
COUNTY OF SAN DIEGO
HEALTH AND HUMAN SERVICES AGENCY
HOUSING AND COMMUNITY DEVELOPMENT SERVICES
AND
HOUSING AUTHORITY OF THE COUNTY OF SAN DIEGO

**Notice of Funding Availability (NOFA)
For Affordable Housing Construction, Acquisition and
Rehabilitation**

Release Date: August 12, 2021

Sources of Financial Assistance:

Community Development Block Grant (CDBG & CDBG-DR)

HOME Investment Partnerships Program (HOME)

Permanent Local Housing Allocation (PLHA)

Project Based Vouchers (PBV)

Project Based Vouchers (PBV) Veterans Affairs Supportive Housing (VASH)

Available Funding Source as Applicable

*Nick Macchione
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COUNTY OF SAN DIEGO

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GENERAL INFORMATION

In releasing this Notice of Funding Availability (NOFA), the goal of the County of San Diego Health and Human Services Agency, Housing and Community Development Services (HHSA) is to facilitate the construction, acquisition, rehabilitation, and/or preservation, of affordable multifamily rental housing for very-low and low-income households or as specified by funding source requirements. Each qualified development will be evaluated for suitability of all applicable available funding sources. All requirements of the applicable funding sources will apply to developments funded under this NOFA.

Qualified housing developers who demonstrate their ability to: 1) construct, acquire, and/or rehabilitate affordable housing developments 2) maintain affordable housing developments and 3) adhere to all program guidelines and funding requirements are encouraged to submit applications. Proposed developments must be leveraged with other funding sources, such as private equity loans from lending institutions, funds from federal, state and/or local programs. Successful applicants will be able to clearly demonstrate how their proposal will improve access to affordable housing within the County of San Diego and maintain restricted units, as applicable, for the duration of the affordability period.

Eligible Activities under this NOFA include:

- Acquisition of real property for an eligible new construction rental housing development for very-low and/or low-income households.
- Acquisition of existing real property for the rehabilitation or conversion for use as affordable housing to very-low and/or low-income households.

The County of San Diego's *Live Well San Diego* initiative strives to achieve healthy, safe and thriving communities throughout the region. Only through a collective effort can *Live Well San Diego* bring meaningful change to a region as large and diverse as San Diego County. HHSA is seeking applications that align with and accentuate all aspects of *Live Well, San Diego*. For more information on *Live Well, San Diego*, please visit www.livewellsd.org.

INSTRUCTIONS FOR NOFA APPLICATION

Submit complete and signed application proposals in electronic format. Electronic copies must be delivered and emailed by each of the following methods by 5:00 PM on November 12, 2021:

- 1) One USB drive, see delivery information below.
- 2) Email application via a secured electronic document management and storage system (SharePoint, OneDrive, Drop Box, etc.) to community.development@sdcountry.ca.gov.

Application must be saved/stored in accordance with the NOFA APPLICATION CHECKLIST.

Applications submitted for consideration must be complete. If any information requested in the NOFA is not applicable to the development, indicate section with "N/A". Faxed copies and electronic copies submitted via CD will not be accepted.

Please deliver USB Drive-NOFA application to:
Housing and Community Development Services
Attn: Community Development
3989 Ruffin Road
San Diego, CA 92123

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING

By releasing this NOFA, HHS is announcing the availability of funds through the Community Development Block Grant (CDBG) program for the acquisition and rehabilitation of real property for the intended use of affordable housing development and/or existing housing for use as affordable housing. Housing developments allocated CDBG funds must be located within the Urban County (the Urban County consists of the unincorporated areas of the County of San Diego and the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway and Solana Beach). Eligible uses of CDBG funds for housing developments are addressed under [24 CFR § 570](#). After completion of the development, at least 51% of units must be occupied by a low- to moderate-income resident. CDBG funds cannot be used to construct new housing and acquisition-only developments may not be carried out by for-profit entities. Applicants who wish to pursue CDBG funding must ensure their proposed developments fully comply with all federal laws and regulations, including those in Title 24 of the Code of Federal Regulations.

HOME INVESTMENTS PARTNERSHIP PROGRAM (HOME) FUNDING

By releasing this NOFA, HHS is announcing the availability of funds through the HUD Home Investments Partnership Program (HOME) for the acquisition, construction, and/or rehabilitation of real property for the purpose of affordable multi-family rental housing developments located within the HOME Consortium. The HOME Consortium consists of the Urban County and the cities of Carlsbad, Encinitas, La Mesa, San Marcos, Santee, and Vista. Applications for HOME funding outside of these areas may be considered only if the local jurisdiction commits a substantial financial contribution to the development and it serves a “special needs” population benefiting the HOME Consortium (see Targeting section of the NOFA Proposal Requirements for more information about “special needs”). Applicants who wish to pursue HOME funding must ensure their proposed developments fully comply with all federal laws and regulations, including those in Title 24 of the Code of Federal Regulations, [24 CFR §92](#).

PERMANENT LOCAL HOUSING ALLOCATION (PLHA) FUNDING

By releasing this NOFA, HHS is announcing the availability of funds through the Permanent Local Housing Allocation (PLHA) program for the acquisition, development, or rehabilitation of affordable multi-family rental housing targeting households earning at or below 60% Area Median Income. Housing developments allocated PLHA funds must be located within the unincorporated areas of the County of San Diego or within the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, or Solana Beach. This aligns with the CDBG Urban County jurisdiction. PLHA funds are available through an allocation of funding from the California Department of Housing and Community Development to the County under the PLHA Entitlement Formula component. The [PLHA Guidelines](#), published through the State of California’s Department of Housing and Community Development, include additional information regarding the use of PLHA funds for housing developments. Applicants who wish to pursue PLHA funding must ensure their proposed developments fully comply with all State laws and regulations.

PROJECT BASED VOUCHERS (PBV) AVAILABILITY

By releasing this NOFA, the Housing Authority of the County of San Diego is announcing the opportunity for an allocation of Section 8 Rental Assistance PBVs and Department of Housing and Urban Development (HUD) Veteran Affairs Supportive Housing (VASH) PBVs for multi-family rental housing developments.

Housing developments allocated Section 8 Rental Assistance PBVs may be located within the Urban County and the additional cities of Chula Vista, El Cajon, Escondido, La Mesa, San Marcos, Santee, or Vista. Allocations of PBVs will be awarded to multi-family rental housing developments that will be occupied by qualified, very-low income, special needs households with incomes at or below 50 percent of the area median income. Applicants who wish to pursue an allocation of PBV’s must ensure their

proposed development fully comply with all federal laws and regulations including those in Title 24 of the Code of Federal Regulations, [24 CFR Part 983](#).

Applicants requesting HUD-VASH PBVs are required to reach out to the VA to discuss size and scope of the development. A completed Attachment H must be provided for all applications for HUD VASH PBV's. HUD-VASH PBVs will be awarded to multi-family rental housing developments that will be occupied by qualified veterans referred by the Veterans Administration **This requires a consultation with Veterans Administration staff prior to submitting an application for HUD-VASH PBV's.**

Preferred characteristics for HUD-VASH Project Based Voucher sites include:

- Close proximity to one of the VA's Community Based Outpatient Clinics as listed here: <https://www.sandiego.va.gov/locations/index.asp>
- Supportive services that increase access to the VA's services
- Close proximity to public transportation which would allow access to the VA's main medical center in La Jolla
- Conveniently located in proximity to grocery stores and other essential businesses
- Property Management Companies with employees, specifically the on-site management team, who have experience with the HUD-VASH population and experience with management of operating other project-based housing sites.
- Preferred unit sizes are 1-bedrooms and studios

OWNERSHIP/APPLICANT ELIGIBILITY

The proposed development may be owned by any individual, corporation, trust, partnership, non-profit or public entity, with the exception of those identified on the Excluded Parties List/SAM.gov, Office of Inspector General (OIG) Exclusions database or the State of California Medi-Cal Suspended and Ineligible Provider List.

SPECIAL CONSIDERATION

Preferential consideration may be provided for Developments with the following conditions:

1. Development will serve a special needs group, as identified in the County of San Diego Consortium 2020-2024 Consolidated Plan;
2. Development will include a veterans housing component;
3. Development will include a homeless housing component;
4. Development will include a supportive services component;
5. Development will incorporate environmental, sustainable development practices and green building components that exceed current requirements and/or standards;
6. Development will incorporate housing or county initiatives: Housing First as applicable per funding source and *Live Well San Diego*.
7. Developments that address racial equity and inequities for the target population including any local disproportionate impact by race and other protected classes.

If applicable, provide a detailed description for each relevant preferential condition.

Additionally, the County offers Expediting Permit Processing for Lower Income Housing Developments in the Unincorporated Area that meet the requirements outlined in Board of Supervisors Policy A-68. A copy of the policy can be found on the County's website, linked here: [Policy A-68](#).

AFFORDABILITY PERIOD

HHSA will impose an affordability period of 55-years for all developments awarded CDBG, HOME, and/or PLHA Funds from this NOFA.

PBVs – Do not have an affordability period, but an initial contract must be executed. The initial contract may be for a period of up to 20 years and may be renewable for up to an additional 20 years at the discretion of the Housing Authority of the County of San Diego (HACSD).

PLHA - Rental Housing Developments are required to have affordability periods of at least 55 years

CDBG – HUD minimum affordability requires that real property that is acquired or improved in whole or in part using CDBG funds in excess of \$25,000 must be operated in accordance with CDBG affordability requirements until five years after the closeout of the grant from which the assistance to the property was provided. All units in a development that received CDBG funding through this NOFA will be considered CDBG-assisted units.

HOME – HUD minimum affordability periods are shown below.

Rental Housing Activity	Minimum Years of Affordability
Rehabilitation or acquisition of existing housing per unit amount of HOME funds:	
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

RESERVATION OF FUNDS

NOFA loan funds may be reserved for no more than twenty-four (24) months dependent on funding source commitment and expenditure requirements. HHSA reserves the right to cancel its funding reservation if the HHSA loan has not closed escrow by the end of the twenty fourth month. Fund reservation time extensions may be granted at the sole discretion of HHSA. Funding through this NOFA is contingent upon the applicant obtaining commitments from all other necessary sources of funding.

DEVELOPER CAPACITY

Developer/applicant capacity to perform administrative, managerial and operational functions and to oversee the work necessary for successful completion of the proposed development will be evaluated.

