disabilities within or coinciding with a pedestrian circulation path as defined in the most recent Caltrans Pedestrian Accessibility Guideline for Highway Projects.

“Priority Populations” include residents of: (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as **Low-Income Communities** per AB 1550; or (3) a **Low-Income Household** per AB 1550. See Appendix A of *2024 Funding Guidelines for Agencies that Administer California Climate Investments* for more information on the definitions. See the [Priority Populations Map](#) for more information.

“Program Cost”, “Program”, or “PGM” means the cost(s) associated with 1) program creation, or 2) expansion or restoration of existing programs to serve new populations or offer new program service and implementation.

“Program Guidelines” or “Guidelines” means this document describing eligibility, scoring criteria, and definitions used by the **AHSC Program** in evaluating **Applications** for each round of the **AHSC Program** as adopted by the **Council**.

“Program Operator” means the entity that administers the day-to-day operational responsibilities for the **Program (PGM)** for which the **AHSC Program** funding is sought.

“Project” means the proposed use of funds representing a combination of **Capital Projects** or **PGMs** which are proposed by the **Applicant** to be funded the **AHSC Program**.

“Project Area” means the contiguous circular area measured from any single point inside the parcel of the **AHD**. This point may be chosen anywhere inside of the **AHD** site and must be used and referenced consistently through all application materials, in mapping and calculation of distances. **Projects** that are made up of **Scattered Sites** must choose a single point in any one of the **AHD** parcels of the **Applicant’s** choice. For **TOD Project Areas** and **ICP Project Areas**, the radius must be no greater than a one (1.0) mile. For **RIPAs**, the radius must be no greater than two (2.0) miles.

“Project Area Type” means one of the three categories of **Projects** funded by the **AHSC Program**. Project Area Types are determined by two main factors: The **AHD** proximity to **High Quality Transit** or **Qualifying Transit** and if the **AHD** is located in a **Rural Area**. **Project Area Types** are used to improve distribution of funds to a diverse type of communities throughout California.

“Public Agency” means a **Locality**, transit agency, public housing authority or redevelopment successor agency.

“Qualifying Transit” means a transit line serving the public that includes various forms of fixed transit service and includes existing **On-Demand Transit** at time of application. A **Qualifying Transit** line requires service that departs two or more times on the same route during **Peak Period**. This level of service must have occurred regularly at some point between January 2025 and the time of application. **On-Demand Transit** must commit to service the AHSC funded **AHD** specifically. The transit service must be operated by the following:

- 1) Directly operated by a public entity;
- 2) Operated by a public entity via a contract for purchased transportation service with a private or non-profit provider; or
- 3) Operated by a private or non-profit entity as a grant **Recipient** or sub-**Recipient** from a public entity

“Recipient” means the eligible **Applicant** receiving a commitment of **AHSC Program** funds.

“Regulatory Agreement” as set forth by UMR 8301(o).

“Rent” means the same as “gross rent,” as defined in accordance with the Internal Revenue Code (IRC) (26 USC 42(g)(2)(B)).

“Rental Affordable Housing Development” or “Rental AHD” means the same as “Rental Housing Development” in **MHP**.

“Restricted Units” as set forth by UMR 8301(q) for **Rental AHDs** or the same as “**Affordable Unit**” for **Homeownership AHDs**.

“Remaining Funds” means the funds available for **Project** awards after the **Project Area Type** Targets are met. These funds are to be used primarily for funding **Projects** to achieve the statutory and **Council**-identified priorities of geographic and **Tribal Entity** targets.

“Reuse Account” means an account established pursuant to **CalHome Program** Guidelines Section 207 and additional requirements established in Section 106(b)(5) of these **Guidelines**.

“Rural Area” means the definition in [Health and Safety Code 50199.21](#)

“Rural Innovation Project Area (RIPA)” means a **Project** which includes at least one **Transit Station/Stop** consistent with Section 102(c)(2)(C) and is located within a **Rural Area**.

“Safe and Accessible Walkway” means a pedestrian corridor that meets or exceeds the most recent Caltrans Pedestrian Accessibility Guideline for Highway Projects.

“Scattered Site” means an **AHD Project** in which the parcels of land are not contiguous except for the interposition of a road, street, stream, or similar interposition.

- 1) For acquisition and **Substantial Rehabilitation AHDs** with one pre-existing project-based Section 8 contract in effect for all the sites, there shall be no limit on the number or proximity of sites.
- 2) For acquisition and **Substantial Rehabilitation AHDs** with any of the following:
  - a. Existing federal or state rental assistance or operating subsidies,
  - b. An existing **TCAC** regulatory agreement, or
  - c. An existing regulatory agreement with a federal, state, or local public entity, the number of sites shall be limited to five, unless the **SGC** Executive Director approves a higher number, and all sites shall be either within the boundaries of the same city, within a 10-mile diameter circle in the same county, or within the same county if no location is within a city having a population of five-hundred thousand (500,000) or more.
- 3) For new construction projects and all other acquisition and **Substantial Rehabilitation AHDs**, the number of sites shall be limited to five, and all sites shall be within a one (1.0) mile diameter circle within the same county.

“Secure Overnight Bicycle Parking” means bicycle parking that is not accessible to the general public, is completely enclosed and protects the bicycle from inclement weather and allows for the bicycle frame to be secured to the bicycle rack at two points. Examples of

**Secure Overnight Bicycle Parking** include bicycle rooms, bicycle lockers, and bicycle cages.

“Site Control” means the **Applicant** or **Developer** has control of the property as set forth in UMR 8303 and 8316 through one or more of the following:

- 1) Fee title;
- 2) A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit, prior to grant funding, compliance with all **AHSC Program** requirements. Where **Site Control** will be satisfied by a long-term ground lease, the **Department** will require the execution and recordation of the **Department’s** form lease rider, which shall be entered into by and among the ground lessor, the ground lessee, the **Department**, and any other applicable parties. In all cases, the **Department’s** lease rider shall be recorded against the fee interest in the **Project** property;
- 3) An enforceable option to purchase or lease which shall extend through the anticipated date of the **AHSC Program** award as specified in the **NOFA**;
- 4) An executed disposition and development agreement, right of way, or irrevocable offer of dedication to a public agency;
- 5) An executed encroachment permit for construction of improvements or facilities within the public right of way or on public land;
- 6) An executed agreement with a public agency that gives the **Applicant** exclusive rights to negotiate with the agency for the acquisition of the site; provided that the major terms of the acquisition have been agreed to by all parties; or
- 7) A land sales contract or enforceable agreement for acquisition of the property.

“Smoke Free Housing” means an **AHD** that implements a policy banning the ignition and burning of tobacco products (including, but not limited to, cigarettes, cigars, pipes, and water pipes or hookahs) in all living units, indoor common areas, and all other interior spaces. The smoke-free policy must also extend to all outdoor areas within 25 feet of occupied buildings on the **AHD** property.

“Sponsor” is consistent with the definition of “Sponsor” at UMR Section 8301(s).

“Standard Agreement” means an STD 213, Standard Agreement executed by the **Recipient** and the **Department** which commits funds from the **AHSC Program** subject to specified conditions, in an amount sufficient to encumber the approved **AHSC Program** grant amount. Further criteria are described in Section 114 of these **Guidelines**.

“Substantial Rehabilitation” means an **AHD** with reasonable direct rehabilitation construction contract costs of at least \$35,000 per residential unit. **Substantial Rehabilitation** shall include energy efficiency upgrades per residential units. **Substantial Rehabilitation AHDs** must fully and efficiently address all the physical needs of the **Project** for the term of the **Rental AHD** loan or **Homeownership AHD** grant and therefore merely meeting the minimum threshold cost amount of \$35,000 per residential unit may not, in and of itself, be sufficient to be considered Substantial Rehabilitation for purposes of the **Project** loan or grant.

“Sustainable Transportation Infrastructure (STI)” means **Capital Project(s)** that meet the requirements listed in Section 104(c)(1).

“TCAC” shall mean the California Tax Credit Allocation Committee and the California Tax Credit Allocation Committee Regulations, Title 4 CCR, Division 17, Chapter 1, as adopted December 11, 2024.

“Transit Oriented Development (TOD) Project Area” means a **Project Area** which includes at least one **Transit Station/Stop** that is served by **High Quality Transit**.

“Transit Signal Priority (TSP)” means an operational strategy that facilitates the movement of transit vehicles through traffic-signal controlled intersections. Objectives of TSP include meeting on time schedule performance and improved transit travel time efficiency while minimizing impacts to normal traffic operations. TSP is made up of four components: (1) A detection system that lets the TSP system where the vehicle requesting signal priority is located; (2) The detection system communicates with a priority request generator that alerts the traffic control system that the vehicle would like to receive priority; (3) Priority control strategies; and 4) System management software collecting data and generating reports.

“Transit Station/Stop” means a designated location at which the various **Qualifying Transit** service(s) drop-off and pick-up riders. If the **Transit Station/Stop** includes multiple entrances or includes a parking lot, the pedestrian entrance will be identified as the closest wheelchair accessible ramp by which a transit rider can access a boarding platform without intersecting with vehicle traffic.

“Transportation Demand Management (TDM)” means strategies that increase transportation system efficiency by encouraging shifting from single-occupant vehicle (SOV) trips to non-SOV transportation modes or shifting SOV trips off peak travel periods. Effective TDM strategies result in reduction of VMT by increasing travel options, providing incentives and information to encourage individuals and employers to modify their travel behavior to support these objectives, and/or by reducing the need to travel or reducing travel distance via location efficient development patterns. TDM strategies encourage travel by transit, biking, walking, or in shared vehicles.

“Tribal Entity” means an **Applicant** that is a Tribe or a Tribally Designated Housing Entity including any of the following:

- 1) An Indian Tribe as defined under USC Section 4103(13)(B) of Title 25; or
- 2) A Tribally Designated Housing Entity under 25 USC 4103(22); or
- 3) Listed in the Bureau of Indian Affairs Office of Federal Acknowledgement Petitioner List, pursuant to CFR Section 83.1 of Title 25; or
- 4) Indian Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purpose of consultation pursuant to GOV Section 65352.3

“Urban Forestry” means the cultivation and management of native or introduced trees and related vegetation in urban areas for their present and potential contribution to the economic, physiological, sociological, and ecological well-being of urban society.

“Urban Greening” means the incorporation of greenscaped pedestrian and bicycle trail systems, **Urban Forestry**, urban street canopy, green alleys, drought tolerant and native species landscaping and landscape restoration, green roofing, community gardens, **Natural Infrastructure** and stormwater features into public open spaces. Public open space must offer reasonable hours of use for the public, such as dawn to dusk. Community gardens where residents grow edible plants do not have to be publicly accessible as long as they are

available to residents of the **AHD**.

“Urban Uses” means any residential, commercial, industrial, transit, transportation passenger facility, or retail use, or any combination of those uses. Urban Uses do not include lands used for agricultural uses or parcels in excess of 15,000 square feet in size and containing only one single-family residence.

“Very-Low Income” has the meaning set forth in Health and Safety Code Section 50105, households with gross incomes not exceeding 50 percent of **AMI**.

“Water Efficiency” means controlling water at the source through design—both rainfall and storm water runoff through a decentralized system that distributes storm water across a project site to replenish groundwater supplies.

“Zero Emission Vehicle (ZEV)” means a vehicle equipped with clean technologies consistent with the State of California’s zero emission vehicle regulations and standards, including battery-electric vehicles (BEVs), hydrogen fuel cell electric vehicles (FCEVs), and plug-in hybrid electric vehicles (PHEVs).

## Appendix B. Tribal Eligibility

A **Tribal Entity** may qualify for **AHSC Program** funds if its proposed **Project** meets the following additional requirements:

- (a) **Projects** are located in **Indian Country**, or located on parcel(s) owned by a **Tribal Entity** in fee or held in trust for the benefit of a **Tribal Entity** within the State of California, or for which the **Tribal Entity** has leasehold security that satisfies the requirements of UMR 8316.
- (b) The **Applicant** meets the conditions of award funding to the extent applicable, and subject to any modifications or waivers approved by the **Department** Director or their designee pursuant to AB 1010 (2019) (Health and Safety Code Section 50406, subdivision (p)) that may be set forth in a **Standard Agreement**. It is noted that these same conditions are not required to be satisfied initially to engage in the competitive award process:
  - (1) **BIA Consent**. The Bureau of Indian Affairs (BIA) has consented to the **Applicant's** execution and recordation (as applicable) of all **Department**-required documents that are subject to 25 CFR sec. 152.34, 25 CFR sec. 162.012, or 25 CFR sec. 162.338, et seq., prior to award disbursement. This requirement shall not apply to projects that are located on fee land not subject to a restriction by the United States against alienation.
  - (2) **Title Insurance**. The **Department** has received title insurance for the property underlying the **Project** satisfactory to the **Department**. Notwithstanding the foregoing sentence, upon a showing of good cause, for **Applicants** unable to provide a conventional title insurance policy satisfactory to the **Department** for land held in trust by the BIA or land subject to a restriction by the United States against alienation, this condition may be satisfied by a title status report issued by the BIA Land Title and Records Office and pursuant to a title opinion letter issued for the benefit of the **Department** but paid for by the **Applicant**.
  - (3) **Recordation Requirements**. Where recordation of instruments is a condition of award funding or otherwise required pursuant to the **Standard Agreement**, the subject instrument will be deemed to be properly recorded if recorded with the Land Titles and Records Office at the BIA or in the appropriate official records of the county in which the **Project** is located, as may be applicable. If any **Department** loan and/or grant documents are recorded in the chain of title for the fee interest in the **Project** site, then either:
    - (A) There must also be recorded in the chain of title for the fee interest in the **AHD** site, restrictions precluding such interest from being placed in trust with the BIA until term of the **Department's** affordability restrictions for the loan and/or grant have run, or;
    - (B) Subsequent to the **Department's** loan and/or grant document(s) being recorded in the chain of title for the fee interest in the **AHD** site, such fee interest may thereafter be placed in trust with the BIA, subject to the **Department's** previously recorded loan and/or grant document(s), which

recorded **Department** loan and/or grant documents the BIA must approve to the extent such approval is required by law.

- (4) Site Control. For all **Projects** subject to the terms of this Appendix, not located on trust or restricted land within **Indian Country**, the acceptable form of **Site Control** will be either: A) fee security, or B) leasehold security meeting the requirements of **UMR 8316**. If a **Department** loan or grant is secured on fee land, then there must be a restriction preventing that land being put into trust until the **Department** loan or grant term is complete.

## Appendix C. Awardee Publicity Guidelines

**Recipients** are required to acknowledge **SGC**, the **Department**, and CCI in all publications, websites, signage, invitations, and other media-related and public-outreach products and events related to the **AHSC Project**. Guidance on CCI logo usage, signage, and logo files contained in the CCI Media and Communications Style Guide are available at:

[www.caclimateinvestments.ca.gov/logo-graphics-request](http://www.caclimateinvestments.ca.gov/logo-graphics-request). **SGC** and **Department** staff will provide their respective logo files and guidance on their usage directly to **Recipients**.

(a) Long-form written materials, such as reports, must include the following standard language about the **Council**, **Department**, **AHSC**, and CCI:

- (1) “The Affordable Housing and Sustainable Communities (AHSC) Program builds healthier communities and protects the environment by increasing the supply of affordable places to live near jobs, stores, transit, and other daily needs. This program is administered by Strategic Growth Council (SGC), which coordinates the activities of State agencies and partners with stakeholders to promote sustainability, economic prosperity, and quality of life for all Californians ([www.sgc.ca.gov](http://www.sgc.ca.gov)) and implemented by the Department of Housing and Community Development (HCD).

The AHSC Program is part of CCI, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in Disadvantaged Communities (DACs). The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, ZEVs, environmental restoration, more sustainable agriculture, recycling, and much more. Find out more about the program at: [www.caclimateinvestments.ca.gov](http://www.caclimateinvestments.ca.gov).”

(b) Any informational materials that do not qualify as long-form, but include at least a paragraph of text, such as press releases, media advisories, short case studies, some flyers, etc., should include the following language:

- (1) Long version: “[Project Name] is supported by California Strategic Growth Council’s Affordable Housing and Sustainable Communities program with funds from [California Climate Investments](http://www.caclimateinvestments.ca.gov), a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas (GHG) emissions, strengthening the economy, and improving public health and the environment – particularly in Disadvantaged Communities.”
- (2) Short version: “[Project Name] is supported by California Strategic Growth Council’s Affordable Housing and Sustainable Communities program with funds from [California Climate Investments](http://www.caclimateinvestments.ca.gov)—Cap-and-Trade Dollars at Work”

(c) **Recipients** may at times produce promotional materials that are primarily visual in nature, such as banners, signage, certain flyers, and sharable images for social media. In such cases, when including the boilerplate language acknowledging CCI and **SGC** support is not practical, grantees should instead include the official logos of the **Council**, the **Department**, and CCI, preceded by the words “Funded by”.

- (d) **Recipients** are required to identify a point of contact for all press inquiries and communications needs related to the **Project** and provide the name, phone number and email address of this individual to the **Council** and the **Department**.
- (e) **Recipients** are encouraged to distribute a press release after grant decisions are made at the **Council's** Public Council Meeting (or until notified by the **Council** when awards are embargoed) and for other major milestones throughout the lifecycle of the grant. All press releases must be approved by **SGC** Communications Office prior to distribution and the **Council** and **Department** must be alerted and invited to participate in any and all groundbreaking, grand opening, and press conferences related to the award by emailing [ASHC@sgc.ca.gov](mailto:ASHC@sgc.ca.gov), [AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov), [HCDSpeakerRequests@hcd.ca.gov](mailto:HCDSpeakerRequests@hcd.ca.gov).
- (f) **Recipients** are required to prepare one or more two-to-four-page documents that provide a summary of the **Project** components and tell the story of the **AHSC Program** proposal development process and/or implementation. All such materials must be approved by **SGC** Communications Office prior to distribution. These materials will be displayed on the **Council** website.
- (g) **Applicants** and **Recipients** are encouraged to use social media to share the process of creating an **AHSC Program** proposal and to inform the throughout implementation. @CalSGC, @California\_HCD, and @CAClimatInvest should be tagged on all posts related to the AHSC grant. Use of the hashtags #AHSC, #AffordableHousing, and #SustainableCommunities is encouraged.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF STATE FINANCIAL ASSISTANCE**

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March 25, 2025

**MEMORANDUM FOR:** ALL POTENTIAL APPLICANTS

**FROM:** Jennifer Seeger, Deputy Director  
Division of State Financial Assistance

**SUBJECT:** Affordable Housing and Sustainable Communities Program  
Notice of Funding Availability (Round 9)

The **California Strategic Growth Council (SGC)** and the **California Department of Housing and Community Development (Department)** are pleased to announce the release of this **Notice of Funding Availability (NOFA)** with approximately \$775 million in funds for the **Affordable Housing and Sustainable Communities (AHSC) Program (AHSC Program or Program)**.

**AHSC Program** provides loans and grants to **Eligible Applicants** as identified in Section 103 of the **AHSC Program Guidelines (Program Guidelines)** adopted February 26, 2025, and as may be subsequently amended.

The **AHSC Program** is part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in **Disadvantaged Communities (DACs)**. The **AHSC Program** furthers the purposes of [AB 32](#) (Chapter 488, Statutes of 2006), [SB 375](#) (Chapter 728, Statutes of 2008), and [SB 32](#) (Chapter 249, Statutes of 2016) by investing in **Projects** that facilitate **GHG Reduction** by supporting more compact, infill development patterns, encouraging **Active Transportation** and transit usage, and protecting **Agricultural Land** from sprawl development.

**Application materials must be submitted electronically via the Department's AHSC Application Portal no later than 4:00 p.m. Pacific Time on May 28, 2025.**

The **AHSC Program** application forms, detailed instructions, workshop and/or webinar details, and related **AHSC Program** information are posted on the **Department's AHSC Program** webpage at <https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities>. **Program Guidelines** and supplemental materials may be found at **SGC's AHSC Program** webpage at <https://sgc.ca.gov/grant-programs/ahsc/resources/guidelines.html>.

To receive information regarding workshops and other updates, please subscribe to the **Department's** email list at <http://www.hcd.ca.gov/contact-us/email-signup>.  
<mailto:listserv>

If you have questions, please contact the **Department's AHSC Program** team at [AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov) or the **SGC's AHSC Program** team at [AHSC@sgc.ca.gov](mailto:AHSC@sgc.ca.gov).

Attachment

# **AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM**

## **Notice of Funding Availability Round 9**



**Gavin Newsom, Governor  
State of California**

**Tomiquia Moss, Secretary  
Business, Consumer Services and Housing Agency**

**Erin Curtis, Executive Director  
California Strategic Growth Council**

**Gustavo Velasquez, Director  
California Department of Housing and Community  
Development**

651 Bannon Street, Sacramento, CA 95811  
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**March 25, 2025**

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**I. Overview**

**A. Notice of Funding Availability**

The **Strategic Growth Council (SGC)** and the **California Department of Housing and Community Development (Department)** hereby announce the availability of approximately \$775 million in funding for the **Affordable Housing and Sustainable Communities Program (AHSC Program or Program)**.

The **AHSC Program** provides grants and loans to **Applicants** for **Projects** that achieve **GHG Reductions** and benefit communities throughout California, particularly **Disadvantaged Communities, Low-Income Communities, and Low-Income Households** through increasing accessibility of affordable housing, employment centers, and **Key Destinations** via low-carbon transportation. These investments result in fewer vehicle miles traveled (VMT) through shortened or reduced vehicle trip length or mode shift to transit, bicycling, or walking.

The **AHSC Program** is administered by the **California Strategic Growth Council (Council or SGC)**. The **Department of Housing and Community Development (Department)** implements the transportation, housing, and infrastructure components of the **AHSC Program**. The California Air Resources Board (CARB) provides quantification methodology for determining the **Greenhouse Gas (GHG) Reductions** for the **AHSC Program**.

Funding for the **AHSC Program** is provided by the **Greenhouse Gas Reduction Fund (GGRF)**, an account established to receive Cap-and-Trade auction proceeds.

**B. Timeline**

<b>Guidelines Adoption</b>	February 26, 2025
<b>NOFA Release</b>	March 25, 2025
<b>Application Workbook Release</b>	March 25, 2025
<b>Application Portal Opens</b>	April 2, 2025
<b>Applications Due / Portal Closes</b>	May 28, 2025, at 4:00 p.m.
<b>Award Announcements</b>	December 2025

### C. Authorizing Legislation and Regulations (Regulatory Authority)

The **AHSC Program** furthers the purposes of [AB 32](#) (Chapter 488, Statutes of 2006), [SB 375](#) (Chapter 728, Statutes of 2008), and [SB 32](#) (Chapter 249, Statutes of 2016).

Applications submitted under this **Notice of Funding Availability (NOFA)** and available funds are subject to the **Program Guidelines** adopted by **SGC** on February 26, 2025, and as published on the **SGC's AHSC Program** website at <https://sgc.ca.gov/programs/ahsc/resources/guidelines.html>. The **Program Guidelines** include detailed information on eligibility requirements, application selection criteria, established terms, conditions, and procedures for funds awarded under the **AHSC Program**.

### D. What's New in this NOFA and Guidelines

The **Program Guidelines** and this **NOFA** reflect updates based on recent statutory changes, feedback from interested parties, and continued advancement of state policy priorities.

What's new includes:

1. Alignment and consistency with the **Department's Multifamily Housing Program (MHP)** guidelines. The **Program Guidelines** and **NOFA** have been reorganized and updated for consistency with **MHP**.
2. Developer fee limits aligned with **TCAC** December 11, 2024 regulations.
3. Experience requirements are clarified for **Projects** submitted to substantiate experience.
4. Article XXXIV, Chapter 179, Statutes of 2023 (SB 469), expands the exclusion of California Constitution's Article XXXIV to programs administered by the **Department**, including **AHSC**.
5. **Agricultural Land** definition is streamlined.
6. **Tribal Entity** goal changed to \$50 million and minimum **AHSC** funding request reduced to \$1 million for Tribal **Applicants**.

Please see Summary of Key Changes for **AHSC** Round 9 in the **Program Guidelines** for a more detailed list of changes:

<https://sgc.ca.gov/programs/ahsc/resources/guidelines.html>

## II. Program Requirements

The information provided below is a summary of the programmatic requirements detailed in the **Program Guidelines**. **Applicants** must fully review the **Program Guidelines**, this **NOFA**, and the application workbook in their entirety prior to applying. Please note that capitalized and bolded words in this **NOFA** are defined in the **Program Guidelines**.

A. Eligible Projects

**Projects** must qualify and meet all eligibility requirements pursuant to [Section 102](#) of the **Program Guidelines**.

B. Eligible Applicants

An **Applicant** must qualify and meet all eligibility requirements pursuant to [Section 103](#) of the **Program Guidelines**.

C. Eligible Use of Funds

**AHSC** funds shall be used only for approved eligible costs that are incurred on the **Project** as set forth in [Section 104](#) of the **Program Guidelines**.

D. Site Control

1. **Site Control** must be in the name of the **Applicant**, or an entity controlled by the **Applicant**, by any means set forth in UMR Section 8303 and is required at time of application. UMR Section 8303 and 8316 notwithstanding, all forms of **Site Control** must be of sufficient duration to extend through the anticipated award date set forth in this **NOFA**.

E. Threshold Requirements

1. In addition to meeting the requirements of the **Program Guideline** sections described above, **Applicants** and **Projects** are required to meet the **Program** threshold requirements set forth in [Section 103.1](#) of the **Program Guidelines** at time of application. This shall include, but is not limited to, the following:
  - a. A preliminary title report for the property dated within 30 days of the application deadline;
  - b. To further clarify Section 102(d)(3) of the **Program Guidelines** the construction or rehabilitation must not have commenced as of the application due date. For the purposes of this subdivision, the commencement of construction or rehabilitation work means the first land-disturbing activity associated with a **Project**, including land preparation such as clearing, grading, and filling, or the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.
    - i. Demolition of any structures on the **AHD Capital Project** site is prohibited except for emergency demolition or repairs to existing structures required to eliminate hazards or threats to health and safety as required by the **Locality**.
2. A **Project** is not eligible for an award unless it meets all the threshold requirements.

F. Program Funding Limits, Amounts, and Terms

1. Per Unit Loan Limit Calculation (for **Rental AHDs**)

- a. The maximum **Rental AHD** loan amount shall be calculated pursuant to Section 107 of the **Program Guidelines**, and the following:
  - ii. The initial base loan amount shall be \$250,000 per **Assisted Unit**.
  - iii. The base per **Assisted Unit** loan limit is inclusive of all requested **Rental AHD** loan funds and all **Department** loan awards made prior to the application close date. **Department** loan awards will be deducted from the total per unit calculation in the aggregate (rather than individually on each unit). A manager’s unit will be considered an **Affordable Unit** for the purpose of allocating **AHD** costs and may qualify for a loan amount up to the amount applicable to the 60 percent **Area Median Income (AMI)** level.
- b. Terms of Assistance
 

Loan for **Rental AHDs** are subject to requirements set forth in Section 106(a) of the **Program Guidelines**.

2. Per Unit Grant Limit Calculation (for **Homeownership AHDs**)

- a. The maximum **Homeownership AHD** grant amount shall be calculated pursuant to Section 107(a)(1)(B)-(E) of the **Program Guidelines**, and the following:
  - i. The initial base grant amount shall be \$250,000 per **Assisted Unit**.
  - ii. The base per **Assisted Unit** grant limit is inclusive of all requested **AHD** loan funds and all **Department** loan and grant awards made prior to the application close date. **Department** grant awards will be deducted from the total per unit calculation in the aggregate (rather than individually on each unit). The maximum grant amount per **Assisted Unit** for a homeownership AMI tier shall equal the maximum loan amount per **Restricted Unit** for a rental AMI tier as follows:

Homeownership AMI tier 55-85%							
Homeownership	85%	80%	75%	70%	65%	60%	55%
Rental	45%	40%	35%	30%	25%	20%	15%

Homeownership AMI tier 90-120%							
Homeownership	120%	115%	110%	105%	100%	95%	90%
Rental	80%	75%	70%	65%	60%	55%	50%

- b. Terms of Assistance
  - Grants for **Homeownership AHDs** are subject to requirements set forth in Section 106(b) of the **Program Guidelines** as applicable.
- 3. Per Unit Grant Limit Calculation (HRI)
  - a. The total **HRI Capital Project** grant amount is \$35,000 per residential unit in the proposed **AHD**, or \$50,000 per **Restricted Unit**.
- 4. Project Funding Limit
  - a. The maximum **AHSC Program** loan or grant award, or combination thereof, for all **Project Area Types** is \$50 million with a minimum award of \$10 million.
    - i. For Projects from **Tribal Entities**, the minimum award amount is \$1 million.
  - b. **AHD** and **HRI Capital Projects** must comprise at least fifty percent (50.0%) of total funds requested but shall not exceed \$35 million.
  - c. The maximum **STI/PGM** award amount is \$15 million.
- 5. Developer Funding Limit
  - a. A single **Recipient** may receive no more than \$100 million in **AHD** and **HRI** funds per **AHSC NOFA** funding cycle. This limitation may be waived by **SGC**, if necessary, to meet **AHSC Program** statutory funding requirements referenced in Section 112(a)(4)&(5) of the **Program Guidelines**.
- 6. Units with Multiple Funding Sources
  - a. The **Department's [Repeal of Stacking Prohibition of Multiple Department Funding Sources Memorandum](#)** (Administrative Notice No. 21-06), dated August 20, 2021, and as may be subsequently amended, is applicable to this **NOFA**. In the event of a conflict between the Memorandum and either the **NOFA** or **Program Guidelines**, the **NOFA** or **Program Guidelines** will prevail.
    - i. Use of multiple **Department** funding sources on the same **Assisted Units** is permitted, subject to the following limitations, as well as the limitations of Section F 1-2 above (for the purpose of identifying funding limits, units used in the calculation of **AHSC Program** grant amounts will be considered assisted).
  - b. For purposes of calculating total **Department** funding, all **AHD** and **HRI** funding shall be considered. Additionally, prior awards made to the **Project** or any component of the **Project**, any funds awarded pursuant to this **NOFA**, and any applicable future **Department** awards subsequent to any award made pursuant to this **NOFA** shall be considered. Note that total **Department** funding, for these purposes, does not include **STI**, or **PGM** grants.

- c. All **Department** funding sources listed in the memorandum are applicable to the limits above. For **AHSC Program**, these sources include **AHD** loans and **HRI** grants, but not **STI** or **PGM** grants. This **Department**-wide funding policy applies not only to **AHSC Program** funding under this **NOFA**, but to all **Department** awards.

G. Funding Goals, Geographic Distribution of Funds, and Statutory Set-Asides

The **Project Area Type** funding goals, geographic goals, **Tribal Entity** goals, affordable housing, **Disadvantaged Communities** statutory requirements and set asides, funding targets, and additional policies that may impact the final decision of **Project** awards are set forth in Section 112 of the **Program Guidelines**.

H. Appraisal and Market Study Requirements

**AHSC** appraisal and market study requirements are set forth in Section 7309 of the **MHP** Guidelines and the application.

I. Scoring Criteria

Applications will be scored according to Section 111 of the **Program Guidelines**. **AHSC Program** funds will be allocated through a competitive process, based on the merits of the application, as detailed in the Application Process Section 113 of the **Program Guidelines**.

J. Performance Requirements

1. Performance Deadlines

- a. All **AHSC Program** performance requirements must be met according to deadlines set forth in Section 116 of the **Program Guidelines**.
- b. All **AHSC Program** funds must be disbursed in accordance with deadlines specified in the **Standard Agreement**, and in no event later than six years of award.

2. Negative Points

**Applicants** will be subject to the **Department's** [Negative Points Policy](#) (Administrative Notice No. 22-01) as identified and described in Section 100.1, Section 111, and 113(e) of the **Program Guidelines**. Negative points will be assessed as a reduction to the total score earned. An application will be assessed negative points based on performance penalties assessed pursuant to the policy.

If an **Applicant** is assessed negative points or determined to be ineligible for funding, the **Department** shall notify the **Applicant** in writing in the threshold or initial point score letter(s) which will provide an opportunity to appeal pursuant to the appeals process as set forth in this **NOFA**.

The **Department** reserves the right to suspend any portion of the Negative Points Policy.

Potential **Applicants** are strongly encouraged to contact the **Department** in advance of submitting an application for funding to identify any outstanding reports,

payments due or other deficiencies which may result in assessment of negative points if not cured prior to the application due date by sending an email to [ComplianceVerification@hcd.ca.gov](mailto:ComplianceVerification@hcd.ca.gov).

3. Disencumbrance Policy

Applications submitted under this NOFA are subject to the **Department's Disencumbrance Policy** (Administrative Notice 22-02).

### III. Application Submission and Review Procedures

#### A. Application Submission Process

1. Applications must meet eligibility requirements upon submission (except as expressly indicated in the **Program Guidelines, NOFA**, and Application Workbook). Applications that do not meet the filing deadline requirements will not be eligible for funding. Applications must be on the **Department** forms and cannot be altered or modified by the **Applicant**. Modification of the application forms by the **Applicant** is prohibited. It is the **Applicant's** responsibility to ensure the application is clear, complete, and accurate. Excel forms must be submitted in Excel format, not as a PDF document. Required supporting documentation must be uploaded to the **Department's AHSC** Application Portal using naming conventions set forth in the application.
2. For application forms, visit the **Department's** website at <https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities>. **Program Guidelines** and supplemental materials may be found at **SGC's AHSC Program** webpage at <https://sgc.ca.gov/grant-programs/ahsc/resources/guidelines.html>.
3. After the application deadline, **Department** staff may request clarifying information, provided such information does not affect the competitive rating of the application. No information, whether written or oral, will be solicited or accepted if this information would result in a competitive advantage to an **Applicant** or a disadvantage to other **Applicants**.
4. No additional documents pertaining to threshold requirements, scoring categories, and any application submission requirements pursuant to the **Program Guidelines**, this **NOFA**, and the application shall be accepted after the application filing deadline. If applicable, documentation that existed in the public realm prior to the application deadline, which can be reasonably verified to the satisfaction of the Department may be accepted. It is within the **Department's** discretion to request any clarifying information or material regarding the additional document(s).

#### B. Electronic Submission

1. Application materials must be submitted electronically via the **Department's AHSC Program** Application Portal using the provided application forms. A link to the Portal is available at the **Department's** webpage at <https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities>.

- a. The **Applicant** must include all required information pursuant to Section 113 of the **Program Guidelines**, including submission of all required documents, materials, and reports as set forth in the application and application document checklist, including a:
  - i. **AHSC** Application Workbook and supporting documentation, and **AHSC** Benefits Calculator Tool to meet the requirements referenced in the Threshold Section 103.1 and Estimated GHG Reduction Scoring Section 111 of the **Program Guidelines**.
2. Requirements for uploading the **AHSC** Application Workbook and required supporting documentation, including identified naming conventions, are described in the application instructions. Do not modify naming conventions when uploading documents.
3. **Applicants** must submit all application materials no later than 4:00 p.m. Pacific Time on May 28, 2025.

