Solicitation 1603-002

2016 Permanent Supportive Housing NOFA - Addendum 1

Bid Designation: Public



County of Orange

Bid 1603-002
2016 Permanent Supportive Housing NOFA - Addendum 1

Bid Number	1603-002
Bid Title	2016 Permanent Supportive Housing NOFA - Addendum 1
Bid Start Date	May 4, 2018 4:50:23 PM PDT
Bid End Date	May 5, 2028 12:00:00 PM PDT
Bid Contact	Judi M Crumly
Standard Disclaimer	**The County of Orange is not responsible for and accepts no liability for any technical difficulties or failures that result from conducting business electronically.**

Description

ONLY PAPER SUBMISSIONS SHALL BE ACCEPTED. SEE SUBMISSION INSTRUCTIONS AT HTTP://OCCOMMUNITYSERVICES.ORG/HCD/HOUSING

BID NO. 1603-001 – 2016 PERMANENT SUPPORTIVE HOUSING NOTICE OF FUNDING AVAILABILITY IS INCORPORATED INTO BID NO. 1603-002 - 2016 PERMANENT SUPPORTIVE HOUSING NOTICE OF FUNDING AVAILABILITY (NOFA) – ADDENDUM 1

The purpose of the 2016 Permanent Supportive Housing Notice of Funding Availability – ADDENDUM 1 is to make available up to an additional four million dollars in Orange County Housing Successor Agency funds and/or Federal HOME Investment Partnerships Program funds to promote the acquisition, new construction and acquisition/rehabilitation of Permanent Supportive Housing and an additional 100 Project-Based Vouchers to Orange County's extremely low-income households who are homeless. HOUSING AND COMMUNITY DEVELOPMENT & HOMELESS PREVENTION will accept submissions for the 2016 Permanent Supportive Housing Notice of Funding Availability (NOFA) – ADDENDUM 1 on an over the counter basis per the terms of the NOFA/ ADDENDUM 1 . Funds are available until the NOFA and its Addendum 1 closes, is replaced by a new NOFA, or until all available funds are committed, whichever occurs first. Interested and qualified applicants who can successfully demonstrate their ability to provide supportive housing for extremely low-income households who are homeless are encouraged to submit proposals. The 2016 Permanent Supportive Housing Notice of Funding Availability (NOFA) and the 2016 Permanent Supportive Housing Notice of Funding Availability (NOFA) – Addendum 1 are also available on the Housing and Community Development & Homeless Prevention website at: HTTP://OCCOMMUNITYSERVICES.ORG/HCD/HOUSING

If you have additional questions, please contact, Julia Bidwell at Julia.Bidwell@occr.ocgov.com **. Include in the email SUBJECT LINE: 2016 Permanent Supportive Housing NOFA – Addendum 1** .

ADDENDUM 1

TO

OC Community Services

NOTICE OF FUNDING AVAILABILITY (NOFA)
APPLICATION GUIDELINES

BID NO. 1603-001 & INCORPORATED INTO BID NO. 1603-002

The County of Orange, OC Community Resources/Housing and Community Development & Homeless Prevention is soliciting submissions from qualified Applicants to promote the acquisition, new construction and acquisition/rehabilitation of Permanent Supportive Housing affordable to Orange County's extremely low-income households who are homeless.

The issuance of Addendum 1 provides an increase in available funds, vouchers and updates to the following NOFA, Application Checklist, Exhibits and Attachments sections:

NOFA Initial Funding	Addendum 1 Additional Funding	Total Combined Funding
$8,000,000	$4,000,000	$12,000,000

NOFA Initial Vouchers	Addendum 1 Additional Vouchers	Total Combined Vouchers
100 Vouchers	100 Vouchers	200 Vouchers

NOTE: Throughout the entire NOFA/Addendum 1 document, the entity formerly referred to as OC Community Services is now known as Housing and Community Development & Homeless Prevention (HCD/HP). Within HCD/HP is Housing Development (HD). The Orange County Housing Authority (OCHA), a separate legal entity, is also housed within HCD/HP.

In addition, throughout the entire NOFA/Addendum 1 document, for references the contact information for Kevin Fincher is replaced with **Julia Bidwell**, 1300 South Grand Avenue, Building B, Santa Ana, CA 92705-4407 **(714) 480-2991** Julia.Bidwell@occr.ocgov.com.

NOFA

Cover Page:

2016 Permanent Supportive Housing

NOTICE OF FUNDING AVAILABILITY

HOUSING AND COMMUNITY DEVELOPMENT & HOMELESS PREVENTION
1300 South Grand Ave, Building B
Santa Ana, CA 92705
Julia Bidwell, Director
Housing and Community Development & Homeless Prevention

SECTION I - INTRODUCTION, APPLICATION & SELECTION PROCESS

This 2016 Permanent Supportive Housing Notice of Funding Availability (NOFA) – Addendum 1 announces the availability of an additional $4 million (up to a combined twelve (12) million dollars) in Orange County Housing Successor Agency funds and Federal HOME Investment Partnerships Program funds to promote the acquisition, new construction, and acquisition/rehabilitation of Permanent Supportive Housing, as defined in Attachment C-1 of this Addendum 1, affordable for Orange County's extremely low-income households who are homeless by providing below market rate financing. Housing and Community Development & Homeless Prevention (HCD/HP) will also provide an additional 100 Housing Choice Vouchers (HCV) and/or Veterans Affairs Supportive Housing Project Based Vouchers (VASH) (up to a combined two hundred (200)) for extremely low-income households who are homeless for projects that meet the requirements of this NOFA, regardless of whether or not capital funding is requested under this NOFA. HCD/HP reserves the right to require that units assisted under this NOFA provide a preference to applicants who are referred through the Coordinated Entry System. Interested and qualified developers who can successfully demonstrate their ability to acquire, build or substantially rehabilitate, and operate Permanent Supportive Housing are encouraged to submit proposals. **All assisted units must provide permanent housing to homeless individuals or families, as defined in Section 10315 (b) of California Tax Credit Allocation Committee Regulations.**

Note: Project-based Vouchers are committed to a property for fifteen (15) years.

HCD/HP will accept applications for projects on a first-come first-served based on date of application. Housing Choice Project Based Vouchers from the Orange County Housing Authority will be available for projects located in Santa Ana, Anaheim, or Garden Grove as eligible and permitted by the Department of Housing and Urban Development on a case-by-case basis to address regional collaboration in developing permanent supportive housing. HCD/HP reserves the right to suspend acceptance of proposals at any time. Projects located in the unincorporated areas may be eligible for "by-right" development as an eligible site under the Orange County Housing Opportunity Manual. Refer to Attachment I of this NOFA for information on the Orange County Housing Opportunity Manual and a list of eligible sites.

The level of the County's financial participation will depend on the location of the development and the source of funds utilized. Applicants are encouraged to design projects that utilize these funds to fill a financial gap in a project's financial feasibility, after other available sources of housing development funds are utilized. Such funds may include bank loans, equity from the sale of low-income housing tax credits, owner equity, sale of tax exempt bonds, state and federal funding, grants and donations, and other public and private sources of funds.

The sources of capital funds available for this NOFA are HOME Investment Partnerships Act Program (HOME) funds and Orange County Housing Successor Agency's funds. Funds are available until the NOFA closes, is replaced by a new NOFA, or until all available funds are committed via Board of Supervisors action, whichever occurs first. HCD/HP reserves the right to suspend acceptance of proposals at any time. HCD/HP reserves the right to increase or decrease the amount in this NOFA subsequent to Board of Supervisors approval.

1.01 NOFA Timeline and Application Process

Release of Rental Housing NOFA	March 29, 2016
Applications Accepted	March 29, 2016
Addendum 1	**May 4, 2018**

The NOFA will be available on the HCD/HP web site at: http://occommunityservices.org/hcd/housing. The NOFA documents are in Word and Excel format. Please note that the application and spreadsheets, especially the financial pro forma in Exhibit 4.03-A, have been revised from previous NOFAs. Applicants must use the forms contained in this Addendum 1.

The NOFA/Addendum 1 is an open application process. Proposals for funding will be considered on a first-come, first-served basis based on the preference and underwriting criteria set forth in this Addendum 1. HCD/HP will consider projects based on the applicant's ability to meet the application and threshold requirements set forth herein; the applicant's ability to successfully demonstrate their experience in acquiring, constructing, rehabilitating, and operating affordable housing; the quality of the proposed project; and the need for financial assistance. The public will be notified that the NOFA is closed through a posting of a public notice on the HCD/HP website.

Applications must be complete. Substantially incomplete applications may not move forward in the funding process. HCD/HP reserves the right to waive minor technical deficiencies in an application and to request minor corrections or clarifications.

Submittals must be organized in three-ring binders and in accordance to the Application Checklist. Submission must include the original proposal and two (2) signed copies, including one electronic Exhibit 4.03-A in Excel. Send or deliver proposals to:

2016 Permanent Supportive Housing
Notice of Funding Availability
Housing and Community Development & Homeless Prevention
Attn: Housing and Community Development
1300 South Grand Avenue, Building B, Room 323
Santa Ana, CA 92705

Submission: Upon receipt, County staff will review each application for compliance with application and threshold requirements. of HCD/HP shall endeavor to review all complete applications for threshold requirement compliance, as defined in Section IV, within ten (10) working days of submission ("Threshold Requirement Review"). Staff will notify the applicant in writing of any deficiencies in meeting these requirements. A developer interview may also be scheduled at this time. Applicants shall be required to respond to all deficiencies, with exception to the 30-day items listed below, in writing within five (5) working days:

- Exhibit 4.13-A: Financial Statements
- Exhibit 4.21: Current Appraisal
- Exhibit 4.28: Phase I Environmental Report
- Exhibit 4.29: Lead Paint and Asbestos Report, if applicable

***Threshold*:** Following receipt of the application and the Threshold Requirement Review, as discussed in Section IV – Application & Threshold Requirements, County staff will make a recommendation to the Project Advisory Committee (PAC), a sub-committee of the H&CD Commission, that the project either proceed to the underwriting phase or that the project did not meet the NOFA threshold requirements and that the project not be further evaluated by staff. Once both staff and PAC evaluate the project, it will proceed to the Director of HCD/HP for final consideration.