To be eligible for financing, an applicant must:

1. Exhibit prior work resulting in successful development of affordable rental housing. Successful development may include operation, construction, acquisition, acquisition with rehabilitation or any combination of accomplishments that created or preserved affordable rental housing.
2. If applicable, possess control of the proposed development site through fee title, an option to purchase, a disposition and development agreement with a public agency, a land sales contract, a leasehold with development provisions or any other enforceable instrument approved by HHSA.
3. Provide full disclosure of all associations between partners, contractors and sub-contractors. Conflict of interest laws and regulations will be strictly applied.

NOTE: It is the responsibility of each applicant to ensure that it and all its employees, contractors, affiliates, agents, volunteers, or other personnel comply with all applicable laws and rules regarding conflicts of interest, including Government Code section 1090 et seq., the Political Reform Act, and the County Administrative Code, included but not limited to Section 67.

CONDITIONS

Applications for funding will be considered based on the threshold requirements and preferences/priorities criteria set forth in this NOFA. HHSA reserves the right to negotiate and award an allocation of funds to multiple applicants and request additional information from applicants. By the act of submitting a proposal, applicants acknowledge and agree to the terms and conditions of this NOFA and to the accuracy of the information they submit. HHSA reserves the right to reject any and all submittals, waive any irregularities in the submittal requirements or cancel this NOFA at any time. All submittal packages become the property of the County of San Diego and will not be returned. All submitted information will become public information and is subject to public inspection under the State of California Public Records Act.

It is understood and agreed upon by the Offeror in submitting a proposal that the County has the right to withhold all information regarding this procurement until after contract award, including but not limited to: competitive project description information; competitive proposed Financial Offer and Financial Capability; and the County evaluation of competing proposals. Information releasable after award is subject to the disclosure requirements of the Public Records Act, State of California Government Code section 6250 and following.

NOTE: Applicants acknowledge that by submitting an application under this NOFA, they are seeking a benefit from a government entity. Applicants must acknowledge that all statements in their application are and will remain true; failure to comply with this commitment may violate the federal or state False Claims Acts.

COST RECOVERY AND FEES

The owner of any development funded through this NOFA will be required to pay any relevant fees that may be imposed by HUD or by the Board of Supervisors, and such fees may be enacted or amended from time to time.

The applicant/developer is responsible for the payment of County staff time related to environmental review. Payment to the County will be included with the development finance closing.

Unless modified by the Board of Supervisors an annual compliance monitoring fee of \$4,000 will be due and payable to HHSA at the beginning of each operational year. Payment of initial compliance monitoring fee shall occur within 60 days of development's certificate of occupancy. The compliance monitoring fee will increase annually at a rate of one percent above the previous year's rate. Failure to submit payment will result in a Notice of Default being issued by HHSA. Compliance monitoring fees must be incorporated into the proposal's operating pro forma.

TECHNICAL ASSISTANCE, CLARIFICATION AND ADDENDA

Requests for clarification regarding this NOFA should be directed to Tina Cobarrubias with the Department of Housing and Community Development at: Tina.Cobarrubias@sdcounty.ca.gov.

NOFA APPLICATION

GENERAL REQUIREMENTS FOR SUBMITTAL

Applications must include the following:

- HSA NOFA DEVELOPMENT SUMMARY, CHECKLIST & CERTIFICATION (Excel)**
 Applicants must complete the Excel template available on the Housing and Community Development Services Announcement NOFA homepage. All tabs must be completed upon submittal: Development Summary (tab 1), Application Checklist (tab 2), and Certification (tab 3)
- Development Narrative (Word)**
- All Required Development Forms** (Rental Income Form, Operating Expense, Development Costs, Sources and Uses of Funds, Multi-year Cash Flow and Development Pro-Forma) and all applicable Proposal Requirements.

The application and all supporting documentation as listed above have been reviewed for completion using the Excel Application Checklist.

Development Name: _____

Name: _____ Title: _____ Date: _____

Initial applications are subject to a preliminary review for completeness; applicants submitting incomplete or ineligible proposals will be notified and a deadline for submission imposed. The selection procedure will include an evaluation of the total financing proposed in the NOFA application and the development pro forma. A determination will also be made concerning the consistency of the proposal with the strategy and priorities developed by the County of San Diego for the use of NOFA program funds. Developments awarded funds under this NOFA must comply with the regulations of the funding sources, as applicable.

PROPOSAL REQUIREMENTS

1. HHSA NOFA DEVELOPMENT SUMMARY, CHECKLIST & CERTIFICATION

Provide a completed NOFA Development Summary (Excel workbook tab 1), Application Checklist (tab 2), and Application Certification (tab 3). Include the excel version of the workbook along with the other application documents as described below.

2. DEVELOPMENT NARRATIVE

A. Development Overview

Provide a brief overview description including: development location, the existing use of the site and proposed development/design including number of units, unit types, development amenities, population to be served, supportive services provided, and extent to which the development will involve community organizations and partnerships. Also include program goals/objectives as applicable.

B. Development Timeline

Describe the development's timeline and applicant's ability to complete in a timely manner.

C. Enforceable Commitments and Financial Feasibility

1. Provide a list of enforceable commitments or other enforceable reservations of funds for all needed development funding. All funds other than tax credits must be secure prior to applying for funds available through this NOFA due to program commitment and expenditure requirements. Proposals that have not provided evidence of enforceable funding commitments from all funding sources, will be deemed "non-responsive" to the NOFA.
2. Provide list of enforceable commitments or reservations of rental or operating subsidies as well as any fundraising plans.
3. Describe how the development will leverage other funding sources, including capital financing, housing subsidies and complementary supportive services. Provide evidence of terms and the status of those commitments to the proposed developments. HHSA will require senior lenders to subordinate to HHSA's regulatory restrictions. HHSA must be advised if the applicant will be requesting that HHSA subordinate financial interests.
4. Describe a plan for repayment of the requested amount of HHSA NOFA funds.
5. If the funding for the proposed development is in part dependent upon the award of Low-Income Housing Tax Credits or bonds, describe how the development will be implemented in the event financing is denied. Be specific as to the amount, sources, likelihood, and timing of alternative funding, as well as how the development will be scaled down, if necessary.
6. Describe the plan to maintain operations and financial feasibility for the full 55-year affordability period.
7. Describe any in-kind contributions to the development. Include the name(s) of the contributors, the items or services that are being contributed and the value of the contributions.

D. Development Site

1. Describe all Community Planning/Sponsor Group action related to this development.
2. Describe all Community outreach and engagement related to this development.
3. Are there other housing developments or facilities that address the same need in the area?
4. Describe how the development will not overly concentrate low-income housing in the community?
5. Provide a detailed description of the development location; attach detailed street map(s) identifying the development and neighborhood boundaries, highlight local amenities,

community resources, goods and services, access to transportation, etc.

E. Site Control

1. Is the development consistent with the site zoning, General Plan designation, and the local community plan?
2. Provide proof that all necessary land use, zoning, permitting or building plans have been approved or a reasonable plan and timeline detailing how the applicant will obtain any discretionary approvals for the project.
3. Evidence from approving body of completion of all necessary environmental clearances (CEQA, NEPA), and completion of a Phase I Environmental Site Assessment and Phase II Environmental Site Assessment (if applicable).

F. Market Study

1. Attach a market study documenting supply and demand for the proposed development. Data must be recent (within the last six months), for at least three rental housing developments similar in size and amenities to the proposed development. For transitional housing, provide a needs assessment or market data that describes and supports the vision of the proposed development.
2. Provide documentation demonstrating that rents will be at least 10% below market rents.

G. Development Design and Implementation

1. Describe preliminary site plan(s), floor plans, etc. Attach plans and photos as applicable.
2. Describe environmentally sustainable development features and technologies.
3. Describe various levels of safety design features, technologies and policies for tenants.
4. If applicable, how will the development incorporate the use of universal design principles and/or design features for special needs populations.
5. Attach an outline of the development's Crime-Free Multi-Family Housing Program, including proposed Crime-Free lease addendum.
6. Attach sample lease and tenant agreement.

H. Target Population and Support Services

Below is a list of special needs and disabled populations in accordance with the County of San Diego Consortium 2020-2024 Consolidated Plan. Describe how the development will target the following populations and include a description of the number of units by population served:

- Extremely low-income individuals & families
 - Large Families
 - Families with Children
 - Elderly & Frail Elderly
 - Chronically Homeless individuals & families
 - Veterans
 - Persons with HIV/AIDS
 - Victims of Domestic Violence
 - Transitional Aged Youth
 - Persons with Mental Disabilities
 - Persons with Physical Disabilities
 - Persons with Alcohol or Other Addictions
1. If supportive services will be provided for the populations listed above, include the following:
 - i. Supportive service provider experience, including tenant population descriptions
 - ii. Support services descriptions, including service model, services offered, staffing plan

- with FTE's, and location of services (on site or off site)
 - iii. Role of Peers in service delivery
 - iv. Services budget and funding sources
 - v. If the support services provider is a separate organization, a description of partnership history and draft MOU.
2. How will the development empower families and individuals toward greater self-sufficiency?
 3. If preferences for selection from the established waitlist will be given to any of the above-mentioned special needs populations, describe which population(s) will receive priority.

I. Special Consideration

1. Describe how the development will serve a special needs group, as identified in the County of San Diego Consortium 2020-2024 Consolidated Plan and/or include a veterans housing component, or a homeless housing component;
2. Describe how the Development will include a supportive services component;
3. Describe how the development will incorporate environmentally sustainable development practices and green building components that exceed current requirements and/or standards.
4. How does the development incorporate housing and/or county initiatives that meet and/or exceed current standards: Housing First as applicable per funding source and *Live Well San Diego*,
 - a. Describe the degree to which Owner/Developer/Applicants and/or proposed development will integrate or comply with any of the initiatives listed above.
 - b. Provide documentation as applicable.
5. How will the proposed development address racial equity and inequities for the target population including any local disproportionate impact by race and other protected classes?

J. Applicant Experience

1. Describe in detail Owner/Developer/Applicants experience as listed below. Provide supportive attachments as applicable:
 - a. Mission Statement
 - b. Past activities/experience
 - c. Administrative structure/organizational chart
 - d. Diversity, Equity, and Inclusion Statement and/or governing practices/policies
2. Describe the degree in which Owner/Developer/Applicants integrates Diversity, Equity and Inclusion within the organization, including but not limited to; workplace values, hiring and training practices, executive leadership, Board of Directors, etc.