C. Application Workshops and Developer Pre-Application Consultation

The **Department** will conduct application workshops and/or webinars. Please visit the **AHSC Program** website at <https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities> for webinar details and appointment slots for the pre-application consultations. Additional details will be announced through the **SGC AHSC Program e-mail list**.

D. Application Review

1. Phase One – Threshold Review

- a. Phase One is a pass/fail stage, and **Applicants** will receive notification of their status upon completion of threshold reviews with a five-day opportunity to appeal the findings of the reviews.
- b. During this review, applications will be evaluated based solely upon the materials contained within the submitted application as of the application filing deadline to determine completeness and satisfaction of threshold criteria as set forth in Section II. D. and III. B. of this **NOFA** and Section 103.1 and 113 of the **Program Guidelines**. Applications not meeting all application information and submission requirements shall be considered incomplete.

2. Phase Two - Scoring

- a. Phase Two is comprised of rating and ranking applications. An initial score letter that includes Quantitative Policy Scoring (QPS) and Greenhouse Gas Quantification Methodology (GHG QM) reductions (but not scores) will be provided. The initial score letter will also include an assessment of negative points and a five-day opportunity to appeal the review findings. **AHSC Program** staff will review appeal responses and revise scores where appropriate.

- b. QPS and estimated **GHG Reductions** will be evaluated for proposals that have met the requirements of Phase One.
- c. An **Applicant's** final score letter will include GHG QM scores and QPS. Applications with a final combined QPS and GHG QM point score of fewer than 41 points will not be eligible for award.
  - i. This requirement may be modified at the discretion of the reviewing agencies for applications considered with **Tribal Entity** goal as outlined in Section 112 of the **Program Guidelines**.

### 3. Phase Three – Narrative Review and Feasibility Analysis

- a. Phase Three consists of an interagency team review of the Narrative Based Policy Scoring section of applications that satisfy the requirements of Phase One and Two.
- b. Applications will also be evaluated for financial feasibility in accordance with **UMRs**, the **Program Guidelines**, and this **NOFA**. The **Department** may request any other information as set forth in the **NOFA** or application in order to determine **Project** feasibility and compliance with **Program** requirements.
- c. Applications determined to be infeasible will not be recommended for award and this decision shall be final, binding, and conclusive, and shall constitute the final action of the **Department**.

#### E. Disclosure of Application

Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (PRA) (Gov. Code § 7920.000 et seq.). As such, any materials provided are subject to disclosure to any person making a request under the PRA. The **Department** cautions **Applicants** to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, social security numbers, personal phone numbers, and home addresses. By providing this information to the **Department**, the **Applicant** is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

#### F. Concurrent Applications

1. The **Department** will allow **Applicants** under this **NOFA** to pursue more than one funding scenario. This means that a separate, concurrent application to other **Department** program funding sources is permitted. All applications under review and anticipated applications must be disclosed in the **AHSC Program** Application Workbook. In instances where such **Applicants** are competitive for an award, the **Department** will consult with **Applicants** to discern which funding scenarios are optimal for **Project** feasibility while balancing cost containment.
2. At the **Department's** discretion, **AHSC** awards may be reduced commensurately with any amounts awarded under another **Department NOFA** made prior to the **AHSC** award.

## G. Modifying Tax Credit Applications

1. Submission of two concurrent **AHSC Program** applications proposing 4 percent and 9 percent tax credit is prohibited. Submitting an **AHSC Program** application proposing 4 percent tax credits to the **Department** and submitting a concurrent 9 percent **California Tax Credit Allocation Committee (TCAC)** application is prohibited without prior approval from the **Department**.
2. If converting from a 4 percent to 9 percent **Project** after receiving an **AHSC Program** award, the award will be resized, and the award letter reissued to reflect the reduced award amount using the unit mix as originally submitted in the application. Please note that the 24-month disencumbrance deadline (pursuant to the **Department's** [Disencumbrance Policy](#)), will continue to be tied to the date of the original award letter. The **Developer** must demonstrate that any resulting gap from the resizing of the loan has been covered through an alternative funding source.
3. If converting from a 9 percent to a 4 percent **Project**, the award will not be increased but may be reduced if the **Recipient** identifies additional funding.
4. The **Department** will only allow a switch between 4 percent and 9 percent one time per **Project**. The **Department** must be notified and, if required, an amended award letter be issued in advance of application submittal to CDLAC or **TCAC**. Recipients who do not request an amended **Department** award letter prior to submitting an application to switch tax credit scenarios will be subject to [Negative Points](#).
5. No final determination can be made on whether a specific **Project** may swap from 4 percent to 9 percent, or vice-versa, until updated application materials indicating changes to the **Project's** budget have been submitted, reviewed, and approved by **AHSC Program** staff.

## H. Prior Awards

1. **Applicants** must disclose all awards of loans and grants for the **Project** listed in the application at the time of application submittal. **Applicants** seeking to substitute previously awarded **Department** funds, including but not limited to substitutions to increase the amount of an award, must first withdraw their previous award in writing and provide reasonable justification that the substitution is necessary to ensure **Project** feasibility. A consultation with **Department Program** staff is required at the time of the withdrawal. Substitutions based solely upon **Applicant** preference or convenience will not be permitted.
2. The **Department** will restrict units to the lowest targeting across all awarded funds and will require proposals awarded from a program with prioritized target populations to maintain the special population units (increasing target population and/or **Restricted Units** is permitted). However, for applications proposing a reduction to AMI levels on the unit mix, the **Applicant/Recipient** must engage with **Program** staff relative to the prior award and confirm the change does not impact feasibility and would not cause a reduction in awarded funds pursuant to that program's requirements. This consultation process must begin no later than 30 days after the publication of this **NOFA**.

## I. Significant Changes in Project After Application

The **Department** will make award determinations based on information provided in the application. If, after award, there is a significant departure from the application, the **Department** may re-evaluate the proposal status, reduce the loan or grant amount, and/or assign [Negative Points](#) to the **Applicant**.

## IV. Appeals

### A. Basis of Appeals

1. **Applicants** may appeal the **Department's** written determination that an application is incomplete, has failed threshold review, or has otherwise been determined to provide an insufficient basis for an award (including point scoring). Submission of additional documents, including as part of an appeal for an application disqualification, shall include evidence demonstrating either the document existed as of the application due date, or the document certifies to a condition existing at the time of the application due date identified in this **NOFA**.
2. At the sole discretion of the **Department**, the **Department's** written determination may include a request for clarifying and/or corrective information. For purposes of this section, "clarifying information" includes information and/or documentation that resolves ambiguities in any application materials that will inform the **Department's** threshold, scoring and feasibility determinations.
3. No **Applicant** shall have the right to appeal a decision of the **Department** relating to another **Applicant's** application (e.g., eligibility, award).
4. The appeal process provided herein applies solely to the decisions of the **Department** made in this **Program NOFA**.

### B. Appeal Process and Deadlines

1. Process
  - a. To file an appeal, **Applicants** must submit a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the **Applicant** must include a detailed reference to the area or areas of the application that support the basis of the appeal. If applicable, documentation that existed in the public realm prior to the application deadline of May 28, 2025, which can be reasonably verified to the satisfaction of the **Department** may be accepted. No new or additional information will be considered if this information would result in a competitive advantage to an **Applicant**. Once the written appeal is submitted to the **Department**, no further information or materials will be accepted or considered thereafter. Appeals are to be submitted to the **Department** at [AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov) and **SGC** at [AHSC@sgc.ca.gov](mailto:AHSC@sgc.ca.gov) according to the deadline set forth in **Department** review letter(s).

2. Filing deadline

- a. Appeals must be received by the **Department** no later than five business days from the date of the **Department's** threshold review, or initial score letter.

C. Decision

Any request to appeal a decision regarding an application shall be reviewed for compliance with the **Program Guidelines** and this **NOFA**. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of the **Department**.

V. **Award Announcements and Contracts**

A. Award Announcements

Award recommendations will be posted with **SGC** meeting materials on the **SGC's AHSC Program** website at <http://www.sgc.ca.gov/meetings> prior to the **SGC** public meeting.

B. Contracts

1. **Recipients** and **Payees** will enter into one or more **Standard Agreements** with the **Department**. The **Standard Agreement** specifies and memorializes relevant state and federal requirements, as well as specific information about the award and the work to be performed.
  - a. The **Standard Agreement** Exhibits A, B, D, and E will be posted on the **Department's AHSC Program website** and will not be circulated for public comment or otherwise subject to change or negotiation, except as may be required to achieve compatibility with the requirements of other governmental programs and third-party lenders.
  - b. To facilitate timely processing of **Standard Agreements**, a condition of the award will be the delivery of a duly adopted and legally sufficient authorizing resolution and any duly filed or adopted organizational documents not included in the application, within 60 calendar days of the **Department's** issuance of the conditional award letter.
  - c. The **Department** has set a goal to deliver **Standard Agreements** to awardee(s) within 90 days of meeting the conditions of (b).
  - d. The awardee(s) shall remain a party to the **Standard Agreement** for the entire term of the **Standard Agreement**; removal of the awardee(s) without the **Department's** prior written consent is prohibited and will result in a default.
  - e. All **Recipients** and **Payees** shall execute the **Department's Standard Agreement** within 30 days of receipt or risk disencumbrance of the award in the **Department's** sole and absolute discretion. Failure to execute the **Standard Agreement(s)** as set forth in V. B.1. may result in award cancellation. Failure of any **Recipient** to execute the **Standard Agreement**

may result in award cancellation. Upon written request of the **Recipient**, the **Department**, in its sole and absolute discretion, may grant an extension of time to execute the **Department's Standard Agreement**.

2. Once a **Project** is awarded **Department** funds, the **Recipient** is acknowledging the **Project** as submitted and approved is the **Project** that is to be funded and built. Any bifurcation or partitioning of the **Project** would make that award null and void.
3. **Project** awards cannot be transferred or assigned to another **Project** or **Sponsor/Recipient**.

#### C. AHSC Program Cross-Default Provision

1. Awards are based on the total points awarded to the application during a highly competitive process. The **Standard Agreements** set forth requirements for timely completion of **AHD, HRI, STI, or PGM** components. If all components are not timely completed pursuant to **AHSC Program** requirements, the entire award may be disencumbered, and disbursed funds recaptured. The **Standard Agreements** will expressly cross-default all components of the award to one another.
2. The **Department** recognizes the **Recipient** may enter into separate side agreements to address individual **Developer** responsibilities with respect to each other and with regard to **AHSC Program** funds; provided, however, in no event shall any such agreement alter or amend the respective obligations of the **Recipient** to the **Department** under the applicable loan or grant documents.
3. For more detail, please refer to the Legal Documents Section 114 and the Defaults and Cancellations Section 117 of the **Program Guidelines**.

## VI. Other State Requirements

The **Applicant/Recipient** agrees to comply with applicable state and federal laws, rules, guidelines, and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the **Project**, the **Recipient**, its contractors or subcontractors, and any award activity, including without limitation those listed in the Threshold Requirements Section 103.1 and the Legal Documents Section 114 of the **Program Guidelines**.

Where the proposed **Project** presents a fair housing issue, the **Department** reserves discretion to require a fair housing legal opinion.

In addition, the **Recipient** shall comply with the following requirements:

#### A. California's Preservation Notice Law

All **Applicants, Recipients**, awardees, owners, and special purpose entities must, at all times, comply with, and not be in violation of, California's Preservation Notice Law (Gov. Code, §§ 65863.10, 65863.11, 65863.13).

B. Relocation Requirements

1. The **Recipient** of **Program** funds resulting in displacement of persons, businesses, or farm operations shall be solely responsible for providing the assistance and required by applicable state and federal law and shall agree to indemnify and hold harmless the **Department** from any liabilities or claims for relocation-related costs.
2. In addition, before **Standard Agreements** will be executed, **Sponsor/Recipient** must have either:
  - a. A **Department**-approved relocation plan; or
  - b. A **Department**-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, which has been duly executed and approved by the **Department**.

VII. **Other Terms and Conditions**

A. Right to Modify or Suspend

The **Department** reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this **NOFA** at any time, including without limitation, the amount of funds available hereunder. If such an action occurs, the **Department** will notify all interested parties via the **Department's** email list and will post the revisions to the **Program** website. Please subscribe to the **Department's** email list at [https://www.hcd.ca.gov/i-am/sub\\_email.shtml](https://www.hcd.ca.gov/i-am/sub_email.shtml).

B. Conflicts

1. It is the duty and responsibility of the **Applicant** to review any funding source they obtain for a proposal to ensure each of the requirements for those funding sources are compatible with the **Department's Program** requirements.
2. In the event of any conflict between the terms of this **NOFA** and **Program Guidelines** and either applicable state or federal law or regulation, the terms of the applicable state or federal law or regulation shall control. **Applicants** are deemed to have fully read and understand all applicable state and federal laws, regulations, and guidelines pertaining to the relevant program, and understand and agree that the **Department** shall not be responsible for any errors or omissions in the preparation of this **NOFA**.

# Affordable Housing and Sustainable Communities Program (AHSC)

NOFA Round 9 (March 25, 2025)

## Application Workbook



CALIFORNIA STRATEGIC  
GROWTH COUNCIL



### State of California

Gavin Newsom, [Governor](#)

### Business, Consumer Services and Housing Agency

Tomiquia Moss, [Secretary](#)

<https://www.bcsh.ca.gov>

### California Strategic Growth Council

Erin Curtis, [Executive Director](#)

[AHSC@sgc.ca.gov](mailto:AHSC@sgc.ca.gov)

<https://sgc.ca.gov>

### Department of Housing and Community Development (HCD)

Gustavo Velasquez, [Director](#)

651 Bannon Street, Sacramento, CA 95811

[AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov)

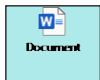
<https://www.hcd.ca.gov>

## Instructions

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When opening this file, a yellow banner at the top may appear with a button that says, "Enable Editing", and/or "Enable Macros". It is essential that you click this box(es) so that the macros are enabled. Enabling macros is necessary for full workbook/application functionality.

**WARNING: Partial functionality** of this application/workbook **WILL BE LOST** when using Apple Mac Computers. The Department **highly** recommends using PC Computers and Microsoft Office 2013 or newer to complete the application.



Microsoft has recently added blocking of macros by default, if this happens when you open the application, please follow the instructions in the Word document added as an icon to the left (double-click to open).

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Application materials must be submitted electronically via HCD portal system. Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available <https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities> at

### AHSC Round 9 applications will be accepted as set forth in the NOFA.

Application must be on the Department's forms and cannot be altered or modified by the Sponsor/Applicant. Excel Application must be in Excel format, not a PDF document.

If the Sponsor/Applicant discovers any errors within application, use the Application Support tab and email the entire workbook [AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov) to

**It is recommended that Applicant(s) start from left to right and top to bottom for a better understanding and functionality of this application.**

Additional instructions and guidance are given throughout the Application in "red" text and in cell comments. Cell Notes/Comments are very important to read as some of these will provide directions for completing your application.

"Yellow" cells are for Applicant inputs. It is very important that you answer **ALL** yellow cells, failure to provide all information may disqualify your application from consideration or may negatively impact your point score.

"Orange" cells are **required** attachments. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Application.

"Blue" cells are self-score points awarded in the "Scoring" worksheet. These are automated calculations based on the inputs provided by the Sponsor/Applicant.

"Red" cells indicate the Applicant(s) has failed to meet a requirement of the program, threshold, scoring, upload, or certification.

"Green" cells are for SGC use/review.

**Disclosure of Application:** Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act ([Government Code Sections 6250-6276.48](#)). As such, any materials provided are subject to disclosure to any person making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, social security numbers, personal phone numbers, and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

**Project Overview**

V1 3/25/25

**HCD APP#:** AHSC0001295

Project Area Type

Housing Type

Geographic Area

Select Yes to all that apply

<b>Affordable Housing Development (AHD)</b>	Yes
<b>Housing Related Infrastructure (HRI)</b>	No
<b>Sustainable Transportation Infrastructure (STI)</b>	Yes
<b>Program Costs (PGM)</b>	Yes

Project / Program	TDC	AHSC Funds Requested	%	Total Non-AHSC Funding Commitments
<b>AHD</b>	\$172,323,077	\$35,000,000	73.56%	\$137,323,077
<b>HRI</b>	\$0	\$0	0.00%	
<b>STI</b>	\$20,713,000	\$11,713,000	24.62%	\$9,000,000
<b>PGM</b>	\$866,100	\$866,100	1.82%	\$0
<b>AHD &amp; HRI Total</b>	\$172,323,077	\$35,000,000	73.56%	\$137,323,077
<b>STI &amp; PGM Total</b>	\$20,713,000	\$12,579,100	26.44%	\$9,000,000
<b>Grand Total</b>	\$193,902,177	\$47,579,100	100.00%	\$146,323,077

Was <b>Project</b> awarded funds in prior AHSC rounds?	No
Is <b>Project</b> a phase of a previously awarded project?	No

Applicant must identify past awards, simultaneous applications, and future or potential applications. Failure to fully disclose all known or potential funding sources may result in award reduction or disencumbrance.

**Project Overview**

V1 3/25/25

<b>Has the Applicant(s) applied, plan to apply, or been awarded other HCD program funds for this proposed Project?</b>							Yes
If applicable, provide other Project name(s) for which this Project has applied for HCD funds in the past.							
HCD program(s) name(s):		21-06	Loan amount	Grant amount	Funding Status	Award date or expected Award date?	HCD Contract Number
MHP			\$36,865,214		Applying concurrently	TBD	
IIG				\$5,655,945	Not awarded		
AHSC			\$25,000,000		Not awarded		

For assistance in streamlining the review process, please provide the names of entities related to each sponsor parent company, and any and all related entities that have received awards from HCD. This is not a requirement but will reduce review time if completed. **If yes**, please complete "Sponsor History" sheet/tab. No

**Project** description: provide a concise summary of your **AHSC Project**, approximately 200 words or less. Be sure to highlight components that are unique to the **Project** or required significant collaboration. Please see past award summaries on **SGC** website **AHSC Awards** and Applications for examples. This content will provide necessary context for all reviewers and will be published alongside Award Recommendations if your project is selected for funding. [SGC AHSC Awards and Applications](#)

The 1939 Market Street project transforms an underutilized infill site in San Francisco's thriving Market-Octavia neighborhood into 187 units of deeply affordable senior housing designed to serve LGBTQ+ elders, long-term HIV/AIDS survivors, formerly homeless individuals, and veterans. Developed by Mercy Housing California in partnership with Openhouse, the project builds on the success of the LGBTQ-welcoming 65 Laguna development and directly connects to an existing hub of senior services, including the Bob Ross Senior Center.

1939 Market integrates a continuum of care model—ranging from traditional senior housing to high-acuity supportive housing—allowing residents to age in place with dignity. In collaboration with SFMTA, the project improves transit reliability and safety through signal priority that improve six MUNI lines and includes two miles of upgraded Class IV bikeways and over 2,000 feet of sidewalk repair in heavily pedestrian areas. Key partners include Openhouse (on-site services), Mission Hiring Hall (workforce development), and the San Francisco Community Land Trust (anti-displacement). The project's climate resiliency measures include a backup-powered community room, passive shading, MERV 14 filtration, and native landscaping.

These components position 1939 Market as a national model for equity-focused, climate-adaptive, service-enriched senior housing. Seniors will age in place in a high-opportunity, transit-connected neighborhood.

A **Tribal Entity** whose **Project** meets requirements listed in detail in [Appendix B](#).  
 Is a **Project** component, meaning either **AHD/HRI** or **STI**, being proposed by a **Tribal Entity** and meets requirements listed in detail in [Appendix B](#)? No

**AB 1550 Priority Populations** "Priority Populations" include residents of: (1) census tracts identified as disadvantaged by [California Environmental Protection Agency](#) per [SB 535](#); (2) census tracts identified as **Low-Income Communities** per [AB 1550](#); or (3) a **Low-Income Household** per [AB 1550](#). See the [Appendix A](#) of the [2024 Funding Guidelines for Agencies that Administer California Climate Investments \(Funding Guidelines\)](#) for more information on the definitions. See the [Priority Populations Maps](#) for more information.  
[California Climate Investments Priority Populations Mapping Tool 4.0](#)

The **Project's** priority population benefits will be determined based upon the location of the **AHD**.

<b>AHD 10-digit census tract:</b>	6075020200	California Climate Investments <b>Priority Populations 4.0</b> designation:	Low-Income Community
File Name:	006. AB 1550 (BAT)	<a href="#">Applicable CARB Priority Population Benefit Assessment Tools (BAT)</a>	Uploaded to HCD? Yes

Will the **AHD** include **Factory-Built Housing (FBH)**? No

Applicant(s) acknowledges and certifies that the **Project Area** meets all requirements specified in [§102](#). Yes

File Name:	<a href="#">008. Project Area Map</a>	Map the items as outlined in the Project Area Mapping Guide. Items marked with (PAM) in this application must be identified on the Project Area Map (PAM)* File must be submitted in a KML/KMZ format.	Uploaded to HCD?	Yes
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Select Metropolitan Planning Org. or "non-MPO area" Metropolitan Transportation Commission (MTC)

The proposed **Project** supports the implementation of the applicable Sustainable Community Strategy (SCS) or Alternative Planning Strategy (APS) as confirmed by the Metropolitan Planning Organization (MPO), or the equivalent regional planning agency. [§103.1\(f\)\(1\)](#) Yes

File Name:	009. SCS Consistency Confirmation	Document from MPO or equivalent planning agency confirming consistency with activities or strategies identified in the SCS, APS, or equivalent planning document that demonstrates a per capita reduction in VMT and GHG, per <a href="#">§103.1(f)(1)</a> .	Uploaded to HCD?	Yes
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To be an eligible **AHD Capital Project**, it must consist of one or more of the following:  
**Note:** Re-syndication of an **AHD** is not an eligible **Capital Project**.

Select from Dropdown: New Construction


Is this a **Mixed Use Development**? Yes

**Affordable Housing Development (AHD)**

<b>AHD Name:</b>	1939 Market			<b>Address:</b>	1939 Market St				
<b>City:</b>	San Francisco	<b>Zip Code:</b>	94103	<b>County:</b>	San Francisco	<b>Latitude:</b>	37.76983	<b>Longitude:</b>	-122.42531
<b>Census Tracts:</b>	6075020200								
<b>APNs</b>	3501015								

**Project Overview**

V1 3/25/25

Is the proposed **AHD** part of a master-planned development that is approved by a local zoning authority, that consists of a single lot or parcel, or a combination of abutting lots or parcels, with common access, parking, amenities, landscaped areas, and signage. No

Do you intend on splitting or combining any lots? N/A

Total Site Area: Acres: 0.28

**AHD Capital Project** description (include: information such as on-site resident or community amenities, climate adaptive features, resources in the immediate vicinity, any details from above questions for mater-planned developments and/or splitting or combing of lots):

**Note:** If **AHD Capital Project** is **Substantial Rehabilitation** provide details of rehabilitation work to be completed:

1939 Market will be a 15-story multi-family residential building, with a total of 187 affordable apartments for seniors (a mix of studio and one-bedroom units with one two-bedroom manager unit). The project will include a community room, community kitchen, two laundry facilities, a property management suite, resident services suite, seating throughout common areas, a community terrace, and five community balconies. The all-electric building will include individual PTAC units for each unit to adapt to changes in climate. The building's ground floor includes a 1,524 square foot commercial space, which will be utilized as extension of the robust esrvices program, a residential lobby, which will include a mailroom, and the residential service and property management offices. The project includes on-site bike parking, and no on-site vehicle parking. 1939 Market will be developed by Mercy Housing California, and will be owned by Mercy Housing California 109, L.P. Mercy Housing Management Group will manage the property. Mercy Housing California will be the lead services provider, Openhouse will provide case management, which will be funded by the San Francisco Department of Homelessness and Supportive Housing, and the San Francisco Veterans Affairs Health Care System will provide and fund services for the veterans units. The project recently completed a lot merge, and the final parcel map has been issued.

Identify the Resource Area per TCAC/HCD Opportunity Area Map. Sponsor/Applicant may choose to utilize a Resource Area designation from the TCAC/HCD Opportunity Area Maps in effect when the initial site control (pursuant to **UMR §8303(a)**) was obtained, if a TCAC/HCD Opportunity Area Map exists for that year. <https://www.treasurer.ca.gov/ctca/c/opportunity.asp>

Is the **AHD** located in a High or Highest Resource Area per TCAC/HCD Opportunity Area Map available at the time of application? No

Enter the entire TCAC/HCD Opportunity Area Map Census Tract ID #: 6075020202 Opportunity Area Map Category: Moderate Resource

File Name:	012. Opportunity Area	Documentation of TCAC/HCD Opportunity Area status either (1) at time of application, or (2) when initial site control (pursuant to UMR §8303(a)) was obtained, if a TCAC/HCD Opportunity Area Map exists for that year.	Uploaded to HCD?	Yes
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Utilizing Tax Credits?		4%	
Federal	Yes	Proposed equity investor contribution (\$)	\$76,019,496
State	No	Proposed equity investor contribution (\$)	\$0.9295
Timeframe for applying for 4%Tax Credits		Proposed month	Proposed year
		January	2026
Tax Credit Reservation Awarded?			No

Is the **AHD** on an Excess Site/Surplus Land site? Excess Site [The Housing and Local Land Development Opportunity Map](#)

Is the **AHD Project** a **Scattered Site**? **UMR §8303(b)** No

Total Units	LIHTC Units	Project Site Area	Units per Acre	Age Restrictions	TCAC Project Type
187	185	0.28 Acres	679 Per Acre	Senior 62+	Senior

Any type of demolition required? Yes

Age of structures to be demolished (enter oldest year built): 1951 Are the structures currently occupied? Yes Is any of the current site income generating? Yes

Applicants must describe any demolition to be completed (including any structures, parking lots, signage, or billboards to be demolished).

The existing structure is commercial space designated for office use and parking lot. Demolition of this existing structure will take place prior to start of constructing the new building. All demolished materials will be removed from the site. The General Contractor selected will take all precautions to keep dust to a minimum during this process. Site preparation will include demolition, grubbing, clearing and grading the existing lot.

Proposed **AHD** involving new construction or **Substantial Rehabilitation** and requiring the demolition of existing residential units are eligible only if the number of bedrooms in the new **AHD** is at least equal to the number of bedrooms in the demolished structures, with equal or greater affordability. The new **Affordable Units** may exist on separate parcels provided all parcels are part of the same **AHD** meeting the requirements of the **UMRs Section 8303(b)**.

Will the proposed **Project** involve new construction or **Substantial Rehabilitation** and require the demolition of existing residential units? **§102(d)(2)(A)** No

Commencement of construction or **Substantial Rehabilitation** work means the first land-disturbing activity associated with the **AHD**, including land preparation such as clearing, grading, and filling, or the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

**Applicant(s)** certifies that construction or **Substantial Rehabilitation** of the **AHD** has not commenced as of the application due date set forth in the **NOFA**, except for emergency work or structural repairs. **§102(d)(3)** Construction has NOT commenced

Has the **Applicant** completed, or does the **Applicant** plan to complete any emergency repairs/demolition to existing structures required to eliminate hazards or threats to health and safety? No

**§110(a)(3) Relocation**

Does Project trigger State Relocation Assistance Law (**CA Gov Code §7260-7277**)? No

This requirement does not apply to tribes who are exercising their sovereignty on trust land or by utilizing the **Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA)** funding.

Provide a narrative explanation, in the box below, supporting why relocation is or is not required. "N/A" or "Vacant Land" is not sufficient. If relocation is required, **Applicant** must also submit an initial relocation plan prepared in accordance with **24 CFR 93.352**.

The existing building does not contain residential units. Therefore, there is no relocation for residential units. The building does include one commercial tenant. The commercial tenant lease contains language, stating the tenant is obligated to leave the premises when the land owner, the City and County of San Francisco, triggers their release. In addition, the lease states that the tenant has no relocation benefits. The tenant will not be in the building when the Sponsor takes site control.

**§103.1(g)(6) AHD Site Control**

**Project Overview**

V1 3/25/25

At application how will site control be demonstrated? **Enforceable Option to Lease**

Is the vested owner of the **AHD** site an **Applicant**? **Applicant #2** City and County of San Francisco

Is the vested owner the same entity named on the Enforceable Option to Lease as the seller/optionor/lessor? **Yes**

Date of agreement: **7/12/2023** Initial contract expiration date: **6/30/2026** Final contract expiration after all allowable extensions: **12/31/2026**

Is an Applicant named on the Enforceable Option to Lease as the buyer/purchaser/optionee/lessee? **Applicant #1** Mercy Housing California

Has the entity been filed with the California Secretary of State? **Yes** All organizational documents for the entity and any linking this entity to the **Applicant** must be submitted with this application. Have all Documents been provided? **Yes**

Ground Lease planned? **Yes**

Who is the lease by and between? List all applicable parties:		Term	Annual Payment
Lessor:	City and County of San Francisco	75 year initial term with a 25 year option	\$100 per year in base rent + \$15,000 per year in lease and administrative fees
Lessee:	Mercy Housing California 109, L.P.		
Other Parties:			

Below, describe property transfers occurring in connection with development of the **AHD**.  
 Mercy Housing California 109, L.P., a California limited partnership wholly owned by Mercy Housing California, Applicant #1, entered into an Option to Ground Lease Agreement with the City and County of San Francisco on July 12, 2023. The term of the option runs through June 30, 2026 and includes a six month option to extend through December 31, 2026. The ground lease will provide Mercy Housing California site control to construct and complete the AHD project.

File Name:	Description	Uploaded to HCD?	Yes
021. AHD Site Control	Documentation of site control in accordance with UMR §8303, including a summary explanation of site control and values for applications with multiple or non-contiguous parcels, scattered sites, lot line adjustments, phased projects, or other complex land and acquisition transactions.	Uploaded to HCD?	Yes
022. AHD Preliminary Title Report	Preliminary Title Report, that is prepared or updated no earlier than 30 days prior to the application due date for the AHD Project.	Uploaded to HCD?	Yes
023. AHD Site Control Org Docs	Where Site Control is in the name of another entity, documentation, which clearly demonstrates the Applicant control (i.e., the entity's organizational documents), is required.	Uploaded to HCD?	Yes

**§103.1(f)(3-5) Environmental Requirements & Reports**

Do you certify that the **AHD** site(s) is free from severe adverse environmental conditions, such as the presence of toxic waste pursuant to **§103.1(f)(5)(A)**. **Yes**

If environmental mitigation is required, are costs sufficient, pursuant to the environmental reports and included in the AHD-HRI S&U Development Budget? **Yes**

Environmental Reports are required as set forth in the application checklist and the Notice of Funding Availability.

File Name:	Description	Uploaded to HCD?	Yes
024. AHD Phase I Environmental Site Assessment	Submit a Phase I ESA, prepared or updated no earlier than 12 months prior to the application due date. If the Phase I ESA reveals known or potential contamination, a Phase II ESA will be required. Tribal Entity Applicant is exempt when proposing a Capital Project located in Indian Country.	Uploaded to HCD?	Yes
025. AHD Phase II Environmental Site Assessment	Submit a Phase II ESA prepared or updated no earlier than 12 months prior to the application due date if the Phase I ESA reveals known or potential contamination. Tribal Entity Applicant is exempt when proposing a Capital Project located in Indian Country.	Uploaded to HCD?	Yes

**AHD environmental clearances**

Submit the Local Approvals and Environmental Review Verification form to the agency or department of local government responsible for administration of the items listed on the form. This form may be submitted to more than one agency or department if necessary. If an item is not required, include the reason why in box provided.

**Local Enviro Verification**

California Environmental Quality Act (CEQA) is a state law that requires public agencies to identify and disclose the potential environmental impacts of their proposed activities.

Is the **AHD** Categorically Exempt? **Yes**

Is the **AHD** approved "by-right"? **No**

**NEPA:** Is Federal funding proposed that will trigger NEPA requirements? **Yes** For NEPA only, fully executed HUD 7015.16 "Authority To Use Grant Funds" is required prior to construction loan closing.

Applicants affirm all applicable time periods for filing appeals or lawsuits will have lapsed within 30 days after the application due date with lawsuits or appeals resolved. **Yes**

Explain any applicable appeals or lawsuits that are still under review or currently unresolved.

File Name:	026. AHD Local Approvals	Local Approvals and Environmental Review Verification form(s) completed and signed by local authority or Responsible Entity, if different from jurisdiction.	Uploaded to HCD?	Yes
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**§103.1(f)(7) Not Agricultural Land**

**Applicant(s)** certifies the **AHD** is not designated as **Agricultural Land** according to the **California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) Tool (California Important Farmland Finder)**. **Yes, Not Ag Land**

An exemption to the **Agricultural Land** designation may be allowed for applications that submit documentation that substantiates a description of an **Infill Site**.  
[\(California Important Farmland Finder\)](#)

File Name:	Description	Uploaded to HCD?	Yes
029. AHD No Ag	Demonstrate the AHD site is not within land designated as Agricultural Land per FMMP tool.	Uploaded to HCD?	Yes
030. AHD Ag Exempt	Applicants seeking an exemption to the FMMP determination must demonstrate that the AHD Project site qualifies as an Infill Site.	Uploaded to HCD?	N/A

Site & Unit Information

Existing versus proposed Units (include Manager's Units)								Total #	Total #	Total #	Total #	Total # of Parking
	Beds	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 + Bdrm	Units	Bedrooms	Buildings	Mgr. Units	Spaces
Existing	0	0	0	0	0	0	0	0	0	0	0	0
Proposed	188	106	80	1	0	0	0	187	188	1	2	0

Building types	New Construction			Rehabilitation			Unit Size	Baths	Layout	Avg. Sq. Ft.	All Units	Restricted
	Units	Stories	Bldgs.	Units	Stories	Bldgs.						
Townhouse/Row House	0	0	0	0	0	0	0 Bdrm.	1	Flat	330	106	106
One or Two Story Walk-Up	0	0	0	0	0	0	1 Bdrm.	1	Flat	552	80	79
Mid-Rise (3-5 stories)	0	0	0	0	0	0	2 Bdrm.	1	Flat	951	1	0
High-Rise (6+stories)	187	15	1	0	0	0	3 Bdrm.				0	0
Detached Single Family	0	0	0	0	0	0	4 Bdrm.				0	0
Duplex/4-Plex	0	0	0	0	0	0	5 Bdrm.				0	0
Non-Residential Bldg(s)		0	0		0	0						
Totals	187		1	0		0				Total Units	187	185

Sponsor/Applicant Notes

Amenities

Unit Amenities/Features									
<input type="checkbox"/> Yes	Air Conditioning	<input type="checkbox"/> Yes	Refrigerator	<input type="checkbox"/> Yes	Range	<input type="checkbox"/> No	Microwave	<input type="checkbox"/> Yes	Disposal
<input type="checkbox"/> Yes	Dishwasher	<input type="checkbox"/> No	Walk-In Closet	<input type="checkbox"/> No	Fenced Rear Yard	<input type="checkbox"/> Yes	Ceiling Fans	<input type="checkbox"/> Yes	Curtains/Blinds
<input type="checkbox"/> No	Fireplace	<input type="checkbox"/> Yes	Emergency Call	<input type="checkbox"/> No	Free Cable TV	<input type="checkbox"/> No	Storage Area	<input type="checkbox"/> No	Lofts
<input type="checkbox"/> No	Balcony	<input type="checkbox"/> No	Patio		(Other)		(Other)		(Other)

Project Amenities											
<input type="checkbox"/> Yes	Elevator(s)	<input type="checkbox"/> 2	<input type="checkbox"/> Laundry Rms.	<input type="checkbox"/> Yes	<input type="checkbox"/> 2	<input type="checkbox"/> Washers	<input type="checkbox"/> Yes	<input type="checkbox"/> 13	<input type="checkbox"/> Dryers	<input type="checkbox"/> Yes	<input type="checkbox"/> 13
<input type="checkbox"/> Yes	Community Room	<input type="checkbox"/> Yes	Community Kitchen	<input type="checkbox"/> No	Computer Room	<input type="checkbox"/> Yes	High Speed Internet				
<input type="checkbox"/> No	Fitness Room	<input type="checkbox"/> Yes	Picnic/BBQ Area(s)	<input type="checkbox"/> Yes	Tot Lot/Playground	<input type="checkbox"/> No	Sports Court				
<input type="checkbox"/> No	Tennis Court	<input type="checkbox"/> No	Swimming Pool	<input type="checkbox"/> No	Jacuzzi/Sauna	<input type="checkbox"/> Yes	Bike Parking				
	(Other)		(Other)		(Other)		(Other)				

Security & Other							
<input type="checkbox"/> Yes	Gated Entry	<input type="checkbox"/> Yes	Bldg. Card Key	<input type="checkbox"/> Yes	Security Patrol	<input type="checkbox"/> Yes	Security Cameras

Describe any mandatory charges to tenants beyond allowable Rents.  
There are no additional charges paid by tenants.

