

File No. 210817

Committee Item No. 9

Board Item No. 15

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date July 28, 2021

Board of Supervisors Meeting

Date September 7, 2021

### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" 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 checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Award Letter                                 |
| <input 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 checked="" type="checkbox"/> | <u>Grant Program Amended Guidelines 2019</u>   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Memorandum of Agreement # 20/00-00</u>      |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <u>Department Presentation - July 28, 2021</u> |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
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Completed by: Linda Wong

Date July 23, 2021

Completed by: Linda Wong

Date August 10, 2021

1 [Accept and Expend Grant - California Department of Housing and Community Development  
2 Infill Infrastructure Grant Program - Treasure Island - \$30,000,000]

3 **Resolution authorizing the Treasure Island Development Authority (“Authority”) to**  
4 **execute a Standard Agreement with the California Department of Housing and**  
5 **Community Development (“HCD”) under the Infill Infrastructure Grant Program for a**  
6 **total award of \$30,000,000 for Qualifying Infill Projects on Treasure Island and Yerba**  
7 **Buena Island, for the period starting on the execution of the Standard Agreement to**  
8 **June 30, 2028; authorizing the Authority to accept and expend the grant of \$30,000,000**  
9 **for Capital Infrastructure Improvements approved by HCD consistent with the**  
10 **Authority’s Application; and authorizing the Authority to execute additional documents**  
11 **that are necessary or appropriate to accept and expend the IIG Program funds**  
12 **consistent with this Resolution, as defined herein.**

13  
14 WHEREAS, Former Naval Station Treasure Island is a military base located on  
15 Treasure Island and Yerba Buena Island (together, the "Base"); and

16 WHEREAS, The Base was selected for closure and disposition by the Base  
17 Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its  
18 subsequent amendments; and

19 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,  
20 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit  
21 corporation known as the Treasure Island Development Authority (the "Authority") to act as a  
22 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and  
23 conversion of the Base for the public interest, convenience, welfare and common benefit of  
24  
25

1 the inhabitants of the City and County of San Francisco, which is on file with the Clerk of the  
2 Board of Supervisors and is incorporated herein by reference; and

3 WHEREAS, The Authority, acting by and through its Board of Directors (the "Authority  
4 Board"), has the power, subject to applicable laws, to sell, lease, exchange, transfer, convey  
5 or otherwise grant interests in or rights to use or occupy all or any portion of the Base; and

6 WHEREAS, In 2003, Treasure Island Community Development, LLC (the "Master  
7 Developer") was selected as master developer for the Base following a competitive process;  
8 and

9 WHEREAS, The Authority, the Authority Board, the Treasure Island Citizens Advisory  
10 Board, the City, and the Master Developer worked for more than a decade to plan for the  
11 reuse and development of Treasure Island, and as a result of this community-based planning  
12 process, the Authority and Master Developer negotiated the Disposition and Development  
13 Agreement ("DDA") to govern the disposition and subsequent development of the proposed  
14 development project (the "Project"); and

15 WHEREAS, The Financing Plan, an exhibit to the DDA, calls for the Authority and  
16 Master Developer to work together to seek appropriate grants for the Project; and

17 WHEREAS, On April 21, 2011, in a joint session with the Planning Commission, the  
18 Authority Board unanimously approved a series of entitlement and transaction documents  
19 relating to the Project, including certain environmental findings under the California  
20 Environmental Quality Act ("CEQA"), Mitigation Monitoring and Reporting Program, and DOA  
21 and other transaction documents; and

22 WHEREAS, On June 7, 2011, the Board of Supervisors unanimously confirmed  
23 certification of the final environmental impact report and made certain environmental findings  
24 under CEQA (collectively, the "FEIR") by Resolution No. 246-11, which is on file with the Clerk  
25

1 of the Board of Supervisors and is incorporated herein by reference, and approved the ODA  
2 and other transaction documents; and

3 WHEREAS, The State of California Department of Housing and Community  
4 Development (“HCD”) issued a Notice of Funding Availability (“NOFA”) dated October 20,  
5 2019, under the Infill Infrastructure Grant (“IIG”) Program established under Division 31, Part  
6 12.5 of the Health and Safety Code commencing with Section 53559; and

7 WHEREAS, The HCD is authorized to approve funding allocations for the IIG Program,  
8 subject to the terms and conditions of the NOFA IIG Program Grant Guidelines adopted by  
9 the HCD on October 30, 2019 (“Program Guidelines”), an application package released by the  
10 HCD for the IIG Program (“Application Package”), and an IIG standard agreement with the  
11 State of California (“Standard Agreement”), the HCD is authorized to administer the approved  
12 funding allocations of the IIG Program; and

13 WHEREAS, The IIG Program provides infrastructure grants for Capital Improvement  
14 Projects in support of Qualifying Infill Project or Qualifying Infill Areas to applicants identified  
15 through a competitive process for the development of projects that, per the Program  
16 Guidelines, will support higher-density affordable and mixed-income housing and mixed use  
17 infill developments; and

18 WHEREAS, The Authority have consulted with the San Francisco Transportation  
19 Authority (“SFCTA”) and the Master Developer to develop the scope of work for the widening  
20 the existing Hillcrest Road, a Class II bike lane to complete the bicycle circulation network on  
21 Yerba Buena Island, a one-way 2-lane roadway with a dedicated bike path for the segments  
22 between the Westside Bridges project and the I-80 Tunnel Portal, removal of existing retaining  
23 walls, and construction of new retaining walls in the hillside above Hillcrest Road that will  
24 benefit residents, workers, and visitors to Treasure Island (“Capital Improvements”); and  
25



1           WHEREAS, The Board of Supervisors authorized the Authority to apply for IIG  
2 Program funds and submit an Application Package through Resolution No. 27-20; and

3           WHEREAS, Through an award letter dated June 23, 2020, the HCD made an award in  
4 the total amount of \$30,000,000 to be disbursed as a grant to the Authority for the Capital  
5 Improvements, pursuant to the Application Package submitted by the Authority, and a copy of  
6 the award letter and the Application Package are on file with the Clerk of the Board of  
7 Supervisors in File No. 210817; and

8           WHEREAS, The grant terms prohibit including indirect costs in the grant budget; and

9           WHEREAS, The Authority and the SFCTA will enter into Memorandum of Agreement  
10 for the completion of SFCTA work on the Capital Improvements as included in the Standard  
11 Agreement (the “MOA”); now, therefore, be it

12           RESOLVED, That the Board Supervisors authorizes the Authority to accept and  
13 expend the grant funds disbursed under a Standard Agreement; and, be it

14           FURTHER RESOLVED, That the Board of Supervisors approves and authorizes the  
15 Authority, in consultation with the City Attorney, to enter into a Standard Agreement with the  
16 HCD under terms and conditions approved by the City Attorney that IIG Program funds are to  
17 be used for allowable capital asset project expenditures identified in in the Application  
18 Package and Program Guidelines; and, be it

19           FURTHER RESOLVED, That the final version of the Standard Agreement with the  
20 HCD shall be provided to the Clerk of the Board of Supervisors for inclusion in the official file  
21 within 30 days (or as soon thereafter as final documents are available) of execution by all  
22 parties; and, be it

23           FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of  
24 indirect costs in the grant budget; and, be it

25

1           FURTHER RESOLVED, That the Board of Supervisors authorizes the Authority to  
2 execute and deliver any documents, including the MOA, and any amendments, that are  
3 necessary or appropriate to accept and expend the IIG Program funds and to use the funds  
4 for eligible capital assets as set forth in the Application Package, the NOFA and the Program  
5 Guidelines; and, be it

6           FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
7 heretofore taken are ratified, approved and confirmed by this Board of Supervisors.

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**File Number:** \_\_\_\_\_  
(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: **Infill Infrastructure Grant**
2. Department: **Treasure Island Development Authority (TIDA/ADM)**
3. Contact Person: **Jamie Querubin** Telephone: **(415) 844-0620**
4. Grant Approval Status (check one):  
 Approved by funding agency                       Not yet approved
5. Amount of Grant Funding Approved or Applied for: **\$30,000,000.00**
6. a. Matching Funds Required: \$ **N/A**  
b. Source(s) of matching funds (if applicable): **N/A**
7. a. Grant Source Agency: **California Department of Housing and Community Development**  
b. Grant Pass-Through Agency (if applicable): **N/A**
8. Proposed Grant Project Summary: **Grant proceeds will be dedicated to the development and construction of Qualified Infill Area on Treasure Island & Yerba Buena Island related to the development of housing on Treasure Island. The capital project consists of widening the existing Hillcrest Road, a Class II bike lane to complete the bicycle circulation network on Yerba Buena Island, and a one-way 2-lane roadway with a dedicated bike path between the Westside Bridges project and over the I-80 Tunnel Portal. The conceptual design includes removal of existing retaining walls and construction of new retaining walls set further into the steep hillside above Hillcrest Road, with design features to limit distractions to I-80 drivers.**
9. Grant Project Schedule, as allowed in approval documents, or as proposed:  
  
Start-Date: **TBD, depending on execution date of Standard Agreement**  
End-Date: **6/30/2028 (termination date of Standard Agreement)**
10. a. Amount budgeted for contractual services: **\$29,100,000**  
b. Will contractual services be put out to bid? **YES**  
c. If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements? **NO (Federal/State funds subject to Federal DBE requirements)**  
d. Is this likely to be a one-time or ongoing request for contracting out? **One-time**
11. a. Does the budget include indirect costs?  
 Yes                       No  
b. 1. If yes, how much? \$  
b. 2. How was the amount calculated?

- c. 1. If no, why are indirect costs not included?  
[ ] Not allowed by granting agency [X] To maximize use of grant funds on direct services  
[ ] Other (please explain):
- c. 2. If no indirect costs are included, what would have been the indirect costs?

12. Any other significant grant requirements or comments: **None.**

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

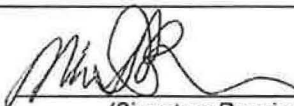
Please route accessibility review portions to DPW Disability Access Coordinators in advance of review deadlines, per (3) above.

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

Nicole Bohn  
\_\_\_\_\_  
(Name)

Director, Mayor's Office on Disability  
\_\_\_\_\_  
(Title)

Date Reviewed: April 27, 2021

  
\_\_\_\_\_  
(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Ken Bukowski  
\_\_\_\_\_  
(Name)

Deputy City Administrator  
\_\_\_\_\_  
(Title)

Date Reviewed: 4/30/21

  
\_\_\_\_\_  
(Signature Required)

**Treasure Island Development Authority - HCD Infill Infrastructure Grant (IIG) Budget**

IIG Grant Budget	AMOUNT
<b><u>SOURCES OF FUNDS</u></b>	
Infill Infrastructure Grant Proceeds	\$30,000,000
<b>TOTAL SOURCES</b>	<b>\$30,000,000</b>
<b><u>USES OF FUNDS (Hillcrest Widening / Class II Bike Lane / One 2-way Lane Roadway)</u></b>	
Total Roadway Items	\$7,800,000
Total Structure Items	\$10,900,000
Escalation to Fall 2022 (5%/yr)	\$2,890,000
Total Right of Way Items	\$258,000
Total Estimated Construction Cost	\$21,848,000
PE/Final Design by Consultant at 15%	\$3,210,000
Construction Management at 15%	\$3,210,000
Permit and Right-of-Way Approval at 4%	\$856,000
Transportation Authority Project Management	\$876,000
Total Estimated Soft Cost	\$8,152,000
<b>TOTAL USES</b>	<b>\$30,000,000</b>

**TOTAL IIG FUNDS      \$30,000,000**

# **Infill Infrastructure Grant Program of 2019**

## **Amended Guidelines**



**Gavin Newsom, Governor  
State of California**

**Alexis Podesta, Secretary  
Business, Consumer Services, and Housing Agency**

**Douglas R. McCauley, Acting Director  
California Department of Housing and Community Development**

2020 West El Camino Avenue, Suite 500  
Sacramento, CA 95833  
IIG Program Email: [Infill@hcd.ca.gov](mailto:Infill@hcd.ca.gov)

**October 30, 2019  
Amended February 14, 2020**



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## **ARTICLE 1. GENERAL**

### **Section 300. Purpose and Scope**

The purpose of these Infill Infrastructure Grant Program of 2019 Guidelines (Guidelines) is to implement and interpret Assembly Bill 101 (Chapter 159, Statutes of 2019) and Part 12.5 (commencing with section 53559) of Division 31 of the Health and Safety Code, which establishes the Infill Infrastructure Grant Program of 2019, hereinafter referred to as the Infill Infrastructure Grant Program (IIG or Program).

### **Section 301. Program Overview**

The Program's primary objective is to promote infill housing development. The Program seeks to accomplish this objective by providing financial assistance for infrastructure improvements necessary to facilitate new infill housing development.

Under the program, grants are available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas. Both infill projects and areas must have either been previously developed or be largely surrounded by development. Eligible improvements include development or reconstruction of Parks or Open Space, water, sewer or other utility service improvements, streets, roads, parking structures, transit linkages, transit shelters, traffic mitigation features, sidewalks, and streetscape improvements.

### **Section 302. Definitions**

The following definitions apply to the capitalized terms used in these Guidelines:

- (a) "Affordable Unit" means a 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 Area Median Income or 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 Area Median Income. Rental units shall be subject to a recorded covenant ensuring affordability for a duration of at least 55 years. Ownership units shall initially be sold to and occupied by a qualified household, and shall be subject to a recorded covenant that includes either a resale restriction for at least 30 years or equity sharing upon resale.
- (b) "Area Median Income" means the most recent applicable county median family income published by the California Tax Credit Allocation Committee (TCAC).
- (c) "Bus Hub" means an intersection of three or more bus routes, where one route or a combination of routes has a minimum scheduled headway of 10 minutes or at least six buses per hour during peak hours. Peak hours means the time between 7 a.m. to 10 a.m., inclusive, and 3 p.m. to 7 p.m., inclusive, Monday through Friday or the alternative peak hours designated for the transportation corridor by the transit

agency.

- (d) "Bus Transfer Station" means an arrival, departure, or transfer point for the area's intercity, intraregional, or interregional bus service having a permanent investment in multiple bus docking facilities, ticketing services, and passenger shelters.
- (e) "Capital Asset" means a tangible physical property with an expected useful life of 15 years or more. "Capital Asset" also means a tangible physical property with an expected useful life of 10 to 15 years for costs not to exceed 10 percent of the Program grant. "Capital Asset" includes major maintenance, reconstruction, demolition for purposes of reconstruction of facilities, and retrofitting work that is ordinarily done no more often than once every 5 to 15 years or expenditures that continue or enhance the useful life of the Capital Asset. "Capital Asset" also includes equipment with an expected useful life of two years or more. Costs allowable under this definition include costs incidentally but directly related to construction or acquisition, including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, required mitigation expenses, appraisals, legal expenses, site acquisitions, and necessary easements.
- (f) "Capital Improvement Project" or "Project" means the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement of a Capital Asset that is an integral part of, or necessary to facilitate the development of, a Qualifying Infill Project or Qualifying Infill Area. Capital Improvement Projects that may be funded under the Program include, but are not limited to, those described in Section 304 (a).
- (g) "CCR" means the California Code of Regulations.
- (h) "Covenant" means an instrument which imposes development, use, and affordability restrictions on the real property site(s) of the Qualifying Infill Project or of the designated housing in the Qualifying Infill Area, and which is recorded against the fee interest in such real property site(s). The Covenant is executed as consideration for the IIG Program award to the Recipient.
- (i) "Department" means the California Department of Housing and Community Development.
- (j) "Developer" means an Eligible Applicant that the Department may rely upon for Site Control of either the Qualifying Infill Project or the Qualifying Infill Area.
- (k) "Eligible Applicant" means one of the following:
  - (1) A city, county, city and county, or public housing authority that has jurisdiction over a Qualifying Infill Area, or

- (2) A nonprofit or for-profit Developer of a Qualifying Infill Project applying jointly with a city, county, city and county, or public housing authority that has jurisdiction over a Qualifying Infill Area.
- (l) “Large Jurisdiction” means a county that is not a Small Jurisdiction, or any city within that county.
- (m) “Local Support” means support of local public agencies.
- (n) “Locality” means a California city, county, or city and county.
- (o) “Lower Income” has the meaning set forth in Health and Safety Code section 50079.5.
- (p) “Major Transit Stop” means an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods (as defined in Public Resources Code section 21064.3).
- (q) “Master Development” means the proposed residential units within the Qualifying Infill Area identified in the Program application.
- (r) “Moderate-Income” has the meaning set forth in Health and Safety Code section 50093.
- (s) “MHP” shall mean the Multifamily Housing Program authorized and governed by Health and Safety Code sections 50675 through 50675.14 and the Multifamily Housing Program Guidelines.
- (t) “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 public dedications of land which are for public streets, public sidewalks, public Open Space, and public drainage facilities. 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.
- (u) “NOFA” means a Notice of Funding Availability for the Program issued by the Department.
- (v) “Nondiscretionary Local Approval Process” means a process for development approval involving little or no personal judgment by the public official as to the wisdom or manner of carrying out the project. The public official merely ensures that the proposed development meets all the "objective zoning standards," "objective

subdivision standards," and "objective design review standards" in effect at the time that the application is submitted to the local government, but uses no special discretion or judgment in reaching a decision.