Applicants will be notified as to whether they 1) passed Threshold Requirement Review and staff will begin the underwriting, or 2) that the applicant has failed the Threshold Requirement Review and that the applicant may re-apply at a later date.

***Underwriting**:* After completion of the Threshold Requirement Review concurrence by the PAC, staff will underwrite the project and prepare a final funding recommendation to the PAC. Underwriting will be based on the information provided by the applicant and the results of the developer interview. Staff recommendations regarding loan amounts will be presented to PAC for final consideration, before being presented to the Director.

Board Approval: Following a positive recommendation from the Director, taking into consideration the staff recommendations and PAC concurrence, the Director will forward the project to the Orange County Board of Supervisors for consideration.

Financing Commitment Letter: If approved by the Board of Supervisors, staff will issue a letter describing the approved project and committing to reserve funds for the approved project for a determinate amount of time not to exceed one (1) year to allow applicants sufficient time to secure all other proposed project funding ("Financing Commitment Letter"). In the event that an applicant does not secure all project funding within the timeline specified in the Financing Commitment Letter, HCD/HP reserves the right to extend or withdraw the County funding commitment.

***Permanent Financial Commitment Letter**:* When all financial commitments have been secured HCD/HP will issue a letter that will outline the terms of the loan and conditions precedent to closing which include the project receiving the other financial commitments from other identified private, city, state or federal funds as described in the project application and meeting the program guidelines set forth in this NOFA ("Permanent Financial Commitment Letter"). The Permanent Financial Commitment Letter will allow the developer additional time as determined by County staff to complete the proposed project. HCD/HP reserves the right to extend or cancel fund reservation if the project is not proceeding satisfactorily toward the proposed activity as indicated in the submitted Project Timeline found in Exhibit 4.01-A.

Borrowers will be required to execute a loan agreement, promissory note, deed of trust, regulatory agreement, assignment of leases and other related loan documents, substantially compliant with the HCD/HP approved form loan documents. Copies of the HCD/HP form loan documents are available upon request.

Disbursement of loan funds will be made in accordance with County of Orange loan documents. All expenses incurred prior to an HCD/HP Environmental Clearance will not be eligible for reimbursement.

SECTION II – PROGRAM DESCRIPTION

2.01 FUNDS AVAILABLE

Up to four (4) million dollars in Federal HOME funds and Orange County Housing Successor Agency funds will be set aside in Addendum 1 for the acquisition, new construction, and acquisition/rehabilitation of Permanent Supportive Housing affordable for Orange County's extremely low-income households who are homeless by providing below market rate financing under this NOFA. Funds are available on a first-come, first-serve basis, based on the preference and underwriting criteria set forth in this NOFA, until the NOFA is replaced by a new NOFA, or

until funds are committed, whichever occurs first. The County reserves the right to determine first-come, first-served based on meeting all conditions of the NOFA in the case of simultaneous receipt of applications. HCD/HP reserves the right to increase or decrease the amount in this NOFA subsequent to Board of Supervisors approval.

2.08.01 URBAN COUNTY PARTICIPATING CITIES

The following is a list of Urban County Participating Cities:
Aliso Viejo (through June 30, 2018), Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, Laguna Woods, La Palma, Los Alamitos, Placentia (Metro City), Seal Beach, Stanton, Villa Park, & Yorba Linda (Metro City)

- Housing and Community Development & Homeless Prevention (HCD/HP) will accept applications for projects on a first-come first-served basis. Housing Choice Project Based Vouchers from the Orange County Housing Authority will be available for projects located in Santa Ana, Anaheim, or Garden Grove as eligible and permitted by the Department of Housing and Urban Development on a case-by-case basis to address regional collaboration in developing permanent supportive housing. HCD/HP reserves the right to suspend acceptance of proposals at any time. Projects located in the unincorporated areas may be eligible for "by-right" development as an eligible site under the Orange County Affordable Housing Opportunity Manual. Refer to Attachment I of this NOFA for information on the Orange County Affordable Housing Opportunity Manual and a list of eligible sites.

2.11 DEVELOPER FEES

Developer fees shall be allowed for Low Income Housing Tax Credits projects as defined by California Tax Credit Allocation Committee regulations adopted December 13, 2017. Allowable developer fees for projects not utilizing Low Income Housing Tax Credits shall be determined on a case-by-case basis. Projects utilizing Project Based Vouchers are also subject to a subsidy layering review, which utilizes a safe harbor of 12% of the total development cost of the project.

2.15 MAXIMUM LOAN AMOUNTS/SUBSIDY LIMITS:

The maximum loan/subsidy amounts shall be calculated on the basis of the number of units assisted by the County, and shall vary by unit size and location of the proposed project. The maximum subsidy limits are shown below:

Unit Size	Unincorporated Areas and Participating Cities	All Other Cities
0 Bedroom	$125,000	$48,600
1 Bedroom	$125,000	$56,700
2 Bedroom or larger	$125,000	$59,940

In addition, projects utilizing HOME funds shall be subject to the maximum program subsidy limits established by HUD, as updated from time-to-time at 24 CFR Part 92.

2.23 DEBARRED AND/OR SUSPENDED CONTRACTORS

Participants must certify, pursuant to 24 CFR Part 24, that they are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the present NOFA. The California Contractors State License Board website for checking the status of a license is https://www2.cslb.ca.gov/onlineservices/CheckLicenseII/checklicense.aspx. The County requires a valid Data Universal Numbering System (D-U-N-S) number prior to Contract Award. If needed, your agency may obtain one at no cost at www.dnb.com. The federal site is: https://www.sam.gov/portal/SAM/#1. System for Award Management (SAM) identifies those parties excluded throughout the U.S. Government from receiving Federal contracts or certain subcontracts. (See Exhibit 4.40)

2.28 ANNUAL AUDIT REQUIREMENTS

A. Non-profit applicants are required to submit their most recent IRS Form 990.

B. Applicants who have expended federal funds in excess of $750,000 annually are required to submit the past two (2) years of Single Audit reports (includes Management Letter) as defined in Section IV.13 of this RFP.

C. Applicants who are not subject to Single Audit reports are required to submit the past two (2) years of audited financial statements.

   Audited Financial Statements will include, but not limited to:

   - Balance Sheet (Statement of Financial Position) – Including all supporting schedules (i.e. Detailed Aged Payables, Aged Receivables, Notes Payable, etc.)
   - Income Statement (Profit and Loss Statement) (Statement of Activity)
   - Statement of Cash Flow
   - Retained Earnings
   - Any footnotes to the statements.

D. Periodically, the County Auditor/Controller may review the Applicant' financial records. The Applicants must agree to allow access to their audited financial records when requested by County, State or Federal Auditor staff.

Failure to submit the required audited financial documents, as it pertains to the applicant, will render the applicant non-responsive and applicant will not move forward in the solicitation process.

In addition to the initial program specific audit, the project shall undergo an annual audit to identify any residual funds to be used toward repayment of the County's loan.

2.32 INDEMNIFICATION

As indicated in the County Form Loan Documents, which are available upon request.

SECTION III - SPECIAL PROGRAMS

3.01 HOUSING CHOICE VOUCHER PROGRAM (SECTION 8 PROJECT BASED VOUCHERS)

Project proposals may request Project-based Vouchers (PBV). Based on the availability of funds, OCHA may provide up to an additional 100 Project Based Vouchers in Addendum 1 for new Permanent Supportive Housing units.

The County will select proposals that are solicited by the NOFA or were previously selected based on a NOFA or a RFP competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals, e.g., HOME, and units for which competitively awarded LIHTCs have been provided, where the proposal has been selected in accordance with such program's competitive selection requirements.

Policies that regulate the use of PBV rental assistance in a project are more fully described in Chapter 17 of the OCHA Administrative Plan and Title 24 of the Code of Federal Regulations. A general summary of the PBV program selection process follows. A detailed application and selection information will be provided at the request of interested parties.

Solicitation and Selection of PBV Proposals [24 CFR 983.51(b) and (c)]

Procedures for selecting PBV program proposals are intended to provide broad public notice of the opportunity to offer project proposals for consideration by Housing and Community Development & Homeless Prevention's - Housing Development and OCHA (HD/OCHA). The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice for proposals will specify the submission deadline.

Request for Proposals and Notice of Funding Availability for Newly Constructed Units
HD and/or OCHA will advertise its request for proposals (RFP) or Notice of Funding Availability (NOFA) for newly constructed housing requesting project based vouchers in the OC Register, along with other media or announcements on the web site at: www.occommunityservices.org/hcd/housing/.

In addition, HD and/or OCHA will post the RFP/NOFA and proposal submission and rating and ranking procedures electronically on its web site.

HD and/or OCHA will publish its advertisement in the OC Register at least one day per week for three consecutive weeks. The advertisement will specify the number of units OCHA estimates that it will be able to assist under the funding OCHA is making available. Proposals will be due as specified in the publication notice.

OCHA Selection of Proposals Subject to a Previous Competition under an OCCS Housing Development Request for Proposal/Notice of Funding Availability (NOFA).
OCHA will accept proposals for PBV program assistance from owner-applicants that were competitively selected by HCD/HP's Housing Development, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

In addition to, or in place of advertising, HCD/HP Housing Development/OCHA (HD/OCHA) may also directly contact specific project owners that have already been selected for federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV program assistance.