Other onsite Services?  
Mercy Housing California is the Lead Service Provider, and Openhouse, along with the San Francisco VA Health Care System, are also providing services to 1939 Market.

Miscellaneous Information

Residential Space									
Residential Units	93,834	Common Areas	47,802	Community Room	1,356	Leasing Office	537	Additional Storage Space	
Subtotal Residential SF	143,529	Maintenance Shop	540	Childcare Center		Service Area	614	Service Office	
	(Other)		(Other)		(Other)		(Other)		
<b>Total Residential SF</b>	<b>144,683</b>								

Residential Parking									
Free Residential Parking Spaces									
Uncovered Tenant Parking	0	Covered Tenant Parking	0	Enclosed Tenant Parking	0	Tenant Guest Spaces	0		
Subtotal Parking Spaces	0								
Extra Spaces Tenants may Rent									
Uncovered Parking	0	Covered Parking	0	Enclosed Parking	0	Total Handicap Parking Spaces	0		
<b>Grand Total Parking Spaces</b>	<b>0</b>								

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**Commercial Space**

**Commercial Square Feet**

Commercial Area	1,524	Offices		Childcare Center		Storage Space		(Other)	
<b>Total Commercial SF</b>	<b>1,524</b>								

**Parking Spaces for Commercial Tenants**

Uncovered Parking	0	Covered Parking	0	<b>Total Spaces</b>	<b>0</b>
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Describe other available parking for commercial patrons

**Income from subsidies**

Rental Subsidy?	Yes	Projects having or proposing project-based rental assistance must provide documentation of current contract Rents. A fully executed subsidy contract shall be required prior to permanent loan closing.			
Subsidy Program Name:	Senior Operating Subsidy	Contract Term: (enter in years)	15		
Subsidy Program Name:	VASH-PBV	Contract Term: (enter in years)	15		
Subsidy Program Name:		Contract Term: (enter in years)			
File Name:	033. Current Contract Rents	Projects proposing project-based rental assistance: Provide documentation of current contract rents for HAP, Shelter Plus or other source, as applicable.	Uploaded to HCD?	Yes	
Operating Subsidy?	Yes	Provide evidence of commitment status (e.g., letters of intent, commitment letters, grant awards or subsidy contracts). If commitments are not available, provide other documentation such as a reservation or third-party letter stating the following: total subsidy and estimated first year allocation, date or expected date of award, and term (in years).			
Local Operating Subsidy Name:	Local Operating Subsidies Program				
Total Operating Subsidy Amount	\$15,575,179	Number of years included in total operating subsidy	15		
File Name:	034. Operating Subsidy Commitment	Documentation evidencing commitment of Operating Subsidies including source, term (in years), total subsidy amount, and estimated first year allocation.	Uploaded to HCD?	Yes	
Projects having or proposing project-based rental assistance or operating subsidies shall fund a Transition Reserve in accordance with MHP §7312.1. Complete the HCD Reserves Calculator tab.					

**Income from sources other than residential Rents and subsidies**

Laundry		Other Leased Spaces				
		Residential	Lease Terms	Sq. Feet	Rent/SF/Mo.	Annual Gross
No. of Units Using Central Laundry	185					\$0
Weekly Assumed Income Per Unit	\$1.26					\$0
<b>Annual Total Laundry Income</b>	<b>\$12,157</b>					\$0
Residential Parking						\$0
Tenant Rental Spaces	0					\$0
Monthly Income Per Space	\$0					\$0
<b>Annual Residential Parking Income</b>	<b>\$0</b>					\$0
Commercial Parking						\$0
Number of Rental Spaces	0					\$0
Monthly Income Per Space	\$0					\$0
<b>Annual Commercial Parking Income</b>	<b>\$0</b>					\$0
<b>Total Income from Other Leased Spaces</b>						<b>\$0</b>

**Monthly utility allowance**

Utilities	Type of Utility (Select from dropdown)	Does the owner or tenant pay utilities?	Enter Allowances for Tenant or Homeownership Paid Utilities by Bdrm. Size					
			0 bdrm	1 bdrm	2 bdrms	3 bdrms	4 bdrms	≥5 bdrms
Heating	Electric	Tenant	\$1	\$2				
Cooking	Electric	Tenant	\$9	\$10				
Other Electric	Electric	Tenant	\$27	\$33				
Air Conditioning	Electric	Tenant	\$3	\$3				
Water Heating	Electric	Owner						
Water	Public	Owner						
Sewer	Public	Owner						
Trash	Public	Owner						
Other								
<b>Total Tenant Utility Allowance</b>			<b>\$41</b>	<b>\$48</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Source for utility allowances**

Local PHA?	No	Name:	San Francisco Public Utilities Commission					Effective date:	4/10/2025	
HUD?	No	Utility Company (Actual Survey)?	No	CUAC?	Yes	Other?	No	Stok		
Sponsor/Applicant Notes:										

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File Name:	035. Utility allowance	Schedule of utility allowances.	Uploaded to HCD?	Yes
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**§102 Eligible Projects**

**Applicant(s)** acknowledge that **TOD Project Areas** must include at least one (1) **Transit Station/Stop** that is served by **High Quality Transit** at the time of application submittal. **TOD Project Areas** must not be located in a **Rural Area**. §102(c)(2)(A) (High Quality Transit must have **Peak Period** headway frequency on the same route, in the same direction, of every 20 minutes or less and service seven days a week.)

Yes

Name of <b>Transit Station/Stop</b> :	J Church Line: Church & Market Station (Stop ID: 17073)		
Address of <b>Transit Station/Stop</b> :	224 Church St, San Francisco, CA 94114		
Name of transit agency:	San Francisco Municipal Transportation Agency		
Is <b>AHD</b> located within one-half (0.50) mile from a <b>Transit Station/Stop</b> that meets the <b>Project Area</b> transit requirements? §102(c)(2)	Yes		
<b>AHD</b> distance from <b>Transit Station/Stop</b>	0.31	miles.	Minimum distance transit requirements met.

File Name:	038. Transit Service Map	Provide the Published Transit Service Map of the Qualifying Transit line.	Uploaded to HCD?	Yes
File Name:	039. Transit Service Schedule	Upload the service schedule for Qualifying Transit only. All transit service schedules should be uploaded to "Transit Service Schedule" as one document.	Uploaded to HCD?	Yes

The **AHD** must demonstrate a minimum **Net Density** not less than that shown in §102(d)(7)(A)

**Note:** Applicants must calculate Net Density as the number of dwelling units per acre in the AHSC Benefits Calculator Tool. For the below charts to fully calculate the unit mix must be completed.

For the total number of dwelling units in the project to be used in the calculation of **Net Density**, the **Applicant** may use either the un-adjusted total number of dwelling units in the project as described in §102(d)(7)(A)(i) or a number adjusted for unit size as described in §102(d)(7)(A)(ii).

The un-adjusted total number of dwelling units in the project based on the type of development and **Project Area Type** §102(d)(7)(A)(i):

**NOTE:** The following are NOT qualified as site deductions: Utility Easements, Off-street parking, setbacks, private drives and walkways, Landscaping, Common Areas and Facilities, Drainage Facilities (exclusive to a development) and Other mitigation space required for development.

**Project meets the minimum Net Density** for any of the following:

TOD Residential Project meets un-adjusted minimum net density		TRUE		Mixed Use Developments Floor Area Ratio (FAR)		TRUE	
<b>Total Sites Area in Square Feet</b>		11,994		<b>Total Buildings Floor Area in Sq. Feet</b>		144,683	
<b>(Less Qualified Square Feet Deductions):</b>				<b>(Less Excluded Areas in Square Feet):</b>			
Dedicated streets				Mechanical Space			
Sidewalks				Cellar space			
Parks				Floor space in open balconies			
Open Space				Enclosed parking			
Other (Specify)				Elevator or stair bulkheads			
<b>Net Site Area-acres</b>	0.28	<b>Net Site Square Feet</b>	11,994	<b>Net Building Square Feet</b>	144,683		

Number of units to be used for **Net Density** by multiplying the adjusting factors shown in §102(d)(7)(A)(ii): 147

File Name:	040. Net Density Verification	Letter and sealed site map certified by a California State-licensed professional (e.g., an engineer, surveyor, or landscape architect) confirming the net density.	Uploaded to HCD?	Yes
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**Applicant(s)** certifies that the proposed **AHD**, or **Mixed Use Development** will be powered entirely through electricity with no connections to natural gas infrastructure. §102(d)(8)

Yes  
Yes

File Name:	041. All Electric Design	Document affirming that the proposed Affordable Housing Development, or Mixed-Use Development in the case that non-residential uses are included, are powered entirely through electricity with no connections to natural gas infrastructure.	Uploaded to HCD?	Yes
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**Applicant(s)** certifies that the **AHD** will offer high speed broadband internet service to residents, with speeds listed in §103.1(g)(7), to each **Assisted Unit** for a minimum of three (3) years, free of charge to the tenants, and available within six (6) months of the **AHD's** placed-in-service date. §102(d)(9)

*This service may be funded by the AHSC Program pursuant to §104(d)(1).*

Are any other funding sources used to fund the required internet service?

Yes  
Yes

File Name:	042. Internet Service (other funding source)	If using another funding source to fund the required internet service, name the other source and the amount with developer Applicant signature.	Uploaded to HCD?	Yes
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Must supply at least one (1) **Secure Overnight Bicycle Parking**, that is not accessible to the general public, is completely enclosed and protects the bicycle from inclement weather and allows for the bicycle frame to be secured to the bicycle rack at two points, for every two (2) residential units. Bicycle parking at the **AHD** will be considered only as an eligible **AHD** cost. §102(d)(10)

Total # of <b>Secure Overnight Bicycle Parking</b> spaces:	94	Parking ratio:	94:187	<b>Secure Overnight Bicycle Parking</b> spaces / total units:	Requirement met
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Describe below, **Secure Overnight Bicycle Parking** proposed including a description of how bicycles are secured (i.e., bicycle room, bicycle locker, bicycle cage, etc.)

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Bicycles will be secured in a bicycle room. The room is completely enclosed, protects bicycles from inclement weather, and is equipped with bicycle racks that allow for frames to be secured at two points.

**§104 Eligible Use of Funds**

Soft costs are less than or equal to 10 percent of costs associated with the funding request for the **AHD Capital Project**. §104(a)(3)

TRUE

**Employment Benefits and Outcomes Reporting** requests are less than or equal to 2 (two) percent of costs associated with the funding request for the **AHSC** application? §104(e)

TRUE

**§103.1 Threshold Requirements**

**Applicant(s)** certifies that the proposed **AHD** is located in a jurisdiction that has fare-based transit must provide at least one (1) transit pass or card to each **Assisted Unit** for at least three (3) years. If the transit agency does not provide passes with unlimited rides, the card or pass shall have a minimum value of 40 average commute length rides a month as determined by the transit agency. These passes or cards may be funded with **AHSC Program** funding pursuant to §104(d).

Yes

Describe how the **AHD** will provide at least one (1) transit pass or card to each **Assisted Unit** for at least 3 years. If the transit agency does not provide passes with unlimited rides, the card or pass shall have a minimum value of 40 average commute length rides a month as determined by the transit agency. §103.1(g)(2)

Each of the restricted units will be provided with one (1) free transit pass for three years. Each card or pass will have a minimum value of 40 average commute length rides a month as determined by the transit agency.□

# of passes or cards that will be provided:	187	Is there at least one pass per <b>Assisted Unit</b> ?	TRUE	Type of transit passes provided:	Free Transit Pass
Annual transit passes value:	\$1,020	Duration of funding for transit passes (years)?	3		

A market study (dated within one year of the application due date stated in the **NOFA** and consistent with **MHP Guidelines §7309(c)**) is included in the application. §103.1(g)(4)

Yes

Date of market study: 2/11/2025

File Name:	043. AHD-HRI Market Study	Provide a completed market study prepared within one year of the application due date and consistent with MHP guidelines §7309(c).	Uploaded to HCD?	Yes
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**Applicant(s)** certifies that the **Rental AHD/HRI** will meet **Smoke Free Housing** requirements and demonstrate compliance by submitting a draft of the development's **Smoke Free Housing** lease addendum. §103.1(h)(1)

Yes

File Name:	044. SFH Lease Addendum	Submit a draft of the development's Smoke Free Housing lease addendum.	Uploaded to HCD?	Yes
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Provide detailed information for the outreach and education on reducing potential health impacts of air pollution will be provided to residents of **AHD's**. §103.1(h)(6)

As part of Mercy Housing's core program area, Resident Service Coordinators provide education around environmental health needs, helping to educate residents around environmental impacts, community safety and disaster preparedness. Older adults are particularly vulnerable to climate change. Power outages can leave homes dangerously under of overheated; loss of refrigeration that can allow food and medication to spoil; poor air quality can have significant impact on health, and evacuation needs can be difficult to coordinate. Resident Service Coordinators work closely with residents and community providers to help plan and prepare for these responses. Education around this may include the following:

A **Tribal Entity** whose **Project** meets requirements listed in detail in [Appendix B](#).  
 Is a **Project** component, meaning either **AHD/HRI** or **STI**, being proposed by a **Tribal Entity** and meets requirements listed in detail in [Appendix B](#)? No

<b>Applicant #1</b>	Entity name	Mercy Housing California		
Eligible applicant type	Developer	Organization type	Non-profit Public Benefit Corporation	
File Name:	053. App1 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>		Uploaded to HCD? Yes
File Name:	054. App1 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>		Uploaded to HCD? Yes

**Applicant** certifies to demonstrate experience by providing evidence of at least two projects that are each similar to each proposed **AHSC Capital Project (AHD, HRI, and STI)** in scope and size, which have been completed by the **Applicant** serving as the **Developer** of that **Project** component, during the ten years preceding the application due date. Experience is attributable to entities only, not individual persons. Experience cannot be satisfied by relying on projects completed by a non-**Applicant** entity under the rationale that an individual, or subset of individuals now employed by, or contracted by, the **Applicant** asserting experience was employed by the non-**Applicant** entity at the time that project was developed. [§103\(f\)\(1\)](#) Yes

App due date **5/28/25**

For **AHD** components, completed projects submitted to demonstrate experience must include a functionally equivalent number of units, unit type, project size, and scope. Quantities used for demonstration of experience may not be cumulative across multiple projects. [§103\(f\)\(2\)](#)

**AHD Applicant(s)** certifies to demonstrate capacity to acquire, develop, and own affordable rental or homeownership housing at the time of application that is consistent with the housing tenure proposed in the **Application**. For purposes of this subdivision, an entity has capacity if it has adequate staff, capital, assets, and other resources to meet the development and operational needs of the **AHD**; to maintain the **Fiscal Integrity** of the **AHD**; and to satisfy all legal requirements and obligations in connection with the **AHD**. The **Department** will exercise reasonable discretion in determining capacity. In all cases, the **Department** will base its capacity determination on the experience, past performance, and organizational documents of the **Sponsor/Developer**. The **Department** may request any of the following subsequent to Application submittal: [§103\(g\)](#) Yes

- (A) Staff rosters, which include the job titles and duty statements of all staff positions, and payroll records;
- (B) Certified audited financial statements for the past three (3) consecutive years;
- (C) Certificates of Good Standing from the California Secretary of State, the California Franchise Tax Board, or the relevant regulatory agencies of foreign jurisdictions; and
- (D) Any other documentary evidence that reasonably supports the **Applicant's** ability to satisfy the capacity requirement.

Does <b>Sponsor/Applicant #1</b> certify to have successful prior ownership and development of affordable rental housing?	Yes
Do you certify that the <b>Sponsor/Applicant #1</b> employs experienced staff without reliance upon another entity or parent company?	Yes
Do you certify that the <b>Sponsor/Applicant #1</b> has sufficient financial capacity to provide payroll and employment benefits to staff without reliance upon another entity or parent company?	Yes
Do you certify that the <b>Sponsor/Applicant</b> has sufficient financial capacity to carry out its obligations pursuant to Program requirements including, but not limited to providing financial guarantees without reliance upon another entity or parent company?	Yes

[Project Staffing Chart](#)

Staff type	Employee / Consultant full name	Position title	Full time / Part time	% of time dedicated to this project
Employee	Sean Wils	Senior Project Manager, Mercy Housing California	Full time	50%
Employee	Tauji Louisville	Assistant Project Manager, Mercy Housing California	Full time	33%

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Employee	Michael Kaplan	Associate Director, Mercy Housing California	Full time	10%
Employee	Ramie Dare	Director of Real Estate Development, Mercy Housing Services, Mercy Housing	Full time	5%
Employee	Samantha Hogg	Director of Supportive Services, Mercy Housing	Full time	5%

AHD requisite experience - Past Projects:

Quantities used for demonstration of experience may not be cumulative across multiple projects, phases, and **Developers/Sponsors/Applicants**.

**AHD name #1** Sunnydale HOPE SF Block 6 Any other names AHD has been known by: 290 Malosi

Name of Applicant demonstrating requisite experience: Mercy Housing California Placed In Service (PIS) Date: 11/19/2021

Project address: 290 Malosi Street City: San Francisco State: CA Zip: 94134

Meets ten year requirement? **TRUE** PIS term: 3.52 Total units: 167 Total square feet: 243,721 Number of stories: 5 Commercial: No

Development type: New Construction

Is this a tax credit project? Yes Does this Project have an HCD award? No HCD Contract #:

Brief Description (e.g. average affordability, all amenities, populations served, and services provided, etc.)  
Sunnydale HOPE SF Block 6 includes an internal courtyard, main lobby, multi-purpose room, property management and services offices, car parking, and bicycle parking. The development is four residential stories over a partial subterranean garage and will include the following construction types: Type IA and Type VA. The project has approximately 244,000 square feet, including, a community room, property/services offices suite, common laundry rooms, 78 parking spaces, and 167 bike parking spaces. The project serves low-income San Franciscans, with income restrictions up to 60% AMI and an average income of 58%. 75% of the units were set aside for local Sunnydale public housing households with a Right to Return.

File Name:	055. Past Exp TCAC List AHD1	For CA Tax Credit Projects provide copy of the TCAC Project Mapping list identifying the project used for experience.	Uploaded to HCD?	Yes
File Name:	056. Past Exp RA AHD1	Non-Tax Credit Projects Regulatory Agreement.	Uploaded to HCD?	N/A

**AHD name #2** 691 China Basin Street Any other names AHD has been known by: Sister Lillian Murphy Community

Name of Applicant demonstrating requisite experience: Mercy Housing California Placed In Service (PIS) Date: 3/26/2021

Project address: 691 China Basin Street City: San Francisco State: CA Zip: 94158

Meets ten year requirement? **TRUE** PIS term: 4.18 Total units: 152 Total square feet: 136,345 Number of stories: 7 Commercial: Yes

Development type: New Construction

Is this a tax credit project? Yes Does this Project have an HCD award? Yes HCD Contract #: 17-IIG-12059

Brief Description (e.g. average affordability, all amenities, populations served, and services provided, etc.)  
691 China Basin Street is a 152 unit affordable housing and mixed use development located in San Francisco's Mission Bay neighborhood. The development includes 28 parking spaces, bike parking, property and resident service offices, a community room, as well as dedicated commercial space for a qualified child care provider. The building serves families, with income restrictions ranging from 30% AMI to 60% AMI, and average affordability of 49% AMI.

File Name:	057. Past Exp TCAC List AHD2	For CA Tax Credit Projects provide copy of the TCAC Project Mapping list identifying the project used for experience.	Uploaded to HCD?	Yes
File Name:	058. Past Exp RA AHD2	Non-Tax Credit Projects Regulatory Agreement.	Uploaded to HCD?	N/A

All eligible **Applicants** appearing on the application for the **Project** will be held jointly and severally liable for the completion of the **Project** and as such, will each sign all Standard Agreements to the award of AHSC funds.

Where a **Public Agency** has a real property interest in any component of the proposed **Project**, the application must include the **Public Agency** as a joint **Applicant** or otherwise include a commitment to enter into a contractual agreement to develop the **Project**, if it is awarded.

Will a **Public Agency** have a real property interest in any component of the proposed **Project**? Yes

Will the **Application** include the **Public Agency** as a joint applicant? Yes

<b>Applicant #2</b>	Entity name	City and County of San Francisco		
Eligible applicant type	Locality	Organization type	Public Agency	
File Name:	060. App2 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Uploaded to HCD?	Yes
File Name:	061. App2 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Uploaded to HCD?	N/A

<b>Applicant #3</b>	Entity name	N/A		
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<b>Applicant #4</b>	Entity name	N/A		
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<b>Owner/Borrower</b>	Entity name	Mercy Housing California 109, L.P.		
File Name:	066. Owner Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Uploaded to HCD?	Yes
File Name:	067. Owner OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Uploaded to HCD?	Yes
File Name:	068. Owner Org Chart	Project Ownership Structure	Uploaded to HCD?	Yes

<b>Managing General Partner</b>	Entity name	Mercy Housing California 109, LLC		
File Name:	069. MGP Cert & Legal	<a href="#">Reference: Applicant Certification Worksheet.</a>	Uploaded to HCD?	Yes
File Name:	070. MGP OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Uploaded to HCD?	Yes

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Administrative General Partner #1	Entity name	N/A
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Administrative General Partner #2	Entity name	N/A
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A **Recipient** of **Department** funds must remain liable for performing all requirements of the award of funds as set forth in the Standard Agreement. Where there are multiple **Recipients**, all such **Recipients** must remain jointly and severally liable to the **Department** for that performance. Notwithstanding the foregoing, **Recipients** may indemnify each other by entering into agreements with one another as to individual **Capital Projects**. In no event will any such agreement alter, amend, or revoke each individual **Recipient's** obligations to the **Department**, including the joint and several liability.

Payee of AHD loan:	Mercy Housing California
Payee(s) of STI grant 1:	City and County of San Francisco
Payee(s) of STI grant 2:	City and County of San Francisco
Payee(s) of STI grant 3:	City and County of San Francisco
Payee(s) of PGM grant 1:	Mercy Housing California
Payee(s) of PGM grant 2:	Mercy Housing California
Payee(s) of PGM grant 3:	Mercy Housing California
Payee(s) of PGM grant 4:	Mercy Housing California
Payee(s) of PGM grant 5:	Mercy Housing California

Development Team Contacts and Legislative Information

Contact Type	Entity Legal Name	Eligible Sponsor Type	Organization Type	Address	City	State	Zip Code	Auth Rep Name	Title	Email	Phone #	Extension	Contact Name	Title	Email	Phone #	Extension	Contact Address
Applicant #1	Mercy Housing California	Developer	Non-profit Public Benefit Corporation	1256 Market Street	San Francisco	CA	94102	Ramie Dare	Vice President	<a href="mailto:rdare@mercyhousing.org">rdare@mercyhousing.org</a>	415-355-7118		Sean Wils	Senior Project Manager	<a href="mailto:sean.wils@mercyhousing.org">sean.wils@mercyhousing.org</a>	415.355.7152		1256 Market Street
Applicant #2	City and County of San Francisco	Locality	Public Agency	1 South Van Ness Avenue, 5th Floor	San Francisco	CA	94103	Dan Adams	Director	<a href="mailto:matthew.graves@sfgov.org">matthew.graves@sfgov.org</a>	628-652-5855		Matthew Graves	Project Manager	<a href="mailto:matthew.graves@sfgov.org">matthew.graves@sfgov.org</a>	628-652-5855		1 South Van Ness Avenue, 5th Floor
Owner / Borrower Entity	Mercy Housing California 109, L.P.		Limited Partnership	1256 Market Street	San Francisco	CA	94102	Ramie Dare	Vice President	<a href="mailto:rdare@mercyhousing.org">rdare@mercyhousing.org</a>	415-355-7118		Sean Wils	Senior Project Manager	<a href="mailto:sean.wils@mercyhousing.org">sean.wils@mercyhousing.org</a>	415.355.7100		1256 Market Street
Managing General Partner	Mercy Housing California 109, LLC		Limited Liability Company	1256 Market Street	San Francisco	CA	94102	Ramie Dare	Vice President	<a href="mailto:rdare@mercyhousing.org">rdare@mercyhousing.org</a>	415-355-7118		Sean Wils	Senior Project Manager	<a href="mailto:sean.wils@mercyhousing.org">sean.wils@mercyhousing.org</a>	415.355.7100		1256 Market Street
Transportation Infrastructure Partner for STI	San Francisco Department of Public Works			49 South Van Ness Avenue	San Francisco	CA	94103						Michelle Woo	Streetscape Program Manager	<a href="mailto:michelle.woo@sfdpw.org">michelle.woo@sfdpw.org</a>	415-844-0191		
Transportation Infrastructure Partner for STI	San Francisco Municipal Transportation Agency			1 South Van Ness Avenue, 8th Floor	San Francisco	CA	94103						Drew Taplin	Transportation Planner	<a href="mailto:drew.taplin@sfmta.com">drew.taplin@sfmta.com</a>	415-646-2161		
Property Management Agent	Mercy Housing Management Group			1256 Market Street	San Francisco	CA	94102						John Ryan	Regional Vice President of Property	<a href="mailto:iryan@mercyhousing.org">iryan@mercyhousing.org</a>	415-355-7152		
Financial Consultant	California Housing Partnership Corporation (CHPC)			49 Stevenson St Suite 500	San Francisco	CA	94105						Miki Kobayashi	Financial Consultant	<a href="mailto:mkobayashi@chpc.net">mkobayashi@chpc.net</a>	650-397-1433		
Lead (primary) Service Provider	Mercy Housing California			1256 Market Street	San Francisco	CA	94102						Samantha Hogg	Director - Senior & Special Needs Services	<a href="mailto:shogg@mercyhousing.org">shogg@mercyhousing.org</a>	415-355-7100		
Borrower Legal Counsel	Gubb and Barshay			505 14th Street, Suite 200	Oakland	CA	94612						Evan Gross	Partner	<a href="mailto:egross@gubbandbarshay.com">egross@gubbandbarshay.com</a>	415-781-6600 x6		
General Contractor	Swinerton Rubecon Joint Venture			260 Townsend Street	San Francisco	CA	94107						Shelby Joubert	Director of Preconstruction	<a href="mailto:sjoubert@swinerton.com">sjoubert@swinerton.com</a>	619-467-6721		
Architect	Paulett Taggart Architects			725 Greenwich Street #400	San Francisco	CA	94133						Roselie Enriquez Ledda	Principal	<a href="mailto:rel@ptarc.com">rel@ptarc.com</a>	415-956-1116		
Construction Manager / Owner's Rep	Regent Construction Management			480 Corbett Ave	San Francisco	Ca	94114						Chris Rivera	Principal	<a href="mailto:chris.rivera@regentcm.com">chris.rivera@regentcm.com</a>	415-205-3271		
Supportive Services Provider	Openhouse			65 Laguna Street	San Francisco	CA	94102						Vinny Eng	Interim Executive Director	<a href="mailto:veng@openhousesf.org">veng@openhousesf.org</a>	628-278-9286		
Supportive Services Provider	San Francisco VA Health Care System			4150 Clement Street	San Francisco	CA	94121						Nicholas Madsen	Director, HUD-VASH Program	<a href="mailto:Nicholas.Madsen@va.gov">Nicholas.Madsen@va.gov</a>	415-650-6198		
Junior Architect	YA Studios			777 Florida Street	San Francisco	CA	94110						Yakuh Askew	Principal	<a href="mailto:yakuh@ya-studio.com">yakuh@ya-studio.com</a>	415-920-1839		

Congress person Name(s)	District #	State Senator Name(s)	District #	State Assembly Member Name(s)	District #
Nancy Pelosi	11	Scott D. Wiener	11	Matt Haney	17





San Francisco	40%	80%	\$348,672	\$355,731	\$376,906	\$396,640	\$413,638
San Francisco	35%	75%	\$373,449	\$382,235	\$408,740	\$433,372	\$454,547
San Francisco	30%	70%	\$398,081	\$408,740	\$440,431	\$469,960	\$495,457
San Francisco	25%	65%	\$422,857	\$435,101	\$472,265	\$506,692	\$536,366
San Francisco	20%	60%	\$447,489	\$461,605	\$503,955	\$543,280	\$577,275
San Francisco	15%	55%	\$472,121	\$488,110	\$535,646	\$580,012	\$618,185

**Income and Rent Calculation Tables**

TCAC/CDLAC/AHSC/CalHFA Income Limits Calculated from HUD 50% Income Limits

Income Level	Household Size							
	1	2	3	4	5	6	7	8
120%	\$164,520	\$188,040	\$211,560	\$234,960	\$253,800	\$272,640	\$291,360	\$310,200
110%	\$150,810	\$172,370	\$193,930	\$215,360	\$232,650	\$249,920	\$267,090	\$284,350
100%	\$137,100	\$156,700	\$176,300	\$195,800	\$211,500	\$227,200	\$242,800	\$258,600
95%	\$130,245	\$148,865	\$167,485	\$186,010	\$200,925	\$215,840	\$230,660	\$245,675
90%	\$123,390	\$141,030	\$158,670	\$176,220	\$190,350	\$204,480	\$218,520	\$232,650
85%	\$116,535	\$133,195	\$149,855	\$166,430	\$179,775	\$193,120	\$206,380	\$219,725
80%	\$109,680	\$125,360	\$141,040	\$156,640	\$169,200	\$181,760	\$194,240	\$206,800
75%	\$102,825	\$117,525	\$132,225	\$146,850	\$158,625	\$170,400	\$182,100	\$193,875
70%	\$95,970	\$109,690	\$123,410	\$137,060	\$148,050	\$159,040	\$169,960	\$180,950
65%	\$89,115	\$101,855	\$114,595	\$127,270	\$137,475	\$147,680	\$157,820	\$168,025
60%	\$82,260	\$94,020	\$105,780	\$117,480	\$126,900	\$136,320	\$145,680	\$155,100
55%	\$75,405	\$86,185	\$96,965	\$107,690	\$116,325	\$124,960	\$133,540	\$142,175
50%	\$68,550	\$78,350	\$88,150	\$97,900	\$105,750	\$113,600	\$121,400	\$129,250
45%	\$61,695	\$70,515	\$79,335	\$88,110	\$95,175	\$102,240	\$109,260	\$116,325
40%	\$54,840	\$62,680	\$70,520	\$78,320	\$84,600	\$90,880	\$97,120	\$103,400
35%	\$47,985	\$54,840	\$61,705	\$68,530	\$73,725	\$78,920	\$84,115	\$89,475
30%	\$41,130	\$47,070	\$52,890	\$58,740	\$63,450	\$68,160	\$72,840	\$77,550
25%	\$34,275	\$39,175	\$44,075	\$48,950	\$52,875	\$56,800	\$60,700	\$64,625
20%	\$27,420	\$31,340	\$35,260	\$39,160	\$42,300	\$45,440	\$48,560	\$51,700
15%	\$20,565	\$23,505	\$26,445	\$29,370	\$31,725	\$34,080	\$36,420	\$38,775

**CalHFA 50% Rent Limits**

(Assumes 1 person in 0-bedroom, 2 people in a 1 bdrm and 1 additional person per additional bedroom)

Level	0 Bdrm.	1 Bdrm.	2 Bdrm.	3 Bdrm.	4 Bdrm.	5 Bdrm.
San Francisco	\$1,714	\$1,959	\$2,204	\$2,448	\$2,644	\$2,840

**TCAC/CDLAC/AHSC Rent Limits**

(Assumes 1 person in 0-bdrm unit, 1.5 people per bedroom in other units)

TCACrentTb1	Limit	0 Bdrm.	1 Bdrm.	2 Bdrm.	3 Bdrm.	4 Bdrm.	5 Bdrm.
San Francisco	\$4,113	\$4,407	\$5,289	\$6,109	\$6,816	\$7,519	
San Francisco	\$3,770	\$4,039	\$4,848	\$5,600	\$6,248	\$6,892	
San Francisco	\$3,427	\$3,672	\$4,407	\$5,091	\$5,680	\$6,266	
San Francisco	\$3,296	\$3,498	\$4,167	\$4,836	\$5,396	\$5,952	
San Francisco	\$3,084	\$3,305	\$3,966	\$4,592	\$5,112	\$5,639	
San Francisco	\$2,913	\$3,121	\$3,746	\$4,327	\$4,828	\$5,326	
San Francisco	\$2,742	\$2,938	\$3,526	\$4,073	\$4,544	\$5,013	
San Francisco	\$2,570	\$2,754	\$3,305	\$3,818	\$4,260	\$4,699	
San Francisco	\$2,399	\$2,670	\$3,085	\$3,563	\$3,976	\$4,386	
San Francisco	\$2,227	\$2,387	\$2,864	\$3,309	\$3,692	\$4,073	
San Francisco	\$2,056	\$2,203	\$2,644	\$3,054	\$3,408	\$3,759	
San Francisco	\$1,885	\$2,019	\$2,424	\$2,800	\$3,124	\$3,446	
San Francisco	\$1,713	\$1,836	\$2,203	\$2,545	\$2,840	\$3,133	
San Francisco	\$1,542	\$1,652	\$1,983	\$2,291	\$2,556	\$2,819	
San Francisco	\$1,371	\$1,469	\$1,763	\$2,036	\$2,272	\$2,506	
San Francisco	\$1,199	\$1,285	\$1,542	\$1,781	\$1,988	\$2,193	
San Francisco	\$1,028	\$1,101	\$1,322	\$1,527	\$1,704	\$1,879	
San Francisco	\$856	\$918	\$1,101	\$1,272	\$1,420	\$1,566	
San Francisco	\$685	\$734	\$881	\$1,018	\$1,136	\$1,253	
San Francisco	\$514	\$550	\$661	\$763	\$852	\$939	