- (w) "Open Space" means a parcel or area of land or water that is essentially unimproved and dedicated to one or more of the following purposes: (1) the preservation of natural resources; (2) the managed production of resources; (3) public and/or residential outdoor recreation; or (4) public health and safety.
- (x) "Park" means a facility that provides benefits to the community and includes, but is not limited to, places for organized team sports, outdoor recreation, and informal turf play; non-motorized recreational trails; permanent play structures; landscaping; community gardens; places for passive recreation; multipurpose structures designed to meet the special recreational, educational, vocational, and social needs of youth, senior citizens, and other population groups; recreation areas created by the redesign and retrofit of urban freeways; community swim centers; regional recreational trails; and infrastructure and other improvements that support these facilities.
- (y) "Program" means the Infill Infrastructure Grant Program of 2019 as implemented by these Guidelines.
- (z) "Qualifying Infill Area" means an area designated in the Program application that meets the criteria for a Qualifying Infill Area set forth in Section 303.
- (aa) "Qualifying Infill Project" means a residential or mixed-use residential development project designated in the Program application that meets the criteria for a Qualifying Infill Project set forth in Section 303.
- (bb) "Recipient" means the city, county, city and county, public housing authority and/or Developer receiving a commitment of Program funds for an approved Capital Improvement Project.
- (cc) "Rural Area" has the meaning set forth in Health and Safety Code section 50199.21.
- (dd) "Site Control" means the Eligible Applicant and/or Developer has sufficient control of the property 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 Program requirements;

- (3) an enforceable option to purchase or lease which shall extend through the anticipated date of the Program award as specified in the Notice of Funding Availability;
  - (4) an executed disposition and development agreement, or irrevocable offer of dedication to a public agency;
  - (5) a right of way or easement, which is either perpetual, or of sufficient duration to meet Program requirements, and which allows the Eligible Applicant and/or Developer to access, improve, occupy, use, maintain, repair, and alter the property underlying the right of way or easement;
  - (6) an executed encroachment permit for construction of improvements or facilities within the public right of way or on public land;
  - (7) an executed agreement with a public agency that gives the Eligible 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;
  - (8) a land sales contract or other enforceable agreement for the acquisition of the property; or
  - (9) other forms of Site Control that give the Department equivalent assurance that the Eligible Applicant or and/Developer will be able to complete the Project and all housing designated in the application in a timely manner and in accordance with all the requirements of the Program.
- (ee) "Small Jurisdiction" means a county with a population of less than 250,000 as of January 1, 2019, or any city within that county.
  - (ff) "TCAC" means the California Tax Credit Allocation Committee.
  - (gg) "Transit Priority Area" means an area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a transportation improvement program adopted pursuant to Title 23 of the Code of Federal Regulations section 450.216 or 450.322.
  - (hh) "Transit Station" means a rail or light-rail station, ferry terminal, Bus Hub, or Bus Transfer Station. Included in this definition are planned Transit Stations otherwise meeting this definition whose construction is programmed into a regional or state transportation improvement program to be completed no more than five years from the deadline for submittal of applications set forth in the NOFA.
  - (ii) "Urbanized Area" means an incorporated city or an Urbanized Area or urban cluster as defined by the United States Census Bureau. For unincorporated areas outside

of an urban area or urban cluster, the area must be within a designated urban service area that is designated in the local general plan for urban development and is served by the public sewer and water.

- (jj) "Urban Uses" means any residential, commercial, industrial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.
- (kk) "Very-low Income" has the meaning set forth in Health and Safety Code section 50105.

## ARTICLE 2. PROGRAM REQUIREMENTS

### Section 303. Eligible Projects

- (a) To be eligible for funding, a Capital Improvement Project must be an integral part of, or necessary for the development of either a Qualifying Infill Project or housing designated within a Qualifying Infill Area.
- (b) To be eligible for funding, applications from Large Jurisdictions must include a Qualifying Infill Project, including those Qualifying Infill Projects used to establish the eligibility of a Qualifying Infill Area, as those terms are defined by these Guidelines and Health and Safety Code section 53559, subdivision (c). Applications from Small Jurisdictions must provide a complete description of a Qualifying Infill Project or a Qualifying Infill Area, as those terms are defined by these Guidelines and Health and Safety Code section 53559, subdivision (d). Applications from both Large and Small Jurisdictions must identify the units and/or affordability covenants that satisfy the affordability requirement under Health and Safety Code section 53559, subdivision (e)(3), as well as the units that factor into the calculation of the Program award.
- (c) For both Large Jurisdictions and Small Jurisdictions, the Qualifying Infill Project or Qualifying Infill Area must:
  - (1) Be located in an Urbanized Area.
  - (2) Be located in a Locality with an adopted 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 Government Code section 65585 at time of application
  - (3) Be located in a Locality that, at the time of application, has submitted its housing element annual progress reports as required by Government Code section 65400 to the State of California for 2017 through the most recently required annual progress report.
  - (4) Include not less than 15 percent of the total residential units to be developed in the Qualifying Infill Project or Qualifying Infill Area as Affordable Units.
    - (A) For developments that contain both rental and ownership units, units of either or both product types may be included in the calculation of the percentage of Affordable Units.
    - (B) To the extent included in a Capital Improvement Project grant application, for the purpose of calculating the percentage of Affordable Units, the Department may consider the entire Master Development in which the development seeking grant funding is included.



- (C) Where applicable, an Eligible Applicant may include a replacement housing plan to ensure that dwelling units housing persons and families of low or Moderate-Income are not removed from the low- and Moderate-Income housing market. Residential units to be replaced shall not be counted toward meeting the affordability threshold required for eligibility for funding under this section.
  - (D) A Qualifying Infill Project or Qualifying Infill Area for which a recorded disposition and development agreement or other recorded project- or area-specific agreement between the Developer and the local agency having jurisdiction over the project has been executed on or before July 31, 2019, shall be deemed to meet the affordability requirement of this paragraph if the agreement includes affordability restrictions that subject the Qualifying Infill Project or the Qualifying Infill Area to the production of affordable units for Very Low, Lower- or Moderate-Income households.
  - (E) New housing units that replace demolished units that have been occupied by low or Moderate-Income households within the last five years from the deadline for submittal of applications shall not count toward meeting the requirements of this paragraph.
- (5) Include average residential Net Densities on the parcels to be developed that are equal to or greater than the densities described in subparagraph (B) of paragraph (3) of subdivision (c) of section 65583.2 of the Government Code, except that in a Rural Area the average residential Net Densities on the parcels to be developed shall be at least 10 units per acre. Minimum densities for Localities that are not Rural Areas may be found in Appendix 1 of the housing element law memorandum issued by the Department's Division of Housing Policy Development dated June 20, 2012.
- (A) A city with a population greater than 100,000 in a standard metropolitan statistical area or a population of less than 2,000,000 may petition the Department for, and the Department may grant, an exception to the density requirements set forth in this subsection, if the city believes it is unable to meet the density requirements described herein. The city shall submit the petition with its application and shall include the reasons why the city believes the exception is warranted. The city shall provide information supporting the need for the exception, including, but not limited to, any limitations that the city may encounter in meeting the density requirements specified in subsection (5). Any exception shall be for the purposes of this section only. This subdivision shall become inoperative on January 1, 2023.

- (6) Be located in an area designated for mixed-use or residential development pursuant to one of the following:
  - (A) A general plan, or general plan amendment, adopted pursuant to Government Code section 65300.
  - (B) A sustainable communities strategy adopted pursuant to Government Code section 65080.
  - (C) A specific plan adopted pursuant to Government Code section 65450
  - (D) A workforce housing opportunity zone established pursuant to Government Code section 65620.
  - (E) A housing sustainability district established pursuant to Government Code section 66201.
- 7) The Eligible Applicant must identify a mechanism, such as a minimum density ordinance or a recorded, binding covenant, acceptable to the Department to reliably ensure that future development will occur at an overall Net Density equaling or exceeding that set forth in Section 303(c)(5) and the Net Density proposed in the application for the purposes of rating pursuant to Section 309 (c) and section 310 (c), and determining the maximum grant amount pursuant to Section 305. This mechanism must be in effect and legally enforceable prior to the disbursement of Program funds.
- (8) Eligible Applicants shall designate the proposed residential units in the Qualifying Infill Project, or within the Qualifying Infill Area, that the Eligible Applicant intends to utilize for the purpose of establishing the maximum Program grant amount pursuant to Section 305, and for the purpose of rating applications pursuant to Sections 309 or 310. Any such designated units must be utilized for both purposes in applications from Large Jurisdictions.
- (9) The application must demonstrate that the percentage of Affordable Units, and units restricted to other income limits and rents as designated for the purpose of determining the maximum Program grant amount in Section 305 and for rating purposes pursuant to Sections 309 or 310, shall be maintained or exceeded through the completion of each residential development proposed in the application. The Department may modify the requirement set forth in the previous sentence to conform to a similar local public agency requirement, provided that it determines that the local requirement will reliably result in completion of the required Affordable Units within a reasonable period of time.
- (10) Construction shall not have commenced on any units designated in the application prior to the deadline for applications submittal set forth in the

NOFA, except for Affordable Units identified in a disposition and development agreement or other project- or area-specific agreement between the Developer and the local agency having jurisdiction over the Affordable Units executed on or before July 31, 2019 that requires the Affordable Units to be built as a condition of local approval for the other units designated in the application, where the Developer of the other units contributed funds or land to cover costs of developing the Affordable Units, in an amount not less than 25 percent of the total development cost of the Affordable Units.

(d) For purposes of evaluating applications from Large Jurisdictions:

- (1) “Qualifying Infill Area” means a contiguous area located within an Urbanized Area (i) that has been previously developed, or where at least 75 percent of the perimeter of the area adjoins parcels that are developed with Urban Uses, and (ii) in which at least one development application has been approved or is pending approval for a residential or mixed-use residential project that meets the definition and criteria in this section for a Qualifying Infill Project.
- (2) “Qualifying Infill Project” means a residential or mixed-use residential project located within an Urbanized Area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. Each Qualifying Infill Project must be a discrete development and all housing development components must have been planned as one development and jointly considered for local land use approval, with common, affiliated or contractually related ownership and financing structures.

(e) For purposes of evaluating applications from Small Jurisdictions:

- (1) “Qualifying Infill Area” means a contiguous area located within an Urbanized Area that meets either of the following criteria:
  - (A) The area contains sites included on the inventory of land suitable and available for residential development in the housing element of the applicable city or county general plan pursuant to paragraph (3) of subdivision (a) of section 65583 of the Government Code, and at least 50 percent of the perimeter of the area shall adjoin parcels that are developed with urban uses.
  - (B) The Capital Improvement Project for which funding is requested is necessary, as documented by an environmental review or

some other adopted planning document, to make the area suitable and available for residential development, or to allow the area to accommodate housing for additional income levels, and the area otherwise meets the requirements for inclusion on the inventory of land suitable and available for residential development in the housing element of the applicable city or county general plan pursuant to paragraph (3) of subdivision (a) of section 65583 of the Government Code. At least 50 percent of the perimeter of the area shall adjoin parcels that are developed with Urban Uses.

- (2) “Qualifying Infill Project” means a residential or mixed-use residential project located within an Urbanized Area on a site that has been previously developed, or on a vacant site where at least 50 percent of the perimeter of the site adjoins parcels that are developed with Urban Uses. Each Qualifying Infill Project must be a discrete development and all housing development components must have been planned as one development and jointly considered for local land use approval, with common, affiliated or contractually related ownership and financing structures.
- (3) Applications from Small Jurisdictions must include a complete description of the Capital Improvement Project and requested grant funding for the Project. The application must describe how the project is necessary to support the development of housing, and how it meets the criteria of this section, including:
  - (A) A financial document that shows the gap financing needed for the project.
    - (i) For a Qualifying Infill Project located in the unincorporated area of the county, the Department shall allow an Eligible Applicant to satisfy the requirement in this paragraph by submitting copies of an application or applications for other sources of state or federal funding for a Qualifying Infill Project.
  - (B) Documentation of all necessary entitlement and permits, and a certification from the Eligible Applicant that the project is shovel-ready.
    - (i) For a Qualifying Infill Project located in the unincorporated area of the county, the department shall allow the Eligible Applicant to meet the requirement described in this paragraph by submitting a letter of intent from a willing affordable housing Developer that has previously completed at least one comparable housing project, certifying that the Developer is willing to submit an application to the county for approval by the county of a Qualifying Infill Project within the area in the event

that the funding requested pursuant to this subdivision is awarded.

### **Section 304. Eligible Costs**

- (a) Program grant funds must be used for reasonable and necessary costs of a Capital Improvement Project. Costs must be reasonable compared to similar infrastructure projects of modest design in the general area of the Capital Improvement Project. Eligible costs include the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvements of the following:
- (1) The creation, development, or rehabilitation of Parks or Open Space.
  - (2) Water, sewer, or other utility service improvements and relocation.
  - (3) Street, road, and bridge construction and improvement.
  - (4) Required replacement of Transit Station parking spaces, not to exceed \$50,000 per space.
  - (5) Residential parking and mechanical parking lifts. The minimum residential per unit parking spaces in parking structures, as required by local land-use entitlement approval, not to exceed one parking space per residential unit, and not to exceed \$50,000 per permitted space.
  - (6) Transit linkages and facilities, including, but not limited to, related access plazas or pathways, or bus and transit shelters.
  - (7) Facilities that support pedestrian or bicycle transit.
  - (8) Traffic mitigation devices, such as street signals.
  - (9) Site clearance, grading, preparation and demolition.
  - (10) Sidewalk or streetscape improvements, including, but not limited to, the reconstruction or resurfacing of sidewalks and streets or the installation of lighting, signage, or other related amenities, including shade structures, seating, landscaping, streetscaping, public safety improvements, and public art. Program funding for public art may not exceed 5 percent of the total Program award.
  - (11) Storm drains, stormwater detention basins, culverts, and similar drainage features.

- (12) Required environmental remediation necessary for the development of the Capital Improvement Project, where the cost of the remediation does not exceed 50 percent of the Program grant amount.
  - (13) Site acquisition or control for the Capital Improvement Project including, but not limited to, easements and rights of way. Such costs must be deemed reasonable and demonstrated by documentation that may include appraisals, purchase contracts, or any other documentation as determined by the Department.
  - (14) Other capital asset costs approved by the Department and required as a condition of local approval for the Capital Improvement Project.
  - (15) Impact fees required by local ordinance are eligible for Program funding only if used for the identified Capital Improvement Project. Funded impact fees may not to exceed 5 percent of the Program award.
- (b) The following costs are not eligible:
- (1) Parking spaces and structures, except as provided in Section 304 (a)(4) and (5).
  - (2) Costs of site acquisition for housing and mixed-use structural improvements.
  - (3) Costs of housing or mixed-use structures.
  - (4) Soft costs related to ineligible costs.
  - (5) In-lieu fees for local inclusionary programs.

### **Section 305. Grant Terms and Limits**

- (a) The total maximum grant amount shall be limited based on the number of units in the Qualifying Infill Project or Qualifying Infill Area, the bedroom count of these units, and the density and affordability of the housing to be developed. Replacement housing units may be included in the calculation of the total maximum grant amount. The Department shall publish a table listing per unit grant limits for each NOFA based on these factors. The total actual grant amount shall be based upon the lesser of the amount necessary to fund the Capital Improvement Project or the maximum amount calculated from the table published by the Department.
- (b) The Program establishes the following minimum and maximum award amounts:
  - (1) For Qualifying Infill Projects, the Program grant amount shall not be less than \$1 million, or \$500,000 for Rural Areas, and shall not exceed \$7.5 million for each NOFA.

- (2) For Qualifying Infill Areas, the Program grant amount shall not be less than \$2 million, or \$1 million for Rural Areas, and shall not exceed \$30 million for each NOFA.
  - (3) Over the life of the Program, the total of all Program awards, including previous and future awards made under the Infill Infrastructure Grant Program of 2007, shall not exceed \$60 million for any single Qualifying Infill Project or Qualifying Infill Area.
  - (4) The Department will fund only one application for each Capital Improvement Project or portion thereof.
  - (5) In each NOFA, the Department will fund only one application for each Qualifying Infill Project and Qualifying Infill Area.
- (c) The Eligible Applicant must demonstrate that the grant does not result in the Developer(s) benefiting from the Qualifying Infill Project, Qualifying Infill Area or the Capital Improvement Project by realizing a profit that is within the limits set forth in California Code of Regulations, title 4, section 10327.
  - (d) The Eligible Applicant must demonstrate that Program funds are reasonably necessary for Project feasibility and no other source of funding is reasonably available.
  - (e) The Eligible Applicant must demonstrate that the Qualifying Infill Project or the housing to be developed in the Qualifying Infill Area, as proposed in the application, is financially feasible as evidenced by documentation such as, but not limited to, a market study, Project proforma, sources and uses statement, or other feasibility documentation that is standard industry practice for the type of proposed housing development, except as described in Section 303 (e)(3).
  - (f) Where the Qualifying Infill Project is receiving low-income housing tax credits, the Recipient may provide Program funds to the Developer of the Qualifying Infill Project in the form of a zero (0) percent, deferred payment loan, with a term of at least 55 years. The loan may be secured by a deed of trust, which may be recorded with the local county recorder's office, provided, however, the beneficiary of the loan shall not under any circumstances exercise any remedy, including, without limitation, foreclosure, under the deed of trust without the prior written consent of the Department, in its sole and absolute discretion. The loan may not be sold, assigned, assumed, conveyed or transferred to any third party without prior written Department approval in its sole and absolute discretion. For Projects assisted by other Department funding programs, repayment of the loan between the Recipient and the Developer shall be limited to (1) no repayments to the Recipient until the maturity date or (2) repayment only from "distributions" from the Project within the meaning of California Code of Regulations, title 25, section 8301(h). The Recipient shall be

responsible for all aspects of establishing and servicing the loan. The provisions governing the loan shall be entirely consistent with these Guidelines and all documents required by the Department with respect to the use and disbursement of Program funds. All documents governing the loan between the Recipient and the Developer borrower shall contain all the terms and conditions set forth in this subdivision and shall be subject to the review and approval of the Department prior to making the loan. This subdivision shall apply to any Qualifying Infill Project receiving low-income housing tax credits regardless of the date of the Program award.