Proposals will be reviewed on a first-come first-served basis. HD/OCHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers OCHA goal of deconcentrating poverty and expanding housing and economic opportunities.
- Extent to which the proposal complements other local activities such as the HOME program, CDBG activities, other development activities that address homelessness, and/or programs that address other special needs clients.

Notice of Owner Selection [24 CFR 983.51(d)]

Within fifteen (15) calendar days of making the selection, OCHA will notify the selected owner-applicant in writing of their qualification for the PBV program. HCD/HP HD/OCHA will also notify in writing all other owner-applicants whose submitted proposals were not selected informing them of the selected owner-recipient of the project based vouchers.

In addition, OCHA will publish its owner-recipient selection at: www.occommunityservices.org/hcd/housing/

HD/OCHA will make available to any requesting party its rating and ranking sheets and documents that identify the basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner-recipient selection. HCD/HP HD/OCHA will not make available sensitive owner information that is considered confidential, such as financial statements and other, similar information about the owner.

HCD/HP HD/OCHA will make these documents available for review at HCD/HP office during normal business hours. The cost for reproduction of allowable documents will be $.15 per page.

OCHA will not use PBV assistance for high-rise elevator projects for families with children, or other ineligible units identified in 24 CFR 983.53 or 983.54 including:

- A unit subsidized with any form of tenant-based rental assistance.
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or OCHA in accordance with HUD requirements.

SECTION IV - APPLICATION & THRESHOLD REQUIREMENTS

As stated in Section 1.01, applications must be complete. Incomplete applications may not be processed. However, Housing and Community Development & Homeless Prevention (HCD/HP) reserves the right to waive minor technical deficiencies in the application and to request minor, non-substantive corrections or clarifications.

For applications to meet the threshold requirements of this NOFA and be considered complete, they must: a) contain all items listed in the application checklist; b) include signatures, where required; and c) contain all of the Exhibits listed in Section IV (collectively, “Threshold Requirements”). All projects must meet the HCD/HP Threshold Requirements for new construction and/or rehabilitation projects. If an application does not meet the Threshold

Requirements, it will not proceed to the underwriting phase of the process. Deficient applications will be returned to the applicant.

Applicants who have expended Federal funds in excess of $750,000 annually are required to submit two (2) years of Single Audit reports. Single Audits must be conducted in accordance with 2 CFR Part 200.514 Scope of Audit which includes financial statements. Refer to Audit Requirements in Section 2.28 of this Addendum 1.

Prior to completion of the Threshold Requirement Review, applicant may be subject to reference checks to evaluate past performance. In addition, County reserves the right to verify and validate any information prior to Contract Award and during the entire term of the Contract.

The following section, including Project Description Exhibits as listed in the original NOFA and not identified below, describes a component of the Threshold Requirements. Please refer to the application checklist for a complete listing of items that must be submitted for an application to be considered complete.

PROJECT DESCRIPTION

4.01 GENERAL APPLICATION FORM

Complete Revised Exhibit 4.01-A

4.03 PROJECT PRO FORMAS, NOTES AND ASSUMPTIONS. (MUST INCLUDE 9% AND 4% TAX CREDIT ANALYSES).

Complete Revised Exhibit 4.03-A

(Refer to the original NOFA for additional information)

4.04 NOTES AND ASSUMPTIONS DESCRIBING THE BASIS FOR ALL MAJOR LINE ITEMS

Complete Revised Exhibit 4.04-A

(Refer to the original NOFA for additional information)

4.13 FINANCIAL STATEMENTS

Applicants are expected to have the ability to manage and track multiple funding streams and to have the mechanisms in place so they can quickly react to changes in fund availability.

Applicants must demonstrate sound financial practices. Financial capability includes the ability to maintain fiscal controls, accounting procedures, and financial reporting in accordance with Generally Accepted Accounting Principles (GAAP) and other requirements established by the County of Orange.

Applicant is advised that funding streams must be kept separate, therefore separate accounting records must be kept for the contract to ensure accurate and appropriate reporting of expenditures, and costs must be tracked in sufficient detail to determine contractual and programmatic compliance.

Applicants must comply with 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200/content-detail.html]. Applicants who have expended

Federal funds in excess of $750,000 annually are required to submit the past two (2) years of Single Audit reports. Single Audits must be conducted in accordance with §200.514 Scope of Audit which includes financial statements entity wide. Refer to Audit Requirements in Section 2.28 of this Addendum 1.

4.31 UTILITY SCHEDULE FORM

The utility schedule is used to identify the type of utilities that will be needed for occupancy. The utility allowance schedule is reviewed annually by the Orange County Housing Authority (OCHA) to estimate the average amount of money a tenant spends on utilities monthly. The applicant must complete the revised Exhibit 4.31-A - Utility Schedule Form by identifying the type of appliances that will be used for heating, cooking and hot water and whether they are operated by gas or electricity, and by filling in the Tenant Paid Utilities chart. Insert the total amount of utilities from the TOTAL column in the appropriate cell in Rent Schedule of Exhibit 4.03-A (Part 2).

Complete Revised Exhibit 4.31-A

4.33 ARTICLE 34 COMPLIANCE

Pursuant to Article 34 of the California Constitution, voters are given an opportunity to approve publicly funded development of low-rent housing projects, which are developed, constructed, or acquired in whole or in part with public funds. Referendum authority is generally required in order for the County to provide financial assistance to the development of rental housing where more than 49% of the units will be assisted. Referendum authority is not required where 49% or less of the units will be assisted or where the development consists of acquisition and/or rehabilitation of housing that was previously subject to a contract that included state or federal financial assistance.

Together with the County of Orange, several cities in the County held Article 34 referendums in the 1970's and '80's. The referendum passed in the County Unincorporated areas and twelve other cities. The result of which is that publicly funded affordable housing may be built in these jurisdictions without public vote and that said housing may be rent restricted either in full or in part by the public funding agency.

All applicants must submit evidence of compliance with Article 34. This shall consist of a letter, from the City Attorney stating that Article 34 Authority of the State Constitution is or is not available in the jurisdiction in which the development is located. If Article 34 Authority is not available, HCD/HP may only restrict up to 49% of the rental units. Subsidized units must be available for rent and income restrictions for a term of not less than 55 years.

4.34 CONSOLIDATED PLAN CERTIFICATION

Applicants must receive certification, from the governing jurisdiction where the proposed project is located, stating that the proposal is consistent with the governing *Consolidated Plan*.

Proposals located within the jurisdiction of any of the County's Participating Cities, Unincorporated Target Areas, or any of the remaining County Unincorporated Areas should contact: Housing and Community Development & Homeless Prevention, Attn: Craig Fee at Craig.Fee@occr.ocgov.com.

For proposals located in any of the County's Entitlement Cities, see revised Exhibit 4.34-A for a sample certification letter which the applicant can send to the Entitlement City for certification.

4.36 EQUAL OPPORTUNITY PROGRAM FOR CONTRACTORS & MINORITY BUSINESS ENTERPRISE (MBE) & WOMEN OWNED BUSINESS ENTERPRISE (WBE)

Complete and sign Revised Exhibit 4.36-A

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ADDENDUM 1 – REVISIONS TO NOFA APPLICATION GUIDELINES, ATTACHMENTS & EXHIBITS

NOFA APPLICATION GUIDELINES

- See Revised NOFA APPLICATION GUIDELINES-1

EXHIBITS

EXHIBIT 4.01 – GENERAL APPLICATION FORM

- See Revised EXHIBIT 4.01-A – GENERAL APPLICATION FORM

EXHIBIT 4.03 – PROJECT PROFORMAS, NOTES AND ASSUMPTIONS

- See Revised EXHIBIT 4.03 A – PROJECT PROFORMAS

EXHIBIT 4.04 – NOTES AND ASSUMPTIONS DESCRIBING THE BASIS FOR ALL MAJOR LINE ITEMS

- See Revised EXHIBIT 4.04-A – FINANCIAL NOTES AND ASSUMPTIONS

EXHIBIT 4.05 – SOURCES AND USES NARRATIVE

- See revised EXHIBIT 4.05-A - SOURCES AND USES NARRATIVE

EXHIBIT 4.13 – AUDITED FINANCIAL STATEMENTS

- See Revised EXHIBIT 4.13-A – AUDITED FINANCIAL STATEMENTS

EXHIBIT 4.31 – UTILITY SCHEDULE FORM

- See Revised EXHIBIT 4.31-A – UTILITY SCHEDULE FORM

EXHIBIT 4.34 – CONSOLIDATED PLAN CERTIFICATION OF CONSISTENCY PROCESS

- See Revised EXHIBIT 4.34-A – CONSOLIDATED PLAN CERTIFICATION OF CONSISTENCY PROCESS

EXHIBIT 4.36 – EQUAL OPPORTUNITY PROGRAM AND MEB.WBE COMPLIANCE

- See Revised EXHIBIT 4.36-A – EQUAL OPPORTUNITY PROGRAM AND MEB/WBE COMPLIANCE

ATTACHMENTS

ATTACHMENT A – 2015 RENT INCOME LIMITS

- See Revised ATTACHMENT A-1 - 2018 RENT INCOME LIMITS

ATTACHMENT B - MAXIMUM TOTAL DEVELOPMENT COSTS AND MINUMUM SQUARE FOOTAGE REQUIREMENTS

- See Revised ATTACHMENT B-1 MAXIMUM TOTAL DEVELOPMENT COSTS AND MINIMUM SQUARE FOOTAGE REQUIREMENTS

ATTACHMENT C – PERMANENT SUPPORTIVE HOUSING GUIDELINES AND DEFINITIONS

- See Revised ATTACHMENT C-1 PERMANENT SUPPORTIVE HOUSING GUIDELINES AND DEFINITIONS

ATTACHMENT F – OC COMMUNITY SERVICES COMMITMENT LETTER – SAMPLE

- See Revised ATTACHMENT F-1 OC COMMUNITY RESOURCES COMMITMENT LETTER - SAMPLE

ATTACHMENT I – AFFORDABLE HOUSING OPPORTUNITY OVERLAY ZONE ELIGIBLE SITES

- See Revised ATTACHMENT I-1 – AFFORDABLE HOUSING OPPORTUNITY OVERLAY ZONE ELIGIBLE SITES

NOTICE OF FUNDING AVAILABILITY (NOFA)
APPLICATION GUIDELINES - 1

SUBMISSION REQUIREMENTS

1. All proposals must be typed and comply with the requirements detailed below. Proposals that are incomplete, out of order, have an inadequate number of copies, lack required attachments, or have other content errors or deficiencies may be rejected. Contextual changes and/or additions to the proposal after submission will not be accepted.