Imperial	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Inyo	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Kern	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Kings	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Lake	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Lassen	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Los Angeles	\$48,550	\$55,450	\$62,400	\$69,350	\$74,900	\$80,450	\$86,000	\$91,550
Madera	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Marin	\$68,550	\$78,350	\$88,150	\$97,900	\$105,750	\$113,600	\$121,400	\$129,250
Mariposa	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Mendocino	\$31,650	\$36,200	\$40,700	\$45,200	\$48,850	\$52,450	\$56,050	\$59,700
Merced	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Mitoc	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Mono	\$32,700	\$37,400	\$42,050	\$46,750	\$50,450	\$54,200	\$57,950	\$61,700
Monterey	\$46,350	\$53,000	\$59,650	\$66,200	\$71,500	\$76,800	\$82,100	\$87,400
Napa	\$51,400	\$58,700	\$66,100	\$73,400	\$79,300	\$85,150	\$91,050	\$96,900
Navada	\$36,500	\$41,700	\$46,900	\$52,100	\$56,300	\$60,450	\$64,650	\$68,800
Orange	\$55,250	\$63,100	\$71,050	\$78,900	\$85,250	\$91,550	\$97,850	\$104,150
Placer	\$41,300	\$47,150	\$53,050	\$58,950	\$63,650	\$68,400	\$73,100	\$77,850
Plumas	\$32,250	\$36,850	\$41,450	\$46,050	\$49,750	\$53,450	\$57,150	\$60,800
Riverside	\$35,900	\$41,000	\$46,100	\$51,200	\$55,350	\$59,450	\$63,550	\$67,650
Sacramento	\$41,300	\$47,150	\$53,050	\$58,950	\$63,650	\$68,400	\$73,100	\$77,850
San Benito	\$42,850	\$49,000	\$55,100	\$61,200	\$66,100	\$71,000	\$75,900	\$80,800
San Bernardino	\$35,900	\$41,000	\$46,100	\$51,250	\$55,350	\$59,450	\$63,550	\$67,650
San Diego	\$53,050	\$60,600	\$68,200	\$75,750	\$81,850	\$87,900	\$93,950	\$100,000
San Francisco	\$68,550	\$78,350	\$88,150	\$97,900	\$105,750	\$113,600	\$121,400	\$129,250
San Joaquin	\$33,750	\$38,600	\$43,400	\$48,200	\$52,100	\$55,950	\$59,800	\$63,650
San Luis Obispo	\$44,600	\$50,950	\$57,300	\$63,650	\$69,750	\$75,850	\$81,950	\$88,050
San Mateo	\$68,550	\$78,350	\$88,150	\$97,900	\$106,750	\$113,600	\$121,400	\$129,250
Santa Barbara	\$56,950	\$65,050	\$73,200	\$81,300	\$87,850	\$94,350	\$100,850	\$107,350
Santa Clara	\$64,550	\$73,750	\$82,950	\$92,150	\$99,550	\$106,900	\$114,300	\$121,650
Santa Cruz	\$63,400	\$72,450	\$81,500	\$90,550	\$97,900	\$105,050	\$112,300	\$119,550
Shasta	\$31,200	\$35,650	\$40,100	\$44,550	\$48,150	\$51,700	\$55,250	\$58,850
Sierra	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Sierraville	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Solano	\$44,050	\$50,350	\$56,650	\$62,900	\$67,950	\$73,000	\$78,000	\$83,050
Sonoma	\$48,450	\$55,350	\$62,250	\$69,150	\$74,700	\$80,250	\$85,750	\$91,300
Stanislaus	\$31,900	\$36,450	\$41,000	\$45,550	\$49,200	\$52,850	\$56,500	\$60,150
Stutter	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tahama	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tinny	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tulare	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tuolumne	\$33,900	\$38,750	\$43,600	\$48,450	\$52,350	\$56,200	\$60,100	\$63,950
Ventura	\$49,250	\$56,300	\$63,350	\$70,350	\$76,000	\$81,650	\$87,250	\$92,900
Yolo	\$40,400	\$46,150	\$51,900	\$57,650	\$62,300	\$66,900	\$71,500	\$76,100
Yuba	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050

**Development Sources**

			Construction Totals			Permanent Totals			Construction Terms			Permanent Terms					Details of Deferred Costs							
			\$171,734,402			\$588,675			\$172,323,077			Interest Rate		Repayment Terms			\$355,749		\$0		\$85,884,676		\$6,820,812	
Construction	Committed?	AHD vs HRI	Source Name (lien priority order)	Source Type	Lien No.	Residential Amount	Commercial Amount	Total Amount	Interest Rate	Required Payment	Loan Term (months)	Rate	Type	Amortizing Period (yrs.)	Type	Due in (yrs.)	Required Residential Debt Service	Required Commercial Debt Service	Tax-Exempt Amount	Deferred Amount	Description			
Construction	No	HRI	AHSC HRI Grant	State-HCD																	\$5,000	Syndication Consulting		
Construction	Yes	AHD	Citi Tax-Exempt Construction Loan	Private	1	\$83,784,676		\$83,784,676	6.17%	Interest Only	504									\$83,784,676	\$130,900	TCAC App/Res/Monitoring Fee		
Construction	Yes	AHD	Citi Taxable Construction Loan	Private	2	\$14,912,059		\$14,912,059	6.42%	Interest Only	504										\$967,173	Capitalized Operating Reserve		
Construction	Yes	AHD	SF MOHCD Loan	Local	3	\$52,360,000		\$52,360,000	3.00%	Deferred	504										\$854,662	Capitalized Replacement Reserve		
Construction	Yes	AHD	SF MOHCD Accrued Interest	Local		\$1,843,581		\$1,843,581													\$663,077	HCD Pooled Transition Reserve Fee		
																					\$4,200,000	Developer Fee		
Construction	Yes	AHD	Deferred Developer Fees	Other		\$5,000,000		\$5,000,000																
Construction	Yes	AHD	Other Deferred Costs			\$6,820,812		\$6,820,812																
			Developer Fee Contribution																					
			GP Equity																					
Construction	Yes	AHD	Gross Tax Credit Equity	4% tax credits		\$7,013,274	\$588,675	\$7,601,949																
<b>Permanent</b>																								
Permanent	No	HRI	AHSC HRI Grant	State-HCD		\$0																		
Permanent	No	AHD	AHSC AHD Funding	State-HCD	2	\$35,000,000		\$35,000,000				3.00%	Fixed for Term	55	RR	55	\$147,000							
Permanent	Yes	AHD	Tax-Exempt Bond Loan	Private	1	\$2,100,000		\$2,100,000				7.87%	Fixed for Term	20	FAM	20	\$208,749			\$2,100,000				
Permanent	Yes	AHD	SF MOHCD Loan	Local	3	\$52,360,000		\$52,360,000				3.00%	Fixed for Term	55	RR	55								
Permanent	Yes	AHD	SF MOHCD Accrued Interest	Local		\$1,843,581		\$1,843,581					None		None									
Permanent	Yes	AHD	Deferred Developer Fees	Other		\$5,000,000		\$5,000,000																
			Developer Fee Contribution																					
			GP Equity																					
Permanent	Yes	AHD	Gross Tax Credit Equity	4% tax credits		\$75,430,821	\$588,675	\$76,019,496																

**Applicant Comments:** Include a description of unusual or extraordinary circumstances that have resulted in higher than expected Project costs and provide a justification as to why these costs are reasonable.







Annual Income and Expenses

Employee Information

No.	FTE	Employee Job Title	Salary/Wages	Value of Free Rent	Comments
1	1.00	On-Site Manager(s)	\$75,000		
1	1.00	On-Site Assistant Manager(s)	\$50,000		
		Supportive Services Staff Supervisor(s)	\$0		
2	2.00	Supportive Services Coordinator, On-Site	\$226,821		
		Other Supportive Services Staff (inc. Case Manager)	\$0		
3	3.00	On-Site Maintenance Employee(s)	\$309,584		
		On-Site Leasing Agent/Administrative Employee(s)	\$0		
4	4.00	On-Site Security Employee(s)	\$406,726		
		Other (specify)			
		Other (specify)			
		Total Salaries and Value of Free Rent Units	\$1,068,131	\$0	
6711		Payroll Taxes	\$50,000		
6722		Workers Compensation	\$25,000		
6723		Employee Benefits	\$209,833		
		Employee(s) Payroll Taxes, Workers Comp. & Benefits	\$284,833	Show free rent as an expense?	
		Total Employee(s) Expenses	\$1,352,964		
				No	

Employee Units

Income Limit	Job Title(s) of Employee(s) Living On-Site	Unit Type (No. of bdrms.)	Square Footage	Comments
None	On-Site Manager(s)	2	902	
None	On-Site Assistant Manager(s)	1	576	
		Total Square Footage	1,478	

Annual Operating Budget

Acct. No.	Revenue - Income	Residential	Commercial	Comments
5120/5140	Rent Revenue - Gross Potential		\$0	
	Restricted Unit Rents (Net Restricted)	\$3,286,128		
	Unrestricted Unit Rents	\$0		
5121	Tenant Assistance Payments - Restricted Rents			
	Senior Operating Subsidy	\$260,280		
	VASH-PBV	\$623,964		
	N/A	\$0		
	Operating Subsidies	\$315,000		MONROE LOSP: The LOSP subsidy is underwritten as shown but given that it is an operating subsidy, any change in costs will alter
	Other (specify)			
5910	Laundry and Vending Revenue	\$12,157		
5170	Parking Spaces	\$0	\$0	
5990	Miscellaneous/Other Rent Revenue	\$0	\$0	
	Gross Potential Income (GPI)	\$4,497,529	\$0	
	Vacancy Rate: Restricted Units	5.2%		
	Vacancy Rate: Unrestricted Units	5.0%		
	Vacancy Rate: Tenant Assistance Payments	5.0%		
	Vacancy Rate: Other (specify)	5.0%		
	Vacancy Rate: Laundry & Vending & Other Income	5.0%		
	Vacancy Rate: Commercial Income		50.0%	
5220/5240	Vacancy Loss(es)	\$217,013	\$0	
	Effective Gross Income (EGI)	\$4,280,516	\$0	
Acct. No.	Expenses	Residential	Commercial	Comments
<b>Administrative Expenses: 6200/6300</b>				
6203	Conventions and Meetings			
6210	Advertising and Marketing	\$5,610		
6250	Other Renting Expenses			
6310	Office/Administrative Salaries -- from above	\$0		
6311	Office Expenses	\$51,047		
6312	Office or Model Apartment Rent	\$0		
6320	Management Fee	\$168,300		
6330	Site/Resident Manager(s) Salaries -- from above	\$125,000		
6331	Administrative Free Rent Unit -- from above	\$0		
6340	Legal Expense -- Project	\$12,000		
6350	Audit Expense	\$25,000		
6351	Bookkeeping Fees/Accounting Services	\$22,550		
6390	Miscellaneous Administrative Expenses	\$29,850		Conferences, meetings, printing, telephone, etc
6263T	Total Administrative Expenses	\$439,357	\$0	

**Annual Income and Expenses**

Acct. No.	Expenses	Residential	Commercial	Comments
<b>Utilities Expenses: 6400</b>				
6450	Electricity	\$305,150		
6451	Water	\$200,000		
6452	Gas			
6453	Sewer	\$190,000		
	Cable	\$2,000		
6400T	Total Utilities Expenses	\$697,150	\$0	
<b>Operating and Maintenance Expenses: 6500</b>				
6510	Payroll -- from above	\$716,310		
6515	Supplies			
6520	Contracts	\$287,775		
6521	Operating & Maintenance Free Rent Unit -- from above	\$0		
6525	Garbage and Trash Removal	\$120,000		
6530	Security Contract	\$25,000		
6531	Security Free Rent Unit -- from above	\$0		
6546	Heating/Cooling Repairs and Maintenance			
6548	Snow Removal			
6570	Vehicle & Maintenance Equipment Operation/Reports			
6590	Miscellaneous Operating and Maintenance Expenses	\$31,820		Elevator maintenance expenses
6500T	TOTAL Operating & Maintenance Expenses	\$1,180,905	\$0	
<b>Taxes and Insurance: 6700</b>				
6710	Real Estate Taxes	\$15,000		
6711	Payroll Taxes (Project's Share) -- from above	\$50,000		
6720	Property and Liability Insurance (Hazard)	\$568,180		
6729	Other Insurance (e.g. Earthquake)			
6721	Fidelity Bond Insurance			
6722	Worker's Compensation -- from above	\$25,000		
6723	Health Insurance/Other Employee Benefits--from above	\$209,833		
6790	Miscellaneous Taxes, Licenses, Permits & Insurance			
6700T	Total Taxes and Insurance	\$868,013	\$0	
<b>Supportive Services Costs: 6900</b>				
6990	Staff Supervisor(s) Salaries - from above	\$0		
6990	Services Coordinator Salaries, On-Site - from above	\$226,821		
6990	Other Supportive Services Staff Salaries - from above	\$0		
6990	Supportive Services Admin Overhead			
6990	Other Supportive Services Costs (specify)			
6990	Other Supportive Services Costs (specify)			
6900T	Total Supportive Services Costs	\$226,821	\$0	
	Total Operating Expenses	\$3,412,246	\$0	
<b>Funded Reserves: 7200</b>				
7210	Required Replacement Reserve Deposits	\$93,500		
7220	Other Reserves (specify)			
7230	Other Reserves (specify)			
7240	Other Reserves (specify)			
	Total Reserves	\$93,500	\$0	
	Ground Lease	Residential	Commercial	
	Ground Lease	\$100	\$0	
	Total Ground Lease	\$100	\$0	
	Net Operating Income	\$774,670	\$0	
<b>Financial Expenses: 6800</b>				
6820	1st Mortgage Debt Service	\$208,749		
6830	2nd Mortgage Debt Service			
6840	3rd Mortgage Debt Service			
6890	AHSC 0.42% Fee	\$147,000		
6890	Other HCD 0.42% (Specify)			
6890	Other HCD 0.42% (Specify)			
6890	Bond Issuer Fee	\$4,000		
6890	Bond Monitoring Fee	\$2,500		
6890	Trustee Fee	\$2,000		
6890	Miscellaneous Financial Expenses (specify)			
6890	Miscellaneous Financial Expenses (specify)			
6800T	Total Financial Expenses	\$364,249	\$0	
	Cash Flow	\$410,421	\$0	
7190	Asset Management/Similar Fees	\$40,888		
<b>Total Operating Expenses Per Unit</b>				
		Per Year	Per Month	TCAC Minimum
	Without any Adjustments	\$18,247	\$1,521	
	With the Value of Rent-Free Units Included	\$18,247	\$1,521	

**Annual Income and Expenses**

Without RE Taxes, Social Services Coordinator or Social Services/Social Programs and With the Value of Rent Fee Units Included		\$16,954	\$1,413	\$7,770	
File Name:	075. Op Exp Compare	Submit at least 3 operating expense comparables for similar projects located in the same market area. Projects should be affordable housing projects similar in size, type, amenities, and population to the proposed project. One comparable may be submitted for a 100% market rate Project if unable to locate affordable housing comparables. The most recent two years audited statements for each comparable is preferred, if available. Additional information may be required.	Uploaded to HCD?	Yes	
File Name:	076. Hazard Insurance Quote	Provide a hazard insurance quote or other documentation to support insurance costs included in the Operating Budget.	Uploaded to HCD?	Yes	

**NOTE: This Supportive Services Cost Limit tool is only used for projects subject to the 2017 UMRs or subsequent amendments. Complete all yellow shaded cells.**

Has or will this Project receive HCD HOME, HOME-ARP, or NHIF funding:

Has or will this Project receive only HCD VHHP funding:

**Supportive Services Costs Limits - HCD 2025 Administrative Notice No. 24-05 (for projects with HCD funding)**

12/10/24

[Notice of Omnibus Program Guideline Amendments Supportive Services Costs Limits](#)

<p><b>HCD UMR §8301(t): "Supportive Services"</b> - social, health, educational, income support and employment services and benefits, coordination of community building and educational activities, individualized needs assessment, and individualized assistance with obtaining services and benefits.</p>							
<p><b>HCD UMR §8301(u): "Supportive Services Costs"</b> - the costs of providing tenants service coordination, case management, and direct resident and Supportive Services. It includes: (1) the cost of providing tenants with information on and referral to social, health, educational, income support and employment services and benefits, coordination of community building and educational activities, individualized needs assessment, and individualized assistance with obtaining services and benefits; (2) salaries, benefits, contracted services, telecommunication expenses, travel costs, supplies, office expenses, staff training, maintenance of on-site equipment used in services programs, such as computer labs, incidental costs related to resident events, and other similar costs approved by the Department.</p>							
A. Supportive Services Units:	Total number units:	187	Certification Year - select budget reporting period year:	2025	Total Units	Max PUPY Expense	Max Costs
<p><b>(1)</b> Total number of units: <b>(A)</b> for supportive housing restricted to individuals or families experiencing chronic homelessness or homelessness, as defined consistent with Health and Safety Code (HSC) §50675.14<sup>1</sup>; and <b>(B)</b> for supportive housing units restricted to occupancy by special needs populations under HCD programs subject to Administrative Notice 24-05 ("Special needs population" has the same meaning as set forth in individual program guidelines); units anticipated to be restricted to individuals or families experiencing chronic homelessness as defined consistent with HSC §50675.14.</p> <p><sup>1</sup>For units assisted by the HCD Veterans Housing and Homelessness Prevention (VHHP) program, this category includes Supportive Housing Units restricted to Veterans who are experiencing Chronic Homelessness, units restricted to persons who are experiencing Chronic Homelessness by another public agency program, Supportive Housing Units restricted to Veterans with a Disability Experiencing Homelessness, and other Units restricted to persons who are Veterans with a Disability Experiencing Homelessness. (Capitalized terms in this footnote have the same meaning as those set forth in the VHHP guidelines.)</p>					95	\$10,000	\$950,000
<p><b>(2)</b> Total number of other units<sup>2</sup> where the Sponsor, their affiliate, or a service provider under contract to provide Supportive Services at the Project has both: <b>(A)</b> qualified staff devoted exclusively to oversight and quality control of resident services in affordable housing, including the Project; and <b>(B)</b> a system to track and report on tenant outcomes, such as changes in employment status and income.</p> <p>Do not include units counted in category (1) above.</p> <p><sup>2</sup>For units assisted by the VHHP program, this category includes Units that are restricted to Extremely Low-Income households, but not to Veterans who are experiencing Chronic Homelessness or Veterans with a Disability Experiencing Homelessness. (Capitalized terms in this footnote have the same meaning as those set forth in the VHHP guidelines.)</p>					90	\$4,000	\$360,000
<p><b>(3)</b> Except as noted below for the VHHP program, total number of units where the Sponsor, their affiliate, or a service provider under contract does not satisfy the requirements set forth in subsection (2) above<sup>3</sup>.</p> <p>Do not include units counted in categories (1) and (2) above.</p> <p><sup>3</sup>For units assisted by the VHHP program, the amount for this category of units will remain as currently allowed under this program.</p>						\$326	\$0
<b>(4) Maximum Supportive Services Costs</b>					<b>185</b>		<b>\$1,310,000</b>

AHSC does not regulate to these populations but costs are included in operating budget and must be within allowable requirements.

**The units will be occupied by the following populations:**

- 1) People with disabilities
- 2) at Risk of Homelessness, as defined in Appendix A
- 3) older Adults in Need of Supportive Services
- 4) individuals who are experiencing Homelessness and individuals experiencing Chronic Homelessness as defined in Appendix A
- 5)

**Lead Service Provider:** Mercy Housing California

**Supportive Services Narrative (if applicable)** Costs above claimed for HCD 2025 Administrative Notice No. 24-05(a)(1):

Services and programming will be delivered onsite, and be available to all residents. All services will be provided and available on an ongoing basis. Frequent opportunities for service provider contact with residents will support residents in their transition from homelessness to housing stability. All new PSH residents will be offered an intake meeting to assess their needs and set goals as identified by the resident. Each staff will work on-site during standard business hours of 8.30am-5.30pm, and be available 40 hours/week in the housing community, to answer questions and provide support as needed. All residents will be able to access the LSP and RSC by appointment or by drop-in as possible.

Mercy Housing California and Openhouse recognize that commitment to cultural and linguistic competence requires systematic, consistent practices, procedures and policies at multiple levels. Cultural competence is a developmental process which occurs along a continuum and is a goal toward which all staff, agencies and systems should strive. It incorporates, at all levels, the significance of culture, the assessment of cross-cultural relations and attentiveness of the dynamics resulting from cultural differences, the expansion of

**Resident Services Narrative** Costs above claimed for HCD 2025 Administrative Notice No. 24-05(a)(2&3):

Mercy Housing will offer permanent housing, health, economic and social support that aims to allow residents to successfully remain in their homes, and to age in place with dignity and choice. Health service coordination will be provided to all residents, offering the following services: basic health & needs assessments, ADL support & screening, health benefit acquisition, health education & risk reduction, physical activities, access to food, wellbeing checks, transition planning, and linkages to preventative and behavioral health care. For Special Needs Units, the Resident Services Coordinator (RSC) will meet with the resident to assess the level of benefits currently received (SSI, Medi-Cal, Regional Center or other). The RSC and the resident will then create an overall support plan to address any gaps in coverage. The RSC will assist the resident in obtaining any necessary benefits they are not currently receiving and provide referrals to ensure linkage to the appropriate services. Service-enriched housing consists of wrap-around case management services that includes working closely with community partners and organizations to maximize service delivery. The essential services include a wellness model that has been selected to be responsive to the



Cash Flow Analysis		Is Income from Restricted Units based on Restricted or Proposed Rents?																																												
		Restricted Rents																																												
Income From Housing Units	Inflation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40					
Restricted Unit Rents	2.5%	3,286,128	3,368,281	3,452,488	3,538,800	3,627,270	3,717,952	3,810,901	3,906,174	4,003,828	4,103,924	4,206,522	4,311,685	4,419,477	4,529,964	4,643,213	4,759,293	4,878,275	5,000,232	5,125,238	5,253,369	5,384,703	5,519,321	5,657,304	5,798,737	5,943,705	6,092,298	6,244,605	6,400,720	6,560,738	6,724,757	6,892,876	7,065,197	7,241,827	7,422,873	7,608,445	7,798,656	7,993,622	8,193,463	8,398,300	8,608,257					
Unrestricted Unit Rents	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Tenant Assistance Payments	4.0%	260,280	270,691	281,519	292,780	304,491	316,670	329,337	342,511	356,211	370,460	385,278	400,689	416,717	433,385	450,721	468,750	487,500	507,000	527,280	548,371	570,306	593,118	616,842	641,516	667,177	693,864	721,618	750,483	780,502	811,723	844,192	877,959	913,078	949,601	987,585	1,027,088	1,068,172	1,110,898	1,155,334	1,201,548					
Senior Operating Subsidy	2.5%	623,964	639,563	655,552	671,941	688,740	705,958	723,607	741,697	760,240	779,246	798,727	818,695	839,162	860,141	881,645	903,686	926,278	949,435	973,171	997,500	1,022,438	1,047,999	1,074,199	1,101,054	1,128,580	1,156,794	1,185,714	1,215,357	1,245,741	1,276,885	1,308,807	1,341,527	1,375,065	1,409,442	1,444,678	1,480,795	1,517,814	1,555,760	1,594,654	1,634,520					
N/A	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Operating Subsidies	3.5%	315,000	326,025	337,436	349,246	361,470	374,121	387,215	400,768	414,795	429,313	444,339	459,890	475,987	492,646	509,889	527,735	546,206	565,323	585,109	605,588	626,783	648,721	671,426	694,926	719,248	744,422	770,477	797,444	825,354	854,242	884,140	915,068	947,113	980,262	1,014,571	1,050,081	1,086,834	1,124,873	1,164,244	1,204,992					
Other (Specify)	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Gross Potential Income - Housing</b>		<b>4,485,372</b>	<b>4,604,561</b>	<b>4,726,995</b>	<b>4,852,767</b>	<b>4,981,970</b>	<b>5,114,702</b>	<b>5,251,061</b>	<b>5,391,149</b>	<b>5,535,073</b>	<b>5,682,941</b>	<b>5,834,865</b>	<b>5,990,959</b>	<b>6,151,342</b>	<b>6,316,136</b>	<b>6,485,467</b>	<b>6,659,464</b>	<b>6,838,259</b>	<b>7,021,990</b>	<b>7,210,798</b>	<b>7,404,828</b>	<b>7,604,230</b>	<b>7,809,158</b>	<b>8,019,717</b>	<b>8,236,232</b>	<b>8,458,710</b>	<b>8,687,378</b>	<b>8,922,415</b>	<b>9,164,004</b>	<b>9,412,336</b>	<b>9,667,605</b>	<b>9,930,014</b>	<b>10,199,768</b>	<b>10,477,083</b>	<b>10,762,177</b>	<b>11,055,278</b>	<b>11,356,620</b>	<b>11,666,442</b>	<b>11,984,994</b>	<b>12,312,531</b>	<b>12,649,317</b>					
<b>Other Income</b>																																														
Laundry & Vending	2.5%	12,157	12,461	12,772	13,092	13,419	13,755	14,098	14,451	14,812	15,182	15,562	15,951	16,350	16,759	17,178	17,607	18,047	18,498	18,961	19,435	19,921	20,419	20,929	21,452	21,989	22,538	23,102	23,679	24,271	24,878	25,500	26,138	26,791	27,461	28,147	28,851	29,572	30,312	31,069	31,846					
Other Income	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Commercial Income	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Gross Potential Income - Other</b>		<b>12,157</b>	<b>12,461</b>	<b>12,772</b>	<b>13,092</b>	<b>13,419</b>	<b>13,755</b>	<b>14,098</b>	<b>14,451</b>	<b>14,812</b>	<b>15,182</b>	<b>15,562</b>	<b>15,951</b>	<b>16,350</b>	<b>16,759</b>	<b>17,178</b>	<b>17,607</b>	<b>18,047</b>	<b>18,498</b>	<b>18,961</b>	<b>19,435</b>	<b>19,921</b>	<b>20,419</b>	<b>20,929</b>	<b>21,452</b>	<b>21,989</b>	<b>22,538</b>	<b>23,102</b>	<b>23,679</b>	<b>24,271</b>	<b>24,878</b>	<b>25,500</b>	<b>26,138</b>	<b>26,791</b>	<b>27,461</b>	<b>28,147</b>	<b>28,851</b>	<b>29,572</b>	<b>30,312</b>	<b>31,069</b>	<b>31,846</b>					
<b>Gross Potential Income - Total</b>		<b>4,497,529</b>	<b>4,617,021</b>	<b>4,739,768</b>	<b>4,865,859</b>	<b>4,995,390</b>	<b>5,128,456</b>	<b>5,265,159</b>	<b>5,405,600</b>	<b>5,549,886</b>	<b>5,698,124</b>	<b>5,850,427</b>	<b>6,006,910</b>	<b>6,167,692</b>	<b>6,332,895</b>	<b>6,502,645</b>	<b>6,677,070</b>	<b>6,856,306</b>	<b>7,040,488</b>	<b>7,229,758</b>	<b>7,424,263</b>	<b>7,624,151</b>	<b>7,829,577</b>	<b>8,040,700</b>	<b>8,257,685</b>	<b>8,480,699</b>	<b>8,709,916</b>	<b>8,945,517</b>	<b>9,187,683</b>	<b>9,436,607</b>	<b>9,692,484</b>	<b>9,955,514</b>	<b>10,225,906</b>	<b>10,503,874</b>	<b>10,789,638</b>	<b>11,083,426</b>	<b>11,385,471</b>	<b>11,696,015</b>	<b>12,015,306</b>	<b>12,343,601</b>	<b>12,681,163</b>					
<b>Vacancy Assumptions</b>																																														
Restricted Units	5.2%	172,193	176,498	180,910	185,433	190,069	194,821	199,691	204,683	209,801	215,046	220,422	225,932	231,581	237,370	243,304	249,387	255,622	262,012	268,560	275,277	282,158	289,212	296,443	303,854	311,450	319,236	327,217	335,398	343,783	352,377	361,187	370,216	379,472	388,959	398,683	408,650	418,866	429,337	440,071	451,073					
Unrestricted Units	5.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Tenant Assistance Payments	5.0%	44,212	45,513	46,854	48,236	49,662	51,131	52,647	54,210	55,823	57,485	59,200	60,969	62,794	64,676	66,618	68,622	70,689	72,822	75,023	77,294	79,637	82,056	84,552	87,128	89,788	92,533	95,367	98,292	101,312	104,430	107,650	110,974	114,407	117,952	121,613	125,394	129,299	133,333	137,499	141,803					
Other (Specify)	5.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Laundry/Vending/Other Income	5.0%	608	623	639	655	671	688	705	723	741	759	778	798	817	838	859	880	902	925	948	972	996	1,021	1,046	1,073	1,099	1,127	1,155	1,184	1,214	1,244	1,275	1,307	1,340	1,373	1,407	1,443	1,479	1,516	1,553	1,592					
Commercial Income	50.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Vacancy Loss</b>		<b>217,013</b>	<b>222,634</b>	<b>228,403</b>	<b>234,324</b>	<b>240,401</b>	<b>246,640</b>	<b>253,043</b>	<b>259,616</b>	<b>266,364</b>	<b>273,290</b>	<b>280,400</b>	<b>287,699</b>	<b>295,192</b>	<b>302,884</b>	<b>310,782</b>	<b>318,889</b>	<b>327,213</b>	<b>335,759</b>	<b>344,533</b>	<b>353,542</b>	<b>362,792</b>	<b>372,289</b>	<b>382,041</b>	<b>392,055</b>	<b>402,337</b>	<b>412,896</b>	<b>423,739</b>	<b>434,874</b>	<b>446,308</b>	<b>458,052</b>	<b>470,112</b>	<b>482,498</b>	<b>495,218</b>	<b>508,284</b>	<b>521,703</b>	<b>535,486</b>	<b>549,644</b>	<b>564,186</b>	<b>579,124</b>	<b>594,468</b>					
<b>Effective Gross Income</b>		<b>4,280,516</b>	<b>4,394,388</b>	<b>4,511,365</b>	<b>4,631,535</b>	<b>4,754,988</b>	<b>4,881,816</b>	<b>5,012,116</b>	<b>5,145,984</b>	<b>5,283,522</b>	<b>5,424,834</b>	<b>5,570,027</b>	<b>5,719,211</b>	<b>5,872,500</b>	<b>6,030,011</b>	<b>6,191,863</b>	<b>6,358,181</b>	<b>6,529,093</b>	<b>6,704,729</b>	<b>6,885,225</b>	<b>7,070,721</b>	<b>7,261,359</b>	<b>7,457,288</b>	<b>7,658,659</b>	<b>7,865,630</b>	<b>8,078,361</b>	<b>8,297,020</b>	<b>8,521,777</b>	<b>8,752,810</b>	<b>8,990,299</b>	<b>9,234,432</b>	<b>9,485,402</b>	<b>9,743,408</b>	<b>10,008,655</b>	<b>10,281,354</b>	<b>10,561,723</b>	<b>10,849,984</b>	<b>11,146,371</b>	<b>11,451,120</b>	<b>11,764,477</b>	<b>12,086,695</b>					
<b>Operating Expenses &amp; Reserve Deposits</b>																																														
Residential Exp. (w/o Real Estate Taxes & Sup. Services)	3.5%	3,170,425	3,281,390	3,396,239	3,515,107	3,638,136	3,765,470	3,897,262	4,033,666	4,174,884	4,320,964	4,472,198	4,628,724	4,790,730	4,958,405	5,131,950	5,311,568	5,497,473	5,689,884	5,889,030	6,095,146	6,308,476	6,529,273	6,757,798	6,994,321	7,238,122	7,492,491	7,754,728	8,026,144	8,307,059	8,597,806	8,898,729	9,210,184	9,532,541	9,866,180	10,211,496	10,568,898	10,938,810	11,321,668	11,717,927	12,128,054					
Real Estate Taxes	2.0%	15,000	15,300	15,606	15,918	16,236	16,561	16,892	17,230	17,575	17,926	18,285	18,651	19,024	19,404	19,792	20,188	20,592	21,004	21,424	21,852	22,289	22,735	23,190	23,653	24,127	24,609	25,101	25,603	26,115	26,638	27,170	27,714	28,268	28,833	29,410	29,998	30,598	31,210	31,834	32,471					
Supportive Services Costs	3.5%	226,821	234,760	242,976	251,480	260,282	269,392	278,821	288,580	298,680	309,134	319,953	331,152	342,742	354,738	367,154	380,004	393,304	407,070	421,318	436,064	451,326	467,122	483,472	500,393	517,907	536,034	554,795																		

**STI Project Overview**

**Sustainable Transportation Infrastructure (STI)**

<b>STI #1</b>	Type of Project	Combination			
Project Name:	11th Street Safety Improvement Project		Address:	11th Street between Market and Bryant Streets	
City:	San Francisco	Zip Code:	94103	County:	San Francisco
				Latitude:	37.7752° N
				Longitude:	122.4184° W
Work To Be Completed By:	Applicant		Applicant Name:	City and County of San Francisco	

**Description** (include: the general location and description of each STI improvement and note if sidewalks are new or replaced. Please include other descriptive information such as key gaps closed and connections established.)

This project is a complex, multi-discipline project along 11th Street between Market and Bryant Streets in San Francisco, California. Project scope will create more than 2,000 feet of Safe and Accessible Walkway improvements, new ADA curb ramps, traffic signals, street lights, bulbouts, 0.95 lane miles of parking protected Class IV context sensitive bike lanes, landscaping and other streetscape improvements.

**§103(f) STI experience - STI #1**

Provide two completed projects to demonstrate previous experience comparable to STI #1

Past experience STI name:	Transbay Folsom Streetscape		Placed In Service (PIS) Date	2/17/2021	
Project address:	Folsom Street between Second to Spear Streets		City:	San Francisco	
			State:	CA	
			Zip:	94103	
Name of Applicant demonstrating experience	City and County of San Francisco				
Meets ten year requirement?	TRUE	PIS term	4.28 (years)		
Type of Project	Combination				

**Description** (include: descriptive information of work completed on this past STI that supports experience for the proposed STI)

The Transbay Folsom Streetscape project (approximately \$25 Million) furthered a portion of the Transbay Redevelopment Project Area Streetscape & Open Space Concept Plan approved in 2006. It is comprised of right-of-way improvements along Folsom Street, from Second to Spear. Streetscape elements included wide, tree-lined sidewalks; rain gardens, which serve as storm water detention areas; bike lanes; sidewalk bulb-outs at key intersections; crosswalk enhancements; traffic calming; light fixture upgrades and street repaving.

Past experience STI name:	Polk Streetscape Project		Placed In Service (PIS) Date	8/1/2018	
Project address:	Polk Street between Beach and McAllister Streets		City:	San Francisco	
			State:	CA	
			Zip:	94109	
Name of Applicant demonstrating experience	City and County of San Francisco				
Meets ten year requirement?	TRUE	PIS term	6.83 (years)		
Type of Project	Combination				

**Description** (include: descriptive information of work completed on this past STI that supports experience for the proposed STI)

The Polk Streetscape Project (approximately \$30M) was aimed to improve the safety of people walking and biking on Polk Street, as well as the efficiency of transit on the corridor, which was on San Francisco's Vision Zero High Injury Network. As a highly traveled roadway, the improvements along Polk between Beach and McAllister Streets included new bus bulb-outs, bus stop optimization, traffic signal and lighting fixture upgrades, left and right turn lanes, green roadway level bike lanes, sewer replacements, landscaping and irrigation, sidewalk widening, new street trees, street resurfacing, as well as nearby alley enhancements.