K. Technical Capacity

1. Describe Owner/Developer/Applicant's technical capacity. Describe the project team's experience, including but not limited to; acquisition, sale, rehabilitation, construction, management and/or support services. Describe your organization's ability to deliver high quality services to the target resident population.
 - a. Attach resumes of staff specifically assigned to this project. Include the credentials of the development's team members.
 - b. Include a list or description of the organization's ability to successfully develop and manage the real estate component of the project.
 - Number of rental housing developments/units completed
 - Number of rental housing developments/units currently owned
 - Number of rental housing developments/units currently managed.
 - Number of rental housing developments/units in development phase (funding

- committed but not ready for occupancy)
- Number of rental developments sold for affordable housing

2. Describe participation of DVBEs and MWBEs

In accordance with the County of San Diego Board Policy B-39a, all recipients must ensure that every effort is made to provide equal opportunity to Disabled Veterans Business Enterprises (DVBEs) and to encourage the participation of minority and woman business enterprises (MWBEs) as contractors and subcontractors. Please describe efforts that will be made to encourage the utilization and participation of DVBEs and MWBEs. A copy of the policy can be found on the County's website or via this link, [Policy B-39A](#).

GENERAL PROGRAM REQUIREMENTS

Responsive proposals will include and/or adequately address each of the following sections.

A. Board Resolution

Applicants must submit a resolution of its Board of Directors authorizing the submittal of a proposal, specifying the maximum loan amount and identifying who is authorized to execute loan documents (Refer to attachment section for sample template)

B. Certification

For Non-profit organizations, proof of 501(c)(3) status and an up-to-date roster of the applicant's board of directors.

C. Community Review and Land Use Approvals

Applicants must have all applicable land use approvals at the time of application. Examples of such approvals include, but are not limited to, general plan amendments, rezoning and conditional use permits. Local land use approvals that are not required to be submitted at the time of the application include design review, environmental study variances and development agreements.

Provide evidence of completion of all necessary environmental clearances and completion of Phase I Environmental Site Assessment. Phase II Environmental Studies (if applicable) as well as CEQA/NEPA (if applicable).

ADDITIONAL COUNTY, STATE, AND FEDERAL REQUIREMENTS

Provide attachments/descriptions as applicable to compliance within the following areas.

1. Accessibility

Section 504 of the Rehabilitation Act, the Fair Housing Act, California's Fair Employment and Housing Act, the Unruh Civil Rights Act, and a variety of federal and California laws and regulations are applicable to the funding sources. The applicant must demonstrate how the proposed development will comply with all applicable laws regarding accessibility both for individuals and all common areas in the development. Applicants must also ensure that any other applicable, state, and local accessibility requirements are met.

2. Acquisition and Relocation Requirements

All developments shall comply with applicable state and federal relocation laws including California Government Code Section 7260 et seq., and 25 CCR Section 6000 et seq. Developments are subject to the Uniform Acquisition and Relocation Act of 1970 (URA) as revised, and Section 104 (d) of the Housing and Community Development Act of 1974, as amended.

3. Affirmative Fair Housing Marketing Plan

An Affirmative Fair Housing Marketing Plan (AFHMP) (refer to attachment D) shall outline methods of informing potential tenants about fair housing laws and contractor policies. An AFHMP must also contain a plan outlining how the applicant will affirmatively market the assisted units. In addition, an AFHMP must contain a plan outlining the special outreach actions to inform persons who would not be likely to apply for the assisted housing without special outreach efforts.

4. Affordability

Proposals awarded HOME funds must comply with affordability requirements pursuant to 24 CFR Part 92, as amended from time to time. Proposals awarded CDBG funds must comply with affordability requirements pursuant to 24 CFR 570, as amended from time to time. Proposals awarded PLHA funds must comply with Section 301 and Section 101 of the PLHA Guidelines.

5. Applicant Developer, and Contractor Debarment

All applicants, developers, construction contractors and sub-contractors must not be on the Excluded Parties List/SAM.gov, OIG Exclusions database, Federal Debarred Contractors List, or the State of California Medi-Cal Suspended and Ineligible Provider List. Housing developers must verify compliance before awarding the construction contract. No award or contract shall be made with any organization that is debarred or suspended or is otherwise excluded from or ineligible for participation in federal or state assistance programs. Prior to award of any contract or subcontract, applicant must provide proof of compliance, to include exclusion records from the System for Award Management (SAM) OIG Exclusions database and the State of California Medi-Cal Suspended and Ineligible Provider List.

6. Appraisal

An appraisal must meet the definition of an appraisal found at [49 CFR §24.2\(a\) \(3\)](#) and the URA provisions at [49 CFR §24.103](#). An appraisal is required for all acquisition, rehabilitation and new construction projects. A review appraisal, in accordance with [49 CFR §24.104](#) of the Uniform Relocation Act, will be required for an “Involuntary Acquisition”.

7. Audited Financial Statement and Single Audit (as applicable)

Submitted audited financial statements must be current (within last 12 months) and must include a Financial Statement including surplus or deficits in operating accounts, a detailed itemized listing of income and expenses and the amounts of any fiscal reserves. The audit must be certified by an independent certified public accountant licensed in California. Any non-federal entity, including states, local governments, and non-profit organizations, that expend \$750,000 or more in a year in federal awards shall have a single audit, as specified in 2 CFR Part 200, conducted for that year.

As applicable, a copy of the single audit with written notification of the results must be submitted with the application. In addition, compliance with all federal requirements, provide HHSA with the corrective action plan for any deficiencies identified in the single audit and the latest status of the corrective action plan.

8. Competitive Bidding Requirements

Housing developers must obtain competitive bids or estimates for all materials purchased and work to be accomplished by contractors or sub-contractors. Documentation of such competition must be maintained for review during monitoring visits. In order for work to be accomplished by construction contractors or sub-contractors, a formal Request for Bids (RFB) package and advertisement must be

prepared and submitted for pre-approval. The RFB package must include a copy of the Federal Labor Standards Provisions, form HUD-4010, and the current Davis-Bacon Act wage determination

9. Consistency with the County of San Diego Consortium Consolidated Plan

Applicants are required to demonstrate that the proposed development is consistent with the current HUD-approved Consolidated Plan for the County of San Diego, and if applicable, for the jurisdiction where the development is located. A copy of the current County of San Diego Consolidated Plan can be found on the County's website or at the following link: [2020-2024 Consolidated Plan](#).

10. Conflict of Interest

Strict federal and state non-conflict of interest laws and regulations apply to all County and/or sub-recipient agency (i.e., participating cities, developers, non-profit agencies, etc.) staff who are engaged in implementing funded activities. These requirements prohibit all County and/or sub-recipient agency staff, their families or family/business ties from obtaining any financial interest in a funded contract if they participated in or had inside information about the contract

11. Crime-Free Multi-Family Housing

Proposals must also include a Crime Free Multi-Family Housing Plan, as well as smoke-free policies that prohibit the use of cigarettes, electronic cigarettes, and marijuana (including use for medicinal purposes).

This provision is included in order to ensure a crime free environment for residents. The element should provide for special services in apartment developments to decrease all types of illegal activities and should include an educational component for owners and renters, physical inspections to improve lighting and landscaping and information sharing to establish neighborhood identity. The County Sheriff's Department Crime-Free Multi-Housing program may be available to provide support for the plan development. The Sheriff's local Crime Prevention Specialist provides informational sessions on how to cut crime in multi-family neighborhoods. Expenses associated with the Crime-Free Multi-family Housing program for the proposed development should be covered in the budget. An outline of the development's Crime Free Multi-Family Housing program must be submitted with the application. In addition, a full description of the development's Crime Free Multi-Family Housing program must be included in the Management Plan. The Management Plan Checklist is available in Attachment F. Acquisition of real property for sale of affordable housing does not apply.

Attach the development's Crime Free Multi-Housing Program. Provide documentation that specifies how the development will implement smoke-free programs on-site, including evidence of intent to commit to smoke-free housing such as a sample lease or house rules.

12. Development Forms/ Priorities and Underwriting Criteria (Pro-Forma):

Applicants must submit: Rental Income Form, Operating Expense, Development Cost, Sources and Uses of Funds, Minimum 55-year Cash Flow, and Development Pro-Forma.

- The proposed financing structure and operating pro forma will be evaluated to determine feasibility during the affordability period. Developments shall demonstrate financial feasibility for a minimum 55-year term.
- Loan terms/underwriting are subject to change at HHSA's sole discretion. HHSA reserves the right to impose additional and/or revised conditions in the final documentation of the transaction and as are reasonably necessary to protect the interests of HHSA and fulfill the intent of this NOFA.

- HOME program regulations require the number of HOME-restricted units in a development be at least proportional to the amount of HOME funds invested when compared to the total development cost.
- Developer's fees typically do not exceed 10 to 12 percent of the total development cost.

13. Energy Efficiency

Discuss measures to be taken to promote energy efficiency in the proposed development. An Energy-Efficiency Based Utility Allowance schedule is available to qualified developments that either meet or exceed the California's Building Energy Efficiency Standards. Please indicate if you plan to utilize the Energy Efficiency-Based Utility Allowance schedule.

14. Environmental Site Assessment (ESA, Lead-Based Paint, Asbestos and other Hazardous Materials

Housing development proposal must have, at a minimum, an approved Phase I Environmental Site Assessment Report in accordance with the active standard for Phase I ESA's as defined by the American Society for Testing and Materials (ASTM) Standard Practice for Phase I ESA Process. This report is to be submitted with the NOFA application. If a Recognized Environmental Condition (REC) is found during the Phase I ESA process, a Phase II ESA may be required with the housing development proposal to determine if there are significant amounts of contaminants that will require remediation, monitoring, or create land use limitations. Contingent upon the results of the Phase II ESA, a Phase III ESA may be necessary to include in the housing development proposal.

Testing for asbestos, residual pesticides, mold, water damage, and the completion of a hazardous material (asbestos, lead paint) inspection report may be required. Demolition or renovation operations that involve lead-based paint, asbestos containing materials, or other hazardous materials from these activities must conform to and be in compliance with hazardous waste disposal requirements (Title 22 CCR Division 4.5) worker and health safety requirements (Title 8 8 CCR Section 1532.1), State Lead Accreditation, Certification, and Work Practice Requirements (Title 17 CCR Division 1, Chapter 8), and the Health and Safety Code (Division 20, Chapter 6.95, Article 2, Section 25500-25520), and other local, State and Federal regulations.