- (g) Conditions precedent to the first disbursement of Program funds shall include receipt of all required public agency entitlements and all required funding commitments for any proposed Qualifying Infill Project supported by the Capital Improvement Project.
- (h) Funds will be disbursed as progress payments for approved eligible costs incurred subject to the requirements of these Guidelines.
- (i) Where approval by a local public works department, or an entity with equivalent jurisdiction, is required for the Capital Improvement Project, the Recipient must submit, prior to the disbursement of grant funds, a statement or other documentation acceptable to the Department, indicating that the Capital Improvement Project is consistent with all applicable policies and plans enforced or implemented by that department or entity.
- (j) The Uniform Multifamily Regulations (UMRs) in title 25, division 1, chapter 7, subchapter 19 (commencing with section 8300) of the California Code of Regulations is hereby incorporated by reference into these Guidelines. In the event of a conflict between the UMRs and these Guidelines, the provisions of these Guidelines shall prevail.

### **Section 306. Performance Requirements**

- (a) Large Jurisdiction Recipients shall, within the time set forth in the Standard Agreement, but not more than two (2) years from the date of the Program award, begin construction of the housing units which were used as the basis for calculating the Program award. Small Jurisdiction Recipients shall, within the time set forth in the Standard Agreement, but not more than five (5) years from the date of the Program award, begin construction of the housing units which were used as the basis for calculating the Program award.
- (b) Large Jurisdiction Recipients shall, within the time set forth in the Standard Agreement, but not more than five (5) years from the date of the Program award, complete construction of the housing units which were used as the basis for calculating the Program award. Small Jurisdiction Recipients shall, within the time set forth in the Standard Agreement, but not more than seven (7) years from the date of the Program award, complete construction of the housing units which were



used as the basis for calculating the Program award. In all cases, completion of construction must be evidenced by a certificate of occupancy or equivalent documentation.

- (c) The Standard Agreement and disbursement agreement must be executed in accordance with the following subsections. Failure to meet the requirements of Section 306 (c)(1) and 306 (c)(2) will result in the Department's recapture of the grants awarded.
  - (1) The Standard Agreement must be executed within two (2) years from the date of award.
  - (2) The disbursement agreement must be executed within two (2) years from the date of award.
  
- (d) Program funds must be disbursed in accordance with the deadlines specified in the Standard Agreement, and in no event later than the following disbursement deadlines.
  - (1) Program funds must be disbursed within four (4) years from the date of award.
  - (2) The maximum disbursement extension deadline is seven (7) years from the date of award.
    - (A) The Department may approve a disbursement extension deadline request up to the applicable maximum disbursement extension deadline if the Recipient demonstrates, to the satisfaction of the Department, that it has complied with performance milestones identified in the Standard Agreement.
  
- (e) For applications from Large Jurisdictions, recipients will be required to repay disbursed Program grant funds where construction of residential units used as the basis for calculating the grant amount pursuant to Section 305(a) has not received building permits within two years from the date of the Program grant award. For applications from Small Jurisdictions, recipients will be required to repay disbursed Program grant funds where construction of residential units used as the basis for calculating the grant amount pursuant to Section 305(a) has not received building permits within five years from the date of the Program grant award. The amount to be repaid shall be the same proportion to the total grant amount as the number of residential units where construction has not timely commenced to the total number of designated residential units. For applications from Large and Small Jurisdictions, the Department may exercise its reasonable discretion to disencumber funds discussed under this provision or to grant an extension of time; provided however that any extensions are in all events subject to any and all applicable encumbrances, deadlines, and limitations, including but not limited to HSC 53559(g).

- (f) Where a Locality is participating in the Program pursuant to Section 307, that Locality shall not be held liable for the construction and continued operation of the Qualifying Infill Project or the housing designated in the Qualifying Infill Area.
- (g) Recipients of Qualifying Infill Area awards must have closed construction period financing on a Qualifying Infill Project before a subsequent Program application is submitted within the same project area or adjoining project areas.

## ARTICLE 3. APPLICATION PROCEDURES

### Section 307. Application Process

- (a) The Department shall offer Program funds through Notices of Funding Availability. Applications shall be made on forms made available by the Department, except as indicated in Section 303 (e)(3). Applications selected for funding shall be approved subject to conditions specified by the Department.
- (b) The Large Jurisdiction Notice of Funding Availability will specify the amount of funds available, application requirements, minimum eligibility point scores, the deadline for submittal of applications, the schedule for rating and ranking applications and awarding funds, a list of counties eligible to apply under this NOFA, and the general terms and conditions of funding commitments.
  - (1) The Department shall accept applications for Projects in Large Jurisdictions and evaluate them on a competitive basis. The NOFA for Large Jurisdictions may specify a minimum number of ranking points for a Project to be eligible for funding.
  - (2) The Department may elect to not evaluate compliance with some or all threshold requirements for applications from Large Jurisdictions that are not within a fundable range, as indicated by a preliminary point scoring.
  - (3) In the event of two or more applications having the same rating and ranking scores, the Department will apply a tie- breaking criterion outlined in the NOFA.
  - (4) The Department shall evaluate applications from Large Jurisdictions for compliance with the threshold requirements listed in Section 308, and score them based on the application selection criteria listed in Sections 309 or 310. The highest scoring Large Jurisdiction applications that meet all threshold requirements shall be selected for funding as specified in the NOFA, except that the Department may make adjustments in this procedure to meet approximately the following geographic distribution objectives of each NOFA:
    - (A) Target 45 percent of total funds to projects located in Southern California (Kern, Los Angeles, Orange, Riverside, Santa Barbara, San Bernardino, San Diego, San Luis Obispo, and Ventura counties);

- (B) Target 10 percent of total funds to projects located in the Central Valley (Fresno, Merced, San Joaquin, Stanislaus and Tulare counties); and
  - (C) Target 45 percent of total funds to projects located in Northern California Large Jurisdiction counties (those not located in the Large Jurisdiction counties specified in previous paragraphs).
- (c) The NOFA for Small Jurisdictions will specify the amount of funds available, application requirements, the date the Department will begin accepting applications, a list of counties eligible to apply under this NOFA, and the general terms and conditions of funding commitments.
  - (1) The Department shall accept applications for Projects in Small Jurisdictions on an over the counter basis and evaluate them for compliance with the eligibility requirements listed in Section 303 and threshold requirements listed in Section 308. Small Jurisdiction applications that meet all threshold and eligible Project requirements shall be selected for funding as specified in these Guidelines and the NOFA for Small Jurisdictions.
- (d) All applications shall include a Locality or a public housing authority as an applicant.
  - (1) A Locality or public housing authority identified as an applicant of either a Qualifying Infill Area or Qualifying Infill Project shall only be a party to the Standard Agreement when that Locality or public housing authority has an on-going ownership interest in the Capital Improvement Project identified in the application.
  - (2) Where a Locality or public housing authority is participating in the Program pursuant to Section 307(d)(2), and has no on-going ownership interest in the Capital Improvement Project, that Locality's responsibility shall be limited to providing an official written certification of support for the Capital Improvement Project, and that Locality shall not be required to be party to the Standard Agreement.

**Section 308. Application Threshold Requirements**

- (a) The Capital Improvement Project set forth in the application must be eligible pursuant to Section 303, and the Eligible Applicant must be eligible pursuant to Section 307. Additionally, the following requirements apply to all applications:
  - (1) Construction of the Capital Improvement Project has not commenced as of the deadline for submittal of applications set forth in the NOFA

- (2) The Capital Improvement Project is infeasible without Program funds, and other available funds are not being supplanted by Program funds.
  - (3) The Eligible Applicant of the Capital Improvement Project must have Site Control sufficient to ensure the timely commencement of the Capital Improvement Project as determined by the Department.
  - (4) All proposed uses of Program funds must be eligible pursuant to Section 304.
  - (5) Funds awarded pursuant to this section shall supplement, not supplant, other available funding.
- (b) The application must be sufficiently complete to assess the feasibility of the application and its compliance with Program requirements.

### Section 309. Selection Criteria for Qualifying Infill Projects in Large Jurisdictions

Applications for Qualifying Infill Projects in Large Jurisdictions shall be rated using the criteria detailed below. Eligible Applicants may elect to exclude from consideration discrete phases or portions of their developments, provided these portions or phases are not included for other purposes under these Guidelines, including rating pursuant to this Section, and determining the maximum grant amount calculated pursuant to Section 305(a). Points are not cumulative within each subparagraph unless otherwise specified.

<b>Criterion: Qualifying Infill Project</b>	<b>Maximum Score</b>
Project Readiness	100
Affordability	60
Density	40
Access to Transit	20
Proximity to Amenities	20
Consistency with Regional Plans	10
<b>Total</b>	<b>250</b>

- a) Project Readiness – 100 points maximum

Readiness points will be awarded as follows:

- (1) Environmental Review Status - 30 points maximum

Applications will be awarded points based on the extent to which environmental reviews have been completed for the Qualifying Infill Project:

- (A) Documented compliance with the California Environmental Quality Act and the National Environmental Policy Act, if applicable. All applicable time periods for filing appeals or lawsuits must have lapsed, shall receive 30 points.
- (B) Issuance of a public notice of the availability of a draft environmental impact report, negative declaration, or environmental assessment, shall receive 15 points.

- (2) Land Use Entitlement Status - 30 points maximum

Applications will be awarded points based on the extent that the Qualifying Infill Project can secure necessary entitlements from the local jurisdiction within a reasonable period of time, as follows:

- (A) Applications which demonstrate that all necessary local land use approvals, excluding design review, have been granted for the Qualifying Infill Project, as determined by a local land use authority (e.g., planning or community development director or zoning administrator) shall receive 30 points.
  - (B) Applications which demonstrate that the Qualifying Infill Project is eligible to receive all necessary local land use approvals pursuant to a Nondiscretionary Local Approval Process and has submitted all applications for such necessary approvals shall receive 15 points.
  - (C) Applications which demonstrate that the Qualifying Infill Project is consistent with all relevant local planning documents and zoning ordinances and applications for all necessary discretionary local land use approvals, excluding design review, have been submitted, accepted, and deemed complete by the appropriate local agencies shall receive 15 points.
- (3) Funding Commitments - 20 points maximum

Applications will be awarded points as follows based on the extent the Eligible Applicant has secured enforceable funding commitments for the combined development cost of the Capital Improvement Project and the Qualifying Infill Project.

(A) Funding Commitment Levels:

Rental housing developments

Construction Financing	Permanent Financing	Points
At least 90% of the total development cost, less deferred costs	At least 90% of the total development cost, less deferred costs	20

Construction Financing	Permanent Financing	Points
At least 75% of the total development cost, less deferred costs	At least 75% of the total development cost, less deferred costs	10

Construction Financing		Points

At least 50% of the total development cost, less deferred costs		5
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Ownership developments

Construction Financing	Permanent Financing	Points
At least 90% of the total development cost including all necessary public agency funds, less deferred costs	At least 90% of the total development cost including all necessary public agency funds, less private mortgage financing and deferred costs	20

Construction Financing	Permanent Financing	Points
At least 75% of the total development costs, less deferred costs	At least 75% of the total development cost, less deferred costs	10

Construction Financing		Points
At least 50% of the total development cost including all necessary public agency funds, less deferred costs		5

Combined rental and ownership developments

Applications designating both rental and ownership units will be awarded points on the funding commitments for the combined development cost of the Capital Improvement Project and the Qualifying Infill Project on a percentage basis in proportion to the number of rental and ownership units. For example, in a 100 unit development consisting of 80 rental units and 20 ownership units, the number of points will be weighted 80 percent for the funding commitments associated with the rental units and 20 percent for the funding commitments associated with the ownership units, then the



respective scores for each component will be combined, not to exceed 20 points.

- (B) Allowable Program funds and 4 percent low-income housing tax credit equity contributions (without the necessity of a tax credit reservation letter) will be considered committed in this calculation. 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 Project where those fees are not otherwise required by federal or state law (“Local Fee Waiver”) may 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 qualified appraiser who is a Member of the Appraisal Institute (MAI) conducted 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. Funds conditionally reserved under the following programs shall be accepted as funding commitments: the United States Department of Housing and Urban Development’s (HUD) Continuum of Care (CoC), Home Investment Partnerships Program (HOME), and the Community Development Block Grant Program (CDBG). Deferred-payment financing, grant funds and subsidies from other Department programs proposed for Project financing must be awarded for Large Jurisdictions prior to final rating and ranking for the IIG application or prior to application submission for a Small Jurisdiction.
  - (C) For self-help homeownership developments utilizing United States Department of Agriculture (USDA) 502 Loans, those funds shall be considered committed if the Eligible Applicant is an active 523 grantee that has Site Control of the Capital Improvement Project and a letter of support from USDA.
  - (D) Owner equity contributions or Developer funds shall not be substituted later 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 Eligible Applicant to evidence the availability of the proposed amount of owner equity or developer funds.
- (4) Local Support - 12 points maximum
- (A) Points will be awarded for one of the following:

- (i) Obtaining a funding commitment or commitments from a local public agency or agencies for the Qualifying Infill Project or Capital Improvement Project equivalent to at least 25 percent of the Program grant will be awarded 12 points.
  - (ii) Obtaining a funding commitment or commitments from a local public agency or agencies for the Qualifying Infill Project or Capital Improvement Project equivalent to at least 15 percent of the Program grant will be awarded 3 points.
- (B) For purposes of awarding points pursuant to this section, the following will also be considered a commitment of Local Support:
  - (i) Conditionally reserved federal or state program funds administered by a local public agency or agencies for the Qualifying Infill Project or Capital Improvement Project shall also be accepted as funding commitments demonstrating Local Support. Such programs include, but are not limited to, the HUD Continuum of Care (CoC), Home Investment Partnerships Program (HOME), and Community Development Block Grant Program (CDBG).
  - (ii) A Land Donation or a Local Fee Waiver may be considered a commitment of Local Support. 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 qualified appraiser who is a Member of the Appraisal Institute (MAI) conducted within one year of the application deadline. A commitment of Local Support in the form of a Local Fee Waiver must be evidenced by written documentation from the local public agency.
- (5) Prohousing Policies – 8 points maximum
  - (A) Points will be awarded for each of the following:
    - (i) Four (4) points will be awarded to Projects located in jurisdictions that have implemented programs over the last five years that finance infrastructure with accompanying increased housing capacity or provide local financial incentives for housing, including, but not limited to, a local housing trust fund or fee waivers.

- (ii) Four (4) points will be awarded to Projects located in jurisdictions that have adopted a Nondiscretionary Local Approval Process for residential and mixed-use development in all zones permitting multifamily housing, established a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a housing sustainability district, as defined in Government Code section 66200.
- (iii) Four (4) points will be awarded to Projects located in jurisdictions that zone more sites for residential development or zoning sites at higher densities than is required to accommodate 150 percent of the minimum regional housing need allocation for the Lower Income allocation in the current housing element cycle.
- (iv) Four (4) points will be awarded to Projects in jurisdictions that have adopted accessory dwelling unit ordinances or other mechanisms that reduce barriers for property owners to create accessory dwelling units beyond the requirements outlined in Government Code section 65852.2, as follows:
- parking reductions to 0.75 or fewer spaces per accessory dwelling unit in areas not already exempt from parking pursuant to Government Code section 65852.2,
  - processing and impact fee waivers or reductions of 50 percent or more,
  - ministerial approval in fewer than 45 days,
  - reduction or modifications of development standards for side yard setbacks of five feet or less,
  - reduction or modifications of development standards to two story heights,
  - reduction or modifications of development standards to allow 60 percent or more lot coverage,
  - no minimum lot size requirement,
  - provisions for affordability, or
  - offering support programs such as a user-friendly website.
- (v) Four (4) points will be awarded to Projects located in jurisdictions that only use objective design standards for

multifamily residential development or adopt fee transparency measures including publicly available fee calculators.

(b) Affordability – 60 points maximum

Applications will be awarded points based on the percentage of units in the Qualifying Infill Project restricted to occupancy by various income groups. Applications designating only rental units in the Qualifying Infill Project may elect to have their applications scored in accordance with any one of the two following scales. Applications designating ownership units, or a combination of rental and ownership units, must utilize the scale set forth in paragraph 2 below.

- (1) The scale used by MHP, as specified in the Multifamily Housing Program Guidelines section 7320(b)(1). Eligible Applicants making this election shall be awarded 60/35 points for every 1 point they would be eligible to receive using MHP's system (applications eligible for the maximum possible 35 points using the MHP scale receive the maximum possible points in this category for the Program).
- (2) The following scale:
  - (A) .30 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the Moderate-Income limit.
  - (B) .80 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the Lower Income limit.
  - (C) .40 points will be awarded for each percent of total units that are rental units restricted to occupancy by households with incomes not exceeding 50 percent of Area Median Income.
  - (D) 2.0 points will be awarded for each percent of total units that are rental units restricted to occupancy by households with incomes less than or equal to 30 percent of Area Median Income, or that are or will be covered by a long-term, project-based rental or operating subsidy contract under a program that either has a history of predominately serving households at this income level or that by design will reliably serve this population.
- (3) Owner-occupied units shall be subject to a recorded covenant with a duration of at least 30 years that includes either a resale restriction or a requirement for sharing equity upon resale.

- (4) For rental units used as the basis for point scores in the application, rent limits for initial occupancy and for each subsequent occupancy shall be based on unit type, applicable income limit, and area in which the Qualifying Infill Project is located, following the calculation procedures used by TCAC. Rents shall be restricted in accordance with the rent and income limits specified in the application and approved by the Department and set forth in a legally binding agreement recorded against the Qualifying Infill Project with a duration of at least 55 years. Rents shall not exceed 30 percent of the applicable income eligibility level.

(c) Density – 40 points maximum

Applications will be scored based on the extent to which the average Net Density of the Qualifying Infill Project, adjusted by unit size, exceeds the required density specified in Section 303(c)(5). Net Density calculations shall be evidenced by a date stamped map certified by a licensed State of California professional such as an architect, engineer, or surveyor.

- (1) Net density will be adjusted by unit size (and commercial space as applicable) as follows:

Example = Mixed-use project, three-quarter ( $\frac{3}{4}$ ) acre, urban site, with twelve 1-bedroom units at 800 sq. ft. each, twelve 2-bedroom units at 1,100 sq. ft. each, and 5,000 sq. ft. of commercial space.