File Name:	078. STI-1 Past Exp, STI-2 etc.	Where the party making improvements funded by AHSC is not a public entity, an executed agreement from a public agency certifying the satisfactory completion of similar infrastructure improvements.	Uploaded to HCD?	N/A
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**§103.1(g)(6) STI Site Control - STI #1**

Form of site control (See Site Control in Appendix A)	Right of Way	Most recent document execution date	N/A
Ground Lease planned?	No		

Below, describe property transfers occurring in connection with development of the Project.

STI#1 All right of way within the City of San Francisco is controlled by the Public Works and only Public Works has the authority to regulate ROW

File Name:	079. STI-1 Site Control, STI-2 etc.	Appropriate documentation to demonstrate the form of site control indicated.	Uploaded to HCD?	Yes
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**§103.1(f)(3) STI environmental clearances - STI #1**

STI component(s) of a Project are not required to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA) until prior to the initial disbursement of grant funds. §103.1(f)(3)(A)

IEPA: Is Federal funding proposed that will trigger NEPA requirements?	No
EQA: Project approved "by-right"?	Yes
Is Project Categorically Exempt?	No
Negative Declaration date	N/A
Final EIR date	N/A

Discuss below any special NEPA and/or CEQA Special Circumstances or exemptions and provide estimated/actual completion dates of all necessary environmental

Project determined to be exempt under the California Environmental Quality Act (CEQA), specifically under a statutory exemption pursuant to Public Resources Code section 21080.25.

File Name:	080. STI Environmental	If available at time of application, copy of all environmental clearances (e.g. Environmental Impact Report) or Notice of Exemption.	Uploaded to HCD?	Yes
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**STI #2?**

Yes					
Type of Project	Bike				
Project Name:	Polk, 8th, and 13th St Bike Project	Address:	1939 Market St		
City:	San Francisco	Zip Code:	94103	County:	San Francisco
				Latitude:	37.7699
				Longitude:	-122.42543
Work To Be Completed By:	Applicant		Applicant Name:	City and County of San Francisco	

**Description** (include: the general location and description of each STI improvement and note if sidewalks are new or replaced. Please include other descriptive information such as key gaps closed and connections established.)

The SFMTA will construct permanent Class IV context sensitive bikeways along 1.29 miles of street segments within the project area. These segments are: 8th Street, from Stevenson to Mission; 13th Street, from 11th to Bernice; and Polk Street, from McAllister to Pine and from Cedar to Eddy. The 8th Street, 13th Street, and Polk Street improvements are conversions of existing Class IV Quick Build infrastructure to permanent Class IV. These improvements will provide safe bike infrastructure for roadway users.

**§103(f) STI experience - STI #2**

**Note:** Past experience projects may be repeated for multiple **STI Capital Projects** so long as they are of similar scope and scale.

Provide two completed projects to demonstrate previous experience comparable to STI #2

Past experience STI name:	5th Street Quick Build Project			Placed In Service (PIS) Date	1/1/2019		
Project address:	5th Street from Market to Townsend Streets	City:	San Francisco	State:	CA	Zip:	94107
Name of Applicant demonstrating experience	City and County of San Francisco						
Meets ten year requirement?	TRUE	PIS term	6.41	(years)			
Type of Project	Bike						

**Description** (include: descriptive information of work completed on this past STI that supports experience for the proposed STI)

The 5th Street Quick Build Project includes a variety of street improvements to improve the safety of cyclists, pedestrians, and transit passengers, including:  
 - protected bicycle facilities to improve the safety and comfort of cyclists for the entire length of the corridor (completed in early 2020);  
 - leading pedestrian intervals to allow a head start for pedestrians when crossing the street (completed in early 2020);  
 - pedestrian safety striping treatments, especially at high injury intersections, to improve the safety and visibility of pedestrians crossing streets (completed in early 2020);  
 - signal timing improvements including separated bike signals at key intersections (completed in early 2020);  
 - transit boarding islands to increase reliability of transit services and comfort for waiting passengers (installed in early 2021).

Past experience STI name:	2nd Street Improvement Project			Placed In Service (PIS) Date	1/1/2019		
Project address:	2nd Street from Market to King Streets	City:	City and County of San Francisco	State:	CA	Zip:	94107
Name of Applicant demonstrating experience	City and County of San Francisco						
Meets ten year requirement?	TRUE	PIS term	6.41	(years)			
Type of Project	Bike						

**Description** (include: descriptive information of work completed on this past STI that supports experience for the proposed STI)

The 2nd Street Improvement Project extends from Market Street to King Street, stretching from downtown San Francisco to the SOMA district. In accordance with the San Francisco Bicycle Plan, the project will provide space for bicycles along the entire length of 2nd Street, from Market to King Streets. Streetscape improvements include special crosswalks and new infill street trees along the entire corridor, as well as a pedestrian refuge space at the South Park Avenue intersection and expansion of an existing pedestrian refuge at Harrison Street. The project also includes roadway resurfacing, concrete curb reconstruction, the installation of ADA-compliant curb-ramps, and upgrades to the traffic signal system.

File Name:	078. STI-1 Past Exp, STI-2 etc.	Where the party making improvements funded by AHSC is not a public entity, an executed agreement from a public agency certifying the satisfactory completion of similar infrastructure improvements.	Uploaded to HCD?	N/A
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**§103.1(g)(6) STI Site Control - STI #2**

Form of site control (See Site Control in Appendix A)	Right of Way	Most recent document execution date	N/A
Ground Lease planned?	No		

Below, describe property transfers occurring in connection with development of the Project.  
 All right of way within the City of San Francisco is controlled by the SFMTA and only SFMTA has the authority to regulate ROW.

File Name:	079. STI-1 Site Control, STI-2 etc.	Appropriate documentation to demonstrate the form of site control indicated.	Uploaded to HCD?	Yes
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**§103.1(f)(3) STI environmental clearances - STI #2**

**STI component(s) of a Project** are not required to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA) until prior to the initial disbursement of grant funds. §103.1(f)(3)(A)

**IEPA:** Is Federal funding proposed that will trigger NEPA requirements?  No  Yes  
**EQA:** Project approved "by-right"?  No  Yes Is Project Categorically Exempt?  Yes  No Negative Declaration date  Final EIR date

Discuss below any special NEPA and/or CEQA Special Circumstances or exemptions and provide estimated/actual completion dates of all necessary environmental  
 Since planning and design have not been completed for this project, environmental review has not yet been initiated. However, the STI projects typically receive a CEQA Categorical Exemption as part of the legislative approval process.

File Name:	080. STI Environmental	If available at time of application, copy of all environmental clearances (e.g. Environmental Impact Report) or Notice of Exemption.	Uploaded to HCD?	N/A
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**STI #3?**

Yes									
Type of Project	Local Bus Rapid Transit								
Project Name:	TSP - Fillmore, McAllister, and Mission Streets	Address:	1939 Market St						
City:	San Francisco	Zip Code:	94103	County:	San Francisco	Latitude:	37.7699	Longitude:	-122.42543
Work To Be Completed By:	Applicant	Applicant Name:	City and County of San Francisco						

**Description** (include: the general location and description of each STI improvement and note if sidewalks are new or replaced. Please include other descriptive information such as key gaps closed and connections established.)

The SFMTA will install transit signal priority (TSP) software and hardware at 45 intersections along Fillmore St, between O'Farrell and Haight; McAllister St, between Broderick and Charles Brenham Pl; Mission St, between 11th and 25th streets; Church St, between 14th and 16th streets; and 16th Street, between Dolores and Guerrero. The TSP upgrades will improve transit service along six bus routes: the 5 Fulton, 5R Fulton Rapid, 14 Mission, 14R Mission Rapid, 22 Fillmore, and 49 Van Ness-Mission. These upgrades will improve travel speed and increase reliability leading to increased ridership along all routes. Included with this STI project is a request for upgraded stop lighting at four locations along the 5/5R, 22, and 14/14R/49 routes to improve safety and rider comfort using pole-mounted solar lights. This project will include installation of new or upgraded Transit Signal Priority hardware and software along all signals for three lane miles along McAllister Street, for over three lane miles along Fillmore, Church, and 16th Streets, and for over three lane miles along Mission Street. Each TSP project provides

**§103(f) STI experience - STI #3**

**Note:** Past experience projects may be repeated for multiple **STI Capital Projects** so long as they are of similar scope and scale.

Provide two completed projects to demonstrate previous experience comparable to STI #3

Past experience STI name:	Van Ness BRT			Placed In Service (PIS) Date	4/1/2022		
Project address:	Van Ness Avenue from Mission to Bay Streets	City:	San Francisco	State:	CA	Zip:	94109

Name of Applicant demonstrating experience	City and County of San Francisco		
Meets ten year requirement?	<input type="checkbox"/> TRUE	PIS term	3.16 (years)
Type of Project	Local Bus Rapid Transit		
<b>Description</b> (include: descriptive information of work completed on this past STI that supports experience for the proposed STI)			
The new Van Ness Bus Rapid Transit corridor features nine northbound and nine southbound boarding islands along the red, center-running transit lanes served by Muni's 49 Van Ness/Mission, 90 San Bruno Owl, and Golden Gate Transit buses. Enhanced traffic signals optimized for north-south travel with Transit Signal Priority, which gives buses the green light as they approach an intersection. The Project includes safety enhancements for people walking like sidewalk extensions, median refuges, high visibility crosswalks, and audible countdown signals.			

Past experience STI name:	Geary Boulevard BRT and Safety Improvements		Placed In Service (PIS) Date	7/21/2021
Project address:	Geary Boulevard from Market to Stanyan Streets	City:	San Francisco	State: CA Zip: 94115
Name of Applicant demonstrating experience	City and County of San Francisco			
Meets ten year requirement?	<input type="checkbox"/> TRUE	PIS term	3.85 (years)	
Type of Project	Local Bus Rapid Transit			

**Description** (include: descriptive information of work completed on this past STI that supports experience for the proposed STI)

Temporary emergency transit lanes were installed along segments of Geary Boulevard in winter 2020-21. Evaluation done in spring 2021 showed that the new transit lanes and other treatments have improved 38 Geary bus performance with minimal traffic impacts, and a majority of those who took our evaluation survey supported making the transit lanes permanent.

File Name:	078. STI-1 Past Exp, STI-2 etc.	Where the party making improvements funded by AHSC is not a public entity, an executed agreement from a public agency certifying the satisfactory completion of similar infrastructure improvements.	Uploaded to HCD?	N/A
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**§103.1(g)(6) STI Site Control - STI #3**

Form of site control (See Site Control in Appendix A)  Right of Way Most recent document execution date  N/A

Ground Lease planned?  No

Below, describe property transfers occurring in connection with development of the Project.

All right of way within the City of San Francisco is controlled by the SFMTA and only SFMTA has the authority to regulate ROW.

File Name:	079. STI-1 Site Control, STI-2 etc.	Appropriate documentation to demonstrate the form of site control indicated.	Uploaded to HCD?	Yes
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**§103.1(f)(3) STI environmental clearances - STI #3**

STI component(s) of a Project are not required to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA) until prior to the initial disbursement of grant funds. §103.1(f)(3)(A)

EPA: Is Federal funding proposed that will trigger NEPA requirements?  No

EQA: Project approved "by-right"?  No Is Project Categorically Exempt?  Yes Negative Declaration date  N/A Final EIR date  N/A

Discuss below any special NEPA and/or CEQA Special Circumstances or exemptions and provide estimated/actual completion dates of all necessary environmental

Since planning and design have not been completed for this project, the environmental review has not yet been initiated. However, the STI projects typically receive a CEQA Categorical Exemption as part of the legislative approval process.

File Name:	080. STI Environmental	If available at time of application, copy of all environmental clearances (e.g. Environmental Impact Report) or Notice of Exemption.	Uploaded to HCD?	N/A
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STI #4?  No

STI #5?  No

**Quantity of new or repaired STI facilities funded by AHSC**

The below information will be used in the Narrative-Based Policy Scoring review to help verify claims:

# of Transit Routes Improved	6	Crosswalks	17	\$380,000	ADA Curb Ramps	28	\$360,000	Overcrossings / Undercrossing	
Transit Vehicles	\$0	Transit Operations	\$0	Bikeshare Infrastructure & Operations					
EV Carshare Infrastructure & Operations		Other (Transit Signal Priority)	\$2,350,000	Other (Specify)					
Bus Bulb-Outs		Street Lights	25	\$750,000	Street Trees	8	\$240,000	Urban Greening	\$540,000
Bicycle Parking At Transit		Bus Stop Benches		Bus Shelters	5	\$150,000			

Is approval by a local public works department, or other responsible local agency, required for the STI Capital Project? §103.1(f)(9)  No

**§102(c)(3) Eligible STI Project**

Applicant(s) certifies the STI components (e.g., a bus-only lane, Transit Signal Priority (TSP), a bikeway, or sidewalk) if extending beyond the boundaries of the Project Area, there is a pedestrian or cyclist entrance to the facility located within the Project Area.  Yes

Applicant(s) certifies that if making an STI improvement to a fixed transit route that includes a portion outside of the Project Area, there must be a Transit Station/Stop on that route within the Project Area at the time of application.  Yes

Applicant(s) certifies that if making STI improvements to an On-Demand Transit Service, there must be a designated pick-up location in the Project Area. (PAM)  N/A

Developer(s)/Sponsor(s) certifies that if making STI improvements to Carshare or Carpool service, the vehicles must reside at the AHSC funded AHD site.  N/A

§103.1(f)(7) Not Agricultural Land

Applicant(s) certifies the AHD is not designated as **Agricultural Land** according to the [California Department of Conservation's Farmland Mapping and Monitoring Program \(FMMP\) Tool \(California Important Farmland Finder\)](#).

Yes, Not Ag Land
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An exemption to the **Agricultural Land** designation may be allowed for applications that submit documentation that substantiates a description of an **Infill Site**.  
[\(California Important Farmland Finder\)](#)

File Name:	082. STI No Ag	Demonstrate the STI site is not within land designated as Agricultural Land per FMMP tool.	Uploaded to HCD?	Yes
File Name:	083. STI Ag Exempt	Applicants seeking an exemption to the FMMP determination must demonstrate that the STI Project site qualifies as an Infill Site.	Uploaded to HCD?	N/A

**§103.1(g)(4) STI Enforceable Funding Commitments**

Committed by Application time?	Commitment Date	Source Name (listed in order of lien priority)	Source Type	Lien No.	Amount	Interest Rate		Term - # of months	Required Debt Service	Balloon?
						Rate	Type			
Yes		AHSC STI Grant	State-HCD		\$11,713,000					
Yes		Interagency Plan Implementation Committee Funds	Local		\$6,000,000					
Yes		Prop B Funding	Local		\$3,000,000					
		<b>Total Committed Non-AHSC STI Funds</b>			<b>\$9,000,000</b>					
					<b>\$20,713,000</b>	<b>TOTAL STI Sources (must equal STI Budget Amount)</b>				

Provide a description of unusual or extraordinary circumstances that have resulted in higher than expected **Project** costs and provide a justification as to why these costs are reasonable.

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File Name:	084. STI-1 EFC, STI-2 etc.	Supporting documentation for the non-AHSC STI funding commitments.	Uploaded to HCD?	Yes
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**§104(c) Eligible Costs for STI Capital Projects**

Applicant(s) acknowledges that any **STI** that is publicly accessible must be equally accessible to all members of the public in accordance with state and federal anti-discrimination laws. This includes providing full and equal access to people with disabilities. [§104\(c\)\(1\)\(B\)\(i\)](#)

Yes
TRUE
TRUE
Yes
Yes
No

Soft costs do not exceed thirty (30.0) percent of costs associated with the **STI Capital Project**. [§104\(c\)\(2\)](#)

**Activity Delivery Costs** do not exceed 10 percent of the costs associated with the **STI Capital Project**. [§104\(c\)\(3\)](#)

Applicant(s) acknowledges that eligible **STI** costs include transit operations expenditures for up to 10 years that directly expand fixed route transit, **On-Demand**, or paratransit transit service by supporting new, restored, or expanded routes and may include wages, maintenance, and other costs to operate those services. [§104\(c\)\(4\) \(PAM\)](#)

Applicant(s) acknowledge that all vehicles purchased using **AHSC Program** funds must be **Zero Emission Vehicles (ZEV)**. Transit types that do not have an approved zero emission passenger locomotive for use, must provide documentation stating so, and purchase vehicles that meet EPA Tier 4 emission standards. [§104\(c\)\(5\)](#)

Are there any other **STI Capital Project** costs in budget that are required as a condition of local approval for the **STI Capital Project**? [§104\(c\)\(6\)](#)

1939 Market Sustainable Transportation Infrastructure (STI) Sources and Uses Budget App AHSC0001295

If proposing multiple distinct STI Capital Projects, provide detail for each Project in separate budgets below. Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total STI funds requested and cost cap.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC STI Grant	Interagency Plan Implementation Committee Funds	Prop B Funding	0	Total STI Costs	
<b>STI BUDGET #1 - 11th Street Safety Improvement Project</b>						
Environmental review/studies		\$300,000	\$200,000		\$500,000	
Plan Specification and Estimates		\$300,000	\$1,500,000		\$1,800,000	
Right of way support costs					\$0	
Site or right of way acquisition for Cap. Improvement Project					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
<b>Total Soft Costs</b>	\$0	\$600,000	\$1,700,000	\$0	\$2,300,000	
Clearing and Grubbing					\$0	
Demolition			\$800,000		\$800,000	
Grading					\$0	
Soil Stabilization (Lime, etc.)					\$0	
Erosion/Weed Control					\$0	
Dewatering					\$0	
Other Site Preparation (Soil Offhaul)		\$300,000			\$300,000	
<b>Total Site Preparation</b>	\$0	\$300,000	\$800,000	\$0	\$1,100,000	
Sanitary Sewer	\$900,000				\$900,000	
Irrigation		\$300,000			\$300,000	
Storm Drain	\$700,000				\$700,000	
Detention Basin/Culverts	\$300,000				\$300,000	
Other Site Utilities (Auxillary Water Supply System)	\$1,510,000				\$1,510,000	
<b>Total Site Utilities</b>	\$3,410,000	\$300,000	\$0	\$0	\$3,710,000	
Aggregate Base	\$200,000		\$200,000		\$400,000	
Asphalt Pavement	\$500,000	\$300,000	\$300,000		\$1,100,000	
Sidewalk, Curb and Gutter					\$0	
Street Lights					\$0	
Striping/Barricades (Bicycle Facilities)	\$600,000				\$600,000	
Signage					\$0	
Crossing and Traffic Signals	\$800,000				\$800,000	
Roundabouts, median islands or curb extensions					\$0	
Other traffic calming surface improvements					\$0	
Other Complete Street Improvements (Concrete Base)		\$500,000			\$500,000	
Other Complete Street Improvements (Specify)					\$0	
<b>Total Complete Streets Improvements - Construction</b>	\$2,100,000	\$800,000	\$500,000	\$0	\$3,400,000	
Striping/Barricades (for dedicated bus lanes)					\$0	
Sidewalk, Curb and Gutter	\$450,000				\$450,000	
Street Lights	\$750,000	\$250,000			\$1,000,000	
Signage					\$0	
Signaling Prioritization Technology					\$0	
Boarding infrastructure	\$500,000				\$500,000	
Seating/Benches	\$100,000				\$100,000	
Bus/Transit Shelters	\$150,000				\$150,000	
Vehicles					\$0	
Other ITS Technology					\$0	
Other Transit and Station Areas (OCS Wires & Poles)		\$3,750,000			\$3,750,000	
Other Transit and Station Areas (Specify)					\$0	
<b>Total Transit and Station Areas - Construction</b>	\$1,950,000	\$4,000,000	\$0	\$0	\$5,950,000	
Street Trees	\$240,000				\$240,000	
Bioswales					\$0	
Landscaping	\$300,000				\$300,000	
Other Urban Greening (Specify)					\$0	
Other Urban Greening (Specify)					\$0	
Other Urban Greening (Specify)					\$0	
<b>Total Urban Greening</b>	\$540,000	\$0	\$0	\$0	\$540,000	
Street Furniture					\$0	
Bicycle Repair Kiosks					\$0	
Bicycle Storage or Parking					\$0	
Drinking Fountains					\$0	
Other Amenities (Specify)					\$0	
Other Amenities (Specify)					\$0	
<b>Total Amenities</b>	\$0	\$0	\$0	\$0	\$0	
Provide Name of Impact Fee (Specify)					\$0	

**1939 Market Sustainable Transportation Infrastructure (STI) Sources and Uses Budget App AHSC0001295**

If proposing multiple distinct STI Capital Projects, provide detail for each Project in separate budgets below. Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total STI funds requested and cost cap.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC STI Grant	Interagency Plan Implementation Committee Funds	Prop B Funding	0	Total STI Costs	
Provide Name of Impact Fee (Specify)					\$0	
Total Impact Fees	\$0	\$0	\$0	\$0	\$0	
Other Activity Costs (Specify)					\$0	
Other Activity Costs (Specify)					\$0	
Total Activity Delivery Costs	\$0	\$0	\$0	\$0	\$0	
Transit Operations for service expansion §104(c)(7)					\$0	
Employment Reporting					\$0	
Other Capital Asset Costs (Specify)					\$0	
Other Capital Asset Costs (Specify)					\$0	
Total Other Capital Asset Costs	\$0	\$0	\$0	\$0	\$0	
<b>11th Street Safety Improvement Project STI #1 Total Budgeted Project Costs</b>	<b>\$8,000,000</b>	<b>\$6,000,000</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$17,000,000</b>	

Provide Urban Greening Details and explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reasonable.

"The 11th St Project will include installation of 8 new street trees and landscaped areas along the alignment."

**STI BUDGET #2 - Polk, 8th, and 13th St Bike Project**

Environmental review/studies					\$0	
Plan Specification and Estimates	\$120,000				\$120,000	
Right of way support costs					\$0	
Site or right of way acquisition for Cap. Improvement Project					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Total Soft Costs	\$120,000	\$0	\$0	\$0	\$120,000	
Clearing and Grubbing					\$0	
Demolition					\$0	
Grading					\$0	
Soil Stabilization (Lime, etc.)					\$0	
Erosion/Weed Control					\$0	
Dewatering					\$0	
Other Site Preparation (Specify)					\$0	
Total Site Preparation	\$0	\$0	\$0	\$0	\$0	
Sanitary Sewer					\$0	
Irrigation					\$0	
Storm Drain					\$0	
Detention Basin/Culverts					\$0	
Other Site Utilities (Specify)					\$0	
Total Site Utilities	\$0	\$0	\$0	\$0	\$0	
Aggregate Base					\$0	
Asphalt Pavement					\$0	
Sidewalk, Curb and Gutter					\$0	
Street Lights					\$0	
Striping/Barricades (Bicycle Facilities)	\$1,230,000				\$1,230,000	
Signage					\$0	
Crossing and Traffic Signals					\$0	
Roundabouts, median islands or curb extensions					\$0	
Other traffic calming surface improvements					\$0	
Other Complete Street Improvements (Specify)					\$0	
Other Complete Street Improvements (Specify)					\$0	
Total Complete Streets Improvements - Construction	\$1,230,000	\$0	\$0	\$0	\$1,230,000	
Striping/Barricades (for dedicated bus lanes)					\$0	
Sidewalk, Curb and Gutter					\$0	
Street Lights					\$0	
Signage					\$0	
Signaling Prioritization Technology					\$0	
Boarding infrastructure					\$0	
Seating/Benches					\$0	
Bus/Transit Shelters					\$0	
Vehicles					\$0	

**1939 Market Sustainable Transportation Infrastructure (STI) Sources and Uses Budget App AHSC0001295**

If proposing multiple distinct STI Capital Projects, provide detail for each Project in separate budgets below. Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total STI funds requested and cost cap.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC STI Grant	Interagency Plan Implementation Committee Funds	Prop B Funding	0	Total STI Costs	
Other ITS Technology					\$0	
Other Transit and Station Areas (Specify)					\$0	
Other Transit and Station Areas (Specify)					\$0	
Total Transit and Station Areas - Construction	\$0	\$0	\$0	\$0	\$0	
Street Trees					\$0	
Bioswales					\$0	
Landscaping					\$0	
Other Urban Greening (Specify)					\$0	
Other Urban Greening (Specify)					\$0	
Other Urban Greening (Specify)					\$0	
Total Urban Greening	\$0	\$0	\$0	\$0	\$0	
Street Furniture					\$0	
Bicycle Repair Kiosks					\$0	
Bicycle Storage or Parking					\$0	
Drinking Fountains					\$0	
Other Amenities (Specify)					\$0	
Other Amenities (Specify)					\$0	
Total Amenities	\$0	\$0	\$0	\$0	\$0	
Provide Name of Impact Fee (Specify)					\$0	
Provide Name of Impact Fee (Specify)					\$0	
Total Impact Fees	\$0	\$0	\$0	\$0	\$0	
Other Activity Costs (Specify)					\$0	
Other Activity Costs (Specify)					\$0	
Total Activity Delivery Costs	\$0	\$0	\$0	\$0	\$0	
Transit Operations for service expansion §104(c)(7)					\$0	
Employment Reporting					\$0	
Other Capital Asset Costs (Specify)					\$0	
Other Capital Asset Costs (Specify)					\$0	
Total Other Capital Asset Costs	\$0	\$0	\$0	\$0	\$0	
Polk, 8th, and 13th St Bike Project STI #2 Total Budgeted Project Costs	\$1,350,000	\$0	\$0	\$0	\$1,350,000	

Provide Urban Greening Details and explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reasonable.

**STI BUDGET #3 - TSP - Fillmore, McAllister, and Mission Streets**

Environmental review/studies					\$0	
Plan Specification and Estimates					\$0	
Right of way support costs					\$0	
Site or right of way acquisition for Cap. Improvement Project					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Other Soft Costs (Specify)					\$0	
Total Soft Costs	\$0	\$0	\$0	\$0	\$0	
Clearing and Grubbing					\$0	
Demolition					\$0	
Grading					\$0	
Soil Stabilization (Lime, etc.)					\$0	
Erosion/Weed Control					\$0	
Dewatering					\$0	
Other Site Preparation (Specify)					\$0	
Total Site Preparation	\$0	\$0	\$0	\$0	\$0	
Sanitary Sewer					\$0	
Irrigation					\$0	
Storm Drain					\$0	
Detention Basin/Culverts					\$0	
Other Site Utilities (Specify)					\$0	
Total Site Utilities	\$0	\$0	\$0	\$0	\$0	
Aggregate Base					\$0	
Asphalt Pavement					\$0	

1939 Market Sustainable Transportation Infrastructure (STI) Sources and Uses Budget App AHSC0001295

If proposing multiple distinct STI Capital Projects, provide detail for each Project in separate budgets below. Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total STI funds requested and cost cap.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC STI Grant	Interagency Plan Implementation Committee Funds	Prop B Funding	0	Total STI Costs	
Sidewalk, Curb and Gutter					\$0	
Street Lights					\$0	
Striping/Barricades (Bicycle Facilities)					\$0	
Signage					\$0	
Crossing and Traffic Signals					\$0	
Roundabouts, median islands or curb extensions					\$0	
Other traffic calming surface improvements					\$0	
Other Complete Street Improvements (Specify)					\$0	
Other Complete Street Improvements (Specify)					\$0	
<b>Total Complete Streets Improvements - Construction</b>	\$0	\$0	\$0	\$0	\$0	
Striping/Barricades (for dedicated bus lanes)					\$0	
Sidewalk, Curb and Gutter					\$0	
Street Lights					\$0	
Signage					\$0	
Signaling Prioritization Technology	\$2,350,000				\$2,350,000	
Boarding infrastructure					\$0	
Seating/Benches					\$0	
Bus/Transit Shelters					\$0	
Vehicles					\$0	
Other ITS Technology					\$0	
Other Transit and Station Areas (Transit Stop Lighting)	\$13,000				\$13,000	
Other Transit and Station Areas (Specify)					\$0	
<b>Total Transit and Station Areas - Construction</b>	\$2,363,000	\$0	\$0	\$0	\$2,363,000	
Street Trees					\$0	
Bioswales					\$0	
Landscaping					\$0	
Other Urban Greening (Specify)					\$0	
Other Urban Greening (Specify)					\$0	
Other Urban Greening (Specify)					\$0	
<b>Total Urban Greening</b>	\$0	\$0	\$0	\$0	\$0	
Street Furniture					\$0	
Bicycle Repair Kiosks					\$0	
Bicycle Storage or Parking					\$0	
Drinking Fountains					\$0	
Other Amenities (Specify)					\$0	
Other Amenities (Specify)					\$0	
<b>Total Amenities</b>	\$0	\$0	\$0	\$0	\$0	
Provide Name of Impact Fee (Specify)					\$0	
Provide Name of Impact Fee (Specify)					\$0	
<b>Total Impact Fees</b>	\$0	\$0	\$0	\$0	\$0	
Other Activity Costs (Specify)					\$0	
Other Activity Costs (Specify)					\$0	
<b>Total Activity Delivery Costs</b>	\$0	\$0	\$0	\$0	\$0	
Transit Operations for service expansion §104(c)(7)					\$0	
Employment Reporting					\$0	
Other Capital Asset Costs (Specify)					\$0	
Other Capital Asset Costs (Specify)					\$0	
<b>Total Other Capital Asset Costs</b>	\$0	\$0	\$0	\$0	\$0	
<b>TSP - Fillmore, McAllister, and Mission Streets STI #3 Total Budgeted Project Costs</b>	\$2,363,000	\$0	\$0	\$0	\$2,363,000	

Provide Urban Greening Details and explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reasonable.

**TOTAL SUSTAINABLE TRANSPORTATION INFRASTRUCTURE (STI) BUDGET**

Total Soft Costs	\$120,000	\$600,000	\$1,700,000	\$0	\$2,420,000
Total Site Preparation	\$0	\$300,000	\$800,000	\$0	\$1,100,000
Total Site Utilities	\$3,410,000	\$300,000	\$0	\$0	\$3,710,000
Total Complete Streets Improvements - Construction	\$3,330,000	\$800,000	\$500,000	\$0	\$4,630,000
Total Transit and Station Areas - Construction	\$4,313,000	\$4,000,000	\$0	\$0	\$8,313,000
Total Urban Greening	\$540,000	\$0	\$0	\$0	\$540,000

1939 Market Sustainable Transportation Infrastructure (STI) Sources and Uses Budget App AHSC0001295

If proposing multiple distinct STI Capital Projects, provide detail for each Project in separate budgets below. Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total STI funds requested and cost cap.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC STI Grant	Interagency Plan Implementation Committee Funds	Prop B Funding	0	Total STI Costs	
Total Amenities	\$0	\$0	\$0	\$0	\$0	
Total Impact Fees	\$0	\$0	\$0	\$0	\$0	
Total Activity Delivery Costs	\$0	\$0	\$0	\$0	\$0	
Total Other Capital Asset Costs	\$0	\$0	\$0	\$0	\$0	
<b>Total STI Budgeted Project Costs</b>	<b>\$11,713,000</b>	<b>\$6,000,000</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$20,713,000</b>	

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**PGM Project Overview**

Program Costs (PGM)			
<b>PGM #1</b>			
Program Name:	Workforce Development 1	Program Operator:	Mission Hiring Hall
Address:	1939 Market St	City:	San Francisco
County:	San Francisco	Zip Code:	94103
Proposed program type:	Workforce Development		
Program Costs in Project include	2) Expansion of existing programs to serve new populations		
Program Description	Mission Hiring Hall will expand workforce development services to disadvantaged residents of San Francisco through construction-focused training and job readiness programs. Services include outreach to residents in disadvantaged census tracts, career assessment, barrier removal support, case management, and placement into union apprenticeships.		
Who are the targeted users for the Program	The program targets primarily low-income individuals, including unemployed, underemployed, and transitional-aged youth (ages 18–24) from diverse racial and ethnic backgrounds living in disadvantaged census tracts in San Francisco.		
What is the issue or need that the Program is attempting to address, and how will it successfully address this issue or need?	The program addresses employment barriers faced by marginalized San Francisco residents by providing them with construction-sector training, wraparound support services, and structured pathways into union apprenticeships. By combining job readiness with barrier removal and credentialed training, the program improves access to high-road careers in the building trades.		
Describe additional design challenges and development costs incurred to meet the requirements of the Program.	There were no challenges encountered.		

<b>PGM #2?</b>			
Yes			
Program Name:	Workforce Development 2	Program Operator:	City and County of San Francisco Office of Economic and Workforce Development (in collaboration with Mercy Housing and general contractors Swinerton + Rubecon)
Address:	1939 Market St	City:	San Francisco
County:	San Francisco	Zip Code:	94103
Proposed program type:	Workforce Development		
Program Costs in Project include	2) Expansion of existing programs to serve new populations		
Program Description	The program implements San Francisco Local Hiring Policy for Construction which mandates that 30% of all project hours within each trade be performed by local residents. It includes a First Source Hiring Requirement, requiring employers to interview and consider qualified economically disadvantaged individuals referred by the City's Workforce Development System. The system uses LCPTracker to monitor compliance and ensure that contractors report workforce hours and prevailing wage adherence.		
Who are the targeted users for the Program	The program targets local San Francisco residents, with a focus on economically disadvantaged individuals seeking entry-level employment in construction trades.		
What is the issue or need that the Program is attempting to address, and how will it successfully address this issue or need?	The program aims to reduce local unemployment and ensure economic inclusion by reserving a significant portion of construction work hours for San Francisco residents. By requiring local hiring and providing first access to disadvantaged workers, it promotes equitable job access and community workforce participation in public and publicly funded projects.		
Describe additional design challenges and development costs incurred to meet the requirements of the Program.	There were no challenges encountered.		

<b>PGM #3?</b>			
Yes			
Program Name:	Anti Displacement	Program Operator:	San Francisco Community Land Trust
Address:	1939 Market St	City:	San Francisco
County:	San Francisco	Zip Code:	94103
Proposed program type:	Anti-displacement activities		
Program Costs in Project include	2) Expansion of existing programs to serve new populations		
Program Description	SFCLT will implement an expanded version of its Permanent Affordability Preservation Program, a strategy aligned with Strategy H: Community Land Trust or Land Banking activities. Through this program, SFCLT acquires small, vulnerable multi-unit buildings in the Mission District and surrounding neighborhoods, preventing speculative displacement. The buildings are transitioned to resident ownership under a Limited-Equity Housing Cooperative (LEHC) model, and SFCLT provides technical support, financing access, legal structuring, and long-term stewardship to ensure permanent affordability and resident self-governance.		
Who are the targeted users for the Program	The targeted users are low- to moderate-income tenants, particularly Latinx, Black, and immigrant households living in rent-controlled units in the Mission District and nearby neighborhoods. Many are long-term residents, seniors, or families who are housing cost-burdened and at risk of eviction or displacement due to speculative ownership, harassment, or property sale.		
What is the issue or need that the Program is attempting to address, and how will it successfully address this issue or need?			