Time requirements for these reviews vary substantially, depending upon the potential for environmental impact. This process is also consistent with the HUD regulations (24 CFR Part 58), which state, "it is HUD policy that all properties that are being proposed for use in HUD programs be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property." (24 CFR 58.5 (i)(2)(i)).

Proposals involving buildings constructed prior to 1978 may be adversely affected by strict regulations requiring the remediation/removal of lead-based paint and asbestos-containing building materials, making rehabilitation of older buildings infeasible in some cases. Lead-based paint regulations, effective September 2000 appear in [24 CFR §35](#). Further information on lead-based paint hazard reduction can be obtained from the HUD Office of Lead Hazard Control and Healthy Homes.

Demolition or renovation of structures on sites constructed prior to 1980 that may contain Lead Based Paint (LBP) and Asbestos Containing Materials (ACMs), or other hazardous materials from these activities are managed by applicable regulations including, at a minimum, the hazardous waste disposal requirements (Title 22 CCR Division 4.5, the worker health and safety requirements (Title 8 CCR Section 1532.1) and the State Lead Accreditation, Certification, and Work Practice Requirements (Title 17 CCR Division 1, Chapter 8). Demolition or renovation operations that involve asbestos-

containing materials must conform to San Diego Air Pollution Control District (SDAPCD) Rules 361.140-361.156. In accordance with existing regulations, a development may be required to complete asbestos and lead surveys to determine the presence or absence of ACMs or LBP prior to issuance of a building permit that includes demolition of onsite structures and prior to commencement of demolition or renovation activities.

15. Environmental Review

A housing development proposal (acquisition, rehabilitation, or new construction) must have, at a minimum, an approved Phase I Hazardous Waste Assessment Report. This report is to be submitted with the NOFA application. A hazardous material (asbestos, lead paint) inspection report may also be required. In addition, testing for asbestos, residual pesticides, mold and water damage may be required. In certain situations, a Phase II and Phase III Environmental Assessment may be necessary. Time requirements for these reviews vary substantially, depending upon the potential for environmental impact.

Proposed developments must complete environmental reviews pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387), and the National Environmental Policy Act (NEPA) in accordance with HUD 24 CFR Part 58 environmental regulations. CEQA review must occur as a part of the land development process required by the local jurisdiction. County of San Diego staff will prepare and/or review the CEQA and NEPA documentation, as appropriate. Applicants will be apprised of the progress of the environmental processing and anticipated date of HUD's Release of Funds.

From the time the application has been submitted, the applicant must not commit funds or take any choice limiting actions as defined by HUD 24 CFR Part 58.22 regulations, (including, but not limited to, property acquisition, contracts for excavation, filling, construction, rehabilitation, or other physical activities) until completion of the environmental processing and HUD's formal Release of Funds, regardless of whether the work would be accomplished with federal funds or other matching funds. Failure to comply will jeopardize the availability of HUD funds for the development. The County may conduct the NEPA environmental review, as applicable, using information provided in the application.

The applicant/developer is responsible for the payment of County staff time related to environmental review. Payment to the County will be included with the development finance closing.

16. Equal Opportunity

Equal opportunity is encouraged in procurement and contract award. Toward this end, proposals from disabled veteran-owned businesses, women-owned businesses, minority-owned businesses, Section 3 Business Concerns (24 CFR Part 75) and local firms are strongly encouraged. Prime contractors are encouraged to subcontract or join venture with these firms.

17. Evidence of Funding Commitments

Letters of intent from other lenders must include the name, title, and telephone number of the responsible contact person. Senior lenders must subordinate to the County's regulatory restrictions.

18. Evidence of Site Control

Applicants must possess control of the proposed development site through fee title, an option to purchase, a disposition and development agreement with a public agency, a land sales contract, leasehold with development provisions or any other enforceable instrument.

19. Evidence of Supportive Services

Applicants must specify the type and level of supportive services to be provided to special needs populations, as applicable. In addition, applicants must provide evidence of commitment for the supportive services proposed and information about the supportive services provider and their ability to carry out services, see Proposal Requirements Section H(1) above for documentation required to be included in proposal related to supportive services. Note that HOME/CDBG/PLHA funding may support special needs rental housing developments. However, the use of services by residents may not be imposed on a mandatory basis. Funding requires that supportive services only be made available on a voluntary basis.

20. Insurance

Specific insurance requirements will be provided based on the final scope of work for an approved NOFA submission. Sample Borrower's Insurance Requirements are included in Attachment B below.

Proposals involving buildings constructed prior to 1978 may be adversely affected by strict regulations requiring the remediation/removal of lead-based paint and asbestos-containing building materials, making rehabilitation of older buildings infeasible in some cases. Lead-based paint regulations, effective September 2000 appear in [24 CFR §35](#). Further information on lead-based paint hazard reduction can be obtained from the HUD Office of Lead Hazard Control and Healthy Homes.

21. Location Map and Plans

Applicants must provide a location map, site plans, floor plans, and development renderings/photos.

22. Management Plan

The applicant will be required to submit a Management Plan for review and approval, pursuant to [24 CFR §92.253](#). Additionally, HHSA requires a Crime Free element to all management plans. A copy of the sample lease agreement and any addenda are also required, see Attachment F for the Management Plan Checklist.

23. Market Study

Applicant must submit a market needs study that examines neighborhood market conditions to ensure adequate need for the development for which funds are to be used. The market assessment should include the following: market trends, market area, housing supply, and a competitive analysis.

24. Match Requirements for HOME

HOME funds require a minimum 25 percent match for acquisition, substantial or moderate rehabilitation activities and new construction.

25. Monitoring

Successful NOFA proposals will be monitored based on the specific regulatory requirements of the funding source. HHSA will charge fees to cover the cost of ongoing monitoring and physical inspection of developments during their 55-year period of affordability, either as described below or as specified by the Board of Supervisors. Compliance and monitoring fees must be included in the cost of the development as part of underwriting. An initial compliance monitoring fee of \$4000 will be due and payable to HHSA at the time of initial occupancy. Subsequent payments will be due on the anniversary date of initial occupancy and the monitoring compliance fee will increase annually at a rate of one percent. Failure to submit annual payments will result in a Notice of Default being issued by HHSA.

26. Partnership Agreement

As applicable, applicant must provide partnership agreements for the development.

27. Physical Needs Assessment (as applicable)

Proposals involving acquisition for rehabilitation must contain specific information on the physical condition of the structure(s), as well as the estimated cost for the rehabilitation work, and may require testing of major building systems. A Physical Needs Assessment (PNA) conducted by an independent third party must be submitted for proposals involving rehabilitation activities. The PNA must include the repair or replacement of major building systems to extend the service life of the property improvements for a minimum of 15 years and the estimated cost for the rehabilitation work. Applicants are encouraged to obtain a PNA prior to making a final offer for purchase of a property. To avoid delays, applicants must provide a termite report for any proposal involving acquisition of existing housing and/or structures that will be renovated. In addition, testing for asbestos, residual pesticides, mold, and water damage may be required.

28. Pre-construction Conference

Successful applicants shall hold a “pre-construction conference” with the bid winning contractor and sub-contractors following contract award and before commencement of construction. The pre-construction conference must announce if Federal Labor Standards and Davis-Bacon Act requirements apply, and that contractors must submit copies of weekly payrolls to the assigned project manager for verification that appropriate wage rates were paid. In addition, the pre-construction conference must announce that the requirements of Section 3 (24 CFR Part 75) apply. The project administrator must promptly review all such payrolls upon receipt, sign, and date the payroll following verification and maintain such payrolls on file for review during monitoring visits. Minutes of the pre-construction conference that document the discussion of federal regulations must be kept in the project files.

29. Preliminary Title Report

Applicant must provide a preliminary title report.

30. Rehabilitation Estimate

All HHSA-funded developments involving rehabilitation must include the repair or replacement of major building systems to extend the service life of the property improvements for a minimum of 15 years. Testing of major building systems may be required.

31. Rehabilitation Standards

Rehabilitation activities under CDBG/HOME must conform to Rehabilitation Standards pursuant to [24 CFR §5.703](#). Note that the 2013 HOME Final Rule requires that HOME rehabilitation and acquisition projects conform to the Uniform Physical Condition Standards (UPCS). The UPCS are uniform national standards established by HUD for housing that is decent, safe, sanitary, and in good repair, pursuant to [24 CFR §5.703](#).

32. Relocation Plan

NOFA applications involving relocation of residents (residential or commercial) shall include an anti-displacement/relocation plan in compliance with relocation local, State, and or Federal laws as applicable by funding source. Applicants are strongly encouraged to contract with a relocation consultant to manage the relocation process. Developments may be subject to California Government Code Section 7260 et seq., and 25 CCR Section 6000 et seq. and/or the California Relocation Assistance Act or Uniform Acquisition and Relocation Act of 1970 (URA), as revised, and Section 104(d) of the Housing and Community Development Act of 1974, as amended, may apply. Proposed

relocation plans must budget for all relocation and displacement costs, including costs for temporary relocation during construction or rehabilitation. Relocation Plans must include a current copy of rent rolls, as of the date of submission, detailing family income, household characteristics and current rent paid per household.

33. Relocation Noticing

A Voluntary Acquisition Notice must be delivered to the seller of the property prior to making an offer, entering into a purchase agreement, and submittal of the NOFA application. Evidence of the manner and proof of delivery must be included with the NOFA application. Upon submission of the NOFA application, tenants (residential or commercial) must receive a written General Information Notice notifying tenants of their rights under the Uniform Relocation Act, as revised. New rental applicants to the proposed development must also receive a written notification “Notice to Prospective Tenant” informing them of the proposed acquisition/rehabilitation of the property. All notices must be hand delivered or sent via U.S. Certified Mail. Applicant must document the manner of delivery and provide delivery receipts. Applicants are strongly encouraged to contract with a relocation consultant to manage the relocation process.

34. Tenant Characteristics Form

If the proposed development is currently occupied, a Tenant Characteristics Form is required to determine the extent of relocation.

35. Timeline for Closing and Loan Disbursement of Funds (Attachment G)

Time is of the essence to commit and expend funds. Upon approval of a conditional loan commitment, funds may be reserved for the project for a maximum of twenty-four (24) months but may be withdrawn earlier if satisfactory progress is not demonstrated. HHSA reserves the right to reallocate CDBG/HOME/PLHA funds from one approved project to another or to new activities, or to cancel fund reservations at its discretion if projects are not proceeding satisfactorily (in the sole opinion of HHSA) towards commencement of the proposed activity. Program funds available through this NOFA must meet regulatory commitment and expenditure requirements. Commitment and expenditure requirements vary by funding source.

