



**City of Ukiah
Community Development Department**

Housing Services Division
300 Seminary Avenue
Ukiah, CA 95482
Ph: (707) 463-6219
Email: housing@cityofukiah.com

January 2, 2018

**Notice of Funding Availability
And
Application**

January 2018 Housing Trust Fund NOFA



**CITY OF UKIAH
Notice of Funding Availability (NOFA)
Housing Trust Fund Program
January 2, 2018**

On behalf of the City of Ukiah, the Community Development Department is pleased to announce the availability of at least \$500,000 to assist in the creation, rehabilitation, and preservation of affordable housing. This is the first NOFA released through the City's Housing Trust fund, and the City expects to release a second NOFA in July or August. Additional funding may be available for proposals received under this NOFA that meet the requirements of other funding sources. Awards of funding will be provided as loans.

Affordable housing projects receiving funding from the Housing Trust Fund must be affordable to those earning at or less than 80% of the area median family income. Affordability must be provided by the imposition of rent or resale restrictions recorded with a 55-year affordability covenant. Certain programs like HOME may have additional restrictions.

Projects that apply to the NOFA will be ranked based on scoring criteria in this NOFA. Working with a new committee being formed to advise staff on housing trust fund activities, staff will request the City Council approve the ranked list of projects and a total amount of funds to be awarded. Top ranking projects will be awarded from current fiscal year funds and subsequent projects from next fiscal year funds.

City loans are provided for new construction of affordable rental and homeownership projects, rehabilitation, redevelopment of underutilized land and buildings, and construction of accessory dwelling units. City loans are intended to partially fill the gap between development costs and financing available from private and other public sources. Applicants are expected to pursue funding from all available sources.

Interested applicants should complete the attached Ukiah Housing Trust Fund (UHTF) application. **Completed applications are due Friday, February 16 at 4:00 P.M. and can be mailed or hand-delivered to the following address:**

**Housing Trust Fund Program
Community Development Department
City of Ukiah
300 Seminary Ave.
Ukiah, CA 95482**

Questions regarding this NOFA should be addressed to Craig Schlatter, Community Development Director, at cschlatter@cityofukiah.com or 707-463-6219.

Please visit the City's web site at www.cityofukiah.com for more information and updates on the Housing Trust Fund Program. Navigate from the home page to "City Hall » City Departments » Community Development » Housing Services Division" and scroll to the Housing Trust Fund Program.



Scoring Criteria

Complete applications will be scored in the following categories. Maximum points in each category are noted. Some categories are not applicable for certain types of projects.

	Rental	Ownership	Self-Score
1. Financial Characteristics	55	55	
A. Leveraging	25	25	
B. Funding Commitments	30	30	
2. Target Population and Project Attributes*	35	35	
A. Income targeting	10	15	
B. Unit size	5	10	
C. Units for people with special needs	10	5	
D. Units for homeless	10	5	
3. Developer Experience and Capacity	40	40	
A. Overall affordable housing experience	20	20	
B. Experience developing housing in Ukiah	5	5	
C. Developer team experience	15	15	
4. Readiness	20	20	
A. Site control	5	10	
B. Development entitlements secured	5	5	
C. Pre-development meeting held with City staff	10	5	
5. Bonus Points	50	50	
A. Construction of new affordable housing units, 2/3 of which are affordable to households with incomes at or less than 60% AMI	15	15	
B. Use of energy efficiency, net-zero, or other sustainable/green features above Title 24	5	5	
C. Utilization of other funding sources in addition to Housing Trust Fund	10	10	
D. Conversion of underutilized land and/or buildings to affordable housing	10	10	
E. Healthy community components	5	5	
F. Connectivity with existing or proposed pedestrian/bicycle paths and trails	5	5	
Total Possible Points	200	200	

*For Scoring Criterion #2- Target Populations and Project Attributes, applicants are encouraged to review the City of Ukiah's General Plan Housing Element, located on the City's website: www.cityofukiah.com. Please navigate from the City's home page to "City Hall » City Departments » Community Development » Documents and Maps" and scroll through the General Plan to the Housing Element.

General Loan Terms

If loan terms other than those listed below are sought for a project, this must be explicitly stated in the cover letter and a separate explanation provided in the application. Such requests are granted at the sole discretion of the City.