This program addresses the escalating displacement pressure on vulnerable tenants in San Francisco, driven by gentrification, property speculation, and increasing rent burdens. Many tenants face eviction or are displaced when small buildings are sold to investors seeking to convert or upcharge units. By acquiring these buildings and converting them into community-owned LEHCs under land trust stewardship, SFCLT removes housing from the speculative market, preserves affordability, and empowers residents with democratic control over their homes. This model creates housing stability and prevents displacement on a long-term basis, with ownership models proven to retain residents for decades.

Describe additional design challenges and development costs incurred to meet the requirements of the Program.

There were no challenges encountered.

PGM #4?  Yes

Program Name: Transit Passes for Residents Program Operator: San Francisco Municipal Transportation Agency  
 Address: 1939 Market St City: San Francisco Zip Code: 94103  
 County: San Francisco Proposed program type: Transit Passes

Program Costs in Project include 1) Program creation

Program Description

Each of the restricted units will be provided with one (1) free transit pass for three years. Each card or pass will have a minimum value of 40 average commute length rides a month as determined by the transit agency.

Who are the targeted users for the Program

The targeted users are the residents of the AHD. To encourage transit ridership, the free passes will remove financial barriers to utilizing transit options in the Project Area.

What is the issue or need that the Program is attempting to address, and how will it successfully address this issue or need?

High quality transit is expensive for hourly workers. The annual cost of a transit pass for AHD residents at this community is \$972. This burden will be eased for the first three years of the project, allowing new transit patterns to be formed, savings to be built, and jobs to stabilize.

Describe additional design challenges and development costs incurred to meet the requirements of the Program.

No challenges were encountered in creating this PGM.

PGM #5?  Yes

Program Name: Internet Program Operator: City of San Francisco  
 Address: 1939 Market St City: San Francisco Zip Code: 94103  
 County: San Francisco Proposed program type: Internet Service

Program Costs in Project include 1) Program creation

Program Description

Provision of broadband internet to AHD residents at a minimum speed of 100 megabits per second for downloading and 20 megabits per second for uploading. The service will be provided free of charge to AHD residents for a minimum of three years, and it will be available within 6 months of the AHD's placed in service date.

Who are the targeted users for the Program

The targeted users are residents of the AHD who need broadband internet service for their work or schooling or recreational needs.

What is the issue or need that the Program is attempting to address, and how will it successfully address this issue or need?

With the proliferation of well paying work from home jobs in this post-covid landscape, it is absolutely essential that these low income AHD residents have access to fast and reliable internet. Job seekers can use the broadband internet to go on remote job interviews and search listings. The internet service will also help any residents who are doing remote schooling. All residents will be able to maintain stable video conferencing to achieve their goals in whatever stage of life they are in. Internet service is a major cost to low income residents, often surpassing the cost of their other utilities combined.

Describe additional design challenges and development costs incurred to meet the requirements of the Program.

No challenges were encountered in identifying this PGM scope. Internet access is a true necessity at this point.

PGM #6?  No

Use this "PGM #6" only for "OTHER" if your proposed program does not fall within the program types listed in guidelines.

§103.1(g)(4) PGM Enforceable Funding Commitments

Committed by Full App Deadline?	Commitment Date	Source Name (listed in order of lien priority)	Source Type	Lien No.	Amount	Interest Rate		Term - # of months	Required Debt Service	Ballroom?
						Rate	Type			
Yes		AHSC PGM Grant	State-HCD		\$866,100	Transit passes will not contribute to \$600k PGM cap.				
Total Committed Non-AHSC PGM Funds		\$0			\$866,100	TOTAL PGM Sources (must equal PGM Budget Amount)				

Provide a description of unusual or extraordinary circumstances that have resulted in higher than expected Project costs and provide a justification as to why these costs are reasonable.

**§104(d) Eligible PGM Costs**

Total grant amount for **PGM** costs within a **Project Area** do not exceed \$600,000. (Costs incurred for required transit passes or cards described in **Section 103.1(g)(2)** will not contribute to this cap.)

TRUE

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1939 Market Programs (PGM) Sources and Uses Budget App AHSC0001295

Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total PGM funds requested.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC PGM Grant	0	0	0	Total PGM Costs	

PGM BUDGET #1 - Workforce Development 1						
Direct Staff Cost (Training and job readiness coordination, case	\$28,000				\$28,000	
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
<b>Total Direct Staff Costs</b>	\$28,000	\$0	\$0	\$0	\$28,000	
Other Indirect Staff Cost (General admin, HR, management ovr	\$16,000				\$16,000	
Other Indirect Staff Cost (Specify)					\$0	
Other Indirect Staff Cost (Specify)					\$0	
<b>Total Indirect Staff Costs</b>	\$16,000	\$0	\$0	\$0	\$16,000	
<b>Total Staff Costs</b>	\$44,000	\$0	\$0	\$0	\$44,000	
Travel	\$600				\$600	
Equipment	\$4,000				\$4,000	
Required Transit Passes/Cards (see cell comment)					\$0	
Other Transit Passes					\$0	
Supplies (Classroom/training materials, office supplies)	\$8,500				\$8,500	
Supplies (Specify)					\$0	
Other Capital Costs (Barrier removal, tools/uniforms, employe	\$92,900				\$92,900	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
<b>Total Other Capital Costs</b>	\$106,000	\$0	\$0	\$0	\$106,000	
<b>Workforce Development 1 Total Budgeted Project Costs</b>	\$150,000	\$0	\$0	\$0	\$150,000	

PGM BUDGET #2 - Workforce Development 2						
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
Direct Staff Cost (Specify)					\$0	
<b>Total Direct Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
Other Indirect Staff Cost (Specify)					\$0	
Other Indirect Staff Cost (Specify)					\$0	
Other Indirect Staff Cost (Specify)					\$0	
<b>Total Indirect Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
<b>Total Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
Travel					\$0	
Equipment					\$0	
Required Transit Passes/Cards (see cell comment)					\$0	
Other Transit Passes					\$0	
Supplies (Specify)					\$0	
Supplies (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
Other Capital Costs (Specify)					\$0	
<b>Total Other Capital Costs</b>	\$0	\$0	\$0	\$0	\$0	
<b>Workforce Development 2 Total Budgeted Project Costs</b>	\$0	\$0	\$0	\$0	\$0	

PGM BUDGET #3 - Anti Displacement						
Direct Staff Cost (Transition buildings to co-ops – education ma	\$25,000				\$25,000	
Direct Staff Cost (Transition buildings to co-ops/Regular internal	\$25,000				\$25,000	
Direct Staff Cost (Regional Community Ownership Convenings	\$35,000				\$35,000	
Direct Staff Cost (Local Affordable Developer Capacity Expansi	\$35,000				\$35,000	
Direct Staff Cost (Specify)					\$0	
<b>Total Direct Staff Costs</b>	\$120,000	\$0	\$0	\$0	\$120,000	
Other Indirect Staff Cost (Specify)					\$0	
Other Indirect Staff Cost (Specify)					\$0	
Other Indirect Staff Cost (Specify)					\$0	
<b>Total Indirect Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
<b>Total Staff Costs</b>	\$120,000	\$0	\$0	\$0	\$120,000	

1939 Market Programs (PGM) Sources and Uses Budget App AHSC0001295

Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total PGM funds requested.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC PGM Grant	0	0	0	Total PGM Costs	
Travel					\$0	
Equipment					\$0	
Required Transit Passes/Cards <i>(see cell comment)</i>					\$0	
Other Transit Passes					\$0	
Supplies <i>(Specify)</i>					\$0	
Supplies <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Property Acquisition Due diligence cost for)</i>	\$30,000				\$30,000	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
<b>Total Other Capital Costs</b>	\$30,000	\$0	\$0	\$0	\$30,000	
<b>Anti Displacement Total Budgeted Project Costs</b>	\$150,000	\$0	\$0	\$0	\$150,000	

**PGM BUDGET #4 - Transit Passes for Residents**

Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
<b>Total Direct Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
Other Indirect Staff Cost <i>(Specify)</i>					\$0	
Other Indirect Staff Cost <i>(Specify)</i>					\$0	
Other Indirect Staff Cost <i>(Specify)</i>					\$0	
<b>Total Indirect Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
<b>Total Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
Travel					\$0	
Equipment					\$0	
Required Transit Passes/Cards <i>(see cell comment)</i>	\$566,100				\$566,100	
Other Transit Passes					\$0	
Supplies <i>(Specify)</i>					\$0	
Supplies <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
<b>Total Other Capital Costs</b>	\$566,100	\$0	\$0	\$0	\$566,100	
<b>Transit Passes for Residents Total Budgeted Project Costs</b>	\$566,100	\$0	\$0	\$0	\$566,100	

**PGM BUDGET #5 - Internet**

Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
Direct Staff Cost <i>(Specify)</i>					\$0	
<b>Total Direct Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
Other Indirect Staff Cost <i>(Specify)</i>					\$0	
Other Indirect Staff Cost <i>(Specify)</i>					\$0	
Other Indirect Staff Cost <i>(Specify)</i>					\$0	
<b>Total Indirect Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
<b>Total Staff Costs</b>	\$0	\$0	\$0	\$0	\$0	
Travel					\$0	
Equipment					\$0	
Required Transit Passes/Cards <i>(see cell comment)</i>					\$0	
Other Transit Passes					\$0	
Supplies <i>(Specify)</i>					\$0	
Supplies <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
Other Capital Costs <i>(Specify)</i>					\$0	
<b>Total Other Capital Costs</b>	\$0	\$0	\$0	\$0	\$0	

1939 Market Programs (PGM) Sources and Uses Budget App AHSC0001295

Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total PGM funds requested.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC PGM Grant	0	0	0	Total PGM Costs	
Internet Total Budgeted Project Costs	\$0	\$0	\$0	\$0	\$0	

TOTAL PROGRAMS (PGM) BUDGET						
Total Direct Staff Costs	\$148,000	\$0	\$0	\$0	\$148,000	
Total Indirect Staff Costs	\$16,000	\$0	\$0	\$0	\$16,000	
Total Other Capital Costs	\$702,100	\$0	\$0	\$0	\$702,100	
Total PGM Budgeted Project Costs	\$866,100	\$0	\$0	\$0	\$866,100	

## Program Certifications

To be eligible for **AHSC Program** funding, the **Applicant(s)** shall certify to the **Department** all the following requirements are met:

**Applicant(s)** certifies that this submitted application meets the requirements of the **Affordable Housing and Sustainable Communities (AHSC) Round 9 Program Guidelines** and **Notice of Funding Availability (NOFA)**. Yes

**Applicant(s)** certifies that the proposed **Project** is consistent with the State Planning Priorities established pursuant to [§65041.1](#) of the **Government Code**. [§103.1\(f\)\(2\)](#) Yes

**Applicant(s)** certifies applications that include a **Locality** as an **Applicant** must at the time of application, have submitted their two previous housing element annual progress reports to the **Department** as required by **Government Code §65400. §103.1(f)(6)** Yes

[Annual Progress Reports](#)      Submission date for current year (due April 2025): 4/1/2025      Submission date for prior year (due April 2024): 4/1/2024

**Applicant(s)** certifies that the proposed **Project** will achieve a reduction in GHG emissions through fewer VMT, pursuant to the most recent **AHSC Program** Quantification Methodology, available on the California Air Resources Board's Climate Change Investments (CCI) Quantification, Benefits and Reporting Materials webpage. This must be evidenced by a completed GHG Benefits Calculator tool, described in the **AHSC Program** application, displaying VMT and **GHG Reductions** for each **Project** component. [§103.1\(g\)\(1\)](#) Yes

[California Climate Investments Reporting Tools webpage](#)

**Applicant(s)** certifies that the application must be sufficiently complete to assess the feasibility of the proposed **Project** and its compliance with **AHSC Program** and application requirements. [§103.1\(g\)\(3\)](#) Yes

**Applicant(s)** certifies that the **AHD** and **HRI** components must be capable of accommodating broadband internet service with at least a speed of 100 megabits (50 megabits for rural) per second for downloading and 20 megabits (10 megabits for rural) per second for uploading. [§103.1\(g\)\(7\)](#) Yes

**Applicant(s)** acknowledges that a **Project** may not contain more than one **AHD Capital Project**. A single **AHD Capital Project** may not include more than one **AHD**, nor shall it include an **AHD** that contains multiple development sites when one development site is receiving 4 percent low-income housing tax credits, and another is receiving 9 percent low-income housing tax credits, or when the multiple development sites are each receiving separate 4 percent low-income housing tax credits. An application proposing an **AHD** with both 4 percent low-income housing tax credits and 9 percent low-income housing tax credits, or with multiple 4 percent low-income housing tax credits, will be disqualified on the grounds that it is not proposing a **Project** within the meaning and design of the **AHSC Program**. To the extent such tax credit scenarios are contemplated, they shall constitute two separate and independent Projects, each of which must submit an entirely separate application and qualify independently of the other. Any **Project** that proposes a single **AHD** at application for scoring purposes, but after receiving an award letter attempts to split its single **AHD** into multiple **AHDs** with separate ownership structures or separate financing structures will be disencumbered as it no longer meets the requirements of **AHSC**. [§102\(c\)\(1\)\(B\) & 102\(d\)\(12\)](#) Yes

**Applicant(s)** certifies that the **AHD** will meet all State and Federal Laws, Rules, Guidelines and Regulations per [§110](#). Yes

**Applicant(s)** certifies that the **Project** will comply with **California's Prevailing Wage Law** (Lab. Code, [§1720-1785 et seq.](#)). [§110\(a\)\(4\)](#)  
The **Applicant(s)** should seek professional legal advice about the law's requirements. Yes

### AB 680 Compliance

As outlined in **CARB's 2024 Funding Guidelines for Agencies that Administer California Climate Investments (2024 Funding Guidelines)**, **AB 680 (Burke, Chapter 746, Statutes of 2021)** workforce standards apply to the **AHSC Program**. As such, **Projects** must comply with **AB 680 Project Standards**, unless the **Project** meets the criteria for the project-level exemption. [§115\(b\)](#) [CARB's 2024 Funding Guidelines](#)

Which project-level exemption applies to the **AHSC Project**? [§115\(b\)\(1\)](#) or [\(2\)](#): (E) Create 100% affordable housing units

**AHD** creates 100% units affordable to households whose income does not exceed 120% **AMI** excluding manager units ([HSC 50093](#)) TRUE

**Applicant** certifies **AHD** will have a 55-year **Regulatory Agreement** or **Covenant**. Yes

### HCD Reserve Requirements

Project Name	1939 Market	Number of Project Units:	187
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#### Replacement Reserve Calculator UMR §8309

(a)	0.6% of New construction costs (structures excluding contractor profit, overhead, and general requirements and insurance):	\$111,854,161	\$671,125
	\$500 per unit: (This is a placeholder for rehab projects and may be subject to higher amount)	\$500	\$93,500
(b)	Replacement Reserve Amount = <i>New construction: lesser of (a) and (b); Rehab: (b)</i>		\$93,500
	HCD Required Replacement Reserve Amount - <i>included in "Operating budget" tab</i>		\$93,500

#### Operating Reserve Calculator UMR §8308

1	Total Operating Expenses Excluding On-Site Service Coordinator Salaries. <i>Operating Budget Cell (E112) minus Operating Budget Cell (E106)</i>		TAX CREDIT Project 3 Month Reserve Required	NON-TAX CREDIT Project 4 Month Reserve Required	
	(a) Total Operating Expenses:	\$3,412,246			
	(b) Minus: On-Site Service Coordinator Salaries:	\$226,821			
		Amount subject to reserve calculation: <i>(a - b)</i>	\$3,185,425	<b>\$796,356</b>	
2	Replacement Reserve amount from above: <i>(Cell AJ10)</i>		\$93,500	<b>\$23,375</b>	
3	Debt Service (including all HCD 0.42% Fees and Bond Issuer Fee)				
	Name of Lender <i>Operating Budget cells (D124 to D134)</i>		Annual Debt Service Amount	TAX CREDIT Project 3 Month Reserve Required	NON-TAX CREDIT Project 4 Month Reserve Required
	1st Mortgage Debt Service		\$208,749	\$52,187	\$69,583
	2nd Mortgage Debt Service		\$0	\$0	\$0
	3rd Mortgage Debt Service		\$0	\$0	\$0
	AHSC 0.42% Fee		\$147,000	\$36,750	\$49,000
	Other HCD 0.42% (Specify)		\$0	\$0	\$0
	Other HCD 0.42% (Specify)		\$0	\$0	\$0
	Bond Issuer Fee		\$4,000	\$1,000	\$1,333
	Bond Monitoring Fee		\$2,500	\$625	\$833
	Trustee Fee		\$2,000	\$500	\$667
	Miscellaneous Financial Expenses (specify)		\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)		\$0	\$0	\$0
	<i>Other (Specify)</i>			\$0	\$0
	<b>Totals</b>		\$364,249	<b>\$91,062</b>	<b>\$121,416</b>
UMR Required Operating Reserve Amount:			<b>\$910,793</b>	<b>\$1,214,391</b>	

If Reserve amounts are different than the required amount, enter Reserve amounts and how they are calculated below:

The project's Operating Reserve amount of \$967,173 is calculated based on the methodology for Tax Credit Project above, except that the base amount includes the On-site Service Coordinator costs, because the tax credit investor will require these costs to be included in the 3 month operating reserve calculation.

#### Transition Reserve Pool Fee Calculator Pooled Transition Reserve Policy

Does the Project propose use of Project-based rental assistance?	Yes
--	-----

Subsidy #1	Senior Operating Subsidy	Contract Term: (enter in years)	15
Bedroom Size	Number of Units	Net Contract Rent	Annual Subsidy
0			\$0
1			\$0
2			\$0
3			\$0
4			\$0
Maximum Total Annual Subsidy			\$0
Pooled transition reserve fee for Subsidy #1 (15% of maximum total annual subsidy)			\$0

Subsidy #2	VASH-PBV	Contract Term: (enter in years)	15
Bedroom Size	Number of Units	Net Contract Rent	Annual Subsidy
0	22	\$2,360	\$623,040
1	33	\$3,272	\$1,295,712
2			\$0
3			\$0
4			\$0
Maximum Total Annual Subsidy			\$1,918,752
Pooled transition reserve fee for Subsidy #2 (15% of maximum total annual subsidy)			\$287,813

Subsidy #3	None	Contract Term: (enter in years)	N/A
Bedroom Size	Number of Units	Net Contract Rent	Annual Subsidy
0			\$0
1			\$0
2			\$0
3			\$0
4			\$0
Maximum Total Annual Subsidy			\$0
Pooled transition reserve fee for Subsidy #1 (15% of maximum total annual subsidy)			\$0

Local Operating Subsidy Name:	Local Operating Subsidies Program
Total Operating Subsidy Amount	\$15,575,179
Number of years included in total operating subsidy	15
One year's worth of operating subsidy	\$1,038,345
Pooled transition reserve fee for Subsidy (15% of one year's worth of operating subsidy)	\$155,752

**Total Pooled Transition Reserve Fee** \$443,565

Applicant comments:  
Per the HCD Pooled Transition Reserve Policy, this project is opting out of the HCD Transition Reserve Pool for SF MOHCD LOSP and SOS as it is covered by City and County of San Francisco's transition reserve. Because the LOSP is linked to the Project Overview tab, we could not remove LOSP from the above reserve calculation. However, it is removed in the AHD-HRI S&U S&U Budget tab which is causing a red error cell in cell C95. The actual transition reserve amount should be only \$287,813 after removing the above LOSP portion of the pooled transition reserve fee.

2025 TCAC Threshold Basis Limit (TBL) for HCD Developer Fee UMR §8312(b)&(c) and HCD High Cost Test for HCD Limits on Development Costs 2017 UMR §8311(a) & (b) Complete all yellow shaded cells.

Project Name 1939 Market County: San Francisco Project's Proposed Tax Credits: 4%  
HCD Phase: Origination

Unit Size	2025 TCAC Threshold Basis Limits (TBL)	# of Units	Basis x Number of Units	TOTAL UNADJUSTED THRESHOLD BASIS LIMIT (TBL):	\$137,677,850
SRO/Studio	\$689,665	106	\$73,104,490	TOTAL HCD ADJ. THRESHOLD BASIS LIMIT:	\$199,632,883
1 Bedroom	\$795,177	80	\$63,614,160	Adjusted Threshold Basis Limit multiplied by 160%:	\$319,412,613
2 Bedrooms	\$959,200	1	\$959,200	HCD HIGH COST TEST RESULT FOR: 1939 Market	79%
3 Bedrooms	\$1,227,776	0	\$0		
4+ Bedrooms	\$1,367,819	0	\$0		
<b>Total Eligible Basis</b>					\$157,300,447

Manager Units in Project:	2	TOTAL UNITS:	187	<b>Costs Reasonable</b>
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ADJUSTMENTS Cal Code of Reg §10327(c)(5)(A-F)

(A)	Adjustment for Projects paid in whole or part out of public funds subject to a legal requirement for the payment of state or federal prevailing wages or financed in part by a labor-affiliated organization requiring the employment of construction workers who are paid at least state or federal prevailing wages (20%).	Yes	\$27,535,570
	For Projects certifies that (1) they are subject to a Project labor agreement within the meaning of §2500(b)(1) of the Public Contract Code, or (2) they will use a skilled and trained workforce as defined by §25536.7 of the Health and Safety Code to perform all onsite work within an apprenticeable occupation in the building and construction trades (5%).		\$0
(B)	For New construction Projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels (10%).		\$0
(C)	For Projects where a day care center is part of the development (2%).		\$0
(D)	For Projects where 100 percent of the units are for Special Needs populations (2%).		\$0
(E)	Project applying under §10325 or §10326 of the TCAC regulations that includes one or more of the features below (up to 10%).	No	\$0
(F)	Project requires seismic upgrading of existing structures, and/or requires toxic or other environmental mitigation as certified by the Project architect/ engineer (lesser of costs or 15% basis adjustment).		
	If Yes, select type of work: <input type="text"/> Enter Certified Costs of Work: <input type="text"/>		
(G)	Local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required. <b>WAIVED IMPACT FEES ARE INELIGIBLE.</b>	No	
(H)	Projects where at least 95% of the Project's upper floor units are serviced by an elevator (10%).	Yes	\$13,767,785
(I)	Projects wherein at least 95% of the building(s) is constructed as Type I as defined in the California Building Code, in which case, the Type III 10% increase below is not allowed (15%).	Yes	\$20,651,678
(J)	Projects wherein at least 95% of the building(s) is constructed as (1) a Type III as defined in the California Building Code, or (2) a Type III/Type I combination, in which case, the Type I 15% increase above is not be allowed (10%).		\$0
(K)	Projects within a county with an unadjusted 9% threshold basis limit for a 2-bedroom unit equal or less than \$500,000 and within a census tract designated on the TCAC/HCD Opportunity Map as Highest or High Resource (10%).	No	\$0
	County Eligibility: No TCAC/HCD Opportunity Area Map Tract ID #: 6075020202□ Opportunity Map Resource Level: Moderate Resource		

**End of Document**

1/3/2025 Table	SRO & STUDIO	1 BEDROOM	2 BEDROOMS	3 BEDROOMS	4+ BEDROOMS
Alameda	\$473,390	\$545,814	\$658,400	\$842,752	\$938,878
Alpine	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Amador	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Butte	\$319,236	\$368,076	\$444,000	\$568,320	\$633,144
Calaveras	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Colusa	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Contra Costa	\$473,390	\$545,814	\$658,400	\$842,752	\$938,878
Del Norte	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
El Dorado	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242
Fresno	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Glenn	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Humboldt	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Imperial	\$324,988	\$374,708	\$452,000	\$578,560	\$644,552
Inyo	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Kern	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Kings	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Lake	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Lassen	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Los Angeles	\$437,727	\$504,695	\$608,800	\$779,264	\$868,149
San Francisco	\$689,665	\$795,177	\$959,200	\$1,227,776	\$1,367,819
San Joaquin	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
San Luis Obispo	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
San Mateo	\$532,060	\$613,460	\$740,000	\$947,200	\$1,055,240
Santa Barbara	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
Santa Clara	\$532,060	\$613,460	\$740,000	\$947,200	\$1,055,240
Santa Cruz	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
Shasta	\$319,236	\$368,076	\$444,000	\$568,320	\$633,144
Sierra	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Siskiyou	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Solano	\$384,234	\$443,018	\$534,400	\$684,032	\$762,054
Sonoma	\$384,234	\$443,018	\$534,400	\$684,032	\$762,054
Stanislaus	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Sutter	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242
Tehama	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Trinity	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Tulare	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Tuolumne	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Ventura	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
Yolo	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242
Yuba	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242

**HCD 2025 Developer Fee Calculator**  
**TCAC regulations - 12/11/2024**

Project Name: 1939 Market  
 Project Phase: Origination

[ADMINISTRATIVE NOTICE NO. 24-03](#)

Per "ADMINISTRATIVE NOTICE NO. 24-03", No Increase in Developer Fees for Past Awards, the proposed **Capital Project** has a previous HCD award:

FALSE

Developer Fee Summary		TCAC Project #	
	HCD Limit	Project Amt.	
Maximum Total Developer Fee - 2d	\$29,354,528	\$11,000,000	
Max Developer Fee payable from development funding sources - lesser of 1e & 2d	\$6,000,000	\$6,000,000	
Deferred Developer Fee payable on a priority basis from available Cash Flow	\$23,354,528	\$5,000,000	
Deferred Developer Fee payable exclusively from Sponsor Distributions	\$0	\$0	

Total Budgeted or Actual Developer Fee:  Developer Fee Contributed as Capital:  Deferred Developer Fee:

Proposed Project Type:  Project's type of construction: **New Construction**

15 Low-Income Special Needs Units	15
25% of Project's Low-Income Units	47

Total Special Needs Units	104
Qualifies or Special Needs increase	TRUE

	Developer Fee Limit	\$29,354,528
Project meeting CDLAC §5230(f)(1)(B), TCAC §10327(c)(2)(E)?		FALSE
New Construction & Rehab - Unadjusted Eligible Basis (exclude Developer Fee) - §10327(c)(2)(B)(i)	\$146,423,189	X 20% = \$29,284,638
Basis for non-residential Project costs (exclude Developer Fee) - §10327(c)(2)(B)(ii)	\$465,933	X 15% = \$69,890
Not Applicable		
Not Applicable		
Not Applicable		
Not Applicable	\$0	X 5% = \$0
	Developer Fee - per §10327(c)(2)(B)	<b>\$2,800,000</b>
<input type="text" value="7%"/> of project's unadjusted eligible basis in excess of <input type="text" value="\$6,666,667"/> plus <input type="text" value="\$1,000,000"/>		= \$10,815,571
	Maximum Cash-Out Developer Fee per 10327(c)(2)(B)(iii)	<b>\$6,000,000</b>

Quantitative Policy Scoring – 50 Points Maximum

Total Quantitative Self Score **43.000**

(a) Sustainable Transportation Infrastructure (STI) – 20 Points Maximum **18**

(1) Up to 4 points for the total length (in Lane Miles) of AHSC-funded Context Sensitive Bikeways (PAM), as follows: **4**

- (A) 4 points for at least two (2.0) Lane Miles
- (B) 1 point for at least one (1.0) Lane Mile

Class I Bikeways		Class II Bikeways		Class III Bikeways		Class IV Bikeways	2.250	Total Context Sensitive Bikeway Mileage	2.250
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Street (or closest parallel street if off-street bikeway)	Cross A (Closest street to start)	Cross B (Closest street to end)	Distance (lane mile, to the 0.1)	AADT	Speed Limit	Current Bikeway Facility Class	Proposed Bikeway Facility Class	Context Sensitive
11th St	Market	Bryant	1.0	8800	25	Class 2	Class 4	Yes
8th Street	Stevenson	Mission	0.1	22780	25	Class 4	Class 4	Yes
13th Street	11th Street	Bernice Street	0.3	31198	25	Class 4	Class 4	Yes
Polk Street Northbound	McAllister	Pine	0.7	15520	25	Class 4	Class 4	Yes
Polk Street Southbound	Cedar	Eddy	0.2	8403	25	Class 4	Class 4	Yes

2 points - Will the Project expand an existing bicycle network?

(2) A new Context Sensitive Bikeway funded by AHSC must have an entry point within the Project Area and directly intersect with an existing bikeway as a way to connect to the existing bike network. The existing bikeway and bikeway network is not required to be comprised of Context Sensitive Bikeways. (PAM) **Yes 2**

Context Sensitive Bikeway (must match one of the named above)	Intersecting existing bikeway (Street name)	Comments/Notes, if necessary
Polk Street Northbound	Golden Gate Avenue	

(3) Up to 3 points for the length of AHSC-funded Safe and Accessible Walkways as follows: (PAM) **3**

- (A) 3 points for repairing or constructing sections of sidewalks, walkways, or ramps that create more than 2,000 feet of continuous Safe and Accessible Walkway.
- (B) 1 point for repairing or constructing sections of sidewalks, walkways, or ramps that create more than 1,000 but at or less than 2,000 feet of continuous Safe and Accessible Walkway.

Safe and Accessible Walkways - length (in feet) of new or replaced sidewalk, walkways, or ramps **5,000**

Street (or closest parallel street if off-street bikeway)	Cross A (Closest Street to start)	Cross B (Closest Street to end)	Continuous Distance of Accessible Walkway (feet)	Total distance of New or Repaired walkways?	Number of new/reconstructed Pedestrian Ramps along walkway	Number of new/repainted crosswalks along walkway
Polk Street Northbound	Market	Bryant	5000	5000	28	17

(4) Up to 2 points for a Project that funds the construction of new pedestrian facilities where none exist at the time of application submission. (PAM) **0**

- (A) 2 points for at least 1,000 continuous linear feet of new pedestrian facilities where none exist at the time of application submission.
- (B) 1 point for at least 500 continuous linear feet of new pedestrian facilities where none exist at the time of application submission.

New pedestrian facilities - length (in linear feet) of new pedestrian facilities where none exist at the time of application submission.

Street (or closest parallel street if off-street bikeway)	Cross A (Closest Street to start)	Cross B (Closest Street to end)	Continuous Distance of New Facility	# of new/reconstructed Pedestrian Ramps along walkway	# of new/repainted crosswalks along walkway

Up to 4 points for a Project that improves a local bus route by implementing any (or a multiple) of the following will be eligible for 2 points for each strategy.

An Applicant may double the minimum thresholds (e.g. 2.0 miles or 10 bus shelters) for each strategy to achieve the full four points in this section. To qualify

(5) for these points, the AHSC-funded improvements must improve service along at least one bus route that serves at least one Transit Station/Stop or station inside the Project Area. If the improvement to the bus route(s) extends beyond the border of the Project Area, the improvement's effects to improving reliability and/or speed inside the Project Area should be evident. **4**

- (A) At least one (1.0) Lane Mile of a bus only lane that includes prohibition of private vehicles or High Occupancy Toll (HOT) lanes that are in effect at least eight (8) hours a day, at least five (5) days a week.
- (B) Installation of bus bulb-outs or transit boarding islands that eliminate the need for buses to pull out of the general flow lane at least five (5) stops in the Project Area.
- (C) Installation of level floor boarding infrastructure to ensure wheelchair users are able to access transit vehicles without the need for mechanical ramps.
- (D) Installation of new or upgraded TSP hardware and software along all signals for one (1.0) consecutive Lane Mile.
- (E) Installation of at least five (5) new bus shelters where none currently exist in the Project Area.
- (F) Procurement of at least one (1) new transit ZEV that allows the provider to modify published schedules that will achieve headways of 20 minutes or less during Peak Period or reduce Peak Period existing headways by more than 10 minutes.