Recipients of CDBG/HOME/PLHA funds will be required to execute a promissory note, deed of trust, regulatory agreement, and other related loan documents. Loan funds will not be disbursed until the loan is closed through escrow. Verifiable documentation of expenses must be submitted with all draw requests.

36. Title Insurance

A California Land Title Association (CLTA) or an American Land Title Association (ALTA) policy insuring the County of San Diego is required.

37. Transition Reserve

Permanent Supportive Housing Developments and Developments with Project Based subsidies shall have a transition reserve in the amount established by HHSA in the event that any Project-based rental assistance is not renewed, or in the event that operating subsidies are exhausted, and the development cannot secure sufficient replacement rental or operating subsidies to continue without immediately raising rents.

The minimum amount of the transition reserve for renewable Project-based rental assistance shall be the amount sufficient to prevent rent increases for one year following the loss of the rental assistance. The minimum amount of the transition reserve for non-renewable Project-based rental assistance or

operating subsidies shall be the amount sufficient to prevent rent increases for two years following the loss rental assistance.

If rent increases are necessary after exhausting all transition reserve funds such increases shall only be permitted to the minimum extent required for financial feasibility, as determined by HHSA

38. Zoning

At the time of application, applicant must demonstrate that the development site's zoning will permit the scope of development as proposed.

NOFA ATTACHMENTS

ATTACHMENT A – Program Basics

This information is highly abridged and is applicable only to this NOFA. Applicants are responsible for reviewing and adhering to the complete regulations for each program for which they are applying for funds.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM BASICS

CDBG program regulations can be found at [24 CFR Part 570](#).

JURISDICTION FOR CDBG FUNDS

HHS may only invest CDBG funds in eligible developments within the jurisdictional boundaries of the CDBG Urban County, which consists of the unincorporated area of the County and the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach.

CDBG-ASSISTED UNIT RESTRICTIONS

- An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, must be occupied by at least 51 percent low- and moderate-income households, except in rare circumstances as defined in §570.208(a)(3).
- Funds expended for the acquisition, new construction, or rehabilitation of property for housing that qualifies under §570.208(a)(3) are limited to an amount determined by multiplying the total cost (including CDBG and non-CDBG costs) of the acquisition, construction or rehabilitation by the percent of units in such housing to be occupied by low- and moderate-income persons.
- The rent and occupancy restrictions will be incorporated into a regulatory agreement and will bind the development for the full term of the regulatory agreement regardless of prepayment, sale, or transfer. To be effective, affordability restrictions will be recorded in the regulatory agreement.
- Rental housing acquisitions funded with CDBG must be conducted by a non-profit or public agency, as for-profit entities are prohibited from acquisition-only CDBG developments.

NEW CONSTRUCTION ELIGIBLE COSTS

CDBG program funds cannot be used for the construction of new units except as provided under the last resort housing provisions set forth in 24 CFR part 42, as authorized under §570.201(m) or (n), or when carried out by an entity pursuant to §570.204(a); CDBG funding can be used for new construction costs that are considered separately eligible activities in support of the development of low- and moderate-income housing, including clearance, sit assemblage, provision of site improvements or public improvements, and certain housing pre-construction costs outlined in §570.206(g).

BROADBAND INFRASTRUCTURE

Construction and rehabilitation developments funded in part with CDBG funds must include the installation of broadband infrastructure as defined in 24 CFR 5.100.

CDBG AFFORDABILITY PERIOD REQUIREMENTS

HHS imposes affordability restrictions of 55 years for all CDBG-funded NOFA developments. HUD minimum affordability requirements mandate that real property acquired or improved with CDBG funds in excess of \$25,000 must be operated in accordance with CDBG affordability requirements until five years after the closeout of the grant from which the assistance to the property was provided. All developments must maintain compliance with a national objective or the CDBG program funding must be reimbursed.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) PROGRAM BASICS

HOME program regulations can be found at [24 CFR Part 92](#).

JURISDICTION FOR HOME FUNDS

HHSA may only invest its HOME funds in eligible developments within its boundaries, or in jointly funded developments within the boundaries of contiguous local jurisdictions which serve residents from both jurisdictions, see 24 CFR §92.201(a)(2) for additional information.

SITE AND NEIGHBORHOOD STANDARDS

HHSA provides HOME funds for housing that furthers compliance with civil rights laws and that promotes greater choice of housing opportunities. Proposed new construction developments must meet site and neighborhood standards as outlined in 24 CFR 983.57(e)(2) and (3).

PROPERTY STANDARDS

New Construction – Housing that is newly constructed with HOME funds must meet applicable state and local codes, ordinances, and zoning requirements. HOME-assisted new construction developments must meet state or local residential and building codes, as applicable or, in the absence of a state or local building code, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council. The housing must meet the applicable requirements upon development completion. In addition, the following apply:

- The housing must meet the accessibility requirements of 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act implemented at 28 CFR Part 35 and Part 36, as applicable. Covered multi-family dwellings, as defined at 24 CFR §100.201, must also meet the design and construction requirements at 24 CFR Part 100.205, which implements the Fair Housing Act.
- Where relevant, the housing must be constructed to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires), in accordance with state and local codes, ordinances or other state and local requirements, or such other requirements HUD may establish.

Existing Rental Housing – Existing rental housing that is acquired with HOME funding that was constructed or rehabilitated less than 12 months before receipt of a commitment of HOME funds, must meet the property standards required for new construction and rehabilitation developments as included in 24 CFR 92.251. HHSA will document compliance with the regulations based upon a review of approved building plans and Certificates of Occupancy, and an inspection that is conducted no earlier than 90 days before the commitment of HOME funding. All other existing rental housing that is acquired with HOME funding must meet the HOME rehabilitation property standards requirements. HHSA will document compliance with the regulations based on an inspection that is conducted no earlier than 90 days before the commitment of HOME funding. If the property does not meet these standards, HOME funds cannot be used unless the property is rehabilitated to meet the standards as included in 24 CFR 92.251.

BROADBAND INFRASTRUCTURE

Construction and rehabilitation developments funded in part with HOME funds must include the installation of broadband infrastructure as defined in 24 CFR 5.100.

VACANT LAND

Acquisition of vacant land or demolition with HOME funds may be undertaken only for a particular affordable housing development on which construction will begin within 12 months. HOME funds may

not be used to acquire property or demolish structures on land for which there is not an immediate, planned HOME-eligible use.

HOME-ASSISTED UNITS

Only units receiving HOME funds are considered "HOME-assisted units." HOME per unit subsidy limits, rent limits, and HOME occupancy requirements apply only to "HOME-assisted units." **The proportion of rent restricted units to the total number of units in the development must, at a minimum, equal the proportion of HHS investment in the total development cost. Unrestricted units are not eligible for HOME subsidy.**

HOME SUBSIDY LIMITS

The minimum HOME investment in rental housing may not exceed the per-unit dollar limitations established under section 221(d)(3)(ii) or the National Housing act (12 U.S.C.17151(d)(3)(ii)) for elevator-type projects that apply to the area in which the housing is located. See 24 CFR 92.250 for additional information.

HOME AFFORDABILITY REQUIREMENTS

HOME-assisted units must be affordable at initial occupancy and as defined in the development regulatory agreement. If HOME assisted units remain unoccupied six months following the completion date in IDIS additional information will be required to be reported to HUD. If, within 18 months from the date of development completion in IDIS HOME assisted units remain unoccupied, HUD will require repayment of all HOME funds invested in the development.

OCCUPANCY REQUIREMENTS FOR HOME-ASSISTED UNITS

HOME-assisted units must be initially occupied by families who have annual incomes that are 60 percent or less of San Diego's Area Median Income. In developments of five or more HOME units, at least 20 percent of the HOME-assisted units must be continually occupied by families who have annual incomes that are 50 percent or less of San Diego's Area Median Income. See **Attachment E** for income limits.

MAXIMUM INITIAL RENTS FOR HOME-ASSISTED RENTAL UNITS

Every HOME-assisted unit is subject to rent controls called "HOME rents." For properties of five or more units, there are two HOME rents established for every development: "High HOME rents" and "Low HOME rents." HOME rent limits include both the rent and utilities (or utility allowances). Review and approval of rents for each HOME-assisted rental development is required *each year* to ensure that rents comply with the HOME limits and do not result in undue increases from the previous year. Refer to the HOME regulations at 24 CFR §92.252 for a full definition.

UTILITY ALLOWANCES

24 CFR §92.252(d) requires HHS to determine an individual utility allowance for each HOME rental development, either (1) by using the HUD Utility Schedule Model, or (2) by otherwise determining the allowance based upon the specific utilities used at the development.

The model can be found at: <http://huduser.org/portal/resources/utilmodel.html>. As more developments are constructed or rehabilitated to higher energy-efficiency standards, the use of a standard utility allowance may not represent actual utility costs and is difficult to justify.

HOME-ASSISTED UNIT RESTRICTIONS

- Tenant incomes and rents are strictly controlled during the affordability period. Owners are required to examine tenant incomes annually to ensure that tenants meet the HOME income requirements.

- The rent and occupancy restrictions will be incorporated into a regulatory agreement and will bind the development for the full term of the regulatory agreement regardless of prepayment, sale, or transfer. In order to be effective, affordability restrictions will be recorded in the regulatory agreement.
- Leases are required for all HOME-assisted rental units, consistent with §92.209(g). The lease term must be for a period of at least one year unless a shorter period is mutually agreed upon.

INCOME DETERMINATIONS

Applicants are responsible for ensuring income determination for HOME assisted units are in compliance with the following regulations, [24 CFR Section 92.230](#).

PROPERTY INSPECTION REQUIREMENTS

Developments must be inspected at time of acquisition and throughout the affordability period to ensure that the units meet the required property standards. On-site inspections will occur within 90 days of occupancy and at least once every 3 years thereafter during the period of affordability. Inspections may occur more often based on changes in program rules and/or at HHSA discretion.

LOW-INCOME TAX CREDIT AND HOME

Qualified LIHTC units must not exceed LIHTC rent limits. HOME-assisted units must meet High and Low HOME rent requirements.

Combining HOME and tax credit affects rental properties in various complex ways and applicants are urged to consult a subject expert prior to submitting their proposal.