2. Proposals must be in Arial, 12-point font and must have at least 1" margins on all four sides.

3. Each number on the Application Checklist corresponds to the same sub-number found under Section IV, Application & Threshold Requirements of the NOFA. See Section IV for detailed descriptions of the required information.

4. For those sections that are checked Use Form Provided, see attached Exhibits for the forms corresponding to those numbers (applicant must use forms provided). For those sections without Exhibit forms, no specific format is required.

5. Within sections, documents that are from separate entities or of different origins should be separated and identified.

6. If, within a section, the questions are stated in alphabetic or numeric order, your responses should also be stated in the same alphabetic or numeric order.

7. If any section is not applicable to your project, DO NOT leave the section out. Insert a divider for that section with a page behind it stating "NOT APPLICABLE" and the reason why it does not apply to your project.

8. An original and two (2) signed copies of the application must be submitted. Each copy of the application must be organized in the order listed on the Checklist and use all the attached Exhibit forms. THE APPLICATION MUST BE INDEXED, TABBED, AND PLACED IN THE EXACT ORDER REQUESTED.

9. Each copy of the proposal MUST be submitted in a three ring binder. On the outside of the binder, clearly list: 1) HOUSING AND COMMUNITY DEVELOPMENT & HOMELESS PREVENTION OF THE COUNTY OF ORANGE, 2) your organization name, and 3) the project name. Please put the name of your organization and the development name on the spine of the binder.

10. Lack of compliance with these requirements may lead to disqualification. Proposals that are disqualified will not be reviewed.

APPLICATION CHECKLIST

EXHIBIT	N/A or 4.0#	Use Form PROVIDED		Page
APPLICATION CHECKLIST – Insert correct page numbers in your application				29
Tab 4.01–A	_____	☒	General Application Form	31
Tab 4.02	_____	☒	Project Narrative	36
Tab 4.03–A	_____	☒	Development Financial Pro Formas– Provide Disk	38
Tab 4.03.01	_____	☒	Davis-Bacon & State Prevailing Wage Requirements	47
Tab 4.04–A	_____		Notes & Assumptions – See Sample	48
Tab 4.05–A	_____	☒	Development Sources & Uses Narrative	50
Tab 4.06	_____	☒	Impact Fee Worksheet	51
Tab 4.07	_____		Evidence of Financial Commitments	52
Tab 4.08	_____	☒	Development Team Members	55
Tab 4.09	_____		Development Team Resumes	58
Tab 4.10	_____		Applicant/Developer Experience	59
Tab 4.11	_____	☒	Schedule and Analysis of Real Estate Owned	60
Tab 4.12	_____	☒	Applicant Disclosure Statement	63
Tab 4.13–A	_____		Audited Financial Statements	72
Tab 4.14	_____		Resolution of the Board of Directors – Sample Format Provided	73
Tab 4.15	_____	☒	Community Housing Development Organization(CHDO)	74
Tab 4.16	_____		Social Services Plan	78
Tab 4.17	_____	☒	Annual/Social Service Budget	79
Tab 4.18	_____		Evidence of Site Control	80

EXHIBIT	N/A or 4	Use Form PROVIDED		Page
Tab 4.19	_____		Preliminary Title Report	81
Tab 4.20	_____		Comparable Rent Data	82
Tab 4.21	_____		Current Appraisal	83
Tab 4.22	_____	☒	Architectural/Construction Design Narrative	84
Tab 4.23	_____		Architectural Concept Designs	85
Tab 4.24	_____		Construction or Rehabilitation Cost Estimate	86
Tab 4.25	_____		Site Photographs and Location Map	87
Tab 4.26	_____		Evidence of Compliance with Zoning	88
Tab 4.27	_____	☒	Environmental Information Form	89
Tab 4.28	_____		Phase I Environmental Report	92
Tab 4.29	_____		Lead Based Paint & Asbestos Reports–If Applicable	93
Tab 4.30	_____	☒	Relocation and Tenant Characteristics	94
Tab 4.31–A	_____	☒	Utility Schedule Form	96
Tab 4.32	_____		City Manager – Letter of Acknowledgment	98
Tab 4.33	_____		Article 34 Compliance – Sample Letter	99
Tab 4.34–A	_____		Consolidated Plan Certification	100
Tab 4.35	_____		Marketing Plan and Good Neighbor Policy	102
Tab 4.36–A	_____	☒	Equal Opportunity Program and MBE/WBE compliance for Contractors Doing Business with OC Community Services	104
Tab 4.37	_____	☒	Equal Employment Opportunity	105
Tab 4.38	_____	☒	Child Support Enforcement	106

Tab 4.39	_____	☒	Evidence of Compliance with Previous OC Community Services or OCHA Operating Reserve Loans _____	109
Tab 4.40	_____		D-U-N-S Number Validation _____	110

Please refer to Section IV of the NOFA/Addendum 1 for detailed description of the required information for each Exhibit.

###

Except as otherwise expressly set forth herein, all terms and conditions contained in the Original NOFA, including any amendments/modifications, are hereby incorporated herein by this reference as if fully set forth herein and shall remain in full force and effect.

EXHIBIT 4.01-A 2016 Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

GENERAL APPLICATION FORM

Please provide all known information as requested. Check all boxes that apply.

PROJECT INFORMATION

Project Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Supervisorial District: _____

Type of project:

☐ New Construction ☐ Acquisition ☐ Conversion
☐ Preservation ☐ Acquisition & Rehabilitation ☐ Rehabilitation

Target population to be served: _____

APPLICANT INFORMATION

Legal Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
*D-U-N-S # _____ W-9 _____

** The County requires a valid D-U-N-S number prior to Contract Award. If needed, your agency may obtain one at no cost at www.dnb.com*

Legal Status of Applicant:

☐ Individual ☐ General partnership ☐ Limited liability corporation
☐ Non-profit corporation ☐ Limited partnership ☐ CHDO
☐ For-profit corporation ☐ Joint venture ☐ Other: _____

Contact Person: _____
Title: _____
Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
Email: _____

PROJECT FINANCING

Housing and Community Development & Homeless Prevention Permanent Loan Request Amount:
$ _____

Requested Source of Funds:

☐ HOME Program ☐ Housing Successor Agency

Requested Terms:

☐ Residual Receipts ☐ Amortized ☐ Other: _____

Project Based Voucher Request:

☐ Housing Choice Vouchers: _____ (Number Requested) ☐ VASH: _____ (Number Requested)

Applicants may request a specific funding source; however, Housing and Community Development & Homeless Prevention may not be able to grant this request.

SOURCES & USES OF FUNDS

ACQUISITION FUNDING (List all sources of funding)

Name of Lender/Source	Amount	Term in Months	Interest Rate	Per Unit Cost	Per Bedroom Cost	Committed Yes	Committed No
TOTAL							

CONSTRUCTION PERIOD FUNDING (List all sources of funding)

Name of Lender/Source Contact Person and Phone Number	Amount	Term in Months	Interest Rate	Per Unit Cost	Per Bedroom Cost	Committed Yes	Committed No
TOTAL*							

*Must be consistent with Exhibit 4.03-A Development Financial Pro forma

PERMANENT FUNDING (List all sources of funding, including amount requested from Housing and Community Development & Homeless Prevention)

Name of Lender/Source Contact Person and Phone Number	Amount	Term in Months	Interest Rate	Per Unit Cost	Per Bedroom Cost	Committed Yes	Committed No
TOTAL*							

*Must be consistent with Exhibit 4.03-A Development Financial Pro forma

USES OF FUNDS

Uses of Funds	Amount	Per Unit Cost	Per Bedroom Cost
Land Cost			
Fees, Permits, Studies			
Direct Construction Cost			
Indirect Construction Cost			
Rent-up/Marketing Cost			
Financing Cost			
Other: _____			
TOTAL DEVELOPMENT COST	$0	$0	$0

NOTE: Above Sources and Uses of Funds must agree with the information shown in Exhibit 4.03-A.

PREVAILING WAGE REQUIREMENTS – Check if either of the following wage requirements were included in the Total Development Cost of your project.

Davis-Bacon Wages ☐ State Prevailing Wages ☐

SITE INFORMATION

Current Owner/Seller Information:

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

Email: _____

Contact Person: _____

Site Control:

☐ Deed ☐ Option ☐ Other: _____

Lot Size: _____ sq. ft. _____ acres

Census Tract: _____ APN: _____

Legal Description: _____
_____
_____
_____
_____
_____

Prior use of property: _____
_____
_____
_____

Current Number of occupied units: _____

Number of potential relocated households: _____

EXISTING or PROPOSED STRUCTURE INFORMATION		
	Existing Building (if applicable)	**Proposed Configuration** (after Rehab or New Construction)
Units		
Bedrooms		
Buildings		
Stories		
Parking spaces		
Residential sq. ft.		
Common area sq. ft.		
Parking sq. ft.		
Commercial sq. ft.		
Total building sq. ft.		
OC Community Services - assisted sq. ft.		