Loan Terms

Loans for rental and homeownership projects are typically provided at a simple interest rate of zero to three percent (0-3%) per annum, for a term of fifty-five (55) years. Payments of interest and principal will be due from excess cash flow from operations after payment of operating costs, senior debt, reserves, and deferred developer fee. To the extent payments cannot be made, they may be deferred for the term of the loan. All loans are due on sale, refinancing, transfer (except to a related entity, such as a limited partnership, subject to City approval) or at the end of the fifty-five (55) year term.

City loans will be evidenced by a promissory note secured by a deed of trust on the project. A loan agreement will specify all development obligations. Post-occupancy use restrictions will be enforced through a regulatory agreement recorded against the project – including both the land and the improvements. The minimum term for affordability restrictions is 55 years.

Timeline of City Commitments

City financing commitments are made for 24 months from date of City Council approval. All other sources of funds must be committed within that time frame. A one-year extension can be requested with sufficient justification. If the extension period elapses without the commitment of full project financing, the City funding commitment will be revoked and the project must re-compete for funds through the NOFA. Further extensions will only be granted in extraordinary circumstances. The inability to meet a project schedule may also result in negative points for future NOFA applications.

Projects funded with HOME must complete construction within four years of signing a written agreement with the City. All projects are subject to state prevailing wage requirements, and HOME and CDBG-funded projects are subject to federal prevailing wages.

For homeownership projects, any unit that does not have an executed purchase contract with an eligible homebuyer within nine months of construction completion must be converted to a HOME rental unit that complies with all HOME requirements.

Scoring – Bonus Points

Given the limited supply of affordable housing, the City will be prioritizing projects in this first NOFA that produce additional housing units. Additional bonus points can be attained by the applicant for the following activities:

- Use energy efficiency, net-zero, or other “sustainable/green” features above Title 24;
- Utilize other sources of funding in addition to housing trust funds;
- Convert underutilized land and/or buildings to affordable housing;
- Incorporate healthy community components into design – i.e. common areas, open space, community rooms, community gardens, etc.;
- Connect the project with existing or proposed pedestrian/bicycle paths and trails.



Application for Funding January 2018 Ukiah Housing Trust Fund

Project Name: _____

Project Location: _____

Amount of Loan Requested: _____

Please check the programs and incentives your organization is applying for:

_____ Low and Moderate Income Housing Asset Fund (LMIHAF)

_____ Home Investment Partnerships Program (HOME)

_____ Community Development Block Grant (CDBG)

_____ City of Ukiah Fee Deferral Program
Please see Exhibit A for information about this program.

_____ City of Ukiah Electric Utility Rebate
For more information on this program, please contact the City of Ukiah Electric Utility Department at (707) 467-5711.

Please note: funding for the January 2018 NOFA is only available through the LMIHAF. As other funding programs become available, the City will reach out regarding your interest as indicated above.

1. APPLICANT INFORMATION

Organization: _____

Address: _____

Contact Person: _____

Email: _____

Phone: _____ Fax: _____

2. APPLICANT BACKGROUND AND EXPERIENCE

Legal Status

___ General Partnership

___ Individual

___ Limited Partnership

___ Corporation

___ Nonprofit Organization

___ Local Government

___ Joint Venture

___ Other (please specify)

Date of Incorporation: _____



3. SITE INFORMATION

Current Site Use:

Residential: Number of Units _____
 Commercial: Vacant Occupied _____ # of Bldgs. _____ Sq. Ft.
If occupied, briefly describe uses: _____

Industrial: Vacant Occupied _____ # of Bldgs. _____ Sq. Ft.
If occupied, briefly describe uses: _____

Parking Lot: In Use Not In Use _____ # of Parking Spaces
 Vacant Lot

Site Control (if applicable):

Does applicant have site under option or purchase contract? _____

When does option or purchase contract expire? _____

Purchase price of site \$ _____

Are on and/or off-site improvements needed? If yes, give details. _____

Please note: applicants not having site control should be able to attain this within six months of an award of funding.