FEES CHARGED BY PROJECT OWNERS

Project owners may not charge fees to tenants that are not reasonable or customary, such as a monthly fee for access to laundry facilities. Fees that are allowable include parking fees in neighborhoods where such fees are customary and the cost of non-mandatory services such as meal or bus service (as long as the services are voluntary). Note that HOME funding may support special needs rental housing projects. However, the use of services by residents may not be imposed on a mandatory basis. HOME requires that supportive services are made available on a voluntary basis.

PROJECT COMMITMENT AND COMPLETION

Commitment of NOFA HOME funds is defined as full execution of the HHSA loan documents. HHSA will not commit HOME funds to a new construction or rehabilitation project until:

- All necessary financing is secured.
- A budget and production schedule is established. Use of HOME funds must be clearly identified by line item.
- Underwriting and subsidy layering reviews are completed.
- Market assessment is completed.
- Assessment of the experience and financial capacity of the developer/applicant is completed.
- Construction is expected to start within 12 months.

Projects must be fully occupied within four years from the date the written agreement is executed (project commitment). A development will be terminated if not completed within four years and repayment of the HOME funds will be triggered. In the event that a development is not completed within the four-year timeframe, HHSA may request a 12-month extension from HUD. The request should provide information about the status of the development, steps being taken to overcome obstacles to completion, proof of adequate funding to complete the development, and a schedule with milestones for completion of the development.

PERMANENT LOCAL HOUSING ALLOCATION (PLHA) PROGRAM BASICS

JURISDICTION FOR PLHA FUNDS

HHSA may only invest PLHA funds in eligible developments within the jurisdictional boundaries of the Urban County, which consists of the unincorporated area of the County and the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach.

PLHA-ASSISTED UNIT RESTRICTIONS

- Funding for the acquisition, development, or rehabilitation of affordable multi-family rental housing targeting households earning at or below 60% AMI.
- The affordability period for PLHA developments is at least 55 years.
- Tenant incomes and rents are strictly controlled during the affordability period. Owners are required to examine tenant incomes annually to ensure that tenants meet PLHA requirements.
- The rent and occupancy restrictions will be incorporated into a regulatory agreement and will bind the development for the full term of the regulatory agreement regardless of prepayment, sale, or transfer. In order to be effective, affordability restrictions will be recorded in the regulatory agreement.
- Rent restrictions shall comply with the [Multifamily Housing Program Regulations](#) Section 7312 and the Section 7301 definition of “Affordable Rent”

EXPENDITURE REQUIREMENTS

- PLHA funds available under this NOFA must be expended before April 30, 2024. An award of PLHA funds will include an appropriate timeline/reservation period to meet the expenditure deadline noted above.

ADDITIONAL PLHA REQUIREMENTS

- As applicable, developments shall operate in a manner consistent with the housing first practices described in California Code of Regulations, Title 25, Section 8409(b)(1)-(6). Recipients of funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.
- Developers shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regulations, Title. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the County of San Diego and/or State.
- PLHA assistance will be provided as a loan evidenced through a Promissory Note and secured by a Deed of Trust.

PROJECT BASED VOUCHER (PBV) PROGRAM BASICS

Subject to availability at the time of funding, HCD may provide the opportunity for an allocation of up to 200 HUD-VASH Project Based Voucher and Section 8 Rental Assistance Project-Based Vouchers (PBV) for multi-family rental housing developments. PBV contracts will have a 20-year term. The PBV program is a federal Section 8 housing subsidy program that ties rental assistance directly to a specific unit or development. PBV participants are required to live in a development that is participating in the PBV Program.

Housing Authority of the County of San Diego's (HACSD) Project-Based Vouchers can be used for existing housing, new construction and substantially rehabilitated developments comprised of multi-family units. Allocations of PBVs will only be awarded to multifamily rental housing developments that will be occupied by qualified, very-low income, special needs households with incomes at or below 50 percent of the area median income. Special needs households are defined in further detail in the paragraphs below. Housing developments allocated PBVs may be located within the Urban County (as identified earlier in this NOFA) and the additional cities of Chula Vista, El Cajon, Escondido, La Mesa, San Marcos, Santee, or Vista. All applications requesting PBV allocations will be reviewed for the following criteria:

- The Development's contributions to the geographical distribution of affordable housing throughout the jurisdiction, promoting the de-concentration of poverty and furthering fair housing objectives; and
- Demonstrated community support for the development.

New construction and substantially rehabilitated developments are subject to an environmental review under the National Environmental Policy Act (NEPA) or are subject to a determination of being exempt or excluded from the requirements of the Act. Developments applying for PBVs are also subject to a subsidy layering review.

In order to ensure that the developments meet the appropriate level of Housing Quality Standards (HQS), the development must be inspected for compliance with Section 8 HQS prior to the execution of the Housing Assistance Payment (HAP) contract with the development owner or designee. The PBV rent limits and specific Contract terms shall be based upon the development's characteristics, fair market rent, the Housing Choice Voucher payment standard at time of Contract execution, and an analysis of "rent reasonableness." An analysis of the proposed PBV rents will be conducted to determine "rent reasonableness" based upon a comparison of rents for comparable unassisted units in the local market.

Your attention is directed to HUD regulations pertaining to the PBV program found in 24 CFR Parts 982 and 983, and HACSD 2021 Administrative Plan.

BROADBAND INFRASTRUCTURE – Construction and rehabilitation development allocated PBV's must include the installation of broadband infrastructure as defined in 24 CFR 5.100.

In general, the Public Housing Authority (PHA) may not select a proposal to provide PBV assistance for units in a development or enter into an Agreement to enter into a Housing Assistance Payment (AHAP) contract to provide PBV assistance for units in a development, if the total number of dwelling units in the development that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the development. There are three exceptions to this rule:

- The units are exclusively for elderly families

- The units are for households eligible for supportive services available to all families receiving PBV assistance in the development.
- Units where the development is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates

PBV Evaluation Criteria:

The evaluation criteria listed below will be scored based on the application and attachments submitted as part of the proposal. Proposal materials should give clear, concise information in sufficient detail to allow an evaluation based on these requirements. Although some of the elements listed below will be weighted more heavily than others, all requirements are considered necessary for evaluation.

1. The development's contributions to the geographical distribution of affordable housing throughout the jurisdiction.
2. The development promotes greater choice of housing opportunities and encourages assisted persons to move into areas of low poverty. Include an explanation of how the development is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities in accordance with the Public Housing Agency (PHA) Plan and the PHA's Administrative Plan policies.
3. Accessibility features within the development.
4. The level of supportive services provided to the special needs population (if applicable).
5. Demonstrated Community Support for the development as evidenced by letters of support from the local government community, local community organizations, local advocacy groups, local planning group etc.

VETERANS ADMINISTRATION SUPPORTIVE HOUSING (VASH) PROJECT BASED VOUCHER (PBV) PROGRAM BASICS

The HUD-VASH program combines the HUD Housing Choice Voucher (HCV) rental assistance for homeless veterans, with case management and clinical services provided by the VA at its medical centers and in the community. Generally, the HUD-VASH HCV program is administered in accordance with regular HCV program requirements (24 CFR Part 982 and 983).

The HACSD'S Project-Based HUD-VASH Vouchers can be used for existing housing, new construction units and substantially rehabilitated developments comprised of multi-family units. These PBVs will enable homeless veterans to access affordable housing with an array of supportive services. If a single development consists of both existing and new construction/rehab housing types, separate applications must be submitted for each type of housing. These applications will be scored separately, which may result in only part of the total development receiving funding. A housing unit is considered an existing unit for purposes of the PBV program if, at the time of notice of HACSD selection, the units substantially comply with the Housing Quality Standards (HQS) issued by the U.S. Department of Housing and Urban Development (HUD). All sites must be located within the jurisdiction of the HACSD (as described above). PBV units must pass HQS inspection prior to the execution of the Housing Assistance Payment (HAP) contract.

Developments must be located within the jurisdiction of the HACSD which is comprised of: the Unincorporated Area of the County of San Diego, City of Coronado, City of Del Mar, City of Imperial Beach, City of Lemon Grove, City of Poway, City of Solana Beach, City of Chula Vista, City of El Cajon, City of Escondido, City of La Mesa, City of San Marcos, City of Santee, City of Vista.

Your attention is directed to HUD regulations pertaining to the PBV-VASH program found in 24 CFR Parts 982 and 983, HACSD 2021 Administrative Plan and PIH Notice 2017-21, which may be obtained by visiting HUD's website at www.hud.gov .

BROADBAND INFRASTRUCTURE – Construction and rehabilitation development allocated VASH PBV's must include the installation of broadband infrastructure as defined in 24 CFR 5.100.

The development may be owned by any individual, corporation, trust, partnership, or non-profit entity excluding those sanctioned from participation.

HACSD may issue project-based vouchers in limited increments and in a manner consistent with a varied geographical distribution. The maximum number of VASH PBVs awarded to any one development, will be dependent on VA completion of the consultation request form. In general, the Public Housing Authority (PHA) may not select a proposal to provide PBV assistance for units in a development or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a development, if the total number of dwelling units in the development that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the development. There are two exceptions to this cap:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the development

VASH PBV Evaluation Criteria:

The evaluation criteria listed below will be scored based on the application and attachments submitted as part of the proposal. Proposal materials should give clear, concise information in sufficient detail to allow an evaluation based on these requirements. Although some of the elements listed below will be weighted more heavily than others, all requirements are considered necessary for evaluation.

1. Bedroom Sizes

This factor will be rated by HACSD based on the bedroom sizes of the development units. Based on information provided by the VA it has been determined that participants in the VASH program fare better in smaller bedroom size units. Criteria listed below are in descending order of importance and will be weighted in the evaluation of the Offeror’s written and proposals accordingly:

- a. Developments that request one bedroom project-based vouchers
- b. Developments that request two-bedroom project-based vouchers
- c. Developments that request three-bedroom project-based vouchers

2. The development’s contributions to the geographical distribution of affordable housing throughout the jurisdiction.

3. The development promotes greater choice of housing opportunities and encourages assisted persons to move into areas of low poverty. Include an explanation of how the project is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities in accordance with the Public Housing Agency (PHA) Plan and the PHA’s Administrative Plan policies.