Based on the density factors in the chart below, the equation looks like this:

$$12 \times 0.9 \text{ (1 bedroom units)} = 10.8$$

$$12 \times 1.2 \text{ (2 bedroom units)} = 14.4$$

To attribute density to the commercial space, utilize the square footage and bedroom count of the largest unit in the project to determine how many whole units would fit into the square footage of the commercial space.

For this example, the largest unit is a 2-bedroom, 1,100 square foot unit. 5,000 square feet (commercial space) would accommodate four (4) of these units. Multiply that result by the appropriate factor:

$$4 \times 1.2 \text{ (2-bedroom units)} = 4.8$$

To calculate the percentage at which this project meets or exceeds the required density, add all three resulting calculations above, and divide by the minimum density required for the project site (in this case 30 units/acre for an urban site), then by the number of acres in the project, then multiply by 100 (for percentage):

$$(10.8+14.4+4.8)/30 = 1/.75=1.3333 \times 100=133.33\%$$

Unit Size (Bedrooms)	Factor
0-Bedroom	0.7
1-Bedroom	0.9
2-Bedroom	1.2
3-Bedroom	1.6
4-Bedroom	1.8

(2) Points will be awarded in accordance with the following schedule:

Adjusted Net Density as a Percentage of Required Density	Points
150% or More	40
140% to 149.9%	30
130% to 139.9%	20
120% to 129.9%	15
110% to 119.9%	10
Less than 110%	0

(d) Access to Transit – 20 points maximum

Points will be awarded based on the proximity of the Qualifying Infill Project to a Transit Station or Major Transit Stop as follows. The distance to a Transit Station or Major Transit Stop shall be evidenced by a scaled map. For the purposes of this subdivision (d), “walkable route” shall mean a route which after completion of the proposed Project, shall be free of negative environmental conditions that deter pedestrian circulation, such as barriers; stretches without sidewalks or walking paths; noisy vehicular tunnels; streets, arterials or highways without regulated crossings that facilitate pedestrian movement; or stretches without lighted streets.

- (1) 20 points will be awarded to a Qualifying Infill Project within one quarter mile of a Transit Station or Major Transit Stop as defined in Section 302 measured by a walkable route from the nearest boundary of the Qualifying Infill Project to the outer boundary of the site of the Transit Station or Major Transit Stop.
- (2) 10 points will be awarded to a Qualifying Infill Project within one half mile of a Transit Station or a Major Transit Stop as defined in Section 302 measured by a walkable route from the nearest boundary of the Qualifying Infill Project to the outer boundary of the site of the Transit Station or Major Transit Stop.

(e) Proximity to Amenities – 20 points maximum

Applications will be awarded points based on the proximity or accessibility of the Qualifying Infill Project to the following existing amenities or amenities that will be in service when the Qualifying Infill Project is completed. The distance to amenities shall be evidenced by a scaled map.

Applications may receive only one award of points from each of the following subcategories:

- (1) The Qualifying Infill Project is within one-quarter mile of a Park (one-half mile for Rural Area projects) (not including 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 providing availability to the general public of the school grounds and/or facilities), 6 points, or within one-half mile (one (1) mile for Rural Area projects), 4 points.
- (2) The Qualifying Infill Project is within one (1) mile of a locally recognized employment center with a minimum of fifty (50) full-time employees (two (2) miles for Rural Area projects), 7 points, or within two (2) miles

(four (4) miles for Rural Area projects), 4 points. An employment center is a locally recognized concentration of employment opportunities practically available to the residents of the proposed Qualifying Infill Project, such as a large hospital, industrial park, commercial district, or office area.

- (3) The Qualifying Infill Project is within one mile of a locally recognized retail center with a minimum of fifty full-time employees (two miles for Rural Area projects), 7 points, or within two miles (four miles for Rural Area projects), 4 points. A retail center is a downtown area or recognized neighborhood or regional shopping mall.
- (4) For Qualifying Infill Projects where at least 50 percent of the units have two or more bedrooms, the Qualifying Infill Project is within one-quarter mile of a public school or community college that residents of the Qualifying Infill Project may attend (one-half mile for Rural Area projects), 7 points, or within one-half mile (one mile for Rural Area projects), 4 points.
- (5) For a Qualifying Infill Project that is a special needs or single room occupancy development, as defined by TCAC, or a special needs or supportive housing project, as defined under MHP, the Qualifying Infill Project is located within one-half mile of a social service facility that operates to serve residents of the Qualifying Infill Project, 7 points or within one mile, 4 points.
- (6) For a Qualifying Infill Project that is reserved for qualified senior citizens under Civil Code sections 51.2, 51.3 and 51.4, the Qualifying Infill Project is within one-quarter mile of a senior center or a facility regularly offering services specifically designed for seniors (one-half mile for Rural Area projects), 7 points or within one-half mile (one mile for Rural Area projects), 4 points.
- (7) For a Qualifying Infill Project where at least 25 percent of the units are two bedroom or larger and an additional 25 percent of the units are three bedroom or larger, with no restriction or preference for seniors or special needs populations, and located within the high or highest resource community neighborhoods as indicated at time of application on the currently adopted TCAC/HCD Opportunity Area Map shall receive 20 points.



- (f) Consistency with Regional Plans –10 points maximum
- (1) Points will be awarded for each of the following:
- (A) 5 points will be awarded if the Qualifying Infill Project supports the implementation of a sustainable communities strategy or alternative planning strategy that has been determined by the California Air Resources Board to achieve the region's greenhouse gas emissions target. Consistency with such plans must be demonstrated by a letter or resolution executed by an officer, or an equivalent representative from the metropolitan planning organization, regional transportation agency, planning, or local transportation commission.
  - (B) If a sustainable communities strategy is not required for a region by law, 5 points will be awarded if the Qualifying Infill Project supports a regional plan that includes policies and programs to reduce greenhouse gas emissions. Evidence of consistency with such plans must be demonstrated by a letter or resolution executed by an officer of, or an equivalent representative from the metropolitan planning organization or regional transportation planning agency or local transportation commission.
  - (C) A Qualifying Infill Project in which not less than 50 percent of the land area is within a Transit Priority Area shall receive 5 points. Evidence of Qualifying Infill Project location, or partially within (as defined in this section) a Transit Priority Area must be demonstrated by a letter or resolution executed by an officer of, or an equivalent representative from the metropolitan planning organization, regional transportation planning agency, or local transportation commission.

## Section 310. Selection Criteria for Qualifying Infill Areas in Large Jurisdictions

Applications for Capital Improvement Projects associated with Qualifying Infill Areas in Large Jurisdictions shall be awarded points using the criteria detailed below. Eligible Applicants may elect to exclude from consideration discrete phases or portions of the developments within the Qualifying Infill Area, provided that these portions or phases are not included for other purposes under these Guidelines, including rating pursuant to this Section 310 and the maximum grant amount calculated pursuant to Section 305. Points are not cumulative within each subparagraph unless otherwise specified.

<b>Criterion: Qualifying Infill Areas</b>	<b>Maximum Score</b>
Area Readiness	100
Affordability	60
Density	40
Access to Transit	20
Proximity to Amenities	20
Consistency with Regional Plans	10
<b>Total</b>	<b>250</b>

(a) Area Readiness – 100 points

Readiness points will be awarded as follows:

(1) Multiple Qualifying Infill Projects – 10 points maximum

- (A) Qualifying Infill Areas with three or more Qualifying Infill Projects that have received all land use entitlements required for construction or that all applications required for construction have been submitted and deemed complete under a Nondiscretionary Local Approval Process will receive 10 points.
- (B) Qualifying Infill Areas with two Qualifying Infill Projects that have received all land use entitlements required for construction or that all applications required for construction have been submitted and deemed complete under a Nondiscretionary Local Approval Process will receive 5 points.

(2) Environmental Review Status - 25 points maximum

- (A) Applications with documented compliance with the California Environmental Quality Act and the National Environmental

Policy Act, if applicable. All applicable time periods for filing appeals or lawsuits must have lapsed will receive 25 points.

- (B) Applications for Qualifying Infill Areas for which a draft of a program, master or tiered environmental impact report has been certified by the appropriate agency and the developments included in the application will constitute subsequent projects subject to environmental review as such pursuant to CEQA Guidelines, Chapter 3, Title 14, CCR, commencing with section 15000 will receive 15 points.
  - (C) Applications for Qualifying Infill Areas for which a draft of a program, master or tiered environmental impact report has been completed and filed with the appropriate agency and the developments included in the application will constitute subsequent projects subject to environmental review as such pursuant to CEQA Guidelines, Chapter 3, Title 14, CCR, commencing with section 15000 will receive 5 points.
  - (D) Applications for Qualifying Infill Areas in which not less than 50 percent of the land area is on sites that have been subject to a Phase 1 Site Assessment within one year prior to the application due date will receive 5 points.
- (3) Land Use Entitlement Status - 25 points maximum

Applications will be awarded points based on the extent that developments within the Qualifying Infill Area can secure necessary entitlements from the local jurisdiction within a reasonable period of time.

- (A) Applications which meet the criteria in Subparagraph (C) and demonstrate that all necessary local land use approvals, excluding design review, for not less than 50 percent of the housing units proposed for development within the Qualifying Infill Area have been granted, as determined by a local land use authority (e.g., planning or community development director or zoning administrator) will receive 25 points.
- (B) Applications which meet the criteria in Subparagraph (C) and demonstrate that all necessary local land use approvals, excluding design review, for not less than one-third of the housing units proposed for development within the Qualifying Infill Area have been granted will receive 20 points.

- (C) Applications which demonstrate that the Qualifying Infill Area is subject to a general plan, specific plan, community plan or similar area-specific plan, adopted by the Locality in which the Qualifying Infill Area is located and the housing proposed in the application is consistent with such plan will receive 10 points.
- (D) Applications which demonstrate that all approvals by a local land use authority (e.g., planning or community development director or zoning administrator) for the Capital Improvement Project within the Qualifying Infill Area have been granted will receive 5 points.

(4) Funding Commitments - 20 points maximum

Applications will be awarded points based on the extent to which the housing in the Qualifying Infill Area and the Capital Improvement Project can secure sufficient funding in a timely manner, as follows (An application may not receive points under both paragraphs (B) and (C)):

- (A) Up to 10 points shall be awarded based on the percentage of total residential units to be developed in the Qualifying Infill Area that are in developments for which enforceable commitments have been obtained for all necessary construction period funding, in accordance with the following schedule, and excluding tax credit equity, tax-exempt bonds, and funding provided by this and other Department funding program(s) provided that the other Department funding is awarded prior to or simultaneously with the final rating and ranking of the Program application.
  - (i) A Land Donation supported by an appraisal may be considered a commitment. For self-help homeownership developments utilizing USDA 502 loans, those funds shall be considered committed if the active 523 grantee has Site Control and a letter of support from USDA.

Percentage of Total Residential Units In Developments with Committed Construction Funding	Points
75% or more	10.0
50% to 74.9%	7.5
25% to 49.9%	5.0
10% to 24.9%	2.5

- (B) Ten (10) points shall be awarded for obtaining enforceable commitments for all construction period funding for the Capital Improvement Project, excluding funding provided by another Department funding program provided that this funding is awarded prior to or simultaneously with the final rating and ranking of the Program application. A Land Donation supported by an appraisal may be considered an enforceable commitment.
  - (C) Five (5) points shall be awarded for obtaining documentation including, but not limited to, letters of intent, executive-approved term sheets, or a letter from a public agency expressing interest and/or intent to fund the Capital Improvement Project.
  - (D) Owner equity contributions or developer 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 up to 50 percent of the deferred developer fee. The Department may require the Eligible Applicant to evidence the availability of the proposed amount of owner equity or developer funds.
- (5) Local Support - 12 points maximum
- (A) Obtaining a funding commitment or commitments from a local public agency or agencies for the Qualifying Infill Area or Capital Improvement Project equivalent to at least 25 percent of the Program grant will receive 12 points. A Land Donation supported by an appraisal may be considered an enforceable commitment.
  - (B) Obtaining a funding commitment or commitments from a local public agency or agencies for the Qualifying Infill Area or Capital Improvement Project equivalent to at least 15 percent of the Program grant will be awarded 6 points. A Land Donation supported by an appraisal may be considered an enforceable commitment.
  - (C) Three (3) points will be awarded if at least 50 percent of the residential units in the Qualifying Infill Area are located on a site or sites designated or identified in the housing element of the local general plan as suitable for housing development consistent with application

(6) Prohousing Policies – 8 points maximum

(A) Points will be awarded for each of the following:

- (i) Four (4) points will be awarded to Projects located in jurisdictions that have implemented programs over the last five years that finance infrastructure with accompanying increased housing capacity or provide local financial incentives for housing, including, but not limited to, a local housing trust fund or fee waivers.
- (ii) Four (4) points will be awarded to Projects located in jurisdictions that have adopted a Nondiscretionary Local Approval Process for residential and mixed-use development in all zones permitting multifamily housing, established a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a housing sustainability district, as defined in Government Code section 66200.
- (iii) Four (4) points will be awarded to Projects located in jurisdictions that zone more sites for residential development or zoning sites at higher densities than is required to accommodate 150 percent of the minimum regional housing need allocation for the Lower Income allocation in the current housing element cycle.
- (iv) Four (4) points will be awarded to Projects in jurisdictions that have adopted accessory dwelling unit ordinances or other mechanisms that reduce barriers for property owners to create accessory dwelling units beyond the requirements outlined in Government Code section 65852.2, as follows:
  - parking reductions to 0.75 or less spaces per accessory dwelling unit in areas not already exempt from parking pursuant to Government Code section 65852.2,
  - processing and impact fee waivers or reductions of 50 percent or more,
  - ministerial approval in less than 45 days,
  - reduction or modifications of development standards of side yard setbacks to five feet or less,
  - reduction or modifications of development standards to two story heights,

- reduction or modifications of development standards to allow 60 percent or more lot coverage,
- no minimum lot size requirement,
- provisions for affordability, or
- offering support programs such as a user-friendly website.

- (v) Four (4) points will be awarded to Projects located in jurisdictions that only use objective design standards for multifamily residential development or adopt fee transparency measures including publicly available fee calculators.

(b) Affordability – 60 points maximum

Applications will be awarded points based on the percentage of units to be developed in the Qualifying Infill Area that will be restricted to occupancy by various income groups, in accordance with the following schedule.

- (1) 2.0 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the Moderate-Income limit.
- (2) 2.4 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the Lower Income limit.
- (3) 2.0 points will be awarded for each percent of total units that are rental units restricted to occupancy by households with incomes less than or equal to 60 percent of Area Median Income.
- (4) 4.0 points will be awarded for each percent of total units that are rental units restricted to occupancy by households with incomes less than or equal to 30 percent of Area Median Income.
- (5) Owner-occupied units proposed for points under this category shall be subject to a recorded covenant with a duration of at least 30 years that includes either a resale restriction or a requirement for sharing equity upon resale.
- (6) For rental units used as the basis for point scores in the application, rent limits for initial occupancy, and for each subsequent occupancy shall be based on unit type, applicable income limit, and area in which the Qualifying Infill Area is located, following the calculation procedures used by TCAC. Rents shall be restricted in accordance with the rent

and income limits specified in the application and approved by the Department and set forth in a legally binding agreement recorded against housing developments in the Qualifying Infill Area with a duration of at least 55 years. Rents shall not exceed 30 percent of the applicable income eligibility level.

(c) **Density – 40 points maximum**

Applications will be awarded points based on the extent to which the average Net Density of the Qualifying Infill Area, adjusted by unit size, exceeds the required density specified in Section 303(a)(4).

- (1) Net Density will be adjusted for unit size by multiplying the factors shown below by the total number of units in each unit size category, then summing the resulting products then dividing by the net area of all projects. Net Density calculations shall be evidenced by a date stamped map certified by a licensed State of California professional such as an architect, engineer, or surveyor. For a suburban three-site Qualifying Infill Area:

Project # 1	7 2-Bedroom Units	5 3-Bedroom Units	.75 Acre
Project # 2	6 2-Bedroom Units	8 3-Bedroom Units	.65 Acre
Project # 3	9 2-Bedroom Units	7 3-Bedroom Units	.50 Acre

The adjusted Net Density would be 22 two-bedroom units times 1.2 plus 20 three-bedroom units times 1.6) or 58.4. Dividing this by 20 (suburban Minimum Density) and 1.9 acres (net area of the 3 sites) and multiplied by 100 results in an adjusted Net Density as a Percentage of Required Density of 153.7 percent which yields 15 points for Density.

Unit Size (Bedrooms)	Factor
0-Bedroom	0.7
1-Bedroom	0.9
2-Bedroom	1.2
3-Bedroom	1.6
4-Bedroom	1.8

- (2) Points will be awarded in accordance with the following schedule:



Adjusted Net Density as a Percentage of Required Density	Points
200% or more	40
175% to 199.9%	30
150% to 174.9%	20
125% to 149.9%	15
110% to 124.9%	10
Less than 110%	0

(d) Access to Transit – 20 points maximum

Points will be awarded based on the percentage of residential units in the Qualifying Infill Area which are in developments which meet the criteria for proximity to a Transit Station or Major Transit Stop set forth in paragraph 309(d) relative to the total number of housing units in the Qualifying Infill Area. Two (2) points will be awarded for each 10 percent of such housing units. Percentages shall be rounded off to the nearest whole tenth.

(e) Proximity to Amenities – 20 points maximum

Applications will be awarded points based on the amenities in the Qualifying Infill Area or within one-half mile of its boundary, including amenities that will be in service when construction of the Qualifying Infill Project for the Qualifying Infill Area is completed.

The one-half mile radius will be measured from the established boundaries of the Qualifying Infill Area, as defined in local planning documents.