UNIT MIX		
Unit Mix	**Existing Unit Mix**	**Proposed Unit Mix (after rehab or construction)**
0 bedroom/SRO		
1 bedroom		
2 bedrooms		
3 bedrooms		
4 bedrooms		
TOTAL UNITS		

UNIT TYPE & AFFORDABILITY SUMMARY					
Unit Type	**% of AMI** (insert % of the area median income)	**Proposed Rent**	**Total # of Units**	**Total # of Units Subsidized by Housing and Community Development & Homeless Prevention**	**Total # of Bedrooms**
0 bedroom/SRO					
1 bedroom					
2 bedrooms					
3 bedrooms					
4 bedrooms					
TOTAL UNITS					

Add additional rows if necessary.

PROJECT TIMELINE		
Activity	**Estimated Start Date**	**Estimated Completion Date**
Site Acquisition		
Environmental Clearance – CEQA or NEPA		
Application for Conditional Use Permit or Variance		
Submission of plans to Building Department		
Approval of plans by Building Department		
Application for Construction Financing		
Commitment of Construction Financing		
Application for Permanent Financing		
Approval of Permanent Financing		
Application for Tax Exempt Bonds		
Approval of Tax Exempt Bonds		
Application for Other Loans and Grants (describe source)		
Approval of Other Loans and Grants		
Application for Low-Income Housing Tax Credits		
Award of Low-Income Housing Tax Credits		
Receipt of Construction Bids		
Commencement of Construction		
Completion of Construction		
100% Lease-up		
Receipt of Permanent Financing		

Exhibit 4.03-A
Development Financial Pro Formas - 2018

Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

PROJECT NAME:
PROJECT ADDRESS:
PROJECT DEVELOPER:

MASTER MENU	
SAMPLE FORMAT	***(Click on Link or F5)***
Master Menu	**MENU**
Input Table	INPUT
Exhibit 1 - Development Costs	COSTS
Exhibit 2 - Rent Schedule	RENT
Exhibit 3 - Operating Expenses	OE
Exhibit 4 - Cash flow Analysis	CASH
Exhibit 5 - Tax Credit Analysis	TCAC
Exhibit 5a - Basis Limits	BASIS LIMITS
Exhibit 6 - Financing	SOURCES
Exhibit 7 - Maximum County Loan Amount	COUNTY

(back to main menu)

INPUT DATA	
TOTAL # UNITS	0
TOTAL # BEDROOMS	0
VACANCY RATE	5.00%
TOTAL LAND SQUARE FOOTAGE	0
TOTAL BUILDING SQUARE FOOTAGE	0
RENT INCOME	$0
RENT INCOME INFLATION FACTOR	2.50%
COMMERCIAL INCOME	$0
COMMERCIAL INCOME INFLATION FACTOR	4.00%
LAUNDRY & MISC. INCOME/YEAR	$0
LAUNDRY & MISC. INCOME INFLATION FACTO	3.00%
INTEREST INCOME	0
INTEREST INCOME INFLATION FACTOR	0.00%
OPERATING EXPENSES/UNIT/YEAR	#DIV/0!
OPERATING EXPENSE INFLATION FACTOR	3.50%
OPERATING RESERVE	0.00%
REPLACEMENT RESERVE PER UNIT	0.00
LAND COSTS	$0
DEVELOPMENT COSTS (NIC Land)	$0
TOTAL DEVELOPMENT COSTS	$0
TOTAL CONSTRUCTION COSTS	$0
OCCS PERMANENT LOAN AMOUNT	#VALUE!
OCCS LOAN RATE	3.00%
CONVENTIONAL LOAN AMOUNT	$0
CONVENTIONAL LOAN RATE	0.00%
CONVENTIONAL LOAN YEARS	0
CONVENTIONAL LOAN TYPE	AMORTIZED
DEBT COVERAGE RATIO (X::1) X=	1.15
Other	$0
Tax Credits	#VALUE!
Other	$0

Exhibit 4.03-A Permanent Supportive Housing NOFA
Part I - Development Costs
Addendum 1
May 4, 2018

PART I
DEVELOPMENT COSTS
(back to menu)

Project Name:
Project Address:
Developer:

Number of Dwelling Units: 0 Gross Building Area (sf) 0
Gross Land Area (sf) 0 Gross Non-Residential Floor Area

	TOTAL PROJECT COSTS	$ PER UNIT	$ PER BEDROOM	$ PER SF BUILDING	$ PER SF LAND	% OF TOTAL		9% BASIS	4% BASIS
LAND COSTS/ACQUISITION									
Land Cost or Value	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Demolition	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Legal	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Total Land Cost or Value	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Existing Improvements Value	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Off-Site Improvements	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Acquisition Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
REHABILITATION									
Site Work	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Structures	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
General Requirements	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Contractor Overhead	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Contractor Profit	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
General Liability Insurance	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Rehab. Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
RELOCATION EXPENSES	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
NEW CONSTRUCTION									
Site Work	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Structures	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
General Requirements	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Contractor Overhead	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Contractor Profit	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
General Liability Insurance	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total new Construction Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
ARCHITECTURAL FEES									
Design	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Supervision	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Architectural Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total SURVEY AND ENGINEERING	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
CONSTRUCTION INTEREST & FEES									
Construction Loan Interest	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Origination Fee	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Credit Enhance. & App. Fee	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Bond Premium	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Taxes	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Insurance	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Title and Recording	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Construction Interest & Fees	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
PERMANENT FINANCING									
Loan Origination Fee	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Credit Enhance. & App. Fee	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Title and Recording	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Other	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Total Permanent Financing Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
LEGAL FEES									
Lender Legal Pd. by Applicant	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Other (Specify)	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Attorney Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
RESERVES									
Operating Reserve	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Capitalized Transition Reserves	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Total Reserve Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
APPRAISAL COSTS	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
CONSTRUCTION CONTINGENCY COSTS	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
OTHER									
TCAC App/Alloc/Monitor fees	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Environmental Audit	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Local Dev. Impact Fees	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Permit Processing Fees	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Capital Fees	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Marketing	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		XXXXXX	XXXXXX
Accounting	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Furnishings	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Market Study	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Other (Specify)	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Other Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
							Subtotal Eligible		
Subtotals	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	**Basis**	$0	$0
							Max. Dev. Fee	**$0.00**	**$0.00**
DEVELOPER COSTS									
Developer Overhead/Profit	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Consultant/Processing Agent	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Project Administration	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Broker Fees paid by Owner	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Const. Management Oversight	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Other (Specify)	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
Total Developer Costs	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
TOTAL PROJECT COST	$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		$0	$0
							Bridge Loan Expense During Construction	$0	$0
							Total Eligible Basis	$0	$0

Exhibit 4.03 - A
Part 2 - Rent Schedule

Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

PART 2
RENT SCHEDULE
(back to menu)

Project Name:
Project Address:
Developer Name:

4-May-18

Insert utility allowance calculation from the work sheet in Exhibit 4.31-A. A separate utility allowance will be needed for each bedroom size unit. Insert utility calculation in yellow column below.

Unit Type	Percent Median	Monthly Gross Rent	Monthly Utility Allow.	Monthly Net Rent	Number of Units	Total Monthly Rent	Total Annual Rent ($)	Total # of Bdrms.
Note: The rents shown below are based on 2018 rent limits Per California Tax Credit Allocation Committee. Other income limits for units receiving funding from the Housing Successor Agency or other programs may apply								
EFFICIENCY	30%	$574	$0	$574	0	$0	$0	0
	40%	$766	$0	$766	0	$0	$0	0
	50%	$957	$0	$957	0	$0	$0	0
	60%	$1,148	$0	$1,148	0	$0	$0	0
	Market/Other		$0	$0	0	$0	$0	0
Total efficiency					0			
ONE BEDROOM	30%	$615	$0	$615	0	$0	$0	0
	40%	$820	$0	$820	0	$0	$0	0
	50%	$1,025	$0	$1,025	0	$0	$0	0
	60%	$1,230	$0	$1,230	0	$0	$0	0
	Market/Other		$0	$0	0	$0	$0	0
Total one bedroom					0			
TWO BEDROOM	30%	$738	$0	$738	0	$0	$0	0
	40%	$984	$0	$984	0	$0	$0	0
	50%	$1,230	$0	$1,230	0	$0	$0	0
	60%	$1,476	$0	$1,476	0	$0	$0	0
	Market/Other		$0	$0	0	$0	$0	0
Total 2 bedroom					0			
THREE BEDROOM	30%	$852	$0	$852	0	$0	$0	0
	40%	$1,137	$0	$1,137	0	$0	$0	0
	50%	$1,421	$0	$1,421	0	$0	$0	0
	60%	$1,705	$0	$1,705	0	$0	$0	0
	Market/Other		$0	$0	0	$0	$0	0
Total 3 bedroom					0			
FOUR BEDROOM	30%	$951	$0	$951	0	$0	$0	0
	40%	$1,268	$0	$1,268	0	$0	$0	0
	50%	$1,585	$0	$1,585	0	$0	$0	0
	60%	$1,902	$0	$1,902	0	$0	$0	0
	Market/Other		$0	$0	0	$0	$0	0
Total 4 bedroom					0			
MANAGER'S	100%	$0	$0	$0	0	$0	$0	0
Total Number of Units					***0***	***$0***	***$0***	***0***

*Gross Rents with Project Based Vouchers/VASH	# of Units	Unit Rent	Total Rent
	0	$0	$0
	0	$0	$0
TOTAL SECTION 8 RENTAL INCOME	0		**$0**
**Tenant Paid Rents Calculation:	**# of Units**	**Unit Rent**	**Total Rent**
Scheduled rents w.o. rent subsidies	0	$0	$0
TENANT RENTAL INCOME	0		**$0**
Net additional PBV/VASH Income			$0

Input data in green & yellow areas only.
If you change a formula or rent figure, then you must include the change in your notes and assumptions.