4. Accessibility features within the development.

5. The level of supportive services provided to the special needs population (if applicable).

6. PBV-VASH Unit Concentration Consultation Request. The proposal must include a signed PBV-VASH Unit Concentration Consultation Request. All Veterans' Administration inquiries should be directed to Jonathan Flood, Supervisor HUD-VASH Program, at: Jonathan.Flood@va.gov or 619-497-8967.

ATTACHMENT B – Borrower’s Insurance Requirements

Without limiting Borrower’s indemnification obligations to County under this Regulatory Agreement, Borrower shall provide and maintain for the duration of this Regulatory Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Borrower’s operation and use of the Property. The cost of such insurance shall be borne by the Borrower.

1. Minimum Scope of Insurance

Coverage shall be at least as broad as:

- A. Commercial General Liability, Occurrence form, Insurance Services Office Form CG0001.
- B. Automobile Liability covering all owned, non-owned and hired auto, Insurance Services Office form CA0001.
- C. Workers Compensation, as required by State of California and Employer’s Liability Insurance.
- D. Property Insurance against all risk or special form perils, including Replacement Cost coverage, without deduction for depreciation, for the property owned by Borrower, including all property identified in the Agreement including improvements to the Premises constructed and/or owned by Borrower. The policy shall provide for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery, and equipment and provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the term of this Agreement, including during transit, installation, and testing.

Rental Income Insurance assuring County of receiving the minimum monthly rent from the time the Premises are damaged or destroyed with a minimum period of coverage for one (1) year.

2. Minimum Limits of Insurance

Borrower shall maintain limits no less than:

- A. Commercial General Liability including Premises, Operations, Products and Completed Operations, Contractual Liability, and Independent Contractors: \$1,000,000 per occurrence for bodily injury, personal injury, and property damage. The General Aggregate limit shall be \$2,000,000 and shall be a Per Location Aggregate. Fire Damage Limit (Any One Fire) \$300,000 and Medical Expense Limit (Any One Person) \$5,000.
- B. Automobile Liability: \$1,000,000 each accident for bodily injury and property damage. Coverage will include contractual liability.
- C. Employers Liability: \$1,000,000 each accident for bodily injury or disease. Coverage shall include a waiver of subrogation endorsement in favor of County of San Diego.
- D. Property: Full replacement cost with no coinsurance penalty provision.

If the Borrower maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available.

3. Self-Insured Retention

Any self-insured retention must be declared to and approved by County Risk Management. At the option of the County, either: the insurer shall reduce or eliminate such self-insured retentions as respects the County, the members of the Board of Supervisors of the County and the officers, agents,

employees, and volunteers; or the Borrower shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

4. Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

A. Additional Insured Endorsement

Any general liability policy provided by Borrower shall contain an additional insured endorsement applying coverage to the County of San Diego, the members of the Board of Supervisors of the County and the officers, agents, employees, and volunteers of the County, individually and collectively.

B. Primary Insurance Endorsement

For any claims related to this Regulatory Agreement, the Borrower's insurance coverage shall be primary insurance as respects the County, the members of the Board of Supervisors of the County and the officers, agents, employees, and volunteers of the County, individually and collectively. Any insurance or self-insurance maintained by the County, the members of the Board of Supervisors of the County, its officers, officials, employees, or volunteers shall be excess of the Borrower's insurance and shall not contribute with it.

C. Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County.

D. Servability of Interest Clause

Coverage applies separately to each insured, except with respect to the limits of liability, and that an act or omission by one of the named insureds shall not reduce or avoid coverage to the other named insureds.

E. Loss Payee Clause

County of San Diego, Housing & Community Development Services, shall be named as Loss Payee on the property coverage. The Loss payee clause should read:

County of San Diego, Housing & Community Development Services,
3989 Ruffin Road, San Diego, CA 92123

General Provisions

5. Qualifying Insurers

All required policies of insurance shall be issued by companies which have been approved to do business in the State of California by the State Department of Insurance, and which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII according to the current Best's Key Rating guide, or a company of equal financial stability that is approved in writing by County Risk Management.

6. Evidence of Insurance

Prior to commencement of this Regulatory Agreement, but in no event later than the effective date of the Regulatory Agreement, Borrower shall furnish the County with certificates of insurance and amendatory endorsements effecting coverage required by this clause. Renewal certificates and amendatory endorsements shall be furnished to County within thirty days of the expiration of the term

of any required policy. Borrower shall permit County at all reasonable times to inspect any required policies of insurance.

7. Failure to Obtain or Maintain Insurance; County's Remedies

Borrower's failure to provide insurance specified or failure to furnish certificates of insurance, amendatory endorsements, or failure to make premium payments required by such insurance, shall constitute a material breach of the Regulatory Agreement, and County may, at its option, terminate the Regulatory Agreement for any such default by Borrower.

8. No Limitations of Obligations

The foregoing insurance requirements as to the types and limits of insurance coverage to be maintained by the Borrower, and any approval of said insurance by the County are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Borrower pursuant to the Regulatory Agreement, including, but not limited to, the provisions concerning indemnification.

9. Review of Coverage

County retains the right at any time to review the coverage, form and amount of insurance required herein and may require Borrower to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exists at the time a change in insurance is required.

10. Self-Insurance

Borrower may, with the prior written consent of County Risk Management, fulfill some or all of the insurance requirements contained in this Regulatory Agreement under a plan of self-insurance. Borrower shall only be permitted to utilize such self-insurance if in the opinion of County Risk Management, Borrower's (i) net worth, and (ii) reserves for payment of claims of liability against Borrower, are sufficient to adequately compensate for the lack of other insurance coverage required by this Regulatory Agreement. Borrower's utilization of self-insurance shall not in any way limit liabilities assumed by Borrower under this Regulatory Agreement.

11. Claims Made Coverage

If coverage is written on a "claims made" basis, the Certificate of Insurance shall clearly so state. In addition to the coverage requirements specified above, such policy shall provide that:

- A. The policy retroactive date coincides with or precedes Borrower's commencement of work under the Agreement (including subsequent policies purchased as renewals or replacements).
- B. Borrower will make every effort to maintain similar insurance during the required extended period of coverage following expiration of the Contract.
- C. If insurance is terminated for any reason, Borrower shall purchase an extended reporting provision of at least three years to report claims arising in connection with the Agreement.
- D. The policy allows for reporting of circumstances or incidents that might give rise to future claims.

12. Subcontractor's Insurance

Borrower shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Borrower shall ensure that County is an additional insured on insurance required from subcontractors. Such Additional Insured endorsement shall be attached to the certificate of insurance in order to be valid and on a form at least as broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026, CG 2033, or CG 2038; and CG 2037 forms if later revisions used. If any sub contractor's coverage does not comply with the foregoing provisions, Borrower shall defend

and indemnify the County from any damage, loss, cost, or expense, including attorneys' fees, incurred by County as a result of subcontractor's failure to maintain required coverage.

13. Waiver of Subrogation

Borrower hereby grants to County a waiver of their rights of subrogation which any insurer of Borrower may acquire against County by virtue of the payment of any loss. Borrower agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the Borrower, its employees, agents and subcontractors.

14. Contract Bonds

Prior to execution of the Contract, Contractor shall file with the County on the approved forms, the two surety bonds in the amounts and for the purposes noted below, duly executed by a reputable surety company satisfactory to County, and Contractor shall pay all premiums and costs thereof and incidental thereto, as security for payment of persons named in California Civil Code Section 3181 or amounts due under Unemployment Insurance Code with respect to Work or Labor performed by any such claimant. All alterations, time extensions, extra and additional work, and other changes authorized by the Specifications, or any part of the Contract, may be made without securing consent of the surety or sureties on the contract bonds. Each bond shall be signed by both Contractor and the sureties.

- A. The Payment Bond for public works shall be in an amount of one hundred percent (100%) of the Contract price, as determined from the prices in the bid form, and shall insure to the benefit of persons performing labor or furnishing materials in connection with the work of the proposed Contract. This bond shall be maintained in full force and effect until all work under the Contract is completed and accepted by the County, and until all claims for materials and labor have been paid.
- A. The Performance Bond shall be in an amount of one percent (100%) of the Contract price as determined from the prices in the bid form and shall insure the faithful performance by the Contractor of all work under the Contract. It shall also insure the replacing of, or making acceptable, any defective materials or faulty workmanship.
- B. Qualification of Sureties. Should any surety or sureties be deemed unsatisfactory at any time by the County, notice will be given Contractor to that effect, and Contractor shall substitute a new surety or sureties satisfactory to the County. No further payment shall be deemed due or will be made under the contract until the sureties qualify and are accepted by the County.

ATTACHMENT C – Sample Board Resolution

[Letterhead of Applicant]

RESOLUTION OF BOARD OF DIRECTORS

OF

WHEREAS, this entity has a minimum of four directors who constitute a quorum for conducting organization business, the organization conducts at minimum quarterly board meetings, quarterly financial statements are reviewed by the board, and the executive director and other paid staff do not serve as voting board members;

WHEREAS, _____, is a _____ [Status of Corporation, i.e. A Non-profit Public Benefit Corporation, qualified pursuant to the provisions of Internal Revenue Code Section 501 (c)(3), etc.];

WHEREAS, _____, recognizes that the community at large, and especially low-income residents have many diverse needs for social, housing, education and other services;

WHEREAS, _____, is committed to effectively serving the communities referenced in the prior recital; and

NOW THEREFORE BE IT RESOLVED as follows:

1. That _____ is committed to providing safe, decent and affordable housing for persons of very low-, low- and moderate-income levels;
2. That on or about _____ 202____, the Board of Directors voted to authorize the _____ [title of person authorized], or his designee, to apply for and accept assistance of the Development located at _____ [address], for the purpose of obtaining financing for the _____ [purpose, i.e. acquisition, rehabilitation, refinancing, tenant relocation, construction, etc.] of the Development, in an amount not to exceed _____ (\$____) from the County of San Diego, Department of Housing and Community Development.
3. That the Board of Directors further voted to authorize the _____ [title of person], or his designee, to execute any and all documents required by the County of San Diego, Health and Human Services Agency, including, without limitation, the Promissory Note, the Deed of Trust, the Regulatory Agreement, Escrow Instructions, and any and all other documents requested by the County of San Diego, Health and Human Services Agency, to document and secure its loan.
4. That the Board of Directors further authorized the____ [title of person], or his designee, to perform all acts and to do all things necessary, in the opinion of the County of San Diego, Health and Human Services Agency to implement the funding and making of the Loan.