Points shall be awarded per amenity as follows:

Amenities serving Qualifying Infill Areas consisting of fewer than 200 residential units will yield 4 points each. Amenities serving Qualifying Infill Areas consisting of 200 or more residential units will yield 2 points each. Each distinct amenity may be counted only once. The Eligible Applicant shall designate the specific subcategory for each amenity identified. No more than 25 percent of a Qualifying Infill Area's amenities may be from any one subcategory. Applications may receive only one award of points from each of the following categories. Total points for this category may not exceed 20 points.

(1) Amenities include:

- (A) Parks (not including school grounds unless there is a bona fide, formal joint use agreement between the jurisdiction responsible for

the parks and recreational facilities and the school district providing availability to the general public of the school grounds and/or facilities), 4 points.

- (B) Locally recognized employment center with a minimum of fifty full-time employees. An employment center is a locally recognized concentration of employment opportunities such as a large hospital, industrial park, commercial district, or office area, 4 points.
- (C) Locally recognized retail center with a minimum of fifty full-time employees. A retail center is a downtown area or recognized neighborhood or regional shopping mall, 4 points.
- (D) Where at least 50 percent of the units designated in this application have two or more bedrooms, public schools or community colleges available for residents of the Qualifying Infill Area to attend, 4 points.
- (E) Where designated units in this application which qualify for special needs or single room occupancy use, as defined by TCAC, or has a special needs or supportive housing component, as defined under MHP, social service facilities available to serve the residents living in the Qualifying Infill Area, 4 points.
- (F) Where designated units in this application are reserved for qualified senior citizens under sections 51.2, 51.3 and 51.4 of the Civil Code, senior centers or facilities regularly offering services designed for seniors and available to the seniors residing in the Qualifying Infill Area, 4 points.
- (G) Where at least 25 percent of the total units are two bedroom or larger and an additional 25 percent of the total units are three bedroom or larger, with no restriction or preference for seniors or special needs populations, and the housing developments including these units are located within the high or highest resource community neighborhoods as indicated at time of application on the currently adopted TCAC/HCD Opportunity Area Map shall receive 20 points.

**(f) Consistency with Regional Plans –10 points maximum**

(1) Points will be awarded for each of the following:

- (A) Five (5) points will be awarded if the Qualifying Infill Area supports the implementation of either a sustainable communities strategy or alternative planning strategy that has

been determined by the California Air Resources Board to achieve the region's greenhouse gas emissions target. Consistency with such plans must be demonstrated by a letter or resolution executed by an officer of, or an equivalent representative from the metropolitan planning organization, regional transportation planning agency, or local transportation commission.

- (B) If a sustainable communities strategy is not required for a region by law, 5 points will be awarded if the Qualifying Infill Area supports a regional plan that includes policies and programs to reduce greenhouse gas emissions. Consistency with plans must be demonstrated by a letter or resolution executed by an officer, or equivalent representative from the metropolitan planning organization or regional transportation planning agency, or local transportation commission.
- (C) Applications for Qualifying Infill Areas in which not less than 50 percent of the land area is within a Transit Priority Area will receive 5 points. Evidence of a Qualifying Infill Area within, or partially within (as defined in this section) a Transit Priority Area must be demonstrated by a letter or resolution executed by an officer of, or an equivalent representative from the metropolitan planning organization, regional transportation planning agency, or local transportation commission.

## ARTICLE 4. PROGRAM OPERATIONS

### Section 311. Legal Documents

Upon the award of Program funds, the Department shall enter into a Standard Agreement with the Recipient constituting a conditional commitment of funds. This contract shall require the parties to comply with the requirements and provisions of these Guidelines. The Standard Agreement shall encumber funds in an amount sufficient to fund the approved project, subject to limits established in the NOFA and consistent with the application. The Standard Agreement shall contain, but not be limited to, the following as appropriate for the activity:

- (a) A description of the approved Capital Improvement Project and the approved Qualifying Infill Project, Qualifying Infill Area, or both, and the permitted uses of Program funds;
- (b) Provisions governing the amount, terms and conditions of the Program grant;
- (c) Provisions governing the construction work and, as applicable, the acquisition and preparation of the site of the Capital Improvement Project, and the manner, timing, and conditions of the disbursement of grant funds;
- (d) The Recipient's responsibilities for the development of the approved Capital Improvement Project, including, but not limited to, construction management, maintaining files, accounts, and other records, and reporting requirements;
- (e) Provisions relating to the development, construction, affordability and occupancy of the Qualifying Infill Project supported by the Capital Improvement Project and the development, construction and occupancy of housing designated for development in the application for funding of a Qualifying Infill Area;
- (f) Provisions relating to the placement on, or in the vicinity of, the Project site, a sign indicating that the Department has provided funding for the Capital Improvement Project. The Department may also arrange for publicity of the Department grant in its sole discretion;
- (f) Remedies available to the Department in the event of a violation, breach or default of the Standard Agreement;
- (h) 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 Program grant;
- (i) Special conditions imposed as part of Department approval of the project;
- (j) Terms and conditions required by federal or state law; and

- (k) Other provisions necessary to ensure compliance with the requirements of the Program.

### **Section 312. Reporting Requirements**

- (a) During the full term of the Standard Agreement and covenant and according to the deadlines identified in the Standard Agreement and the Covenant, the Recipient shall submit, upon request of the Department, an annual performance report regarding the construction of the Capital Improvement Project; and upon receipt of the certificate of occupancy, an annual monitoring report regarding the affordability and occupancy of the housing Project designated in the application.
- (b) At any time during the term of the Standard Agreement and/or Covenant, 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, the Recipient shall provide, at its own expense, a financial audit prepared by a certified public accountant.
- (c) The Recipient and owner agree to regular monitoring of the housing development by the Department or such designee the Department may name at any time during the term of the Standard Agreement and/or Covenant, to verify compliance with the requirements of the Program. The Recipient and owner, or designee, shall submit annual reports as required by the Department on forms approved or provided by the Department, detailing components of the on-going operations of the housing development, as noted in this subsection. The components of annual operations for which reporting is required, which the Department retains the right to inspect, or cause to be inspected, include, and are not limited to:
  - (1) The Qualifying Infill Project or the housing designated in the Qualifying Infill Area, including interior of units, common areas, and exterior of the development;
  - (2) Tenant files, demonstrating compliance with Program affordability standards;
  - (3) Financial records, including the right to request a certified financial audit of the revenue, expenses, and operations of the housing development; and
  - (4) Insurance records to ensure continuous insurance coverage in accordance with Department and Program requirements.

The Department retains the authority to compel the Recipient and owner to comply with Program requirements as detailed in the IIG restrictive Covenant recorded against the property.

### **Section 313. Defaults and Cancellations**

- (a) In the event of a breach or violation by the Recipient of any of the provisions of the Standard Agreement, the Department may give written notice to the sponsor 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 Standard Agreement and may seek legal remedies for the default including the following:
  - (1) 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 Program requirements.
  - (2) The Department may seek such other remedies as may be available under the relevant agreement or any law.
- (b) Funding commitments and Standard Agreements may be canceled by the Department under any of the following conditions:
  - (1) The objectives and requirements of the Program cannot be met by continuing the commitment or Standard Agreement;
  - (2) Construction of the Capital Improvement Project cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement; or
  - (3) Funding conditions have not been or cannot be fulfilled within required time periods.
- (c) Upon receipt of a notice of intent to cancel the grant from the Department, the Recipient shall have the right to appeal to the Director of the Department.

### **Section 314. Prevailing Wages**

For the purposes of California's prevailing wage law (Lab. Code, § 1720 et seq.), an IIG Capital Improvement Project (i.e., the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement of a Capital Asset) shall be considered a public work that is paid for in whole or in part out of public funds. As such, it is subject to California's prevailing wage law. Program funding of a Capital Improvement Project shall not necessarily, in and of itself, be considered public funding of a Qualifying Infill Project or the Qualifying Infill Area unless such funding is considered public funding under California's prevailing wage law.

It is not the intent of the Department in these Guidelines to subject Qualifying Infill Projects or Qualifying Infill Areas to California's prevailing wage law by reason of Program funding of

the Capital Improvement Project where such public funding would not otherwise make the Qualifying Infill Project or Qualifying Infill Area subject to such law.

Although the use of Program funds does not require compliance with the federal Davis-Bacon Act, other funding sources may require compliance with the federal Davis-Bacon Act.

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

2020 W. El Camino Avenue, Suite 670, 95833  
P. O. Box 952054  
Sacramento, CA 94252-2054  
(916) 263-2771 / FAX (916) 263-2763  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



June 23, 2020

Robert P. Beck, Treasure Island Director  
Treasure Island Development Authority  
One Avenue of the Palms, Suite 241  
San Francisco, CA 94130

Daniel Adams, Acting Director  
Mayor's Office of Housing and Community  
Development  
City and County of San Francisco  
1 South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Robert P. Beck and Daniel Adams:

**RE: Award Announcement – Infill Infrastructure Grant Program  
October 30, 2019 Large Jurisdiction NOFA  
Treasure Island Development Authority and City and County of  
San Francisco – *Treasure Island & Yerba Buena Island Major Phase 1*  
Contract No. 19-IIG-14399**

The California Department of Housing and Community Development (Department) is pleased to announce Treasure Island Development Authority and the City and County of San Francisco (Awardees) have been awarded an Infill Infrastructure Grant (IIG) Program of 2019 Large Jurisdiction award in the amount of \$30,000,000. This letter constitutes notice of the designation of IIG program funds for the Awardees.

Awardees will be able to draw down funds when the standard agreement is fully executed, and any general and special conditions have been cleared in writing. In addition, expenditures may not be incurred prior to the execution of the standard agreement.

Congratulations on your successful application. For further information, please contact John Nunn, IIG Program Manager, Program Design and Implementation Branch – Climate Programs (916) 274-0575 or [John.Nunn@hcd.ca.gov](mailto:John.Nunn@hcd.ca.gov).

Sincerely,

Jennifer Seeger  
Acting Deputy Director





## **MEMORANDUM OF AGREEMENT # 20/00-00**

for

### **PROJECT MANAGEMENT AND OVERSIGHT, ENGINEERING, AND ENVIRONMENTAL SERVICES FOR HILLCREST ROAD WIDENING PROJECT**

THIS AGREEMENT is made and shall be effective on the 1st day of May, 2021 by and between the San Francisco County Transportation Authority (“the Transportation Authority”) and the City and County of San Francisco (“City”) acting through the Treasure Island Development Authority (“TIDA”), referred to collectively as “Parties” or individually as “Party.”

#### **RECITALS**

- A. The Transportation Authority has been designated as the Congestion Management Agency (“CMA”) for the City and County of San Francisco (the “City”) under State law. In this capacity, the Transportation Authority has a wide range of responsibilities that includes preparing the long-range Countywide Transportation Plan, prioritizing state and federal transportation funds designated for San Francisco, and developing and operating a computerized travel demand forecasting model.
- B. TIDA has been designated a community redevelopment agency under the California Community Redevelopment Law (CRL) (Sections 33000 et. seq. of the California Health and Safety Code) and is the local reuse authority for purposes of the redevelopment and conversion of former Naval Station Treasure Island (“NSTI”) to productive civilian uses, including portions of Yerba Buena Island (“YBI”).
- C. In Spring 2020, TIDA received a \$30,000,000 Infill Infrastructure Grant for the widening of Hillcrest Road on YBI to meet City of San Francisco Department of Public Works (“SFPW”) standards.
- D. TIDA requested the Transportation Authority, in its capacity as the CMA, to lead the effort to prepare and obtain approval for all required technical documentation for the Hillcrest Road Widening Project (Project) because of its expertise and experience on other YBI engineering projects including YBI Ramps Improvement Project and Southgate Road Realignment Project.
- E. The project development process for the Hillcrest Road Widening Project consists of a two-phase effort with Phase 1 consisting of the Preliminary Engineering (PE) and



Environmental Document ("ED"), and Phase 2 being the final design and preparation of Plans, Specifications/Special Provisions and Estimate ("PS&E").

- F. TIDA has asked the Transportation Authority, in its capacity as the City's Congestion Management Agency, to lead the effort to prepare and obtain approval of the Preliminary Engineering and ED, and to complete PS&E.
- G. The Transportation Authority plans to issue a Request for Proposals ("RFP"), for professional consultant services to provide the necessary engineering and environmental services to obtain the environmental clearance, project approval, and completion of the PE, ED and PS&E for the Hillcrest Road Widening Project.
- H. This Agreement sets forth certain rights and obligations of the Transportation Authority and TIDA with respect to the Hillcrest Road Widening Project.

### **AGREEMENT**

1. **Project Management Services.** The Transportation Authority shall provide the project management services for the Hillcrest Road Widening Project (the "Project Management Services") described in the Project Management Scope of Work attached to this Agreement as Appendix A and the Project Management Budget attached to this Agreement as Appendix B, in accordance with the terms and conditions of this Agreement.
2. **Consultant Services.** The Transportation Authority shall contract for professional services with the consultant chosen in accordance with the RFP (the "Consultant") to perform the Phase 1 conceptual engineering, preliminary engineering and the ED (the "Consultant Services") as more particularly described in the Consultant Scope of Work attached to this Agreement as Appendix C and the Consultant Budget attached to this Agreement as Appendix B. After selection of the consultant, the Transportation Authority, and TIDA, shall prepare a revised Consultant Budget that reflects the actual rates and other budget information included in the Consultant contract. The Transportation Authority and TIDA acknowledge that this Agreement will provide an option for Phase 2 services for the final design and preparation of the PS&E. The Transportation Authority and TIDA may agree to amend the Consultant Scope of Work and the Consultant Budget to include the Phase 2 services, subject to the approval of the TIDA Board of Directors and the Transportation Authority Board.



3. **Coordination.** The Transportation Authority and TIDA agree to the following with regard to the performance of the Project Management Services and the Consultant Services under this Agreement:
- a. TIDA's project management staff shall participate in the Consultant procurement process under the RFP and shall work in conjunction with the Transportation Authority's project management staff as a member of the Project Team.
  - b. TIDA and the Transportation Authority shall establish a timeframe and work with City of San Francisco Department of Public Works, San Francisco Municipal Transportation Agency, Caltrans, the Metropolitan Transportation Commission, the Bay Area Toll Authority, the California Transportation Commission and other relevant agencies to enable the timing of the design and engineering of the Hillcrest Road Widening Project.
  - c. The Transportation Authority shall conduct all major communications with the Consultant regarding deliverables, task updates or other performance of services.
  - d. Consultant shall submit task-based invoices directly to the Transportation Authority, for payment for services rendered. The Transportation Authority shall review Consultant's invoices and process payments. The Transportation Authority shall submit a copy of the paid invoices and supporting documentation to TIDA. The Transportation Authority shall provide a quarterly report to TIDA describing services rendered and the costs and expenses incurred by the Transportation Authority for the Project Management Services and the Consultant Services (collectively, the "Authority Costs").
  - e. The Transportation Authority shall retain full and final discretion to resolve payment issues relating to the Consultant Services; provided, that the costs are consistent with the mutually agreed upon Consultant Scope of Work and Consultant Budget.
  - f. The Transportation Authority shall notify TIDA of any proposed changes to the Project Management Scope of Work, the Consultant Scope of Work,



the Project Management Budget and/or the Consultant Budget within three (3) days of the proposed change being known by the Transportation Authority or requested by Consultant. TIDA shall have the right to approve all proposed changes to the Project Management Scope of Work, the Consultant Scope of Work (including any proposed termination of the Consultant), the Project Management Budget and/or the Consultant Budget.

- g. The Transportation Authority shall provide timely deliverables to TIDA. The Transportation Authority shall provide monthly project updates to TIDA. The Transportation Authority shall maintain project records including deliverables, progress reports, correspondence, and a full accounting of the Transportation Authority Costs, and shall make such records available to TIDA upon request.
- h. The Transportation Authority and TIDA shall have regular coordination meetings, as needed.
- i. TIDA shall be responsible for communications with the State of California Department of Housing and Community Development (HCD) for the 2019 Infill Infrastructure Grant (IIG) including supporting documentation from the Transportation Authority as may be required for progress payments, changes to the project, and other IIG reporting requirements.

4. **TIDA Reimbursement Obligation.** TIDA shall reimburse the Transportation Authority for Project Costs incurred by the Transportation Authority and Consultant. Notwithstanding anything in this Agreement to the contrary, in no event shall TIDA's reimbursement obligation under this Agreement exceed \$4,086,000 Dollars, as outlined in the Total Budget attached to this agreement as Appendix B without approval of TIDA's Board of Directors. The Transportation Authority and TIDA acknowledge that this Agreement memorializes a reimbursement obligation of TIDA to the Transportation Authority and shall not be construed as a grant or gift of funds from the Transportation Authority to TIDA.

5. **Term.** The term of this Agreement shall be from May 1, 2021 to June 30, 2024. SFCTA shall not incur expenses beyond June 30, 2024. Time extensions shall be by amendment to this Agreement and by mutual agreement between the Parties.



**6. Indemnification:**

- a. TIDA shall indemnify, defend, and hold harmless the Transportation Authority, its Commissioners, representatives, agents or employees from and against all claim, injury, suits, demands, liability, losses, damages and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of TIDA, its officers, employees or agents in connection with this Agreement.
- b. The Transportation Authority shall indemnify, defend, and hold harmless TIDA, its Commissioners, representatives, agents or employees from and against all claim, injury, suits, demands, liability, losses, damages and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of the Transportation Authority, its officers, employees or agents in connection with this Agreement.

7. **Notices:** Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To SFCTA:           **Ms. Cynthia Fong**  
                          **Deputy Director for Finance and Administration**  
                          **San Francisco County Transportation Authority**  
                          **1455 Market Street, 22<sup>nd</sup> Floor**  
                          **San Francisco, California 94103**  
                          **Phone: (415) 522-4800**  
                          **E-mail: [cynthia.fong@sfcta.org](mailto:cynthia.fong@sfcta.org)**

To TIDA:             **Mr. Bob Beck**  
                          **Treasure Island Director**  
                          **Treasure Island Development Authority**  
                          **One Avenue of the Palms, Suite 241**  
                          **Treasure Island**  
                          **San Francisco, California 94130**  
                          **Phone: (415) 274-0662**  
                          **E-mail: [bob.beck@sfgov.org](mailto:bob.beck@sfgov.org)**



Any notice of default must be sent by registered mail.