Exhibit 4.03 - A
Part 3 Operating Expenses

Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

PART 3
OPERATING EXPENSES
(back to menu)

Input data in green areas only.
If you change a category or formula you must explain the change in your Notes & Assumptions

Project Name:
Project Address:
Developer:

4-May-18

	ANNUAL	MONTHLY	PER UNIT	UNIT/MO.	% TOTAL
1. MANAGEMENT					
Contract Management Fee	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL MANAGEMENT	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
2. ADMINISTRATION					
Marketing	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Audit	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Legal	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Office Expenses	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL ADMINISTRATION	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
3. SALARIES AND BENEFITS					
On-Site Manager/Asst. Manager	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Maintenance Personnel	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Janitorial Personnel	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Case Manager	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Housekeepers	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Payroll Txs, Ins & Wkr. Comp.	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL SALARIES	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
4. MAINTENANCE					
Supplies	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Repairs Contract	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Pest Control	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Grounds Contract	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Interior Painting	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Other	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL MAINTENANCE	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
5. UTILITIES NOT PAID BY TENANTS					
Trash Removal	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Electricity	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Water/Sewer	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Gas	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL UTILITIES	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
6. INSURANCE					
Property & Liability Insurance	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL INSURANCE	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
7. TAXES					
Business Tax and License	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL TAXES	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
8. OTHER					
Loan Monitoring	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Other: Security	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL OTHER	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL OPERATING EXPENSES	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Real Estate Taxes and Assessments	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
Support Services - Provide detailed budget	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL OPERATING EXPENSES INC. TAXES AND SERVICES	$0	$0	#DIV/0!	#DIV/0!	#DIV/0!

PART 4
CASH FLOW ANALYSIS/Project Pro Formas
(back to menu)

Project Name:
Project Address
Developer Name:

4-May-18

ASSUMPTIONS:

Residential Income Infl. Rate:	2.50%	Unit Operating Exp:	#DIV/0!	H&CS Loan. Rate:	3.00%	TOTAL DEV. COSTS:	Total $0	Per Unit #DIV/0!	Percent #DIV/0!
Laundry & Misc. Infl. Factor:	3.00%	Unit Operating Reserve:	0.00%	Conventional Loan Rate:	0.00%	Max Conven. Loan:	$0	#DIV/0!	#DIV/0!
Operating Expense Infl. Factor	3.50%	Replace Res. per unit	0	Conventional Loan Yrs:	0	Other	$0	#DIV/0!	#DIV/0!
Vacancy Rate:	5.00%	Construction Costs:	0	Conventional Loan Type:	AMORTIZED	Tax Credits	#VALUE!	#VALUE!	#VALUE!
Number of Units:	0	Laundry Inc/Year:	0	Debt Coverage Ratio:	1.15	Other	$0	#DIV/0!	#DIV/0!
		Real Estate Taxes:	2.00%	Accum 15 yr Op Reserve:	$0	HCS Gap Loan:	#VALUE!	#VALUE!	#VALUE!

		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Residential Income		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Section 8 Rents		$0														
Commercial Income		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Laundry & Miscellaneous		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
GROSS INCOME		*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Vacancy		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
EFFECTIVE GROSS INCOME		*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Operating Expenses		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Real Estate Taxes		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Supportive Services		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Operating Reserve		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replacement Reserve		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
NOI BEFORE DEBT SERVICE		*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Cash Available for Debt Service		$0														
Actual Debt Service		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Coverage Ratio		*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*#DIV/0!*
CASH FLOW AFTER DEBT SERVICE		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Partnership Related Charges and Fee		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CASH AVAILABLE FOR DISTRIBUTION	revise split when necessary	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
HCS -PERCENT OF CASH AVAILABLE FOR DISTRIBUTION	33.33%															
Annual Payment (_____%)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Interest Payment Due	3.00%	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Cumulative HCS Loan Balance		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
City- PERCENT OF CASH AVAILABLE FOR DISTRIBUTION	33.33%															
Annual Payment		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Interest Payment Due	3.00%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative City of _____ Loan Balance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
BORROWER - PERCENT OF CASH AVAILABLE FOR DISTRIBUTK	33.33%															
Annual Cash to Borrower		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Cash to Borrower		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

County of Orange

Bid 1603-002

Exhibit 4.03 - A
Part 5 - Tax Credit Equity Calculation

Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

PART 5
Tax Credit Equity Calculation
(back to menu)

Project Name:
Project Address:
Developer:

DETERMINATION OF ELIGIBLE AND QUALIFIED BASIS	9%	4%
Total Eligible Basis *(enter 0 in column for credits not being used)*	0	0
Deduct From Eligible Basis:		
All Grant Proceeds Used to Finance Costs in Eligible Basis	0	0
Non-Qualified Non-Recourse Financing	0	0
Non-Qualifying Portion of Higher Quality Units	0	0
Historic Credit (residential portion only)	0	0
Photovoltaic Credit (as applicable)	0	0
Other Ineligible Amounts	0	0
Total Ineligible Amounts	0	0
Total Eligible Basis Amount Voluntarily Excluded	0	0
TOTAL BASIS REDUCTION	0	0
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS	0	0
High Cost Area Adjustment (adjust to 130% where applicable)	100%	100%
TOTAL ADJUSTED ELIGIBLE BASIS	0	0
Applicable Fraction (adjust where necessary)	100%	100%
QUALIFIED BASIS	0	0
TOTAL QUALIFIED BASIS	0	
TOTAL CREDIT REDUCTION	0	
TOTAL ADJUSTED QUALIFIED BASIS	0	
DETERMINATION OF FEDERAL CREDIT		
Qualified Basis	$0.00	$0.00
Applicable Percentage	9.00%	3.27%
Subtotal Annual Federal Credit	$0.00	$0.00
TOTAL COMBINED ANNUAL FEDERAL CREDIT	$0	
TOTAL ANNUAL FEDERAL CREDIT	0	
x 10 years	10	
MAXIMUM FEDERAL CREDIT	0	
x Tax Credit Factor (must document)		
Estimated Federal Syndication Net Proceeds Raised	#VALUE!	
State Credit Determination		
Qualified Basis	0	0
% over 4 years	0.3	0.13
equals	0	0
Total State Credit (4 years)	0	0
X Tax Credit Factor		
Estimated State Syndication Net Proceeds Raised	#VALUE!	0
Estimated Total Syndication Net Proceeds	**#VALUE!**	**0**

Exhibit 4.03 - A
Part 5a - Threshold Basis Limits

Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

PART 5a
THRESHOLD BASIS LIMITS

Project Name:
Project Address:
Developer:

BASED ON 2018 THRESHOLDS
(back to menu)

UNIT SIZE	UNIT BASIS LIMIT 9% Projects	NO. OF UNITS	UNIT BASIS LIMIT 4% Projects	NO. OF UNITS	BASIS LIMIT
0 Bedroom	$196,716	0	$222,602	0	$0.00
1 Bedroom	$226,814	0	$256,658	0	$0.00
2 Bedroom	$273,600	0	$309,600	0	$0.00
3 Bedroom	$350,208	0	$396,288	0	$0.00
4 Bedroom	$390,154	0	$441,490	0	$0.00
			TOTAL UNITS	0	
			TOTAL THRESHOLD BASIS LIMIT		**$0.00**

IF ONE OR MORE OF THE FOLLOWING CHARACTERISTICS ARE PROPOSED, ADJUST THRESHOLD BASIS LIMIT UPWARD UP FOR EACH CHARACTERISTIC OF THE AMOUNT REQUESTED PURSUANT TO 10327(C)(5).

			Enter 0 if not applicable.
	Prevailing Wages or Davis Bacon	THRESHOLD BASIS X 20%	$0.00
	Projects subject to project labor agreement or using skilled laborforce	THRESHOLD BASIS X 5%	$0.00
	Day care facility is part of the development.	THRESHOLD BASIS x 2%	$0.00
	Parking structures beneath residential units - New construction only (but not "tuck under" parking)	THRESHOLD BASIS x 7%	$0.00
	Projects specifically designed for 100% special needs tenants	THRESHOLD BASIS x 2%	$0.00
	At least 95% of upper floor units are serviced by an elevator	THRESHOLD BASIS X 10%	$0.00
		SUBTOTAL THRESHOLD BASIS ADJUSTMENTS	**$0.00**
		SUBTOTAL ADJUSTMENT ABOVE MAY NOT EXCEED 39%	
	Plus Local Development Impact Fees required to be paid to local government entities		$0.00
	Plus up to 10% Basis adjustment for projects that include energy measures per TCAC regulations	THRESHOLD BASIS X _% (specify percent)	$0.00
	For tax exempt bond projects, plus 1% for every 1% of the project's units that will be income and rent restricted below 50% but above 35% of AMI.		$0.00
	For tax exempt bond projects, plus 2% for each 1% of units that will be income and rent restricted to 35% of AMI or below		$0.00
	Plus 15% or the lesser of the amount of costs associated with seismic upgrading and/or toxic or other environmental mitigation	THRESHOLD BASIS x 15%	$0.00
	Plus 10% basis adjustment for a project that is in a County that has an adjusted 9% threshold basis limit for a 2 bed unit equal to or less than $400,000 and is in a census tract designated by TCAC as Highest or High Resource		$0.00
		TOTAL THRESHOLD BASIS	0
		TCAC High Cost Limit	0

Exhibit 4.03 - A *Permanent Supportive Housing NOFA*
Part 6 - Financing *Addendum 1*
May 4, 2018

PART 6
Financing
(back to menu)

Project Name:
Project Address:
Developer Name:

Sources Summary-THROUGH CONSTRUCTION

	Total	Per Unit	Per Bedroom	Percent
Construction Loan		#DIV/0!	#DIV/0!	#DIV/0!
AHP Subsidy		#VALUE!	#VALUE!	#VALUE!
Tax Credit Proceeds		#VALUE!	#VALUE!	#VALUE!
Other: deferred expenses		#VALUE!	#VALUE!	#VALUE!
Other: deferred developer fee		#VALUE!	#VALUE!	#VALUE!
City Loan		#VALUE!	#VALUE!	#VALUE!
Total Sources of Funds	-	#DIV/0!	#DIV/0!	#DIV/0!