4. PROPOSED PROJECT

Project Name: _____

Proposed address and/or APN for Project: _____

<u>Target Population:</u>		<u>Type of Project:</u>	
Elderly	_____	New Construction	_____
Disabled	_____	Acquisition/Conversion	_____
Family	_____	Rehabilitation	_____
Other (specify)	_____	Preservation	_____

Estimated date of project completion: _____

Number of Stories _____ Elevator? Yes _____ No _____

Number of Units by bedroom size and square footage:

_____ SRO at _____ SF each	_____ 3 BR at _____ SF each
_____ 0 BR at _____ SF each	_____ 4 BR at _____ SF each
_____ 1 BR at _____ SF each	
_____ 2 BR at _____ SF each	

Total Units _____

Other special features and Amenities:

Please feel free to attach additional pages to describe the proposed project.

5. BONUS POINTS

Please check all of the following the project will incorporate:

- _____ Construction of new affordable housing units, 2/3 of which are affordable to households with incomes at or less than 60% Area Median Income
- _____ Use of energy efficiency, net-zero, or other “sustainable/green” features
- _____ Utilization of funding sources in addition to UHTF
- _____ Conversion of underutilized land and/or buildings to affordable housing
- _____ Healthy community components – common areas, open spaces, etc.
- _____ Project connectivity with existing pedestrian/bicycle paths and trails



ADDITIONAL REQUIRED DOCUMENTATION

The following documents must be attached to the application, as applicable:

<ul style="list-style-type: none"> • Narrative Description of Site and Proposed Development 	<ul style="list-style-type: none"> • Site Plan
<ul style="list-style-type: none"> • Developer Experience and Capacity Documentation 	<ul style="list-style-type: none"> • Preliminary Title Report
<ul style="list-style-type: none"> • Articles of Incorporation, Bylaws, Tax Exempt Determination from I.R.S., List of Board Members, Corporate Borrowing Resolution 	<ul style="list-style-type: none"> • Evidence of Site Control
<ul style="list-style-type: none"> • Environmental Assessment 	<ul style="list-style-type: none"> • Insurance
<ul style="list-style-type: none"> • Planning and zoning information 	<ul style="list-style-type: none"> • Community Acceptance Plan
<ul style="list-style-type: none"> • Appraisal 	<ul style="list-style-type: none"> • Budget (Sources and Uses)
<ul style="list-style-type: none"> • Rent Roll 	<ul style="list-style-type: none"> • Development Pro Forma, showing developer fees
<ul style="list-style-type: none"> • Financial Statements 	<ul style="list-style-type: none"> • Location Map of Proposed Site



BORROWER'S CERTIFICATION

Applicant hereby certifies that it has read and understands the regulations governing the Ukiah Housing Trust Fund Loan Program, that it agrees to abide by such regulations, and that violations of these regulations shall constitute grounds for cancellation of any commitment or loan. Applicant hereby certifies that the information submitted in the Loan Application and any supporting materials is true, accurate, and complete to the best of its knowledge. Applicant acknowledges and understands that if facts and/or information herein are found to be misrepresented, it shall constitute grounds for the default of the Ukiah Housing Trust Fund Loan for which application is being made.

Signature

Date

Signature

Date



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Addendum #1

January 2018 Housing Trust Fund NOFA



**CITY OF UKIAH
Notice of Funding Availability (NOFA) – Addendum #1
Housing Trust Fund Program
February 2, 2018**

This Addendum #1 is being issued to provide clarification regarding questions received during the application period for the City of Ukiah's Affordable Housing NOFA, released January 2, 2018. Please see below for these updates.

1. In addition to accepting applications by mail and by direct delivery, the City of Ukiah will also accept applications by **email**. Please address your email to housing@cityofukiah.com and insert "2018 City of Ukiah UHTF Application Submittal" in the subject line. **Please remember applications are due by Friday, February 16 at 4:00 p.m.**

2. We have received questions regarding the application funding maximum and wanted to clarify that per the NOFA, only \$500,000 has been allocated by the City Council for this first round of funding. Given this allocation, developers should show in the pro forma and/or other related documents how the project will be operational with \$500,000 in Ukiah Housing Trust Funds. However, if additional funding from the City's housing trust fund would allow more possibility of a successful project, please show a second, or alternate, budget with the amount of housing trust funds requested.