8. **Modification of Agreement.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.
9. **Right to Terminate.** Either party may terminate this Agreement, in whole or in part, at any time upon five (5) working days' prior notice. In the event of such a termination, the Transportation Authority shall submit a final project progress report and invoice to TIDA identifying work completed, consistent with the scope of work outlined in Appendix A and Appendix C, incurred through the termination date within forty-five (45) days of such termination.
10. **Agreement Made in California; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.
11. **Audit and Inspection of Records.** The Parties agree to maintain and make available to each other, during regular business hours, accurate books and accounting records relating to their work under this Agreement and the work of any third parties performing work on the Project. The Parties will permit each other to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. The Parties shall maintain such data and records in an accessible location and condition for a period of not less than three years after the Transportation Authority receives final payment from TIDA. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon the Parties by this Section.



**IN WITNESS WHEREOF**, The parties have executed this AGREEMENT on the date set forth above:

SAN FRANCISCO COUNTY  
TRANSPORTATION AUTHORITY

TREASURE ISLAND DEVELOPMENT  
AUTHORITY

Recommended by:

Recommended by:

---

Cynthia Fong  
Deputy Director for Finance and Administration

---

Bob Beck  
Treasure Island Director

Approved by:

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

---

Tilly Chang  
Executive Director

---

Deputy City Attorney



## **APPENDIX A**

### **TRANSPORTATION AUTHORITY SCOPE OF WORK**

The San Francisco County Transportation Authority (“the Transportation Authority”) will provide project management and administrative services for the Hillcrest Road Widening Project. These services include project management oversight consultant services, Transportation Authority support staff services, legal services and other administrative services related to the Project. These services will be performed in partnership and coordination with TIDA’s project management staff.

#### **A. Project Management Oversight (PMO) services performed by the Transportation Authority and Project Management Oversight staff**

Tasks may include any or all of the following: briefings to Transportation Authority management regarding project issues and progress; monitor and review Hillcrest Road Widening Project (“Hillcrest”) contractor performance, work products, deliverables; review contractor monthly progress reports, with emphasis on trends, issues and problems, potential future issues and problems, proposed solutions; review schedule and cost, including milestones and percent expended/completed; review and make recommendations on any change requests; review Hillcrest contractor invoices; follow up on issues and deficiencies to assure corrective action; attend and participate in meetings, and make presentations as requested; draft memos and reports as requested; draft and distribute minutes as requested; assist in engineering and technical reviews as requested; prepare Cooperative Agreements; assist in the selection of engineering, planning, environmental or other specialty consultants to perform studies and /or design work including preparation of Request for Proposals (RFPs), participation in the consultant selection process, and participate in negotiations for the scope and fee for selected consultants; provide project management and coordination services for the preparation of the Preliminary Engineering, Environmental Document, and PS&E; prepare project financial plan and schedule; provide day-to-day project management and participate in Project Team and ad hoc meetings; attend Board meetings as requested by Transportation Authority staff; prepare periodic Staff Reports for the Board agenda packets as requested by Transportation Authority staff; provide coordination between all stakeholders including Transportation Authority staff, Caltrans, City of San Francisco, BATA, utility companies and the public as necessary; provide oversight of consultant contracts for design and right-of-way acquisitions; provide project management with the selected consultants with respect to budget, schedule, and scope, and ensure project issues that surface are addressed expeditiously; assist with





preparation and submittal of IIG grant funding program requirements supporting documentation including payment applications, project change orders and other project status updates; participate in funding applications and meetings with appropriate staff and agencies required to obtain funding; and assist Transportation Authority in tasks necessary to maintain project delivery.

**B. Administrative Services performed by Transportation Authority and Project Management Oversight staff**

Administrative Services will include the following activities:

- Manage and administer agreements with Consultant, Construction Manager, and Construction Contractor;
- Process payment of Consultant, Construction Manager, and Construction Contractor invoices;
- Provide support and documentation to TIDA for IIG grant funding reimbursements;
- Provide legal counsel services related to the review of Project documents;
- Perform annual audit and pre-award audit services as necessary;
- Prepare memos and reports as requested for Transportation Authority Committees and Board;
- Attend meetings with TIDA staff and stakeholders;
- Provide monthly project updates to TIDA
- Record keeping and filing; and
- Other related tasks as requested.



## **APPENDIX B**

### **TRANSPORTATION AUTHORITY AND CONSULTANT BUDGET**

The San Francisco County Transportation Authority (“the Transportation Authority”) will provide project management services for the Hillcrest project. These services include project management oversight consultant services, and Transportation Authority support staff services. The Consultant will provide all necessary planning and engineering services to complete preliminary engineering, ED, and as an option, PS&E. The services will be billed on an actual time and materials basis, and will vary from month-to-month from this budget estimate.

The budget for the services provided is as follows, for the period from execution of this MOA through June 30, 2024.

<b>Description of Work</b>	<b>Total Budget</b>
1. Preliminary Engineering, ED, PS&E	\$ 3,210,000
2. Project Management Oversight and Authority Support	\$ 876,000
<b>Total Budget</b>	<b>\$ 4,086,000</b>



**Transportation Authority Budget**

<b>Transportation Authority</b>	<b>Estimated Monthly Hours</b>	<b>Base Rate per</b>	<b>Total Cost per Month</b>
Deputy Director for Capital Projects	18	\$ 310	\$ 5,580
Assistant Deputy Director for Capital Projects	10	\$ 257	\$ 2,570
Administrative Engineer	53	\$ 159	\$ 8,427
YBI Project Manager	20	327	\$ 6,540
Senior Communications Manager	2	\$ 174	\$ 348
Graphic Designer	8	\$ 109	\$ 868
Total Estimated Monthly Costs			\$ 24,334
Total Project Cost for 37 months 5/21 - 6/24			\$ 876,000

**Project Cost Estimate**

<b>Project Items</b>	<b>Preliminary Estimate</b>
Total Roadway Items	\$ 7,800,000
Total Structure Items	\$ 10,900,000
Subtotal Construction Cost	\$ 18,700,000
Escalation to Fall 2022 (5%/yr)	\$ 2,890,000
Total Right of Way Items	\$ 258,000
Total Construction Cost	\$ 21,848,000
PE/Final Design by Consultant at 15%	\$ 3,210,000
Construction Management at 15%	\$ 3,210,000
Permit and Right-of-Way Approval at 4%	\$ 856,000
Transportation Authority Project Management	\$ 876,000
Total Soft Cost	\$ 8,152,000
Total Project Cost	\$ 30,000,000

PE/Final Design estimated at 15% of Capital Cost

Construction Management estimated at 15% of Capital Cost



Permit and Right-of-Way Approval estimated at 4% of Capital Cost

## **APPENDIX C**

### **CONSULTANT SCOPE OF WORK**

#### **SCOPE OF SERVICES**

Professional consultant services will provide the necessary planning and engineering services to produce all necessary documents required to produce preliminary engineering, an Environmental Document (ED), and Plans, Specifications/Special Provisions and Estimate (PS&E).

The project development process for the Hillcrest Road Widening Project (Project) consists of a two-phase effort with Phase 1 consisting of the preliminary engineering (35% Design and Reports) and ED; and Phase 2 being the final design and preparation of Plans, Specifications/Special Provisions and Estimate (PS&E). Award of the contract is contingent upon approval of a Memorandum of Agreement between the Transportation Authority and the Treasure Island Development Authority (TIDA). Award of Phase 2 is contingent on the approval of both the Transportation Authority and TIDA after completion of Phase 1.

The Transportation Authority is undertaking this effort in its capacity as Congestion Management Agency for San Francisco and in cooperation with TIDA.

Preparation of the preliminary engineering and ED shall commence immediately following receipt of a Notice to Proceed (NTP) from the Transportation Authority. The selected consultant/team shall be responsible for all work necessary to complete preliminary engineering, an ED, and as an option, PS&E, and shall comply with applicable local, State, and Federal standards and requirements.

Specific tasks include: 1) project management elements, 2) development of the preliminary engineering documents for approval, 3) development of the ED documents for approval, and, as an approved option, 4) PS&E through 100% designs to enable bidding of the project for construction.

**EXHIBIT A**

**AUTHORITY, PURPOSE AND SCOPE OF WORK**

**1. Authority & Purpose**

This Standard Agreement, STD. 213 (hereinafter "Agreement") is the result of Recipient's application ("Application") for funding under the Infill Infrastructure Grant Program of 2019 ("Program") pursuant to:

- A. Part 12.5 of Division 31 of the Health and Safety Code (commencing with Section 53559);
- B. The Infill Infrastructure Grant Program of 2019 Guidelines (the "Guidelines") dated October 30, 2019, issued by the State of California, Department of Housing and Community Development ("Department") and as may be amended from time to time; and,
- C. The Program's Notice of Funding Availability ("NOFA") under which the Contractor applied, was issued by the Department, dated October 30, 2019. In accepting this grant award, the Recipient agrees to comply with the terms and conditions of the Guidelines, the NOFA, this Agreement, and the disbursement agreement, which is more particularly described in Exhibit B, attached hereto.
- D. This exhibit makes reference to Exhibits B, C, D, and E, all of which are attached hereto and made a part hereof by this reference.

**2. Scope of Work**

The Scope of Work ("Work") for this Agreement shall consist of the development and construction by or on behalf of the Recipient as follows:

- A. The "Capital Improvement Project" described in Exhibit E under provision Ex. A-E.1.
- B. The residential housing development designated in the Application as the "Qualifying Infill Project" (hereinafter also referred to as the "Housing Development"), to be developed and constructed by the Recipient, or other developer, as provided in the Application and meet the criteria set forth in Exhibit E under provision Ex. A-E.2.

Infill Infrastructure Grant Program of 2019 (IIG) – *Large Jurisdiction*

NOFA: 10/30/2019

Approved Date: 02/05/2020

Prep. Date: (date inserted when SA is created)

## **EXHIBIT A**

- C. The Capital Improvement Project is an integral part of or is necessary for the completion of the Housing Development. The Recipient is responsible for and shall ensure the completion of the Capital Improvement Project and the completion and occupancy of the Housing Development in accordance with the criteria set forth above in Paragraph 2.B. The Department reserves the right to review and approve all Work to be performed by the Recipient, or contracted by the Recipient, in relation to this Agreement. Any substantial revision to the Work shall be submitted in writing for review and approval by the Department and shall require an amendment to this Agreement.
- D. 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, attached hereto.

### **3. Definitions**

Capitalized terms herein shall have the meaning of the definitions set forth in the Guidelines, in addition:

- A. "Recipient" refers to the entity or entities submitting an application, or to a related entity approved by the Department entering into this Agreement and identified as "Contractor" on page one of this Agreement. In the case of joint applicants, "Recipient" shall also refer to each applicant or the Department-approved assignee of such applicant. Each joint applicant shall be jointly and severally liable for all obligations of a Recipient as set forth herein because the Department may only provide a single Program award under this Agreement, in the case of joint applicants, or where a related entity approved by the Department entering into this Agreement and identified as "Contractor" on page one of this Agreement is added later, all such applicants and related-entities identified as a Contractor under this Agreement shall collectively comprise and be deemed a joint venture.
- B. "Capital Improvement Project" means the Capital Improvement Project described in Paragraph 2.A. of this Exhibit A.
- C. "Housing Development" means the Qualifying Infill Project described in Paragraph 2.B. of this Exhibit A that is supported by the Capital Improvement Project.

## **EXHIBIT A**

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 October 30, 2019. Notwithstanding, if and when the Department 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 Guideline section or sections (Section or Sections) provision is or are amended, and thereafter receive(s) a new Guideline section number(s), any reference herein to the old Guideline section(s) number(s) shall be interpreted to refer instead to the Guideline section(s) that is (or are) intended to replace the content and substance of the former Guideline section(s).

### **4. Proximity to Amenities and Access to Transit: Large Jurisdictions**

In response to submissions in the Application, the Department awarded rating points to qualifying infill projects in large jurisdictions for proximity to amenities (Guidelines Section 309(e)) and access to transit (Guidelines Section 309(d)) relative to the location of the Housing Development. At the request of the Department, Recipient shall provide evidence sufficient to support such award of points by the Department. The Department may refuse to commence or continue the disbursement of Program funds unless and until Recipient responds to such a request in a manner satisfactory to the Department.

### **5. Performance Milestones**

Recipient shall ensure the completion of the PERFORMANCE MILESTONES set forth in Exhibit E under provision Ex. A-E.3, which are attached hereto and made a part hereof, by the designated dates. Recipient may apply to the Department for an extension of these timelines based on good cause shown and best efforts and assurances from the Recipient for timely completion of the remaining Milestones.

### **6. State Contract Coordinator**

The State Contract Coordinator for this Agreement is the Infill Infrastructure Grant Program of 2019 Section Chief, Division of Financial Assistance, or the Chief's designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class to the State Contract Coordinator at the address specified in Exhibit E under provision Ex. A-E.4.

**EXHIBIT A**

**7. Recipient Contract Coordinator**

The Recipient's Contract Coordinator for this Agreement is listed in Exhibit E under provision Ex. A-E.5. Unless otherwise informed, any notice, report, or other communication required by this Agreement may be mailed by first class mail, or sent through a commercial courier to the contact at the address specified in Exhibit E under provision Ex. A-E.5.

SAMPLE



**EXHIBIT B**

**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. Project Budget**

The preliminary projected budget ("Budget") as referenced in this Exhibit contains the cost items for the design, development and construction of the approved Capital Improvement Project, including the sources and uses of funds ("Sources and Uses"). The financial information for the foregoing Budget is contained in Exhibit E under provision Ex. B-E.4 in a table entitled "PROJECT BUDGET." Recipient agrees that any cost overruns or increases resulting in a total cost for Capital Improvement Project exceeding that set forth in the Budget shall be the responsibility of Recipient.

**2. Contract Amount**

- A. For the purpose of performing the Work, the Department agrees to provide the amount identified on page one, number 3, of this Agreement (STD. 213) in the form of a grant for the uses identified in the Budget. In no instance shall the Department be liable for any costs for the Work in excess of this amount, or for any unauthorized or ineligible costs.
- B. The Department may approve a request from the Recipient to reallocate funds between authorized activities and itemized amounts stated in the Budget. Changes in aggregate of ten percent (10%) or less of the total grant amount between activity categories during the term of this Agreement, and expenditures pursuant thereto, 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**

- A. Where the Sources and Uses set forth in this Exhibit identify funds other than Program funds, those funds shall be expended and applied to Project costs as provided in the Budget. Recipient agrees that it will make best efforts to ensure that the other funds specified in the Budget are available for disbursement as provided in this Exhibit, and approved for the use specified in the Budget, except to the extent the Budget and 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.

**EXHIBIT B**

- B. Pursuant to Sections 309(a)(3)(D) of the Guidelines, for Qualifying Infill Projects in Large Jurisdictions, the Department requires the Recipient to provide an Estoppel Letter, acceptable to the Department, evidencing that the amount of owner equity or developer funds proposed by the Recipient at application stage, and relied upon by the Department in reviewing the financial feasibility of the project, continues to be committed to the project.

**4. Completion Dates**

- A. Pursuant to Guidelines Section 306(d), all Program funds must be disbursed no later than Disbursement Deadline, as that term is further defined in Exhibit E under provision Ex. B-E.1. All un-disbursed funds remaining as of the Disbursement Deadline, will no longer be available for this Project. All invoices for payment must be submitted to the Department no later than three (3) months prior to the Disbursement Deadline to ensure payment processing.
- B. This Agreement shall expire on the date set forth in Exhibit E under provision Ex. B-E.2 notwithstanding a contrary date set forth on page one of this Agreement.

**5. Method of Payment**

- A. Payment shall be made as 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 in compliance with the terms and provisions of the Guidelines, the NOFA, this Agreement and the Disbursement Agreement.
- C. The Department shall not authorize payment(s) for pre-development and/or soft costs until the Department has received from the Recipient:
- 1) An executed construction contract; and,
  - 2) Evidence, acceptable to the Department, demonstrating that construction period funding sources have been secured, or has, or will be converted to permanent funding sources.

**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 Capital Improvement Project and an updated Budget; therefore, including an updated table of Sources and Uses, and the specific terms and conditions for the disbursement of Program funds.
- B. The Disbursement Agreement must be executed within two (2) years from the date of award pursuant to Section 306 (c)(2), which date is set forth in specific detail in Exhibit E under provision Ex. B-E.3.

[PROJECT BUDGET TABLE NOW APPEARS IN EXHIBIT E]

# General Terms and Conditions (GTC 04/2017)

## EXHIBIT C

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. **INDEPENDENT CONTRACTOR**: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
9. **RECYCLING CERTIFICATION**: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).
10. **NON-DISCRIMINATION CLAUSE**: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. **CERTIFICATION CLAUSES**: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.
12. **TIMELINESS**: Time is of the essence in this Agreement.



13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.
14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.
15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.
  - a. The Government Code Chapter on Antitrust claims contains the following definitions:
    - 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
    - 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
  - b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
  - c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
  - d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:
  - a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
  - b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.
18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:
  - a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)
  - b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

*This exhibit is being provided for informational purposes to provide the applicant the ability for internal review prior to receipt of their std. agreement for execution.*

20. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

SAMPLE



**EXHIBIT D**

**IIG GENERAL TERMS AND CONDITIONS**

**GENERAL**

**1. Effective Date, Commencement of Work and Completion Dates**

This Agreement is effective upon approval by the Department representative's signature on page one of the fully executed Standard Agreement, STD 213. The Recipient agrees that construction of the Capital Improvement Project has not commenced as of the deadline for submittal of applications set forth in the Notice of Funding Availability. The Recipient agrees that the Work shall be completed as specified in this Agreement, subject to the termination date specified on page one, number two, of this Agreement, and subject to the expiration date provided by Exhibit B paragraph 4.B, unless a written request for an extension is submitted and written approval by the Department is provided within ninety (90) days prior to the termination or expiration date of this Agreement. Any extension to the termination or expiration date shall require an amendment to this Agreement.