Sources Summary-PERMANENT

	Total	Per Unit	Per Bedroom	Percent
Max. Conven. Loan	-	#DIV/0!	#DIV/0!	#VALUE!
AHP Subsidy	-	#DIV/0!	#DIV/0!	#VALUE!
Tax Credit Proceeds	#VALUE!	#VALUE!	#VALUE!	#VALUE!
City Loan	-	#DIV/0!	#DIV/0!	#VALUE!
County Loan	-	#DIV/0!	#DIV/0!	#VALUE!
Deferred Developer Fee	-	#DIV/0!	#DIV/0!	#VALUE!
Total Sources of Funds	#VALUE!	#VALUE!	#VALUE!	#VALUE!

These sources of funds are a guide add or delete sources as needed

Exhibit 4.03 - A
Part 7 - Maximum County Loan

PART 7
Maximum County Loan and Maximum Total Development Cost

(back to menu)

Project Name:
Project Address
Developer Name:

Maximum County Loan

	Bdrm Unit Size	Affordability	Number of units *	Max Subsidy	Total
Unincorporated Areas and Participating Cities					
	0	30% or below		125,000	0
	1	30% or below		125,000	0
	2 or larger	30% or below		125,000	0
All Other Cities					
	0	30% or below		48,600	0
	1	30% or below		56,700	0
	2 or larger	30% or below		59,940	0
Total			0		0

*** Insert the number of each type of unit**

Financial Notes & Assumptions

NOTES & ASSUMPTIONS DESCRIBING THE BASIS FOR ALL MAJOR LINE ITEMS

Provide a brief narrative on a separate sheet of paper regarding each of the major line items listed in Exhibit 4.03-A. See example below.

Financial Assumptions

Operating reserves shall equal the amount required to pay three (3) months of operating expenses and three (3) months of mandatory debt service.

Capitalized replacement reserves shall be allowed for rehabilitation projects, based on a capital needs assessment. Minimum annual deposits to replacement reserves shall equal $250 per unit per annum for new construction and $300 per unit per annum for rehabilitation. Annual deposits to replacement reserves shall not exceed $400 per unit per annum. Exceptions may be considered where required for continued feasibility of projects with short-term rent subsidy commitments, or when required by other funding agencies.

Except where financing for the project is being provided by the California Department of Housing and Community Development's (HCD) Multifamily Housing Program, developer fees shall not exceed the lesser of $15,000 per unit or the TCAC Developer Fee Limit. Housing and Community Development & Homeless Prevention will allow a 25% increase from the current $15,000 per unit maximum for developer fees (up to $18,750 per unit) on special needs units and projects under thirty (30) units. Where financing is being provided by the HCD Multifamily Housing Program, the developer fee shall not exceed the amount allowed by that program. For Low Income Housing Tax Credit projects where the developer fee allowed by the California Tax Credit Allocation Committee exceeds the amount allowed by Housing and Community Development & Homeless Prevention or HCD (where applicable), the difference may be deferred and payable from operating cash flow.

Except where extraordinary circumstances require use of alternate assumptions, project pro formas shall reflect the following assumptions: (1) vacancy rate of five percent (5%) for all projects except SRO projects and special needs housing projects, which shall reflect a vacancy rate of ten percent (10%); (2) inflation of rental income of two and a half percent (2.5%) per annum and inflation of operating expenses of three and a half percent (3.5%) per annum; and (3) debt coverage ratio of 1.15. For low-income housing tax credit projects, applicants shall use either the TCAC required rate or the current rate. Tax credit factors for projects using federal tax credits shall include documentation of the proposed pricing of the tax credits.

Project Cash Flow Worksheet may include partnership management fees in an amount not to exceed $15,000 annually and deferred developer fees will be paid above the line before the payment of residual receipts, however, they will be paid out over a ten-year period. Exceptions may be approved by the County on a case-by-case basis. As appropriate, the financial assumption may include a maximum of three percent (3%) interest on the deferred developer fee. The maximum inflation factor for asset and partnership management fees will be two and a half percent (2.5%). Development Cost budget line items for both marketing shall not exceed $1,500 per unit and for common area furnishings shall not exceed $1,000 per unit.

Project operating budgets shall not include fees for social services or social service coordinators in excess of $3,000 per unit per year or $4,000 per unit per year for units restricted to the chronically homeless, which are to be paid from project rents prior to

payment of residual receipts. Projects proposing social service fees shall provide a separate budget showing the proposed use of such fees.

For units assisted under this NOFA that receive Housing Choice Project Based Vouchers through the Orange County Housing Authority, Housing and Community Development & Homeless Prevention reserves the right to require all or a portion of the increase in Net Operating Income which is generated by these Housing Choice Vouchers and/or Veterans Affairs Supportive Housing Project Based Vouchers be utilized to fund the cost of providing social services to these residents.

Deviations from these assumptions must be justified in Notes and Assumptions. Notes and Assumptions should follow each financial exhibit.

PART 1
DEVELOPMENT COSTS

(back to menu)

Project Name:
Project Address:
Developer:

Number of Dwelling Units:
Gross Land Area (sf)

1. LAND COSTS:
   Purchase Price (a)
   Closing Costs (b)
   Appraisal (c)
   Holding Costs (d)
TOTAL LAND COSTS

2. FEES/PERMITS & STUDIES
   Building Fees and Permits (a)
   Surveys/Soils/Variance (b)
   Environmental Documentation/Toxic Report (c)
   Arch. & Engineering Fees
      Design (d)
      Reimbursable (e)

      Subtotal:

TOTAL FEES/PERMITS & STUDIES

SAMPLE NOTES & ASSUMPTIONS

Provide a brief narrative on a separate sheet of paper regarding each of the major line items listed in Exhibit 4.03-A. Each page has its own reference key.

EXAMPLE

1(a) Land was donated to the ABC Non-Profit Corporation to fulfill an inclusionary housing requirement of the City of Lakewood.

1(c) Appraisal costs are $5,000, which is normal and customary.

2(a) Building Fees & Permits include $12,000 for building permits and $180,000 in impact fees. See fee breakdown attached to this exhibit.

2(b) Surveys/Soils/Variance includes $43,000 for soils testing due to possible site contamination.

EXHIBIT 4.05-A Permanent Supportive Housing NOFA
Addendum 1
May 4, 2018

DEVELOPMENT SOURCES & USES NARRATIVE

Provide a narrative of the development financing structure, both construction and permanent, including an explanation of the rates and terms of all financing and the status of all financing commitments.

For projects expecting to utilize 9% Low Income Housing Tax Credits, or 4% Low Income Housing Tax Credits in combination with State Credits, provide a Final Tie Breaker Self Score from the most recent version of the applicable California Tax Credit Allocation Committee's application form.

In addition, include a description of your secondary financing strategy if you are unable to secure your first choice of financing. (Refer to the Sources & Uses section of Exhibit 4.03–A Excel Spreadsheet).

AUDITED FINANCIAL STATEMENTS
including Single Audits

1. Applicants who are non-profits must attach their most recent IRS Form 990.

2. Audit Requirements as defined in Section II.2.28 of this Addendum 1. Audits must be conducted by an independent CPA and must include a description of corrective action taken for any findings identified by the auditor, both of which will be reviewed by Housing and Community Development & Homeless Prevention Accounting Manager or designated staff. Submit required Audited documents as it related to your organization:

    a. Applicants who have expended federal funds in excess of $750,000 annually are required to submit the past two (2) years of Single Audit reports. Refer to Section IV.4.13 of this Addendum 1 for more details related to Single Audit requirements.

    Or

    b. Submit copies of your organization's past two (2) years of audited financial statements.

Subject to review of the current audited financial statements, applicants may be required to submit audited financial statements with an unqualified opinion for the past three (3) years.

County reserves the right to require additional Single Audits and/or Audited Financial Statements as part of the review process.

EXHIBIT 4.31-A Per*manent Supportive Housing NOFA*
Addendum 1
May 4, 2018

UTILITY SCHEDULE FORM

Project Name: _____

Project Address: _____

ORANGE COUNTY HOUSING AUTHORITY

UTILITY ALLOWANCE SCHEDULE

HOUSING CHOICE VOUCHER PROGRAM

Effective Date: November 1, 2017

Bedroom:	0	1	2	3	4	5+
GAS						
Cooking	2	3	4	5	6	8
Heating	11	13	15	16	17	19
W. Heater	6	7	10	14	18	22
ELECTRIC						
Basic	20	23	33	46	59	73
Cooking	4	5	9	13	17	20
Heating	15	18	20	22	24	28
W. Heater	11	15	22	27	32	37
OTHER						
Water	31	32	44	63	81	100
Trash/Sewer	26	26	26	26	26	26
Refrigerator	9	9	9	9	9	9
Stove	7	7	7	7	7	7

Use the utility allowances listed above to fill in the chart below to calculate the utility allowances for your units. If applicable, circle gas or electric. Insert the total amount of utilities from the TOTAL column in the appropriate cell in Exhibit 4.03-A – Development Financial Pro Formas - Part 2 Rent Schedule.