No
No
N/A
Two (2.0) Lane Miles
No
No

File Name:	098. Local Transit Route Improvements	Identify on Project Area Map (PAM) or provide scope of work identifying the proposed locations for the improvements to the local transit route identified in §111 Quantitative Policy Scoring (a)(5) along the one transit route. If improving multiple transit routes, provide one map for each of the routes.	Uploaded to HCD?	Yes									
<p>(6) <u>Up to 5 points</u> for applications with an <b>AHSC Program</b> funds request for <b>STI</b> that comprises at least a certain amount of funds or a percentage of the total AHSC funds request (whichever is the lower amount)</p> <table border="1"> <thead> <tr> <th>STI Funds Request as an amount or percentage of Total AHSC Funding Request</th> <th>Points</th> <th></th> </tr> </thead> <tbody> <tr> <td>(A) At least \$9,000,000 or 30.0% of total funding request</td> <td><u>5 points</u></td> <td>TRUE</td> </tr> <tr> <td>(B) At least \$6,000,000 or 20.0% of total funding request</td> <td><u>2 points</u></td> <td>TRUE</td> </tr> </tbody> </table> <p>AHD &amp; HRI Requested: \$35,000,000 STI Requested: \$11,713,000 Total AHSC Funds Requested: \$47,579,100 STI % of Total AHSC Requested: 25%</p>				STI Funds Request as an amount or percentage of Total AHSC Funding Request	Points		(A) At least \$9,000,000 or 30.0% of total funding request	<u>5 points</u>	TRUE	(B) At least \$6,000,000 or 20.0% of total funding request	<u>2 points</u>	TRUE	5
STI Funds Request as an amount or percentage of Total AHSC Funding Request	Points												
(A) At least \$9,000,000 or 30.0% of total funding request	<u>5 points</u>	TRUE											
(B) At least \$6,000,000 or 20.0% of total funding request	<u>2 points</u>	TRUE											

<b>(b) Location Efficiency and Local Context - 14 Points Maximum</b>				<b>11.000</b>																						
<p><u>Up to 3 points</u> will be given for a <b>Project</b> that provides the location of existing <b>Key Destinations</b> within one-half (0.50) mile of the <b>AHD</b>. For <b>TOD Project Areas</b> and <b>ICP Project Areas</b> each type of <b>Key Destination</b> is worth one third (<u>1/3</u>) of a <u>point</u>. For <b>RIPA Project Areas</b> each type of <b>Key Destination</b> is worth one half (<u>1/2</u>) of a <u>point</u>. Each <b>Key Destination</b> category may only be counted once. Facilities that meet multiple categories (e.g., a Grocery Store with a Pharmacy) may be counted toward multiple categories. Please see definitions and further specifications for each <b>Key Destination</b> in <b>Appendix A</b>. Please see Project Area Mapping Guidance for how to map and document <b>Key Destinations</b>. (<b>PAM</b>)</p> <p>(1) <u>3 points</u></p> <table border="1"> <tr><td>(A) Market or Grocery store (SNAP Retailer)</td><td>Yes</td></tr> <tr><td>(B) Food Bank</td><td>Yes</td></tr> <tr><td>(C) Medical clinic that accepts Medi-Cal payments or offers free medical services to low-income individuals</td><td>Yes</td></tr> <tr><td>(D) Licensed childcare facility as identified by the California Department of Social Services</td><td>Yes</td></tr> <tr><td>(E) Pharmacy</td><td>Yes</td></tr> <tr><td>(F) Park accessible to the general public</td><td>Yes</td></tr> <tr><td>(G) Community or recreation center accessible to the general public</td><td>Yes</td></tr> <tr><td>(H) Public library</td><td>No</td></tr> <tr><td>(I) Public elementary, middle, high school, non-profit university or non-profit junior college</td><td>Yes</td></tr> <tr><td>(J) Bank, or credit union</td><td>Yes</td></tr> <tr><td>(K) Post Office</td><td>No</td></tr> </table>				(A) Market or Grocery store (SNAP Retailer)	Yes	(B) Food Bank	Yes	(C) Medical clinic that accepts Medi-Cal payments or offers free medical services to low-income individuals	Yes	(D) Licensed childcare facility as identified by the California Department of Social Services	Yes	(E) Pharmacy	Yes	(F) Park accessible to the general public	Yes	(G) Community or recreation center accessible to the general public	Yes	(H) Public library	No	(I) Public elementary, middle, high school, non-profit university or non-profit junior college	Yes	(J) Bank, or credit union	Yes	(K) Post Office	No	<b>3.000</b>
(A) Market or Grocery store (SNAP Retailer)	Yes																									
(B) Food Bank	Yes																									
(C) Medical clinic that accepts Medi-Cal payments or offers free medical services to low-income individuals	Yes																									
(D) Licensed childcare facility as identified by the California Department of Social Services	Yes																									
(E) Pharmacy	Yes																									
(F) Park accessible to the general public	Yes																									
(G) Community or recreation center accessible to the general public	Yes																									
(H) Public library	No																									
(I) Public elementary, middle, high school, non-profit university or non-profit junior college	Yes																									
(J) Bank, or credit union	Yes																									
(K) Post Office	No																									
<p>(2) <u>3 points</u> for a <b>Project</b> which provides documentation that their site is one or more of the following:</p> <p>(A) <u>Near an environmentally cleared High-Speed Rail Station</u>: An <b>AHD</b> that is within one (1.0) mile of an environmentally cleared California High-Speed Rail Station: No</p> <p>(B) <u>Funding the construction of community-identified components from another SGC program</u>: A <b>Project</b> that funds community-identified components from another <b>SGC</b>-funded project, such as Transformative Climate Communities (TCC), Sustainable Agricultural Lands Conservation (SALC): No</p> <p>(C) <u>An AHD which is to be developed on land disposed of in accordance with Executive Order (EO) N-06-19</u>: For excess state-owned property disposed of in accordance with <b>EO N-06-19</b>, the <b>AHD</b> must have been selected by the <b>Department</b> and the Department of General Services to enter into a long-term, low-cost ground lease with the state to create affordable housing on excess state-owned property: No</p> <p>(D) <u>Utilizing Surplus and Exempt Surplus Land</u>: Is the <b>AHD</b> to be developed on land declared surplus or exempt surplus by a local agency ("Surplus Land") and land acquired from an agency of the State of California? Yes</p> <p>(i) <u>Up to 3 points</u>. For surplus or exempt surplus land owned by a local agency, including transit agencies, and state-owned land acquired through means other than <b>EO N-06-19</b>, points shall be awarded as follows:</p> <p><u>1 point</u> for documentation either of acquisition directly from a state agency not pursuant to <b>EO N-06-19</b>, OR <u>1 point</u> for acquisition or lease agreement from local agency with an HCD findings letter documenting compliance with Surplus Land Act (SLA), as defined in <b>SLA Guidelines Section 500(c)</b>. All applications must include the letter directly in the application submission, even if it is available in the Department catalogue of findings letters; <a href="#">HCD catalogue of findings letters</a></p> <p>Will the Applicant(s) provide to the Department a copy of the documentation of written compliance with the Surplus Land Act (SLA)? Yes</p> <p><b>AND either b or c:</b></p> <p><u>1 point</u> if the disposition is discounted at least 20 percent or more from the property's current appraised value or market rate lease terms. Current appraised value should be supported by an independent third-party appraisal prepared by a Member Appraisal Institute (MAI) qualified appraiser within one year prior to the application deadline: OR</p> <p>Is the disposition discounted at least 20 percent or more from the property's current appraised value or market rate lease terms? N/A</p> <p><u>2 points</u> if the disposition is provided as a land donation or equivalent, or leased for a nominal fee of \$20,000 or less per year.</p> <p>Is disposition provided as a land donation or equivalent, or leased for a nominal fee of \$20,000 or less per year? Yes</p>				<b>3</b>																						

File Name:	100. Publicly-Owned Land-Ownership	Provide evidence that the Project is on land directly acquired from a state agency or any land declared as Surplus Land by a local agency as identified in §111 Quantitative Policy Scoring (b)(2)(C-D). For Projects on Surplus Land ONLY, provide an exempt surplus findings letter or standard surplus disposition findings letter from HCD. See §111 Quantitative Policy Scoring (b)(2)(D)(i).	Uploaded to HCD?	Yes
File Name:	101. BMR Disposition	If Excess Land, provide evidence of below-market disposition of the site by a public agency. If Surplus or Exempt Surplus Land pursuing points for BMR disposition, provide evidence of below-market disposition of the site by a public agency. For public lands disposed of by the State pursuant to Executive Order N-06-19, submission of an Exclusive Negotiating Agreement or Lease Option Agreement entered into by the sponsor and the Department of General Services with the consent of the Department of Housing and Community Development is sufficient evidence of a land donation or equivalent.	Uploaded to HCD?	Yes

(3) **Up to 3 points:** For **AHDs** located in jurisdictions that have met either of the following criteria:

3

**1 point** will be awarded for **AHDs** located in jurisdictions that have adopted a housing element that has been found by the **Department** to be in substantial compliance with the requirements of **Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code** pursuant to **Section 65585 of the Government Code** by application due date.

Is the **AHD** located in a jurisdiction that has an adopted housing element that is in substantial compliance by the **Department** as of the application due date?

Yes

Please provide date of HCD compliance determination:

2/1/2023

[A jurisdiction's current housing element compliance status is obtainable thru HCD's website.](#)

(B) **2 points** will be awarded for **AHDs** located in jurisdictions that are designated prohousing pursuant to subdivision (c) of **Section 65589.9 of the Government Code**, in the manner determined by the **Department** pursuant to **subdivision (d) of Section 65589.9 of the Government Code** by application due date.

Is the **AHD** located in a jurisdiction that is designated prohousing by the **Department** as of the application due date?

Yes

(4) **Up to 5 Points** will be awarded to **Projects** as follows:

2

[California Climate Investments Priority Populations Mapping Tool 4.0](#) (use for B, C, and/or D below):

(A) **5 points** will be awarded for a **Project** where the **Tribal Entity** is the **Developer** for the **AHD** and/or **HRI** components, or the **Project** partner responsible for the **STI** components.

Tribal Entity:	FALSE
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(B) **5 points** will be awarded for a **Project** that includes an **AHD** located in an area identified as one of the following in the **CCI Priority Populations Mapping Tool 4.0**:

- (i) **Disadvantaged Community:** CES, **Disadvantaged Community:** Tribal land, **Low-Income Community**
- (ii) **Disadvantaged Community:** CES, **Low-Income Community**
- (iii) **Disadvantaged Community:** Tribal land, **Low-Income Community**

FALSE
FALSE
FALSE

(C) **3 points** will be awarded for a **Project** that includes an **AHD** located in an area identified as one of the following in the **CCI Priority Populations Mapping Tool 4.0**:

- (i) **Disadvantaged Community:** CES
- (ii) **Disadvantaged Community:** Tribal land

FALSE
FALSE

(D) **2 points** will be awarded for a **Project** that includes an **AHD** located in an area identified as one of the following in the **CCI Priority Populations Mapping Tool 4.0**:

- (i) **Low-Income Community**
- (ii) **DAC 1/2 mile neighbor: Low-Income Community**

TRUE
FALSE

(c) **Housing Affordability and Funds Committed - 9 Points Maximum**

7

(1) **Up to 5 points** will be awarded to **Projects** based on housing affordability.

(A) For **Rental AHDs** the following shall apply:

(i) **Up to 3 points** will be awarded based on the percent of total units in a **Rental AHD** restricted to **Extremely Low Income (ELI)** households as follows:

- a. 15 to 19.9 percent of total units = **1 point**
- b. 20.0 to 24.9 percent of total units = **2 points**
- c. 25 percent or more of total units = **3 points**

Extremely Low Income (ELI) Units	47	<b>3.00</b>
Total AHD Units	187	
ELI Units as a % of Total AHD Units	25.13%	

(ii) **Up to 2 points** will be awarded based on the percent of total units in a **Rental AHD** that are three-bedroom or larger and are restricted to **ELI** or **Very Low-Income (VLI)** households as follows:

- a. 10 to 19.9 percent of total units = **1 point**
- b. 20 percent or more of total units = **2 points**

Three-bedroom or larger units to Extremely Low Income or Very Low-Income households	0	<b>0.00</b>
Total AHD Units	187	
Three-bedroom or larger, ELI or VLI Units as a % of Total AHD Units	0.00%	

**4 points** will be awarded for applications demonstrating committed funding for all permanent financing, grants, and operating subsidies, excluding: the amount requested from the **AHSC Program**, an allocation of tax-exempt bonds, and 4 percent or 9 percent tax credits. For **Projects** with bond financing, any applicable permanent lender commitment of bond financing is required for these points. Assistance for capital expenditures will be deemed to be an **EFC** if it has been awarded to the **Project** or if the **Department** approves other evidence that the assistance will be reliably available. Contingencies in commitment documents based upon the receipt of an allocation of tax-exempt bonds, 4 percent tax credits or 9 percent tax credits will not disqualify a source from being counted as committed.

4.00

Is funding for all permanent financing, grants, and operating subsidies committed per the above requirements?

Yes

File Name:	102. EFC AHD HRI1; EFC AHD HRI2; EFC AHD HRI3; etc.	Provide all commitment letters or other evidence documenting deferred payment permanent financing and operating subsidy commitments, plus Equity Investor if known at time of application.	Uploaded to HCD?	Yes
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(d) **Anti-Displacement Activities - 4 Points Maximum**

4

(1) **Up to 4 points** for **Projects** that document a commitment to implement at least one (1) new or expanded Anti-displacement activity listed in this section, as supported by an assessment of housing needs and displacement vulnerability.

All proposals must complete the AHSC Commitment Letter Template (available on **SGC's AHSC Guidelines** page) that describes how each program or activity will be implemented.

<a href="#">SGC's AHSC Guidelines page</a>	# of Activities to be implemented	1
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**Projects** may select any activity listed in this section. These activities must be implemented by the indicated entity with dedicated **PGM** funding of a minimum \$150,000 per activity, unless otherwise indicated:

- (A) For **AHSC Homeownership AHDs Applicants: AHD Developer** or **Locality Applicant** has provided **Mortgage Assistance Loans** to qualified **First-Time Homebuyers** for a minimum of two years within the four years immediately preceding the application. No
- (B) An independent non-profit and/or **Locality** developing a Community-Driven, Neighborhood-Scale Anti-Displacement Plan. No
- (C) An independent non-profit and/or **Locality** developing or implementing a pipeline or training programs that will build capacity for local affordable housing developers. No
- (D) An independent non-profit and/or **Locality** developing or implementing a process for data collection, monitoring, and tracking systems related to the causes of displacement (e.g., rental property registry, inventory of at-risk units, landlord licensing, local eviction tracking, a speculation watchlist, or tracking the loss and formation of culturally-relevant and community-serving small businesses). No
- (E) An independent non-profit and/or **Locality** developing or implementing foreclosure or eviction prevention and landlord anti-harassment programs. If proposed program includes tenant legal counseling services, the services cannot be provided by the **Developer**, building manager, or related entity. No

No
No
No
No
No

1939 Market Quantitative Policy Scoring §111 - App# AHSC0001295

V1 3/25/25

		(F) An independent non-profit and/or <b>Locality</b> developing, administering, or implementing rental assistance or voucher programs to residents of the <b>Project Area</b> who are not the residents of the <b>AHD</b> .	No	
		(G) An independent non-profit and/or <b>Locality</b> developing or implementing a Small/Family Business Protection Program for community businesses in the <b>Project Area</b> .	No	
		(H) An independent non-profit and/or <b>Locality</b> developing or operating a Community Land Trust or Land Banking activities.	Yes	Expanded
		(I) An independent non-profit and/or <b>Locality</b> developing or implementing programs that provide subsidized work to weatherize or repair existing <b>Low-Income Households</b> to increase energy efficiency and/or air quality in the <b>Project Area</b> .	No	
		(J) An independent non-profit and/or <b>Locality</b> implementing a policy or action identified in a previously published Anti-Displacement Plan that is not listed above. <b>Applicants</b> should reference a specifically outlined goal, strategy, or action from the plan.	No	
File Name:	103. AD Commitment Letter	All proposals in partnership with a non-profit or locality must complete the AHSC Commitment Letter Template (available on AHSC Guidelines page) to describe how each program or activity will be implemented.	Uploaded to HCD?	Yes
File Name:	104. Assessment Housing Needs	Optional: Applicants may submit the AHSC Anti Displacement Tool or reference the jurisdiction's housing element, other research, community feedback, or other existing documents to develop an assessment of the housing needs and displacement vulnerability for the communities overlapping the Project Area.	Uploaded to HCD?	Yes

<b>(e) Local Workforce Development and Hiring Practices - 3 Points Maximum</b>				<b>3</b>		
<p><u>Up to 3 points (1.5 points per strategy)</u> for <b>Projects</b> that implement workforce development strategies that advance the recruitment, training, and hiring of individuals who live within <b>Priority Populations</b> census tracts or <b>Low-Income Households</b>. Strategies should aim to connect these populations with training and hiring opportunities created by the <b>Project</b>. Workforce development strategies may be implemented during <b>Project</b> construction or after completion of the <b>Project</b>, but they must be implemented within the contract reporting period as stipulated in the <b>Standard Agreement</b>. Choose from the following workforce development strategies:</p> <p>Choose from the following AHSC workforce development strategies:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td># of Strategies</td> <td><b>2</b></td> </tr> </table>					# of Strategies	<b>2</b>
# of Strategies	<b>2</b>					
<b>(A) Partnership with a Workforce Development organization or a Workforce Development Board.</b>						
File Name:	105. Workforce Strategy A	Partnership with a Workforce Development Organization or a Workforce Development Board: Applicants must provide the following requested in §111 Quantitative Policy Scoring (e)(1)(A) and verifiable documentation in a letter jointly signed by the Applicant and the external organization.	Uploaded to HCD?	Yes		
<b>(B) Project is bound by a Skilled and Trained Workforce Commitment.</b>				No		
<b>(C) Projects that have developed a Project Labor or Community Workforce Agreement.</b>				No		
<b>(D) Projects that are located in jurisdictions with Local Hire Ordinances</b>				Yes		
File Name:	108. Workforce Strategy D	Projects that are located in jurisdictions with Local Hire Ordinances: submit the information and verifiable documentation requested in §111 Quantitative Policy Scoring (e)(1)(D) in a letter.	Uploaded to HCD?	Yes		

The Narrative-Based Policy Scoring section of the application will be scored **only for Projects that meet threshold requirements listed in Section 103.1.**

For Narrative-Based Policy Scoring, **Applicants** must provide responses to the questions and prompts outlined in the Narrative Prompts document. Please reference the Narrative Prompts document and rubric at the **SGC AHSC Program** Website for instructions, the specific questions to answer, and necessary application materials.

File Name:	109. Narrative Prompts	<a href="#">Provide a response to each prompt as outlined in the Narrative Prompts document. The responses must be uploaded as a PDF and must follow the stated word counts. See Narrative Scoring Rubric document for guidance in completing Narratives.</a>	Uploaded to HCD?	Yes
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The following is a summary of each section:

**(a) Climate Adaptation & Community Resiliency - 7 Points Maximum**

Communities will continue to experience effects of climate change in many ways, including increased likelihood of droughts, flooding, heatwaves, sea level rise, severe weather, and wildfires. Due to these effects, climate resiliency is a key part of planning, design, and **Project** implementation. The prompts will ask **Applicants** to: 1) outline the risks posed from climate change and other environmental exposures; 2) address how the risks will be reduced by appropriate green building, **Urban Greening**, adaptation, or mitigation strategies; and 3) how, more broadly, the **Project** will promote equity and reduce the health risks of climate change and other environmental exposures including extreme heat, wildfires and smoke, air pollution from vehicle emissions, and more. Under this section applicants must fill out the Climate Adaptation Assessment Matrix and related prompts.

Lighting & Urban Greening (pulled from answers on STI Project Overview tab):

Street Lights	25	\$750,000	Street Trees	8	\$240,000	Urban Greening	\$540,000
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For tools to help assess general climate impacts, please visit [Cal-Adapt's Local Climate Snapshot tool.](#)

For adaptation tools, resources, strategies and case studies visit [State's Adaptation Clearinghouse.](#)

File Name:	110. Climate Matrix	<a href="#">AHSC Round 9 Climate Adaptation Assessment Matrix.</a>	Uploaded to HCD?	Yes
File Name:	111. Cal-Adapt Report	Provide Cal-Adapt Local Climate Change Snapshot Report. See Climate Matrix Table 1 for instructions on how to generate.	Uploaded to HCD?	Yes
File Name:	112. CalEnviroscreen 4.0 Map	Provide CalEnviroscreen 4.0 Map displaying the indicators of the AHD site. See Climate Matrix Table 1 for instructions on how to generate.	Uploaded to HCD?	Yes
File Name:	113. BAM Floodplain	Provide BAM Floodplain Information Printout. See Climate Matrix Table 1 for instructions on how to generate.	Uploaded to HCD?	Yes
File Name:	114. Green Building Status	Provide a signed letter from the Project architect, energy analyst, and/or sustainability consultant stating the commitment to achieve green building status beyond State mandatory building code. Specify the Certification the AHD commits to. As available, applicants can list the adaptive measures from the Climate Matrix that are part of the preliminary score, prerequisite(s), and/or checklist for the Green Building status.	Uploaded to HCD?	Yes
File Name:	115. Fire Hazard Severity Zone	Provide a screenshot of the Fire Hazard Severity Zone of the AHD. See Climate Matrix Table 1 for instructions on how to generate.	Uploaded to HCD?	Yes
File Name:	116. Wildfire Risk Tool	Provide a screenshot of the Wildfire Risk of the community around the AHD. See Climate Matrix Table 1 for instructions on how to generate.	Uploaded to HCD?	Yes
File Name:	117. OCOF Hazard Map	For Coastal Counties only, provide a screenshot of the Flooding and Maximum sea-level rise from the OCOF tool. See Climate Matrix Table 1 for instructions on how to generate.	Uploaded to HCD?	Yes
File Name:	118. Cal-Heat Tool	Provide the Screenshot from the Cal-Heat Health Action Index. See Climate Matrix Table 1 for instructions on how to generate	Uploaded to HCD?	Yes

**(b) Community Benefits & Engagement - 6 Points Maximum:**

Community involvement and leadership are crucial to ensuring that both the principal objectives and co-benefits of the **Project** respond to the true needs of its future residents and the existing community, broadly. The prompts will ask **Applicants**, how: 1) local residents, the developer(s), stakeholders, government, and/or community-based organizations were engaged to help shape the **Project** to date; 2) community-based organizations and local residents, especially from **Disadvantaged** and **Low-Income Communities** and/or those with disabilities, were meaningfully engaged in identifying needs as well as **Project** components; 3) the **Project** is planning to continue engagement in the future; and 4) the **Project** is taking concrete steps to address community-identified needs and promote equity, community health, and well-being.

File Name:	119. Community Tracker	<a href="#">Provide a completed AHSC Round 9 Community Engagement Tracker.</a>	Uploaded to HCD?	Yes
File Name:	120. Community Needs	Letter of support from local community-based, grassroots organization describing the community engagement process and how feedback from local residents was incorporated into the Project.	Uploaded to HCD?	Yes
File Name:	121. Future Engagement	Optional: Submit supporting documentation to demonstrate future engagement with either a CBO or residents (i.e. any engagement plans, agreements, etc.). Can be included as part of the Community Needs upload if it is the same CBO.	Uploaded to HCD?	Yes

**(c) Collaboration & Planning – 4 Points Maximum**

Collaboration across local governments and housing and transportation providers is critical to create a **Project** that ensures connectivity and responds to the day-to-day needs of the community. Taken together, the responses to the prompts of this section should outline how the proposed **Project**: 1) aligns with previous planning efforts of local government; 2) brings together local government, including housing and transportation agencies in collaboration, to realize the vision of those efforts through the **Project**; and 3) will equitably translate that vision into improvements that address community needs related to climate adaptation, health, housing, mobility, access, and safety.

File Name:	122. Local Planning Efforts	Applicants should link the relevant plans as available in Table 1 under "Local Planning Efforts" in the Narrative Prompts document. If a link is not available, then Applicants should provide a single PDF with the cover page of the plan and relevant pages of the plans referenced in the Local Planning Efforts Section.	Uploaded to HCD?	Yes
File Name:	123. Site Plan	Provide the most current site plan.	Uploaded to HCD?	Yes

**(d) Equity & Transformation – 3 Points Maximum**

As stated in the **AHSC Program Overview**, **SGC** is committed to achieving racial equity in its operations, investments, and policy initiatives and to achieving its vision that: "All people in California live in healthy, thriving, and resilient communities regardless of race" (read more in the **SGC Racial Equity Action Plan**). The **AHSC Program** encourages a holistic approach to community development and broader investments in neighborhoods. Under this section, the prompts will ask **Applicants** to describe how the **Project** is going above and beyond, either: piloting new or innovative approaches or policies, leveraging existing resources in a new way, advancing equity, or shaping future projects in the nearby communities.

[SGC Racial Equity Action Plan](#)

**Reviewer General Context Section** - This section is populated based on answers **Applicants** have provided throughout other parts of the **Application**. Information in this section will help reviewers better understand the overall project.

Applicants/Housing:

Contact Type	Entity Legal Name	Eligible Sponsor Type	Organization Type
Applicant #1	Mercy Housing California	Developer	Non-profit Public Benefit Corporation
Applicant #2	City and County of San Francisco	Locality	Public Agency

Transportation

STI #	Agency Name	Project Name	Project Type
STI Component #1	City and County of San Francisco	11th Street Safety Improvement Project	Combination
STI Component #2	City and County of San Francisco	Polk, 8th, and 13th St Bike Project	
STI Component #3	City and County of San Francisco	TSP - Fillmore, McAllister, and Mission Streets	

Programs

PGM #	Program Operator	Program Name	Program Type
Program #1	Mission Hiring Hall	Workforce Development 1	Workforce Development
Program #2	City and County of San Francisco Office of Economic and Workforce Development (in collaboration with Mercy Housing and general contractors Swinerton + Rubicon)	Workforce Development 2	Workforce Development
Program #3	San Francisco Community Land Trust	Anti Displacement	Anti-displacement activities
Program #4	San Francisco Municipal Transportation Agency	Transit Passes for Residents	Transit Passes
Program #5	City of San Francisco	Internet	Internet Service

AHD 10-digit census tract:	6075020200	California Climate Investments <b>Priority Populations 4.0</b> designation:	Low-Income Community
Opportunity Area Map Category:	Moderate Resource		
Is the AHD Categorically Exempt?	<input checked="" type="checkbox"/> Yes	Is the AHD approved "by-right"?	<input type="checkbox"/> No

**Capital Project** description: provide a summary of your **AHSC Project**. Be sure to highlight components that are unique to the project or required significant collaboration. Please see past award summaries for examples. This content will provide necessary context for all reviewers and will be published alongside Award Recommendations if your project is selected for funding.

The 1939 Market Street project transforms an underutilized infill site in San Francisco's thriving Market-Octavia neighborhood into 187 units of deeply affordable senior housing designed to serve LGBTQ+ elders, long-term HIV/AIDS survivors, formerly homeless individuals, and veterans. Developed by Mercy Housing California in partnership with Openhouse, the project builds on the success of the LGBTQ-welcoming 65 Laguna development and directly connects to an existing hub of senior services, including the Bob Ross Senior Center.

1939 Market integrates a continuum of care model—ranging from traditional senior housing to high-acuity supportive housing—allowing residents to age in place with dignity. In collaboration with SFMTA, the project improves transit reliability and safety through signal priority that improve six MUNI lines and includes two miles of upgraded Class IV bikeways and over 2,000 feet of sidewalk repair in heavily pedestrian areas. Key partners include Openhouse (on-site services), Mission Hiring Hall (workforce development), and the San Francisco Community Land Trust (anti-displacement). The project's climate resiliency measures include a backup-powered community room, passive shading, MERV 14 filtration, and native landscaping.

Housing units, amenities, and spaces:

Total Units	187
Affordable Rental	185
Affordable HO	0

Veteran Units	55
Senior Units	185
SNP/SH Units	104
3+Bdrms Units	0

No.	FTE	Employee Job Title
1	1.00	On-Site Manager(s)
1	1.00	On-Site Assistant Manager(s)
0	0.00	Supportive Services Staff Supervisor(s)
2	2.00	Supportive Services Coordinator, On-Site
0	0.00	Other Supportive Services Staff (inc. Case Manager)

No Fitness Room

Yes Picnic/BBQ Area(s)

Yes Tot Lot/Playground

No Computer Room

Residential Space

93,834	Residential Units	540
47,802	Common Areas	
1,356	Community Room	614
537	Leasing Office	
	Additional Storage Space	
143,529	Subtotal Residential SF	

	Maintenance Shop		(Other)
	Childcare Center		(Other)
	Service Area		(Other)
	Service Office		(Other)

Commercial Space

1,524	Commercial Area
	Offices
	Childcare Center
	Storage Space
	(Other)
1,524	Total Commercial SF

144,683 Total Residential SF

Quantity of new or repaired STI facilities

Transit Vehicles	0	\$0
Bus Stop Benches	0	\$0
Bus Bulb-Outs	0	\$0
Bus Shelters	5	\$150,000
Crosswalks	17	\$380,000
ADA Curb Ramps	28	\$360,000
Over/Undercrossing	0	\$0

# of Transit Routes Improved	6
Transit Operations Costs	\$0
EV Carshare Infrastructure & Operations	\$0
Bikeshare Infrastructure & Operations	\$0
Other (Transit Signal Priority)	\$2,350,000
Other (Specify)	\$0

End of Document

### Local Approvals and Environmental Review Verification

To the Sponsor/Applicant: Submit this form to the agency or department of local government responsible for administration of the items listed. This form may be submitted to more than one agency or department if necessary. If an item is not required, include the reason why in box provided.

Project Sponsor/Applicant:	Mercy Housing California
Sponsor/Applicant Address:	1256 Market Street
Sponsor/Applicant City:	San Francisco
Project Name:	1939 Market
Project Address/site:	1939 Market St
Project City:	San Francisco
Project County:	San Francisco
Assessor Parcel Numbers (APNs):	3501015; ; ; ; ;

To the local jurisdiction: The Sponsor/Applicant named above has submitted an application to the State Department of Housing and Community Development (HCD) requesting funding for the Project named above, under the NOFA. Projects submitted for program funding are subject to a competitive rating process. Project readiness is a component of that process. Verification of items listed below will be used in evaluating applications.

Is this Project approved "by right"?

		Applicable for this Project	Final date of Public Comment Period	Approved Date
All Environmental Clearances (CEQA and NEPA) necessary to begin construction are either finally approved or unnecessary:	<b>CEQA</b>	Yes	n/a	5/31/23
	<b>NEPA</b>	Yes	n/a	n/a

Discuss below any special NEPA and/or CEQA Special Circumstances or exemptions and provide estimated/actual completion dates of all necessary environmental clearances (include documentation, if applicable):

Project is exempt from CEQA. SB 35 approved by City of San Francisco Planning Department on May 31, 2023. The Department has determined that the project meets all the objective standards of the Planning Code and has completed design review of the project. The project has been approved in accordance with the provisions of SB 35, as recorded in Building Permit Application No. 202211045959. NEPA clearance is triggered by the 55 PBV-VASH vouchers for veterans. NEPA clearance will be provided prior to construction loan closing.

	Required for this Project?	Under Review?	Verified as Completed and date completed
All necessary, discretionary, and non-discretionary public land use approvals except building permits and other ministerial approvals are:	Yes	No	5/31/2023

Specify in the box below, items not required and explain why (include documentation, if applicable):

Project is exempt from CEQA. SB 35 approved by City of San Francisco Planning Department on May 31, 2023. The Department has determined that the project meets all the objective standards of the Planning Code and has completed design review of the project. The project has been approved in accordance with the provisions of SB 35, as recorded in Building Permit Application No. 202211045959.

Dated:

Statement Completed by (please print):	Jeff Horn
Signature:	
Title:	Senior planner
Agency or Department:	SF Planning
Agency or Department Address:	49 South Van Ness Ave, SF, CA 94103
Agency or Department Phone:	628-652-7366

**Certification & Legal Disclosure**

<p><b>On behalf of the entity identified in the signature block below, I certify that:</b></p> <p>1. The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct.</p> <p>2. I possess the legal authority to submit this application on behalf of the entity identified in the signature block.</p> <p>3. The following is a complete disclosure of all identities of interest - of all persons or entities, including affiliates, that will provide goods or services to the Project either (a) in one or more capacity or (b) that qualify as a "Related Party" to any person or entity that will provide goods or services to the Project. "Related Party" is defined in Section 10302 of the California Code of Regulations (CTCAC Regulations):</p>			
<p>4. As of the date of application, the Project, or the real property on which the Project is proposed (Property) is not party to or the subject of any claim or action at the State or Federal appellate level.</p> <p>5. I have disclosed and described below <b>all</b> claims or actions undertaken by or against the Applicant(s), the Project, or the property. In addition, I acknowledge that all information in this application and attachments is public, and may be disclosed by the State.</p>			
Printed Name	Title of Signatory	Signature	Date
<b>Legal Disclosure</b>			
<p>For purposes of the following questions, and with the exceptions noted below, the term "applicant" shall include the applicant and joint applicant, and any subsidiary of the applicant or joint applicant if the subsidiary is involved in (for example, as a guarantor) or will be benefited by the application or the project.</p> <p>In addition to each of these entities themselves, the term "applicant" shall also include the direct and indirect holders of more than ten percent (10%) of the ownership interests in the entity, as well as the officers, directors, principals and senior executives of the entity if the entity is a corporation, the general and limited partners of the entity if the entity is a partnership, and the members or managers of the entity if the entity is a limited liability company. For projects using tax-exempt bonds, it shall also include the individual who will be executing the bond purchase agreement.</p> <p>The following questions must be responded to for each entity and person qualifying as an "applicant," or "joint applicant" as defined above.</p> <p><b>Explain all positive responses on a separate sheet and include with this questionnaire in the application.</b></p> <p><b>Exceptions:</b></p> <p>Public entity applicants without an ownership interest in the proposed project, including but not limited to cities, counties, and joint powers authorities with 100 or more members, are not required to respond to this questionnaire.</p> <p>Members of the boards of directors of non-profit corporations, including officers of the boards, are also not required to respond. However, chief executive officers (Executive Directors, Chief Executive Officers, Presidents or their equivalent) must respond, as must chief financial officers (Treasurers, Chief Financial Officers, or their equivalent).</p>			
<b>Civil Matters</b>			
1. Has the applicant filed a bankruptcy or receivership case or had a bankruptcy or receivership action commenced against it, defaulted on a loan or been foreclosed against in <i>past ten years</i> ?			[ ]
2. Is the applicant currently a party to, or been notified that it may become a party to, any civil litigation that may materially and adversely affect (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?			[ ]
3. Have there been any administrative or civil settlements, decisions, or judgments against the applicant within the past ten years that materially and adversely affected (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?			[ ]
4. Is the applicant currently subject to, or been notified that it may become subject to, any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency?			[ ]
5. In the past ten years, has the applicant been subject to any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency that resulted in a settlement, decision, or judgment?			[ ]
<b>Criminal Matters</b>			
6. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination, or investigation, of any kind, involving, or that could result in, felony charges against the applicant?			[ ]
7. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination, or investigation, of any kind, involving, or that could result in, misdemeanor charges against the applicant for matters relating to the conduct of the applicant's business?			[ ]
8. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination, or investigation, of any kind, involving, or that could result in, criminal charges (whether felony or misdemeanor) against the applicant for any financial or fraud related crime?			[ ]
9. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination, or investigation, of any kind, that could materially affect the financial condition of the applicant's business?			[ ]
10. Within the past ten years, has the applicant been convicted of any felony?			[ ]
11. Within the past ten years, has the applicant been convicted of any misdemeanor related to the conduct of the applicant's business?			[ ]
12. Within the past ten years, has the applicant been convicted of any misdemeanor for any financial or fraud related crime?			[ ]
<b>Please provide a letter of explanation if you responded "Yes" to any of the questions above.</b>			
File Name:	132. Cert-Legal Explanation	Letter of Explanation(s) for Certification & Legal "Yes" answers, red shaded items, or as clarification deemed necessary by the Applicant(s) for information included in this application.	Uploaded to HCD? [ ]
Printed Name	Title of Signatory	Signature	Date

## Entity Organizational Documents

### Organizational Documents

The following is intended as a brief summary of legal documents commonly required to verify the legal authority of the private entity or entities applying to HCD for an Award of funds and does not apply to public applicants. Documents required to apply for funds (threshold requirements) are legally distinct from those required to enter into a Standard Agreement or to receive bonus points. For projects receiving an Award of HCD funds, additional documents, or corrections, may be required prior to execution of the Standard Agreement.

### Organizational Charts

Complete organizational charts are required for the Sponsor/Recipient, Borrower, MGP and AGP (if different from the Sponsor).

### Corporate Entities

Articles of Incorporation (Corp. Code **§154, 200 and 202**) as certified by the CA Secretary of State.

Bylaws and any amendments thereto (Corp. Code **§207(b), 211 and 212**).

Certificate of Amendment of Articles of Incorporation (Corp. Code **§900-910** (general stock), **§5810-5820** (public benefit and religious corporations), **§7810-7820** (mutual benefit corporations), or **§12500-12510** (general cooperative corporations)) as applicable.

Restated Articles of Incorporation (Corp. Code **§901, 906, 910** (general stock), **§5811, 5815, 5819** (public benefit and religious corporations), **§7811, 7815 and 7819** (mutual benefit corporations) and **§12501, 12506 and 12510** (general cooperative corporations)) as applicable.

Statement of Information (CA Secretary of State form SI-100 or SI-200).

Shareholder Agreements (Corp. Code **§186**) if applicable.

Certificate of Good Standing certified by Secretary of State. Certificate of Good Standing must be dated 30 days or less from the application due date.

### Limited Liability Companies

Articles of Organization (CA Secretary of State form LLC-1).

Certificate of Amendment (CA Secretary of State form LLC-2) if applicable.

Restated Articles of Organization (CA Secretary of State form LLC-10) if applicable.

Certificate of Correction (CA Secretary of State form LLC-11) if applicable.

Statement of Information (CA Secretary of State form LLC-12 or LLC-12NC).

Operating Agreement (Corp. Code **§17707.02(s) and 17701.10**).

Certificate of Good Standing certified by Secretary of State. Certificate of Good Standing must be dated 30 days or less from the application due date.

### Limited Partnerships

Certificate of Limited Partnership (CA Secretary of State form LP-1).

Amendment to Certificate of Limited Partnership (CA Secretary of State form LP-2) if applicable.

Certificate of Correction (CA Secretary of State form LP-2) if applicable.

Limited Partnership Agreement (CA Corp. Code **§15901.02(x) and 15901.10**).