I, the undersigned, certify that this Resolution was adopted at regularly or specially noticed meeting of the Board of Directors on _____, 202____, at which a quorum of the Board of Directors was present, and at which the requisite percentage of the quorum voted to adopt the Resolution and that the Resolution has not been rescinded, modified or canceled as of the date of my execution of the same and that it remains in full force and effect as of this date. I further understand that the County of San Diego, Health and Human Services Agency is relying on the validity of this Resolution in taking the actions to process and approve the application.

I declare under penalty of perjury, under the laws of the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 202____, at San Diego, California.

By: _____

Title: _____

ATTACHMENT D – Affirmatively Fair Housing Marketing Plan

The [Affirmatively Fair Housing Marketing Plan \(AFHMP\)](https://www.hud.gov/sites/documents/935-2A.PDF) can be found at <https://www.hud.gov/sites/documents/935-2A.PDF> . This document must include all items outlined in this NOFA and must be submitted as part of the complete application packet. If awarded funding, the AFHMP must be approved by The US Department of Housing and Urban Development and submitted to HHSA prior to leasing units.

ATTACHMENT E – San Diego County Income Limits

Effective April 1, 2021*

Area Median Income (AMI) \$95,100

Family Size	80% AMI Low Income	50% AMI Very Low Income	30% AMI Extremely Low Income
1	\$67,900	\$42,450	\$25,450
2	\$77,600	\$48,500	\$29,100
3	\$87,300	\$54,550	\$32,750
4	\$97,000	\$60,600	\$36,350
5	\$104,800	\$65,450	\$39,300
6	\$112,550	\$70,300	\$42,200
7	\$120,300	\$75,150	\$45,100
8	\$128,050	\$80,000	\$48,000

*Income Limits outlined in the table above are current as of the NOFA release date. Developments must abide by the County income limits as they may be amended from time to time.

ATTACHMENT F – Management Plan Checklist

Proposals including the acquisition of existing housing must include a Management Plan for review and approval by HHSA. HOME program regulations under 24 CFR §92.253 require certain tenant and participant protections for all rental housing funded by the HOME program. In addition, HHSA requires a crime-free element in the Management Plan. Also required is a copy of the sample lease agreement and any addenda.

The Management Plan is required to follow the format below.

MANAGEMENT

- | | |
|--|---|
| <input type="checkbox"/> Role and Responsibility of the Owner and/or Delegation of Authority of the Managing Agent | <input type="checkbox"/> Accounting Basis |
| <input type="checkbox"/> Description of Site/Units | <input type="checkbox"/> Collections and Disbursements |
| <input type="checkbox"/> Scope of Duties | <input type="checkbox"/> Contracting, Purchasing, Cost Controls |
| <input type="checkbox"/> Changes in Management | <input type="checkbox"/> Compliance and Reporting |
| <input type="checkbox"/> Personnel Policy and Staffing Arrangements | <input type="checkbox"/> Vacancies and Rent Losses |
| <input type="checkbox"/> Hiring and Personnel Policies | <input type="checkbox"/> Security Deposits |
| <input type="checkbox"/> Projected Staffing (On-Site Manager 16 or more units) | <input type="checkbox"/> Emergency Plan |
| <input type="checkbox"/> Training and Monitoring | <input type="checkbox"/> Emergency Protocol |
| <input type="checkbox"/> Hiring of Residents | <input type="checkbox"/> Evacuation Routes |
| <input type="checkbox"/> Maintaining Adequate Accounting Records and Handling Necessary Forms and Vouchers | <input type="checkbox"/> Evacuation Plan for tenants needing assistance in exiting the building |
| | <input type="checkbox"/> Provisions for Update of Management Plan |
| | <input type="checkbox"/> Insurance |

OCCUPANCY- MUST INCLUDE HOUSING FIRST PRACTICES PER NPLH GUIDELINES

- | | |
|--|---|
| <input type="checkbox"/> Plan and Procedures for Publicizing and Achieving Early and Continued Occupancy | <input type="checkbox"/> Right to Hearing |
| <input type="checkbox"/> Outreach (Affirmative Fair Housing Marketing Plan and Advertising plan)
AFHMP must be approved by HUD prior to leasing units | <input type="checkbox"/> Eviction Procedures |
| <input type="checkbox"/> Resident Selection | <input type="checkbox"/> Plans for Enhancing Resident-Management Relations |
| <input type="checkbox"/> Waiting List | <input type="checkbox"/> Resident Organization(s) |
| <input type="checkbox"/> Orientation | <input type="checkbox"/> Community Room |
| <input type="checkbox"/> Procedures for Determining Resident Eligibility and for Certifying and Annually Recertifying Household Income and Size | <input type="checkbox"/> Auxiliary Program |
| <input type="checkbox"/> Initial Certification | <input type="checkbox"/> Property Management Plan (Section 307 of NPLH Guidelines) |
| <input type="checkbox"/> Recertification | <input type="checkbox"/> Proof of low-barrier tenant selection process that prioritizes those with the highest needs for available housing |
| <input type="checkbox"/> Changes in Eligibility During Occupancy | <input type="checkbox"/> Housing First best practices consistent with the core components set forth in Welfare and Institutions Code Section 8255 (b) |
| <input type="checkbox"/> Leasing Procedures | <input type="checkbox"/> Policies and practices to prevent evictions |
| <input type="checkbox"/> Rent Collection | <input type="checkbox"/> Reasonable accommodations policies and practices |
| <input type="checkbox"/> Rent Payment | <input type="checkbox"/> Tenant Files Management |
| <input type="checkbox"/> Late Rents | <input type="checkbox"/> Property Management Software |
| <input type="checkbox"/> Rent Increases | <input type="checkbox"/> Privacy and Sensitive Information Safeguards |
| <input type="checkbox"/> Procedure for Appeal, Grievance and Eviction | |

**MANAGEMENT PLAN CHECKLIST
(CONTINUED)**

MAINTENANCE AND SECURITY

- Construction Follow-Up
- Maintenance Programs
 - Maintenance Duties
 - Maintenance Supervision and Performance
 - Resident Maintenance Requests
 - Resident Neglect and Abuse
 - Reconditioning for New Residents
 - Preventive Maintenance
 - Emergency Maintenance
 - Gardening and Landscape
 - Contract Maintenance
 - Maintenance Stock Control
- Security

GRIEVANCE AND APPEAL PROCEDURE

- Definitions
- Applicability
- Right to a Hearing
- Types of Hearings
 - Informal Hearing
 - Presentation of Grievance
 - Summary and Answer
 - Request for a Formal Hearing
 - Failure to Request a Hearing
 - Formal Hearing
 - Selection of the Hearing Officer or Hearing Panel
 - Time Limits
 - Fair Hearing
 - Private Hearing
 - Discovery
 - Disputed Carrying Charges or Other Charges
 - Proof
 - Failure to Appear at Hearing
- Decisions of the Hearing Officer or Hearing Panel
 - Binding Effect
 - Proposed Decision
 - Written Decision
 - Costs
- Enforcement of Hearing Officer's or Hearing Panel's Decision
 - Compliance with Decision
 - Failure to Comply with Decision
 - Enforcement of an Eviction Action
 - Right to Go to Court

ATTACHMENT G – Estimated Development Timeline

Development Title: _____ Applicant: _____

Anticipated TCAC Application Date _____ 4% 9% 4% State

<u>Item</u>	<u>Projected Date of Completion</u>
SITE	
Environmental Review Completed	_____
Site Acquired	_____
LOCAL PERMITS	
Conditional Use Permit	_____
Variance	_____
Site Plan Review	_____
Grading Permit	_____
Building Permit	_____
CONSTRUCTION FINANCING	
Loan Application	_____
Enforceable Commitment	_____
Closing and Disbursement	_____
PERMANENT FINANCING	
Loan Application	_____
Enforceable Commitment	_____
Closing and Disbursement	_____
OTHER LOANS AND GRANTS	
Type and Source:	_____
Application	_____
Closing or Award	_____
Funds Available	_____
OTHER LOANS AND GRANTS	
Type and Source	_____
Application	_____
Closing or Award	_____
Funds Available	_____
Construction Start	_____
Construction Completion	_____
Placed in Service	_____
Occupancy of all Assisted Units	_____

ATTACHMENT H

PBV-VASH Unit Concentration Consultation Request

Date Request Submitted:		Person Submitting Request:			
Applicant Name:					
Sponsor:					
Name of Development:					
Development Address:					
Additional Service Providers/ Resident Services Coordinator:					
Property Management Company:					
Additional Services offered to PBV-VASH and non-PBV-VASH tenants:					
Total Number of Units ()	Studio/Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Total # of PBV-VASH Units ()	Studio/Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Square footage of PBV-VASH by Unit Type	Studio/Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Total # of Non- PBV-VASH Units Restricted to Persons with a Mental Health Diagnosis ()	Studio/Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
DEVELOPMENT TYPE			PROPERTY TYPE		
<input type="checkbox"/> New Construction <input type="checkbox"/> Acquisition/ Rehabilitation			<input type="checkbox"/> Multi-family <input type="checkbox"/> Scattered Site		
Total Development Cost:					
Please describe the tenant population restrictions for non-PBV-VASH units (e.g., general affordable, general homeless, seniors, veterans, TAY, etc.) and the number of units restricted:					
Please describe plans for supporting PBV-VASH tenant integration within the proposed develop, including facility features, please include a service plan:					
Please describe plans for supporting PBV-VASH tenant stability and housing retention, including strategies that involve coordination amongst property management and supportive services staff:					
Outcome of Consultation: <input type="checkbox"/> Preliminary Approval of Proposed Unit Concentration <input type="checkbox"/> Preliminary Conditional Approval Contingent on the Reduction in Number of PBV-VASH Assisted Units from () Units to () Units or Fewer. <input type="checkbox"/> Preliminary Conditional Approval Contingent on:					

PBV-VASH Unit Concentration Consultation Request

PLEASE NOTE: The preliminary review of by the VA is not, in any way, a guarantee of funding under the PBV-VASH Program. Funding under the PBV-VASH Program is subject to the review and approval of a NOFA application by the County of San Diego HHSA, Housing and Community Development Services (HCDS) and is subject to the availability of PBV-VASH funding. Please contact HCDS with any questions related to the NOFA or its requirements.

Signatures are required from both VA Representative and Developer Representative for document to be considered complete.

VA Representative Signature/Date

Applicant Representative Signature/Date

VA Representative Printed Name

Applicant Representative Printed Name