**2. Termination**

The Department may terminate this Agreement at any time for cause by giving at least fourteen (14) days' notice in writing to the Recipient. Cause shall consist of violations by Recipient of any terms and/or special conditions of this Agreement, to include but not limited to Paragraph 46 of this Exhibit. Upon termination or expiration of this Agreement, unless otherwise approved in writing by the Department, any unexpended funds received by the Recipient shall be returned to the Department within fourteen (14) days of the Notice of Termination.

**3. Infill Infrastructure 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 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 Housing Development or the Infrastructure Project. Said performance deed of trust shall be recorded against the entire legal parcel underlying the project, which it ensures is being constructed.

**EXHIBIT D**

**4. Covenant Regarding Development of Affordable Housing**

Prior to the disbursement of Program funds, the Recipient shall enter into a written Covenant Regarding Development of Affordable Housing ("Covenant") with the Department and including such other parties as the Department may reasonably require, which shall require the development and construction of the Housing Development with, the number of units and the number of bedrooms per unit, the extent and depth of affordability, Net Density, as set forth in 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 Housing Development is to be located and shall be binding on all successors, transferees, and assignees acquiring an interest in the Housing Development as follows:

- A. For rental housing developments, the Covenant shall require the continuation of the affordability of the Housing Development for a period of not less than fifty-five (55) years from the date of the filing of a Notice of Completion for the Housing Development.
- B. For homeownership housing developments, the Covenant shall require the continuation of the affordability for a period of not less than thirty (30) years from the date of the filing of a Notice of Completion for the Housing Development. The affordability will be ensured through a resale restriction or equity sharing upon resale.
- C. [Intentionally Omitted]
- D. 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 Housing Development or the Infrastructure Project. 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 contain a power of sale clause, which may be exercised in the event that the Housing Development or Infrastructure Project are not timely completed, or in the event of an uncured breach of this Agreement.

**EXHIBIT D**

**5. Site Control**

The Recipient must have and maintain site control sufficient to ensure the timely commencement of the Infrastructure Project and the Housing Development as determined by the Department. The Recipient shall also obtain all licenses, easements and rights-of-way or other interests required for completion of the Infrastructure Project and the Housing Development 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 Infrastructure Project or the Housing Development, 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 Infrastructure Project or the Housing Development, or both, as defined in state law, the Recipient shall provide a relocation plan conforming to the requirements of state law and regulations issued by the Department in Subchapter 1 (commencing with Section 6000) of Chapter 6 of Division 1 of Title 25 of the California Code of Regulations. The relocation plan shall be subject to the review and approval of the Department prior to the initial disbursement of Program funds. In addition to actions that satisfy the regulatory requirements, the relocation plan shall contain a line item budget. 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.

**8. Article XXXIV**

The Recipient shall submit to the Department evidence satisfactory to the Department that the requirements of Article XXXIV of the California Constitution are inapplicable or have been satisfied as to the Housing Development.

**EXHIBIT D**

**9. 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 Infrastructure Project and the Housing Development, in conformance with ASTM Standard Practice E 1527, evaluating whether the Infrastructure Project is affected by any recognized environmental conditions.
- B. Documentation and/or a certification satisfactory to the Department that all Environmental Site Assessment 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.

**10. 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 Infrastructure Project and Housing Development, the Recipient, its Contractors or Subcontractors, and any grant activity.

**11. 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.
- 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 Department, 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.

**EXHIBIT D**

**12. Milestones**

Recipient shall ensure the completion of the designated activities within the dates designated in Exhibit A, Performance Milestones, and as further set forth in the Disbursement Agreement.

**13. 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.

**14. Change of Conditions**

Notwithstanding the Department's obligations to provide payments pursuant to Exhibit B hereof, the Department reserves the right to evaluate the Infrastructure Project's need for Program funds based on new information or funding sources. If the Department determines that the Program funds, or a portion thereof, are no longer necessary to complete the Infrastructure Project, the Department may reduce the amount of the grant accordingly. In the event the Department determines the Infrastructure Project or Housing Development is no longer financially feasible, the grant commitment issued by the Department and this Agreement may be terminated.

**15. 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 Infrastructure Project and Housing Development 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 Infrastructure Project and Housing Development in accordance with this Agreement.

**16. 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.

**EXHIBIT D**

**17. 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 Scope of 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 to the extent necessary to ensure compliance with Program requirements and this Agreement.

**18. Loan Agreement Between Co-Recipients**

In the event of a joint application where the co-Recipient Locality or public housing authority and the co-Recipient developer have agreed in writing that the Locality or public housing authority, shall receive the Program funds as the primary Recipient in order to make a loan to the developer for tax credit purposes, the loan terms shall provide for, at a minimum, the following:

- A. A zero percent (0%), deferred payment loan, with a term of at least thirty (30) years for home ownership developments, or a term of at least fifty-five (55) years for rental developments.
- B. No periodic payments shall be required under the loan.
- C. The co-Recipients shall be responsible for all aspects of establishing, documenting and servicing the loan.
- D. The provisions governing the loan shall be entirely consistent with the IIG Guidelines and all documents required by the Department with respect to the use and disbursement of Program funds.
- E. All documents governing the loan between the public agency lender and the developer borrower shall be subject to the review and approval of the Department prior to making the loan.
- F. Any additional terms the Department may require, ensuring compliance with the Guidelines, this Standard Agreement, Disbursement Agreement and any other Department grant documents.



**EXHIBIT D**

**DESIGN**

**19. Architect**

The Recipient shall utilize the services of an architect and/or an engineer to provide professional design and engineering services for the Infrastructure Project and Housing Development. Recipient shall ensure that an architect and/or an engineer shall 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 Paragraph 35, of this Exhibit D. At the request of the Department, Recipient shall submit all contracts for these services to the Department for its review and approval.

**20. Plans and Specifications and Project Cost Estimates**

At the request of the Department, the Recipient shall submit plans, specifications, and project cost estimates for the Infrastructure Project and Housing Development to the Department for its review and approval. The Infrastructure Project and Housing Development 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.

**21. Reasonable Development Costs**

At the request of the Department, the Recipient shall provide evidence acceptable to the Department that the total costs of the Infrastructure Project and Housing Development 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.

**22. Adaptability and Accessibility**

The Infrastructure Project and Housing Development 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.

**23. Acoustics Report**

Upon request, the Recipient shall provide the Department with an acoustics report for the Housing Development in a form acceptable to the Department.

**EXHIBIT D**

**24. Approval by Public Works Department**

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

**CONSTRUCTION**

**25. 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 work of the Infrastructure Project and the Housing Development. 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.

**26. Contractor's Assurance of Completion**

The Contractor(s) shall provide security to assure completion of the Infrastructure Project 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 (100%) of the approved construction costs included in the Construction Contract(s) to provide security for the faithful performance of the Construction Contract(s) including a warranty period of at least twelve (12) months after completion. The Payment Bond shall be in an amount at least equal to 100 percent (100%) of the approved construction costs included in the Construction Contract(s) to provide security for the payment of all persons performing labor on the Infrastructure Project and Housing Development and furnishing materials in connection with the Construction Contract. A Letter of Credit shall be in an amount equal to at least 20 percent (20%) 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.



**EXHIBIT D**

**27. Prevailing Wages**

Pursuant to Section 314 of the Guidelines, for the purposes of the State Prevailing Wage Law (Labor Code Sections 1720 – 1781), a grant under the Program shall be considered public funding for the construction, rehabilitation, demolition, relocation, preservation, or other physical improvement of the Infrastructure Project subject to the provisions of the State Prevailing Wage Law. Program funding of an Infrastructure Project shall not necessarily, in and of itself, be considered public funding of a Housing Development unless such funding is otherwise considered public funding under the State Prevailing Wage Law. It is not the intent of the Department to subject Housing Developments to the State Prevailing Wage Law by reason of Program funding of the Infrastructure Project in those circumstances where such public funding would not otherwise make the Housing Development subject to the State Prevailing Wage Law. Although the use of Program funds does not require compliance with federal Davis-Bacon wages, other funding sources may require compliance with federal Davis-Bacon wages. The Recipient shall prepare a plan for compliance with this section, which plan shall be subject to the review and approval of the Department.

**28. 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 Infrastructure Project. 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 responded to in writing within 10 (ten) 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 Housing Development architect and other consultants, and information relative to the Housing 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

## **EXHIBIT D**

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 responded to 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.

### **29. Signage**

Recipient shall place signs on the construction site for the Infrastructure Project and Housing Development stating that the Department is providing financing through the Infill Infrastructure Grant Program in an appropriate location(s), typeface and size containing the message set forth in Exhibit E under provision Ex. D-E.1.

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 Department acknowledgement and logo shall also be displayed in a similar size and layout. A copy of the Department logo can be obtained by contacting the Department Contract Manager.

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 Infrastructure Project and the Housing Development 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**

### **30. Site Inspection**

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

**EXHIBIT D**

**31. Infrastructure Project and Housing Development 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 Infrastructure Project and Housing Development 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 Infrastructure Project or the Housing Development 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 Infrastructure Project and Housing Development.

**EXHIBIT D**

**32. 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 records for a minimum period of four (4) 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 Infrastructure Project or the Housing Development. 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.

**EXHIBIT D**

**COMPLETION OF CONSTRUCTION**

**33. 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.

**34. Architect Certification**

Where required by the Department, the Recipient shall cause the Infrastructure Project and Housing Development architect(s) or other appropriate professional to certify to the Department, in a 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.

**35. Cost Certification**

At the request of the Department, the Recipient shall submit an Infrastructure Project and Housing Development 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.

**36. Recorded Notice of Completion**

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

**37. "As-Built" Plans and Specifications**

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

**EXHIBIT D**

**38. Intentionally left blank**

**HOUSING DEVELOPMENT REQUIREMENTS**

**39. 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 Housing Development. The housing units to be developed in the Housing Development must be completed, as evidenced by receipt of a certificate of occupancy, within the time period established in this Agreement.

**40. Proximity to Amenities: Large Jurisdictions**

The following paragraph shall only apply to large jurisdictions. To ensure the Recipient's Housing Development meets or exceeds the proximity to amenities proposed in the Application, the Recipient shall submit evidence to the Department for approval prior to the final disbursement of funds that the amenities will be in service and located in distances consistent with Sections 309 and 310 of the Guidelines, as applicable, when the Housing Development is completed.

**41. Access to Transit: Large Jurisdictions**

The following paragraph shall only apply to large jurisdictions. To ensure the Recipient's Housing Development meets or exceeds the access to transit distance proposed in the Application, the Recipient shall submit evidence to the Department for approval prior to the final disbursement of funds that the transit stations or major transit stops meet the definitions in Section 302(gg) and 302(o) of the Guidelines, respectively. The evidence shall substantiate completion of the transit stations identified in the application no more than five years from the deadline for submittal of applications set forth in the NOFA, and pursuant to the definition of Transit Station of the Guidelines in Section 302.

**REPORTING REQUIREMENTS**

**42. Reports on Infrastructure Project**

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

Infill Infrastructure Grant Program of 2019 (IIG) – *Large Jurisdiction*

NOFA: 10/30/2019

Approved Date: 02/05/2020

Prep. Date: (date inserted when SA is created)



## **EXHIBIT D**

### **43. Reports on 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 Housing Development. 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.

### **44. Updated Information**

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

### **45. Monitoring Requirements**

The Program shall perform regular monitoring of the housing development and/or fiscal monitoring of the grant pursuant to section 312 of the Guidelines. The Recipient agrees to cooperate with any such monitoring and provide reasonable access to all Infrastructure Project files, records, documents and other information to employees or representatives of the Department. The Recipient shall resolve any monitoring findings to the Program's satisfaction by the deadlines set by the Department.

## **REPAYMENT OF GRANT FUNDS**

### **46. Breach of this Agreement**

In the event of a breach or violation by the Recipient of any of the provisions of this Agreement, the Department may give written notice to the Recipient to cure the breach or violation within a period of not less than thirty (30) 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 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 work for costs to be paid by Program funds as provided in Exhibit B remains unperformed or uncompleted. Recipient shall be liable for all costs to complete all such uncompleted or unperformed work.

**EXHIBIT D**

- 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 Infrastructure Project in accordance with Program requirements.
- C. The Department may seek such other remedies as may be available under this Agreement or any law.
- D. This Agreement may be cancelled 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 Infrastructure Project or Housing Development cannot proceed in a timely fashion in accordance with the Performance Milestones in Exhibit A of this Agreement.
  - 4) Funding or disbursement conditions have not been or cannot be fulfilled within required time periods.

**47. Repayment of Grant Funds for Failure to Develop Housing**

Recipients will be required to repay disbursed Program grant funds where construction of residential units in the Housing Development used as the basis for calculating the grant amount pursuant to Section 305(a) of the Guidelines has not received building permits within two (2) years from the date of the Program grant award. The Department may extend these deadlines, for a term not to exceed seven (7) years, if the Recipient demonstrates, to the satisfaction of the Department, that it has complied with the performance milestones identified in Exhibit A of this Agreement. The amount to be repaid shall be the same proportion to the total grant amount as the number of residential units where construction has not timely commenced to the total number of designated residential units.



**EXHIBIT E**

**PROJECT SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS**

**1. PROJECT SPECIFIC PROVISIONS**

The following are project-specific terms and conditions (referred to as enumerated provision(s) for ease of reference in prior exhibits) and shall inform the references made to project specific information not contained in those prior exhibits.

**Provision Ex. A-E.1 (As referenced in Exhibit A paragraph 2.A)**

Treasure Island & Yerba Buena Island Major Phase 1 is a Qualified Infill Area that will develop 896 units. The CIP Project consists of widening the existing Hillcrest Road, the Project will provide a Class II bike lane to complete the bicycle circulation network on Yerba Buena Island, a one-way 2-lane roadway with a dedicated bike path making the total section 36-feet wide for the segments between the Westside Bridges project and over the I-80 Tunnel Portal, the conceptual design includes removal of existing retaining walls and construction of new retaining walls set further into the steep hillside above Hillcrest Road, with design features to limit distractions to I-80 drivers.

**Provision Ex. A-E.2 (As referenced in Exhibit A paragraph 2.B)**

<b>Location of Housing Development (APN, address, parcel map, specific plan or similar reference) City and County</b>		<b>101, 301, 401, 451 Seven Seas 2 Cravath 45 Bruton San Francisco, CA 94130</b>	
<b>Enter the number of units by bedroom size and income level.</b>			
<b># of Bedrooms</b>	<b># of Units</b>	<b>IIG Restricted</b>	<b>Income Limit (% of AMI)</b>
0	22	22	30% AMI
0	1	1	50% AMI
0	1	1	60% AMI
1	1	1	30% AMI
1	46	46	50% AMI
2	15	15	50% AMI
2	13	13	50% AMI

Infill Infrastructure Grant Program of 2019 (IIG) – *Large Jurisdiction*

NOFA: 10/30/2019

Approved Date: 02/05/2020

Prep. Date: 10/02/2020

## EXHIBIT E

# of Bedrooms	# of Units	IIG Restricted	Income Limit (% of AMI)
2	5	5	60% AMI
2	1		none
0	9	9	60% AMI
0	1	1	HO Moderate
0	122		none
1	5	5	50% AMI
1	12	12	60% AMI
1	2	2	HO Moderate
1	266		none
2	45	45	30% AMI
2	3	3	50% AMI
2	17	17	60% AMI
2	2	2	HO Moderate
2	230		none
3	17	17	30% AMI
3	3	3	50% AMI
3	1	1	HO Moderate
3	42		none
4	4	4	30% AMI
4	4	4	50% AMI
4	6		none
<b>Total</b>	896	229	
<b>Net Density (see Guidelines Sec. 302(o))</b>		144.6	

Infill Infrastructure Grant Program of 2019 (IIG) – *Large Jurisdiction*

NOFA: 10/30/2019

Approved Date: 02/05/2020

Prep. Date: 10/02/2020

**EXHIBIT E**

**Provision Ex. A-E.3** (As referenced in Exhibit A paragraph 5)

**PERFORMANCE MILESTONES**

<b>Performance Milestone</b>	<b>Infrastructure Project</b>	<b>Housing Development</b>
Executed binding agreement between the Recipient and developer of the proposed Housing Development detailing the terms and conditions of the Project development.	11/1/2020	3/14/2018
Site Control of Housing Development site(s) by proposed housing developer.	N/A	3/14/2018
Completion of all necessary environmental clearances, including those required under CEQA and NEPA.	4/1/2011	4/1/2011
Obtaining all necessary and discretionary public land use approvals.	2/1/2021	6/15/2011
Obtaining all enforceable funding commitments for the Housing Development supported by the Infrastructure Project.	N/A	1/15/2020
Obtaining all enforceable funding commitments for all construction period financing.	2/28/2021	1/15/2020
Obtaining enforceable commitments for all construction/permanent financing described in the Sources and Uses (as defined in Exhibit B to this Agreement) including substantially final construction/permanent loan documents, and Tax Credit syndication documents for remaining phases of Project.	N/A	1/15/2020
Submission of Final Construction Drawings and Specifications to the appropriate local building department or permitting authority.	12/1/2021	9/1/2019
Commencement of construction.	6/1/2022	8/10/2020
Construction complete and the filing of the Certificate of occupancy	5/30/2023	[6/30/2021]

**EXHIBIT E**

**Provision Ex. A-E.4** (As referenced in Exhibit A paragraph 6)

Jon Moore, Section Chief,  
Climate Programs  
Division of Financial Assistance  
Department of Housing and Community Development  
P.O. Box 952054  
Sacramento, California 94252-2054

**Provision Ex. A-E.5** (As referenced in Exhibit A paragraph 7)

Recipient:	Treasure Island Development Authority (TIDA)
Authorized Representative Name:	Robert P. Beck
Authorized Representative Title:	Treasure Island Director
Address:	One Avenue of the Palms, Suite 241 San Francisco, CA 94130
Phone No.:	415-274-0662
Email Address:	bob.beck@sfgov.org

**Provision Ex. B-E.1** (As referenced in Exhibit B paragraph 4.A)

The “Disbursement Deadline,” as that term is used and referenced throughout the agreement, and in particular in Exhibit B paragraph 4.A, shall be no later than four (4) years from June 23, 2020.