Amended and Restated Limited Partnership Agreement.

Certificate of Good Standing certified by Secretary of State.

### Tribal Entity

Tribe Formation Documents (Constitution, Charters, etc.).

Federal Register of Indian Entities Recognized (81 Fed Reg. 26826) if applicable.

BIA Federal Acknowledgment Petitioner List (CFR Section 83.1 of Title 25) if applicable.

Contact List maintained by the Native American Heritage Commission (GC Section 65352.3) if applicable.

## Full list of Uploads

FILE NAME	FILE DESCRIPTION
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### HCD Excel Application

001. AHSC Application Workbook	AHSC Application Excel Workbook.	Included
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### Project Overview

002. Tribal Entity Waiver	Modifications or waivers as provided for in HSC §50406, subdivision (p) (Assembly Bill 1010, Chapter 660, Statutes of 2019)	Not Applicable
003. Indian Country Verification	Documentation verifying land is located in Indian Country as defined by 18 USC 1151.	Not Applicable
004. Fee or Trust Land Verification	Documentation verifying land is located on Fee or Trust Land.	Not Applicable
005. Tribal Land Use Approvals or Entitlements	Provide documentation for all land use approvals or entitlements required by tribal law.	Not Applicable
006. AB 1550 (BAT)	<a href="#">Applicable CARB Priority Population Benefit Assessment Tools (BAT)</a>	Included
007. FBH Proposal	Proposal from Factory-Built Housing provider	Not Applicable
<a href="#">008. Project Area Map</a>	Map the items as outlined in the Project Area Mapping Guide. Items marked with <b>(PAM)</b> in this application must be identified on the Project Area Map <b>(PAM)</b> " File must be submitted in a KML/KMZ format.	Included
009. SCS Consistency Confirmation	Document from MPO or equivalent planning agency confirming consistency with activities or strategies identified in the SCS, APS, or equivalent planning document that demonstrates a per capita reduction in VMT and GHG, per §103.1(f)(1).	Included
010. Master Development Plan	For AHD's that are part of a master-planned development provide the master development plan and any amendments.	Not Applicable
011. Joint Use Agreement	For AHD's that are part of a master-planned development provide the joint use agreement which demonstrates shared costs amongst all phases.	Not Applicable
012. Opportunity Area	Documentation of TCAC/HCD Opportunity Area status either (1) at time of application, or (2) when initial site control (pursuant to UMR §8303(a)) was obtained, if a TCAC/HCD Opportunity Area Map exists for that year.	Included
013. Tax Credit Reservation Letter	If the Project has already received a tax credit reservation, upload documentation.	Not Applicable
014. Project Demolition	Provide a copy of the written order issued by a state or local governmental agency.	Not Applicable
015. PNA and/or CNA	PNA and/or CNA prepared by a qualified independent third party contractor. (rehab only)	Not Applicable
016. Rent Roll	Current rent roll, including household income & size for each unit. (rehab only)	Not Applicable
017. Lead Based Paint	Lead Based Paint Report. (for structures built prior to 1978) (rehab only)	Not Applicable
018. Mold Report	Mold Report. (rehab only)	Not Applicable
019. Asbestos Report	Asbestos Report (for structures built prior to 1978) (rehab only).	Not Applicable
020. Relocation Plan	Applicants must provide a Relocation Plan prepared by an independent third party.	Not Applicable
021. AHD Site Control	Documentation of site control in accordance with UMR §8303, including a summary explanation of site control and values for applications with multiple or non-contiguous parcels, scattered sites, lot line adjustments, phased projects, or other complex land and acquisition transactions.	Included
022. AHD Preliminary Title Report	Preliminary Title Report, that is prepared or updated no earlier than 30 days prior to the application due date for the AHD Project.	Included
023. AHD Site Control Org Docs	Where Site Control is in the name of another entity, documentation, which clearly demonstrates the Applicant control (i.e., the entity's organizational documents), is required.	Included
024. AHD Phase I Environmental Site Assessment	Submit a Phase I ESA, prepared or updated no earlier than 12 months prior to the application due date. If the Phase I ESA reveals known or potential contamination, a Phase II ESA will be required. Tribal Entity Applicant is exempt when proposing a Capital Project located in Indian Country.	Included
025. AHD Phase II Environmental Site Assessment	Submit a Phase II ESA prepared or updated no earlier than 12 months prior to the application due date if the Phase I ESA reveals known or potential contamination. Tribal Entity Applicant is exempt when proposing a Capital Project located in Indian Country.	Included
026. AHD Local Approvals	Local Approvals and Environmental Review Verification form(s) completed and signed by local authority or Responsible Entity, if different from jurisdiction.	Included
027. AHD Environmental CEQA	Copy of all environmental clearances (e.g. Environmental Impact Report).	Included
028. AHD Environmental Exemption	Verification from the locality approving the exemption (e.g. Resolution).	Not Applicable
029. AHD No Ag	Demonstrate the AHD site is not within land designated as Agricultural Land per FMMP tool.	Included

030. AHD Ag Exempt	Applicants seeking an exemption to the FMMP determination must demonstrate that the AHD Project site qualifies as an Infill Site.	Not Applicable
031. HRI Offsite No Ag	Demonstrate the HRI site is not within land designated as Agricultural Land per FMMP tool.	Included
032. HRI Offsite Ag Exempt	Applicants seeking an exemption to the FMMP determination must demonstrate that the HRI Project site qualifies as an Infill Site.	Not Applicable
033. Current Contract Rents	Projects proposing project-based rental assistance: Provide documentation of current contract rents for HAP, Shelter Plus or other source, as applicable.	Included
034. Operating Subsidy Commitment	Documentation evidencing commitment of Operating Subsidies including source, term (in years), total subsidy amount, and estimated first year allocation.	Included
035. Utility allowance	Schedule of utility allowances.	Included
036. Rural Planned Transit Letter	If proposing planned transit the Applicant must submit a letter on transit agency letterhead signed by an authorized signatory affirming that the planned Transit Station/Stop will be served by transit service that meets the criteria of Qualifying Transit or High Quality Transit and will be operational by the AHD certificate of occupancy issuance.	Not Applicable
037. Rural Status Determination	TCAC Method for determining rural status.	Not Applicable
038. Transit Service Map	Provide the Published Transit Service Map of the Qualifying Transit line.	Included
039. Transit Service Schedule	Upload the service schedule for Qualifying Transit only. All transit service schedules should be uploaded to "Transit Service Schedule" as one document.	Included
040. Net Density Verification	Letter and sealed site map certified by a California State-licensed professional (e.g., an engineer, surveyor, or landscape architect) confirming the net density.	Included
041. All Electric Design	Document affirming that the proposed Affordable Housing Development, or Mixed-Use Development in the case that non-residential uses are included, are powered entirely through electricity with no connections to natural gas infrastructure.	Included
042. Internet Service (other funding source)	If using another funding source to fund the required internet service, name the other source and the amount with developer Applicant signature.	Included
043. AHD-HRI Market Study	Provide a completed market study prepared within one year of the application due date and consistent with MHP guidelines §7309(c).	Included
044. SFH Lease Addendum	Submit a draft of the development's Smoke Free Housing lease addendum.	Included
045. HRI-1 / HRI-2 Agreement/Letter	Provide an executed agreement or letter with the Locality or transportation agency detailing the work agreed upon for the completion of the HRI components.	Not Applicable
046. HRI-1 / HRI-2 Past Exp	An executed agreement from a public works or other Locality department certifying the satisfactory completion of similar infrastructure improvements.	Not Applicable
047. HRI-1 / HRI-2 Site Control	Appropriate documentation to demonstrate the form of site control indicated for HRI. (Offsite or No AHD funds requested only)	Not Applicable
048. HRI-1 / HRI-2 Environmental	Copy of all environmental reports and clearances (e.g. EIR, Phase 1 Notice of Exemption). (Offsite or No AHD funds requested only)	Not Applicable
049. HRI-1 / HRI-2 Cap Improvements Req	Documentation from a Locality, transit agency or special district that capital improvements are required.	Not Applicable
050. HRI-1 / HRI-2 Impact	Letter from Locality identifying impact fees associated with the proposed HRI Capital Project.	Not Applicable
051. HRI-1 / HRI-2 Onsite Energy Storage	Documentation certified by an energy consultant or architect.	Not Applicable
052. HRI-1 / HRI-2 Local Approvals	Statement from entity indicating the HRI Capital Project is consistent with all applicable local rules, regulations, codes, policies and plans enforced or implemented by that entity. (Offsite or No AHD funds requested only)	Not Applicable

### Applicants

053. App1 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included
054. App1 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Included
<a href="#">055. Past Exp TCAC List AHD1</a>	For CA Tax Credit Projects provide copy of the TCAC Project Mapping list identifying the project used for experience.	Included
056. Past Exp RA AHD1	Non-Tax Credit Projects Regulatory Agreement.	Not Applicable
<a href="#">057. Past Exp TCAC List AHD2</a>	For CA Tax Credit Projects provide copy of the TCAC Project Mapping list identifying the project used for experience.	Included
058. Past Exp RA AHD2	Non-Tax Credit Projects Regulatory Agreement.	Not Applicable
059. Public Agency Commitment	For Projects where the Public Agency is not a joint Applicant: Provide a commitment to enter into a contractual agreement to develop the Project.	Included
060. App2 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included

061. App2 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable
062. App3 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable
063. App3 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable
064. App4 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable
065. App4 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable
066. Owner Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included
067. Owner OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Included
068. Owner Org Chart	Project Ownership Structure	Included
069. MGP Cert & Legal	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included
070. MGP OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Included
071. AGP1 Cert & Legal	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable
072. AGP1 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable
073. AGP2 Cert & Legal	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable
074. AGP2 OrgDoc1, OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable

#### Operating

075. Op Exp Compare	Submit at least 3 operating expense comparables for similar projects located in the same market area. Projects should be affordable housing projects similar in size, type, amenities, and population to the proposed project. One comparable may be submitted for a 100% market rate Project if unable to locate affordable housing comparables. The most recent two years audited statements for each comparable is preferred, if available. Additional information may be required.	Included
076. Hazard Insurance Quote	Provide a hazard insurance quote or other documentation to support insurance costs included in the Operating Budget.	Included

#### STI Project Overview

077. STI-1 Agreement/Letter, STI-2 etc.	Provide an executed agreement with the Locality or transportation agency detailing the work agreed upon for the completion of the STI components.	Not Applicable
078. STI-1 Past Exp, STI-2 etc.	Where the party making improvements funded by AHSC is not a public entity, an executed agreement from a public agency certifying the satisfactory completion of similar infrastructure improvements.	Not Applicable
079. STI-1 Site Control, STI-2 etc.	Appropriate documentation to demonstrate the form of site control indicated.	Included
080. STI Environmental	If available at time of application, copy of all environmental clearances (e.g. Environmental Impact Report) or Notice of Exemption.	Included
081. STI Local Approvals	Statement from entity indicating the STI Capital Project is consistent with all applicable local rules, regulations, codes, policies and plans enforced or implemented by that entity.	Included
082. STI No Ag	Demonstrate the STI site is not within land designated as Agricultural Land per FMMP tool.	Included
083. STI Ag Exempt	Applicants seeking an exemption to the FMMP determination must demonstrate that the STI Project site qualifies as an Infill Site.	Not Applicable
084. STI-1 EFC, STI-2 etc.	Supporting documentation for the non-AHSC STI funding commitments.	Included
085. STI Cap Project Costs	Documentation showing Capital Project costs are required as a condition of local approval for STI.	Not Applicable

#### PGM Project Overview

086. PGM-1 EFC, PGM-2 etc.	Supporting documentation for the non-AHSC PGM funding commitments.	Not Applicable
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#### Certifications Sheet/Tab

087. AB 680 Exemption Fed Award	Copy of the federal grant award letter, loan agreement, or contract.	Not Applicable
088. AB 680 Exemption Fed Allocation	Proof of federal fund disbursement or allocation (e.g., a receipt or official funding report).	Not Applicable
089. AB 680 Exemption Fed Narrative	Brief narrative explanation of how the federal funding is directly related to the project.	Not Applicable
090. AB 680 Exemption Conduct Research	A narrative including 1) a justification that research activities are a primary and necessary purpose of the Project (one page minimum) and 2) a summary of research including objectives and methods.	Not Applicable

<a href="#">091. AB 680 Exemption Tech Assistance</a>	A narrative including 1) a summary of technical assistance to be provided including goals, target population, and services; 2) a justification that technical assistance is a primary and necessary purpose of the Project (one page minimum); and 3) a description of alignment with the Strategic Growth Council's definition of Technical Assistance.	Not Applicable
092. AB 680 Exemption Not Employer	A signed statement that the Applicant is not an employer, as defined in the CCI Funding Guidelines.	Not Applicable
093. AB 680 Not Exempt Attestation	Attestation confirming compliance with applicable labor laws and labor-related commitments.	Not Applicable
094. AB 680 Not Exempt Emp Policy	Provide the Applicant's responsible employer policy.	Not Applicable
095. AB 680 Not Exempt Inclusive Proc Policy	Provide the inclusive procurement policy that outlines approach to prioritizing bids from entities that demonstrate the creation of high quality jobs, or the creation of jobs in Priority Populations or California tribes.	Not Applicable
096. AB 680 Not Exempt Prev Wage Stmt	Signed statement that the Applicant will comply with prevailing wage requirements for any construction work associated with the Project.	Not Applicable
097. AB 680 Not Exempt CWA	Copy of existing CWA that includes a targeted hire plan demonstrating how the applicant will provide high quality jobs for priority populations or California tribes and how the applicant will ensure access to high quality jobs. - OR- Letter of intent detailing CWA provisions and signed by all anticipated parties to the agreement	Not Applicable

### Quantitative Policy Scoring Sheet/Tab

098. Local Transit Route Improvements	Identify on Project Area Map ( <b>PAM</b> ) or provide scope of work identifying the proposed locations for the improvements to the local transit route identified in <a href="#">§111 Quantitative Policy Scoring (a)(5)</a> along the one transit route. If improving multiple transit routes, provide one map for each of the routes.	Included
099. Housing and Transportation Collaboration	Provide evidence that the Project is part of a related Strategic Growth Council project, or located within an environmentally cleared High Speed Rail Station Planning Area as identified in <a href="#">§111 Quantitative Policy Scoring (b)(2)(A-B)</a> .	Not Applicable
100. Publicly-Owned Land-Ownership	Provide evidence that the Project is on land directly acquired from a state agency or any land declared as Surplus Land by a local agency as identified in <a href="#">§111 Quantitative Policy Scoring (b)(2)(C-D)</a> . For Projects on Surplus Land ONLY, provide an exempt surplus findings letter or standard surplus disposition findings letter from HCD. See <a href="#">§111 Quantitative Policy Scoring (b)(2)(D)(i)</a> .	Included
101. BMR Disposition	If Excess Land, provide evidence of below-market disposition of the site by a public agency. If Surplus or Exempt Surplus Land pursuing points for BMR disposition, provide evidence of below-market disposition of the site by a public agency. For public lands disposed of by the State pursuant to <a href="#">Executive Order N-06-19</a> , submission of an Exclusive Negotiating Agreement or Lease Option Agreement entered into by the sponsor and the Department of General Services with the consent of the Department of Housing and Community Development is sufficient evidence of a land donation or equivalent.	Included
102. EFC AHD HRI1; EFC AHD HRI2; EFC AHD HRI3; etc.	Provide all commitment letters or other evidence documenting deferred payment permanent financing and operating subsidy commitments, plus Equity Investor if known at time of application.	Included
103. AD Commitment Letter	All proposals in partnership with a non-profit or locality must complete the AHSC Commitment Letter Template (available on AHSC Guidelines page) to describe how each program or activity will be implemented.	Included
104. Assessment Housing Needs	Optional: Applicants may submit the AHSC Anti Displacement Tool or reference the jurisdiction's housing element, other research, community feedback, or other existing documents to develop an assessment of the housing needs and displacement vulnerability for the communities overlapping the Project Area.	Included
105. Workforce Strategy A	Partnership with a Workforce Development Organization or a Workforce Development Board: Applicants must provide the following requested in <a href="#">§111 Quantitative Policy Scoring (e)(1)(A)</a> and verifiable documentation in a letter jointly signed by the Applicant and the external organization.	Included
106. Workforce Strategy B	Project is bound by a Skilled and Trained Workforce Commitment: Applicants must provide the following requested in <a href="#">§111 Quantitative Policy Scoring (e)(1)(B)</a> and verifiable documentation in a letter jointly signed by the Applicant and the external organization.	Not Applicable
107. Workforce Strategy C	Projects that have developed a Project Labor or Community Workforce Agreement: submit the information and verifiable documentation requested in <a href="#">§111 Quantitative Policy Scoring (e)(1)(C)</a> in a letter jointly signed by the Applicant and external organization.	Not Applicable
108. Workforce Strategy D	Projects that are located in jurisdictions with Local Hire Ordinances: submit the information and verifiable documentation requested in <a href="#">§111 Quantitative Policy Scoring (e)(1)(D)</a> in a letter.	Included

### Narrative-Based Policy Scoring

109. Narrative Prompts	Provide a response to each prompt as outlined in the <a href="#">Narrative Prompts document</a> . The responses must be uploaded as a PDF and must follow the stated word counts. See Narrative Scoring Rubric document for guidance in completing Narratives.	Included
110. Climate Matrix	<a href="#">AHSC Round 9 Climate Adaptation Assessment Matrix</a> .	Included
111. Cal-Adapt Report	Provide Cal-Adapt Local Climate Change Snapshot Report. See Climate Matrix Table 1 for instructions on how to generate.	Included
112. CalEnviroscreen 4.0 Map	Provide CalEnviroscreen 4.0 Map displaying the indicators of the AHD site. See Climate Matrix Table 1 for instructions on how to generate.	Included
113. BAM Floodplain	Provide BAM Floodplain Information Printout. See Climate Matrix Table 1 for instructions on how to generate.	Included
114. Green Building Status	Provide a signed letter from the Project architect, energy analyst, and/or sustainability consultant stating the commitment to achieve green building status beyond State mandatory building code. Specify the Certification the AHD commits to. As available, applicants can list the adaptive measures from the Climate Matrix that are part of the preliminary score, prerequisite(s), and/or checklist for the Green Building status.	Included
115. Fire Hazard Severity Zone	Provide a screenshot of the Fire Hazard Severity Zone of the AHD. See Climate Matrix Table 1 for instructions on how to generate.	Included
116. Wildfire Risk Tool	Provide a screenshot of the Wildfire Risk of the community around the AHD. See Climate Matrix Table 1 for instructions on how to generate.	Included
117. OCOF Hazard Map	For Coastal Counties only, provide a screenshot of the Flooding and Maximum sea-level rise from the OCOF tool. See Climate Matrix Table 1 for instructions on how to generate.	Included
118. Cal-Heat Tool	Provide the Screenshot from the Cal-Heat Health Action Index. See Climate Matrix Table 1 for instructions on how to generate	Included
119. Community Tracker	<a href="#">Provide a completed AHSC Round 9 Community Engagement Tracker</a> .	Included
120. Community Needs	Letter of support from local community-based, grassroots organization describing the community engagement process and how feedback from local residents was incorporated into the Project.	Included
121. Future Engagement	Optional: Submit supporting documentation to demonstrate future engagement with either a CBO or residents (i.e. any engagement plans, agreements, etc.). Can be included as part of the Community Needs upload if it is the same CBO.	Included
122. Local Planning Efforts	Applicants should link the relevant plans as available in Table 1 under "Local Planning Efforts" in the Narrative Prompts document. If a link is not available, then Applicants should provide a single PDF with the cover page of the plan and relevant pages of the plans referenced in the Local Planning Efforts Section.	Included
123. Site Plan	Provide the most current site plan.	Included

#### CARB GHG & Co-Benefits Quantification

<a href="#">124. AHSC Benefits Calculator Tool</a>	Completed AHSC Benefits Calculator Tool, with worksheets applicable to the Project and all fields in the GHG Summary and Co-benefits Summary tabs populated.	Included
<a href="#">125. GHG Affordable Housing Inputs</a>	Signed letter from the AHD Project Developer documenting inputs in the Affordable Housing Tab of the AHSC Benefits Calculator Tool. Follow this link for specific requirements and template.	Included
<a href="#">126. GHG Shared Mobility Inputs</a>	Signed letter from shared mobility provider documenting inputs in the Shared Mobility Tab of the AHSC Benefits Calculator Tool. Follow this link for specific requirements and template.	Included
<a href="#">127. GHG Solar PV Inputs</a>	Signed letter from licensed professional documenting inputs in the Solar PV Inputs Tab of the AHSC Benefits Calculator Tool and results from PVWatts Calculator. Follow this link for specific requirements and template.	Not Applicable
<a href="#">128. GHG Transit Inputs</a>	Signed letter from transit agency documenting inputs in the Transit Inputs Tab of the AHSC Benefits Calculator Tool. Follow this link for specific requirements and template.	Included

#### Additional Documents

129. Service Amenity List	Projects that do not include Special Needs Units shall provide service amenities sufficient to achieve a minimum score of 7 points pursuant to TCAC Regulations, as set forth in CCR Title 4 Section 10325(c)(4)(B) List of service amenities qualifying for TCAC points, include service amenity name, number of service hours, and amount of TCAC points earned.	Not Applicable
130. AHD Appraisal	If land cost or value is included in the development budget, an appraisal report supporting the cost or value is required.	Included
131. Construction EFC	Provide all commitment letters or other evidence documenting construction financing commitments.	Included

132. Cert-Legal Explanation	Letter of Explanation(s) for Certification & Legal "Yes" answers, red shaded items, or as clarification deemed necessary by the Applicant(s) for information included in this application.	Included
133. LOE	Submit a letter of explanation providing details for all "Not Included" answers that are shaded red in the application.	Not Applicable

**END OF DOCUMENT**

<b>Application Development Team (ADT) Support Form</b>	V1 3/25/25
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Please complete the "yellow" cells in the form below and email along with a copy of the application workbook to: [AHSC@hcd.ca.gov](mailto:AHSC@hcd.ca.gov). A member of the Application Development Team will respond to your request.

Full Name:		Date Requested:		Application Version Date:	3/25/25
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Organization:		Email:		Contact Phone:	
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Issue #	Sheet/Tab name	Section	Cell#	Describe the issue/error or suggestion	Urgency	ADT Status	Status Date
1							
2							
3							
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5							
6							
7							
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9							
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## NOTICE OF FINAL APPROVAL OF AN SB 35 PROJECT

*Date:* 5/31/2023  
*BPA No.:* 202211045959  
*Planning Record No.* **2022-009171PRJ**  
*Project Address:* **1939 MARKET ST**  
*Zoning:* NCT-3 - MODERATE SCALE NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICT  
85-X Height and Bulk District  
*Cultural Districts:* None  
*Block/Lot:* 3501 / 006 and 007  
*Project Sponsor:* Clare Murphy  
Mercy Housing California  
1256 Market Street  
San Francisco, CA 94103  
*Staff Contact:* Jeffrey Horn - 628-652-7366  
[Jeffrey.Horn@sfgov.org](mailto:Jeffrey.Horn@sfgov.org)

### Project Description

The proposed project consists of a 159-foot tall, 15-story multi-family residential building, with a total of 187 affordable apartments for seniors (a mix of studio, one-bedroom and two-bedroom units), residential interior amenity spaces and outdoor spaces. The building's ground floor includes a 1,524 square foot commercial space, residential lobby and mailroom, and residential service offices. The project includes on-site bike parking, and no on-site vehicle parking.

### Background

California Senate Bill 35 (SB-35) was signed by Governor Jerry Brown on September 29, 2017 and became effective January 1, 2018. SB-35 applies in cities that are not meeting their Regional Housing Need Allocation (RHNA) goal for construction of above-moderate income housing and/or housing for households below 80% area median income (AMI). SB-35 amends Government Code Section 65913.4 to require local entities to streamline the approval of certain housing projects by providing a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for Conditional Use Authorization or other similar discretionary entitlements granted by a Planning Commission.

Roselie Enriquez Ledda submitted an SB-35 Application for the project at 1939 Market Street on November 8, 2022. On December 17, 2022, department staff determined that the SB-35 Application was complete, and that the proposed project was eligible for SB-35.

The Planning Director did not request a Planning Commission Hearing or Historic Preservation Commission Hearing for this project.

## Project Approval

The Project Sponsor seeks to proceed pursuant to Planning Code Section 206.6, Individually Requested State Density Bonus Law, Government Code Section 65915 et seq (the “State Law”). Under subsection 65915(b)(1)(G) of the State Law, a housing development that provides 100 percent of the total units for lower income households is entitled to four concessions and incentives that result in identifiable and actual cost reductions to provide for affordable housing costs. Such project, when located within one-half mile of a major transit stop, shall be relieved of maximum density controls and shall also receive a 50% gross floor area bonus, and unlimited waivers from development standards that might otherwise preclude the construction of the project are permitted under this subsection of the State Law.

Since the Project Sponsor is providing 187 units of housing affordable to low-income households, and the project is located within one-half mile of a major transit stop, the project is not subject to any maximum control on density and is entitled to receive up to four concessions/incentives, a 50% gross floor area bonus, and unlimited waivers. The project sponsor is requesting one concession/incentive from the development standards for transparency and fenestration (Planning Code Section 145.1(c)(6)). The project has requested waivers from the development standards for height ( Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152).

## Concessions and Incentives

The project has requested a concession/incentive from the development standards for transparency and fenestration (Planning Code Section 145.1(c)(6)). Pursuant to Planning Code Section 206.6, the Department shall grant the concession or incentive requested by the applicant unless the Department makes a written finding, based upon substantial evidence, of any of the following:

- A. The concession or incentive does not result in identifiable and actual cost reductions, consistent with subdivision (k), to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

*Transparency and Fenestration* Planning Code Section 145.1(c)(6) requires that frontages with active uses have transparent windows and/or doorways for no less than 60% of the street frontage at the ground level to allow visibility to the inside of buildings. The Project proposes commercial and accessory residential uses at the ground floor along the Market Street frontage and commercial and building service uses along the Duboce Avenue frontage. Of the 2,861 square feet of area at ground floor frontage along Duboce Avenue, 665.5 feet of area (or 23%) would be provided as qualifying active uses with transparent fenestration. Strict compliance with this section of the Planning Code would require the developer to construct a basement level to provide an area for the relocated building services. The relocation of non-active uses and the addition of basement level to the

*building would result in an overall cost increase of \$6,500,000. Without an incentive or concession from the Planning Code's transparency and fenestration requirements, the Project and accompanying density bonus would not be feasible.*

- B. The concession or incentive would have a specific, adverse impact, as defined in paragraph upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households.

*The requested concession/incentive from the development standards transparency and fenestration at the street frontage (Planning Code Section 145.1(c)(6)) would not result in a specific, adverse impact to public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources.*

- C. The concession or incentive would be contrary to state or federal law.

*The requested concession/incentive from the development standard for transparency and fenestration at the street frontage (Planning Code Section 145.1(c)(6)) would not be contrary to state or federal law.*

## Waivers

The Planning Department may waive any development standard that will have the effect of physically precluding the construction of a development at the densities or with the concessions or incentives permitted by the State Density Bonus Law. The Department is not required to waive or reduce development standards if the waiver or reduction would have a specific, adverse impact upon health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. The Department is not required to waive or reduce development standards that would have an adverse impact on any real property that is listed in the California Register of Historical Resources, or to grant any waiver or reduction that would be contrary to state or federal law.

The project has requested waivers from the development standards for height (Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial uses (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152).

- A. The waiver is not required to permit the construction of the project meeting the density permitted or with the Concessions and Incentives permitted under Planning Code Section 206.6.

*Heighty* Per Planning Code Section 260, the maximum height limit for the subject property is 85 feet. The Project proposes a 159-foot-tall building to accommodate additional affordable units. Limiting the height of the building to 85 feet as allowed under Planning Code Section 260 would reduce the number of dwelling units by approximately half of the total units that are currently proposed, thus the project is eligible for the Waiver.

**Rear Yard** Per Planning Code Section 134, the Project is required to provide a Rear Yard equal to 25% of the depth of the lot, to be provided at the lowest story containing a dwelling unit and at each succeeding level or story of the building. The Project proposes to relocate and reconfigure the required Rear Yard to the southern corner of the triangular shaped parcel. The relocated rear yard allows for a double-loaded corridor layout of the residential floors, which simplifies the geometry of the building and efficiently maximizes the use of the interior space, allowing the building to contain the number of dwelling housing units currently proposed, and thus is an eligible Waiver.

**Open Space** The requested waiver from usable open space further allows the project to add dwelling units at the project site. 1,592 square feet of common usable open space is provided, approximately seventeen percent of the square footage required, and is maximized in a common area at the podium's roof deck. Providing private open space in the form of balconies or additional common space in the form of a roof deck is financially and operationally infeasible, as it would preclude the construction of the proposed new building.

**Active Uses** Planning Code Section 145.1(c)(3) requires that space for active uses be provided within the first 25 feet of building depth at the ground floor and the first 15 feet on floors above from any façade facing a street at least 30 feet wide. Active uses includes any principal, conditional, or accessory use that by its nature does not require non-transparent walls facing a public street or involves the storage of goods or vehicles, and in residential buildings, spaces accessory to residential uses, such as fitness or community rooms, are considered active uses only if they meet the intent of this section and have access directly to the public sidewalk or street, and building lobbies are considered active uses, so long as they do not exceed 40 feet or 25 percent of building frontage, whichever is larger. The project's frontage along Market Street will contain a residential lobby, and offices for building management and resident services that comprise a total of 100 linear feet (63%) and the Duboce frontage will contain 106 linear feet (59%) of mechanical and operational building services with non-transparent walls. Strict compliance with this section of the Planning Code would require the developer to either make alterations to the ground floor levels to be consistent with Ground Floor Residential Design Guidelines, or create a basement level to relocate building services, or relocate resident service uses to a higher floor, which would reduce the residential area for and decrease the overall number of residential units.

**Ground Floor Commercial Uses** Per Planning Code Section 145.4, street frontages on Market Street located within an NCT-3 District shall be developed at the ground floor with active commercial uses. The project's frontage along Market Street will contain the residential lobby, and offices for building management and resident services that comprise a total of 100 linear feet (63%) and are not considered active commercial uses. Strict compliance with this section of the Planning Code would require the developer to relocate resident service uses to a higher floor, which would reduce the residential area and decrease the overall number of residential units.

**Off-Street Loading** Per Planning Code Section 152.1, the Project must provide one off-street loading space. The Project does not provide any off-street loading spaces. The inclusion of an off-street loading space would require the relocation of ground floor resident services to an upper floor of the building, which would result in the loss of residential area needed to provide the number of units currently proposed. Additionally, site constraints including the lot shape and restrictions on modifications of the street frontage make an off-street loading space that meets the dimensional and locational standards of Planning Code Sections 152.1 infeasible without requiring relocation of resident services such that at least one (1) dwelling unit would be lost.

- B. The waiver would have a specific, adverse impact, as defined in paragraph upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households.

*The requested waivers from the development standards for height (Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial uses (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152) would not result in a specific, adverse impact to public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources.*

- C. The waiver would be contrary to state or federal law.

*The requested waivers from the development standards for height (Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial uses (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152) would not be contrary to state or federal law.*

The Department has determined that the project meets all the objective standards of the Planning Code and has completed design review of the project. The project has been approved in accordance with the provisions of SB-35, as recorded in Building Permit Application No. 202211045959.



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 · Fax: 415.252.3112

### Filing Information

**Record Number**

SFEC126F0001063

**Status**

BOS Legislative Clerk Acceptance

**SFEC126f Form Type**

126f4 BOS

**File Number (BOS)**

260183

**Type of Filing**

Original

## Contractor Information

**Contractor Name**

Mercy Housing California

**Contractor Email**

sean.wils@mercyhousing.org

**Contractor Phone #**

(415) 355-7152

**International Address?**

No

**Contractor Address (US)**

1256 Market St

**Contractor City and State**

San Francisco - CA

**Contractor Zip Code**

94102

**Country**

United States of America

## Contract Information

**Contract Amount**

\$12,579,100.00

**Description of Amount of Contract**

AHSC award of funding for public infrastructure, as applied for by Mercy Housing California for 1939 Market Street.

**Contract Description**

AHSC award of funding for public infrastructure, as applied for by Mercy Housing California for 1939 Market Street.

## City Agency - Departmental Contact Information

**Departmental Contact**

Thomas Graves Jr

**Departmental Contact Phone #**

(628) 652-5855

**Full Department Name**

MYR - Mayor's Office

**Agency Contact Email**

matthew.graves@sfgov.org

## Contract Approval

**Mayoral Approval Not Required**

false

### Affiliates and subcontractors

Entity Type	First Name	Last Name	Entity or Sub/Contractor Name
CEO	Ismael	Guerrero	Mercy Housing California 109, L.P.
CFO	Angela	Bruno	Mercy Housing California 109, L.P.
COO	Jeffrey	Kohler	Mercy Housing California 109, L.P.
Other Principal Officer	James	Alexander	Mercy Housing California 109, L.P.

**Mayor's Office of Housing and Community Development**  
City and County of San Francisco



**Daniel Lurie**  
Mayor

**Daniel Adams**  
Director

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**From:** Benjamin McCloskey, Deputy Director Mayor's Office of Housing and Community Development

**DATE:** January 26, 2026

**SUBJECT:** Accept and Expend Resolution for Affordable Housing and Sustainable Communities (AHSC) Program at 1939 Market Street

**GRANT TITLE:** Affordable Housing and Sustainable Communities Program – 1939 Market Street

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Attached please find the original and 2 copies of each of the following:

- X Proposed resolution; original signed by Department, Mayor, Controller
- X Grant information form
- X Grant budget
- X Ethics Form 126
- X Grant application
- X Grant award letter from funding agency
- X Grant agreement

N/A Other (Explain):

Departmental representative to receive a copy of the adopted resolution:

Name: Benjamin McCloskey  
Phone: 415-701-5575  
Interoffice Mail Address: Benjamin.McCloskey@sfgov.org  
Certified copy required Yes

No

OFFICE OF THE MAYOR  
SAN FRANCISCO



DANIEL LURIE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Dexter Darmali, Legislative & Ethics Secretary  
RE: Accept and Expend Grant - California Department of Housing and Community Development  
Affordable Housing and Sustainable Communities Program - 1939 Market - \$47,579,100  
DATE: February 24, 2026

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Resolution authorizing the Mayor's Office of Housing and Community Development ("MOHCD") to execute the Standard Agreements with the California Department of Housing and Community Development ("HCD") under the Affordable Housing and Sustainable Communities Program for a total award of \$47,579,100, including \$35,000,000 disbursed by HCD as a loan to Mercy Housing California 109, L.P. for a 100% affordable housing project at 1939 Market and \$12,579,100 to be disbursed as a grant to the City for public transportation improvements near 1939 Market Street, for the period starting on the execution date of the Standard Agreement through December 10, 2080; authorizing MOHCD to accept and expend the grant of up to \$12,579,100 for transportation, streetscape and pedestrian improvements and other transit oriented programming and improvement as approved by HCD.

Should you have any questions, please contact Adam Thongsavat at [adam.thongsavat@sfgov.org](mailto:adam.thongsavat@sfgov.org)