**Provision Ex. B-E.2** (As referenced in Exhibit B paragraph 4.B)

This Agreement shall expire on June 30, 2028 notwithstanding a contrary date set forth on page 1 (entitled STD. 213) of this Agreement.

**EXHIBIT E**

**Provision Ex. B-E.3** (As referenced in Exhibit B paragraph 6)

The Disbursement Agreement must be executed within two (2) years from June 23, 2020

**Provision Ex. B-E.4** (As referenced in Exhibit B paragraph 1)

**PROJECT BUDGET**

<b>INFRASTRUCTURE DEVELOPMENT BUDGET AND SOURCES</b>				
<b>PROJECT NAME</b>		<b>APPLICANT(s)</b>		
<b>ESTIMATED CAPITAL IMPROVEMENT PROJECT COSTS</b>		<b>DEVELOPMENT COSTS BY FUNDING SOURCE</b>		
<b>DEVELOPMENT COSTS</b>				
<b>Costs Category</b>	<b>Total Amount</b>	<b>Infill Grant Program</b>	<b>Highway &amp; Prop</b>	<b>BATA &amp; TIDA</b>
<b>PROJECT ACTIVITY (Hard Cost)</b>				
<b>Total Project Activity Costs</b>	<b>\$58,908,042</b>	<b>\$26,790,000</b>	<b>\$30,784,774</b>	<b>\$6,980,268</b>
<b>SOFT COST AND OTHER PROJECT RELATED COSTS</b>				
<b>Total Soft Cost and Other Project Related Costs</b>	<b>\$23,321,104</b>	<b>\$3,210,000</b>	<b>\$4,009,990</b>	<b>\$10,454,114</b>
<b>TOTAL PROJECTED CIP COSTS</b>	<b>\$82,229,146</b>	<b>\$30,000,000</b>	<b>\$34,794,764</b>	<b>\$17,434,382</b>

**EXHIBIT E**

**Provision Ex. D-E.1** (As referenced in Exhibit D paragraph 29)

The signage required by Exhibit D, paragraph 29 shall contain the following information:

**PROJECT NAME: *Treasure Island & Yerba Buena Island Major Phase 1***

THIS PROJECT HAS BEEN MADE POSSIBLE  
BY FINANCING FROM  
THE INFILL INFRASTRUCTURE GRANT PROGRAM OF 2019  
THROUGH THE CALIFORNIA DEPARTMENT  
OF HOUSING AND COMMUNITY DEVELOPMENT

**2. SPECIAL TERMS AND CONDITIONS**

The following Special Terms and Conditions are applicable to this Agreement and shall control notwithstanding anything to the contrary herein:

**A. Payee**

The authorized Payee(s) is/are as specified below:

Payee Name: Treasure Island Development Authority (TIDA)                      \$30,000,000

# Treasure Island Development Program

## Infill Infrastructure Grant – Accept & Expend Resolution

**Budget and Finance Committee**  
**July 28, 2021**



# IIG Program

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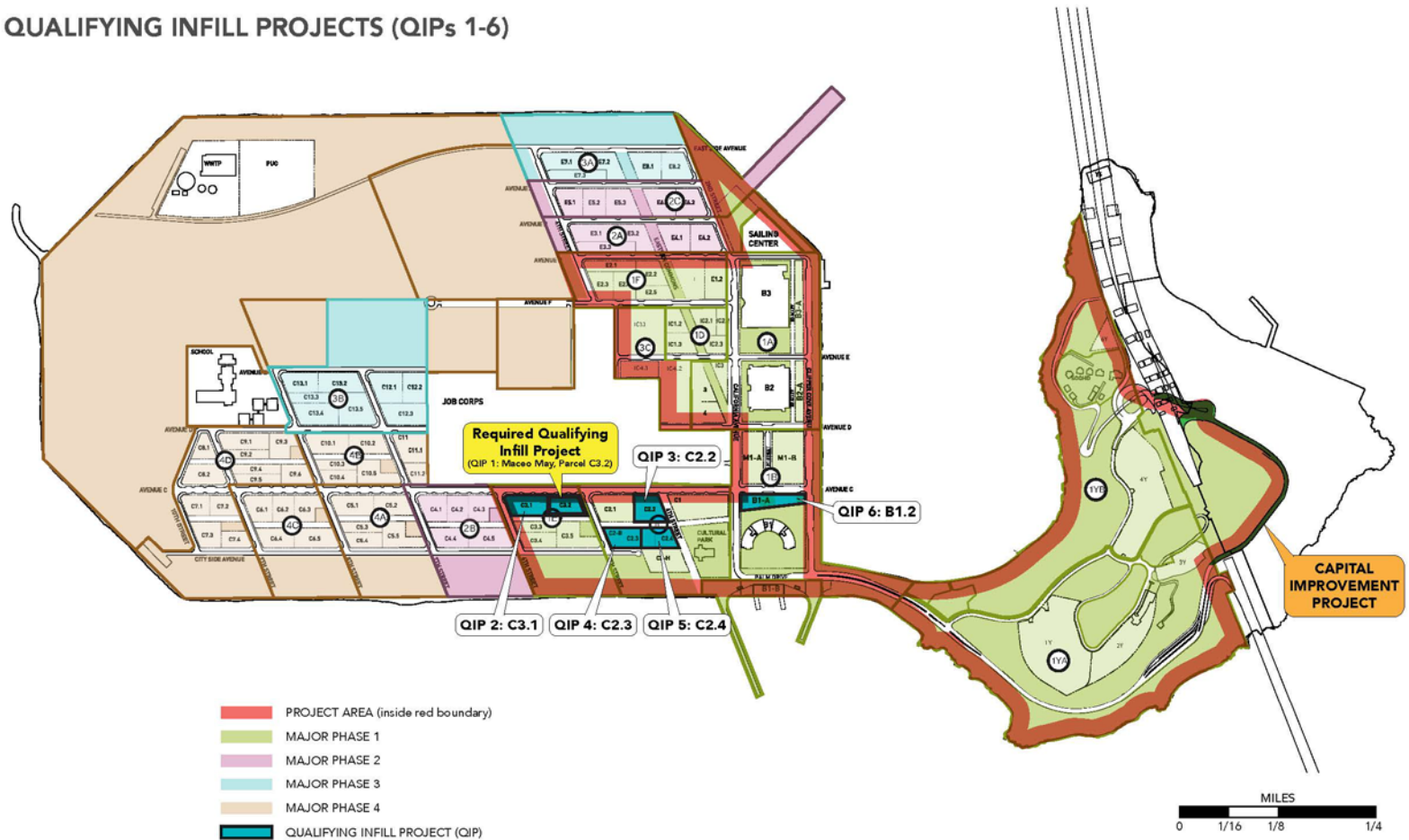
## Infill Infrastructure Grant (IIG) Program:

- Implemented through California Department of Housing and Community Development (HCD)
- The Program's primary objective is to promote infill housing development by providing financial assistance for infrastructure improvements necessary to facilitate new infill housing development.
- Under the program, grants are available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas. Eligible improvements include development or reconstruction of Parks or Open Space, water, sewer or other utility service improvements, streets, roads, parking structures, transit linkages, transit shelters, traffic mitigation features, sidewalks, and streetscape improvements.



# IIG Program

## QUALIFYING INFILL PROJECTS (QIPs 1-6)



# Application, Award, & Standard Agreement

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- On October 20, 2019, HCD issued a Notice of Funding Availability for the IIG program
- On January 14, 2020, the Board of Supervisors approved Resolution 0027-20 authorizing the TIDA to apply under the IIG grant program
- Application filed February 2020
- HCD issued award announcement June 23, 2020

# IIG Accept & Expend

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- Proposed resolution authorizes Treasure Island Director to execute Standard Agreement and related documents and accept and expends \$30 million award for IIG grant
  - Includes executing Memorandum of Agreement (MOA) between TIDA and the San Francisco County Transit Authority (SFCTA) to complete the scope of work and comply with IIG requirements
- Scope of Capital Improvement Project – Retaining walls will widen available right-of-way to:
  - Accommodate traffic flow between Bay Bridge, TI and YBI
  - Provide transit-only lane for AC Transit buses to access Eastbound I-80 on-ramp
  - Enhance bicycle and pedestrian improvements
  - Facilitate connection to potential future west Bay bike path

# IIG Budget – \$30 million

## Treasure Island Development Authority - HCD Infill Infrastructure Grant (IIG) Budget

IIG Grant Budget	AMOUNT
<b><u>SOURCES OF FUNDS</u></b>	
Infill Infrastructure Grant Proceeds	\$30,000,000
<b>TOTAL SOURCES</b>	<b>\$30,000,000</b>
<b><u>USES OF FUNDS (Hillcrest Widening / Class II Bike Lane / One 2-way Lane Roadway)</u></b>	
Total Roadway Items	\$7,800,000
Total Structure Items	\$10,900,000
Escalation to Fall 2022 (5%/yr)	\$2,890,000
Total Right of Way Items	\$258,000
Total Estimated Construction Cost	<b>\$21,848,000</b>
PE/Final Design by Consultant at 15%	\$3,210,000
Construction Management at 15%	\$3,210,000
Permit and Right-of-Way Approval at 4%	\$856,000
Transportation Authority Project Management	\$876,000
Total Estimated Soft Cost	<b>\$8,152,000</b>
<b>TOTAL USES</b>	<b>\$30,000,000</b>

**TOTAL IIG FUNDS      \$30,000,000**

# YBI Roadway Projects

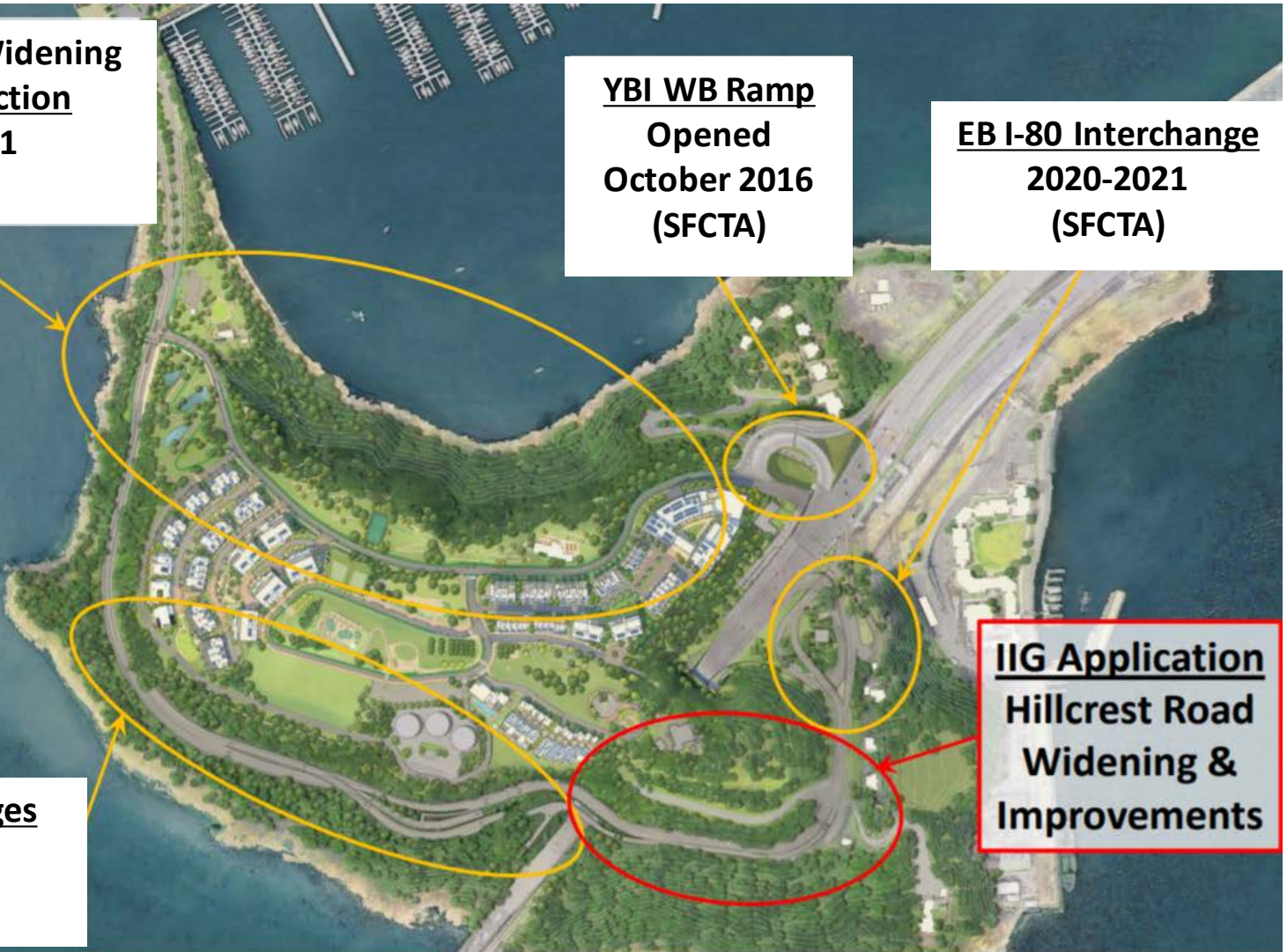
**Macalla Road Widening  
& Reconstruction**  
2019-2021  
(TICD)

**YBI WB Ramp**  
Opened  
October 2016  
(SFCTA)

**EB I-80 Interchange**  
2020-2021  
(SFCTA)

**West Side Bridges**  
2021-2024  
(SFCTA)

**IIG Application**  
Hillcrest Road  
Widening &  
Improvements





# Eastbound I-80 Interchange

- Total Project Cost: \$51M
- Funding: Federal, State, TIDA
- Construction: Early 2020 – Late 2021



Construction Contract  
Issued for Bid by SFCTA



# West-Side Bridges

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- SFCTA Project
- Total Project Cost Estimate: \$110 M
- Funding: Federal, State, TIDA
- Construction: Late 2021-2024



# IIG Award

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- In the Disposition and Development Agreement, TIDA and developer pledge to mutually pursue grant opportunities
- Scope of award is an unfunded need
- TIDA is working in collaboration with the San Francisco County Transit Authority (SFCTA) to refine scope, develop design documents, and complete the work



# *Questions?*



CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY  
ONE AVENUE OF THE PALMS,  
2<sup>ND</sup> FLOOR, TREASURE ISLAND  
SAN FRANCISCO, CA 94130  
(415) 274-0660 FAX (415) 274-0299  
WWW.SFTREASUREISLAND.ORG



LONDON N. BREED  
MAYOR

ROBERT BECK  
TREASURE ISLAND DIRECTOR

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**FROM:** Jamie Querubin, Finance Manager  
Treasure Island Development Authority (TIDA)

**DATE:** April 29, 2021

**SUBJECT:** Accept and Expend Resolution for California Department of Housing and  
Community Development Infill Infrastructure Grant

**GRANT TITLE:** Infill Infrastructure Grant (IIG)

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Attached please find the original and 2 copies of each of the following:

- Proposed resolution; original signed by Department, Mayor, Controller
- Grant information form
- Grant award letter from funding agency
- Grant budget
- Grant Application and Guidelines
- Form of Standard Agreement
- Form of Memorandum of Understanding between Treasure Island Development Authority (TIDA) and San Francisco Transportation Authority
- Other (Explain):

Departmental representative to receive a copy of the adopted resolution:

Name: Jamie Querubin

Phone: 415-844-0620

Interoffice Mail Address: Jamie.Querubin@sfgov.org

Certified copy required: Yes  No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

**From:** [Peacock, Rebecca \(MYR\)](#)  
**To:** [BOS Legislation, \(BOS\)](#)  
**Cc:** [Kittler, Sophia \(MYR\)](#); [Querubin, Jamie \(ADM\)](#); [Beck, Bob \(ADM\)](#); [Bukowski, Kenneth \(ADM\)](#); [McMahon, Trisha; Liu, Adrian \(MYR\)](#); [Zou, Han \(BOS\)](#)  
**Subject:** Mayor -- [Resolution] -- [Accept and Expend Grant - California Department of Housing and Community Development Infill Infrastructure Grant Program – Treasure Island - \$30,000,000]  
**Date:** Tuesday, July 13, 2021 4:26:19 PM  
**Attachments:** [A&E\\_TIDA\\_IIG.zip](#)

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Attached for introduction to the Board of Supervisors is a **resolution authorizing the Treasure Island Development Authority (“Authority”) to execute a Standard Agreement with the California Department of Housing and Community Development (“HCD”) under the Infill Infrastructure Grant Program for a total award of \$30,000,000 for Qualifying Infill Projects on Treasure Island and Yerba Buena Island, for the period starting on the execution of the Standard Agreement to June 30, 2028; authorizing the Authority to accept and expend the grant of \$30,000,000 for Capital Infrastructure Improvements approved by HCD consistent with the Authority’s Application; and authorizing the Authority to execute additional documents that are necessary or appropriate to accept and expend the IIG Program funds consistent with this Resolution.**

Please let me know if you have any questions.

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**Rebecca Peacock** ([they/them](#))  
(415) 554-6982 | [Rebecca.Peacock@sfgov.org](mailto:Rebecca.Peacock@sfgov.org)  
Office of Mayor London N. Breed  
City & County of San Francisco