TENANT PAID UTITLITIES

	ELECTRIC Lights	HEAT Circle One Gas or Electric	COOKING Circle One Gas or Electric	HOT WATER Circle One Gas or Electric	WATER & TRASH	REFRIGERATOR Tenant will Provide Own Refrigerator	OTHER	OTHER	TOTAL
EXAMPLE **1 Bdrm** Gas/Electric	**16**	**13**	**7**	**13**	**N/A**	**9**			**$58**
SRO									
1 Bdrm									
2 Bdrm									
3 Bdrm									
4 Bdrm									

COUNTY OF ORANGE
CONSOLIDATED PLAN CERTIFICATION OF CONSISTENCY PROCESS

All entities that apply for federal funds must receive a certification from the jurisdiction in which the project is located, which indicates that the proposed program activities are consistent with the priorities and implementation plan contained in the City or County's Consolidated Plan. This certification is accomplished through the following three-step process:

1. **LETTER OF REQUEST**: Send a letter to one of the governing bodies listed below, requesting a Certification of Consistency to the Consolidated Plan for your funding application or proposal. Your letter should provide, at a minimum, the information specified in the sample letter.

2. **REVIEW**: Staff of the governing authority will review the request and make a determination of Consistency with the Consolidated Plan.

3. **NOTIFICATION**: If all the necessary information has been included with the request, and if the funding application or proposal is found to be consistent, the applicant will receive a Certification of Consistency form from either the City or County. If the request is not complete, or if the proposal is not found to be consistent with the Consolidated Plan, the applicant will receive a notification from the City or County explaining the reason for denial. The applicant will be asked to provide the missing information or to respond to the denial.

Selection of the Proper Jurisdiction

Orange County is designated as an Urban County by HUD and represents the 12 Participating Cities listed below with populations under 50,000, the 2 Metro Cities listed below with a population over 50,000, 14 Target Areas, and other unincorporated areas of the County.

Participating Cities

Aliso Viejo (prior to July 1, 2018), Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, Laguna Woods, La Palma, Los Alamitos, Placentia (Metro City), Seal Beach, Stanton, Villa Park, & Yorba Linda (Metro City).

Metro Cities

Aliso Viejo (prior to July 1, 2018), Placentia, and Yorba Linda.

To request Certification of Consistency with the Consolidated Plan for rental housing located in the Unincorporated County, Participating Cities, and Metro Cities, contact Craig Fee of Housing and Community Development & Homeless Prevention at 714-480-2996 or craig.fee@occr.ocgov.com.

To request Certification of Consistency with the Consolidated Plan for rental housing that is NOT located in the Unincorporated County, Participating Cities, and Metro Cities, applicants must contact the jurisdiction where the rental housing is located.

The following is a sample letter to request consolidated plan certification from a jurisdiction. All of the information in the sample letter must be included in all request letters.

Sample Letter

(on company letterhead)
Requesting Consolidated Plan Certification

(Date)

Dear (Contact person at the City or the County):

[First Paragraph: Identify your organization.]
The (*name of organization*), located at (*address, including zip code*), will submit an application to the County of Orange, Housing and Community Development & Homeless Prevention, located at 1300 S. Grand Ave. Bldg. B, Santa Ana, CA 92705, for (Project Name), (Project location, Address, City and Zip Code).

[Second Paragraph: State your request]
(*name of organization*) is requesting certification from the (*name the governing jurisdiction. i.e. City of Anaheim*) demonstrating that its funding application activities are consistent with the (*name the governing jurisdiction's*) Consolidated Plan.

[Third Paragraph: Name the Program to which you are applying. Describe your application/proposal, Include the amount being requested, the location of the facility or site where the funding will be used, the purpose for which the funds will be used, the number of families who will be served, the income of families who will be served, and a time line indicating when the project will be completed.]

[Fourth Paragraph: Describe how the application/proposal coincides with the jurisdiction's priorities, resource allocations, implementation plans, and site selection policies:

Thank you for your consideration, (*name of organization*) looks forward to receiving a response from the (*name of jurisdiction/department*) to this request for Consolidated Plan Certification.

Sincerely,

(Type name, title, and organization title)
Signature

List contact person and phone number.

EQUAL OPPORTUNITY PROGRAM FOR CONTRACTORS & MINORITY BUSINESS ENTERPRISE (MBE) & WOMEN OWNED BUSINESS ENTERPRISE (WBE)

Housing and Community Development & Homeless Prevention and the Orange County Housing Authority are committed to an Equal Opportunity Program pursuant to applicable State and Federal laws and guidelines, which provide equal opportunity in all activities of the agency, including the employment of individuals and firms which contract with the County of Orange and Housing and Community Development & Homeless Prevention.

CERTIFICATE OF COMPLIANCE

_____
(Name of Firm)

As an authorized official for the above named firm, I hereby certify by the signature affixed to this document that said firm will comply with Executive Order 11246, Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act and any other applicable Federal and State laws as well as any other applicable local, state and federal Equal Opportunity Programs.

If requested, I will submit an acceptable Equal Employment Opportunity Plan which addresses the affirmative actions that will be taken by this firm to correct any identified under-representation of targeted groups in the employment of this firm.

Furthermore, Housing and Community Development & Homeless Prevention has established guidelines to affirmatively further contracting opportunities for Minority Business Enterprises (MBE's), and Women-owned Business Enterprises (WBE's). These guidelines pertain to applicants for funds under all of Housing and Community Development & Homeless Prevention programs and they are designed to:

- Promote the employment of disadvantaged businesses by providing increased opportunities to MBE's/WBE's for participation in Housing and Community Development & Homeless Prevention funded projects.
- Establish records for review by Housing and Community Development & Homeless Prevention that include a process for tracking MBE's/WBE's.
- Establish and maintain a records system that clearly documents actions taken by bidding entities (i.e. Contractor), to comply with Executive Orders 11625, 12432, and 12138.
- Provide clear and concise information to Prime Contractors on how to qualify as a MBE/WBE.

For further instructions for MBE/WBE compliance see Attachment L of this NOFA.

_____ _____
Name of Authorized Official Title

_____ _____
Signature of Authorized Official Date

DATA UNIVERSAL NUMBER SYSTEM (D-U-N-S) NUMBER

D-U-N-S number is a unique nine-character identification number provided by the commercial company Dun & Bradstreet (D&B).

The process to request a D-U-N-S number takes about 10 minutes and is FREE of charge. _ Just call D&B at 866-705-5711 or for persons with a hearing impairment, the TTY number is 866-814-7818.

Once you've received your D-U-N-S Number from D&B, you must register FREE of charge at https://www.SAM.gov. Any company that would like to do business with federal government (funding), must register on the System for Award Management (SAM).
Prior to registering, you may want to contact your grant administrator, financial department, chief financial officer, or authorizing official to identify whether your organization has already registered with SAM. If your organization has already registered, be sure it has not expired. SAM must be updated on an annual basis.

1. Applicant, submit proof of your agency's active status record under SAM.

LIST OF NOFA ATTACHMENTS

A-1 2018 Orange County Income & Rent Limits

B-1 Maximum Total Development Costs/Minimum Sq. Ft. Requirements

C-1 Permanent Supportive Housing Guidelines and Definitions

D. Management Plan Requirements

E-1 County of Orange Insurance Requirements

F-1 Sample Commitment Letter

G. Apartment Development Revenue Bond Application

H. Relocation Plan Instructions

I-1 Affordable Housing Opportunity Overlay Zone Eligible Sites

J. Loan Closing Checklist

K. OC Community Services Affordability Monitoring Policy

L. Contracting with Minority and Women-Owned Business

Orange County Rent & Income Limits

2018 HUD Income Limits for Orange County	April 2018						
California Tax Credit Allocation Committee		Revised per HUD Notice Effective April 1, 2018					
Based on Household Size	% of Median Income	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
Median Income	100%	$76,600	$87,500	$98,400	$109,300	$118,100	$126,800
60% of Median	60%	$45,960	$52,500	$59,040	$65,580	$70,860	$76,080
Very Low-Income	**50%**	**$38,300**	**$43,750**	**$49,200**	**$54,650**	**$59,050**	**$63,400**
40% of Median	40%	$30,640	$35,000	$39,360	$43,720	$47,240	$50,720
30 % of Median	30%	$22,980	$26,250	$29,520	$32,790	$35,430	$38,040

2018 Orange County Rent Limits	April 2018	Rent levels are based on 30% of the maximum family income in each category.					
California Tax Credit Allocation Committee		Rent will be adjusted based on the type of utilities paid by the tenant.					
Based on Bedroom Size	% of Median Income	SRO	Efficiency	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Median Income	100%	$0	$1,914	$2,050	$2,460	$2,842	$3,170
60% of Median	60%	$0	$1,149	$1,230	$1,476	$1,705	$1,902
Very Low-Income	**50%**	**$0**	**$957**	**$1,025**	**$1,230**	**$1,421**	**$1,585**
40% of Median	40%	$0	$766	$820	$984	$1,137	$1,268
30 % of Median	30%	$0	$574	$615	$738	$852	$951

2017-18 HOME Program Rents
Source: HUD Exchange *(https://www.hudexchange.info/programs/home/home-rent-limits/)*

	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
2018 HUD Fair Market Rents (*https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2017)*	$1,294	$1,493	$1,876	$2,626	$3,045
High HOME Rent Limit - 65% AMI (per HUD 04/2017)	$1,203	$1,289	$1,549	$1,781	$1,968
Low HOME Rent Limit - 50% AMI	$913	$978	$1,173	$1,356	$1,512

MAXIMUM TOTAL DEVELOPMENT COSTS & MINIMUM SQUARE FOOTAGE REQUIREMENTS

It is the goal of the County of Orange to encourage development of affordable permanent supportive housing, which is well designed and located, and has a reasonable development cost, given local market conditions. Total project development costs must be reasonable for the type of development proposed. Projects shall not exceed cost standards of the Tax Credit Allocation Committee for determination of whether projects are "high cost" for 9% Low Income Housing Tax Credit projects, regardless of whether or not the project utilizes such tax credits. Exceptions to this may be considered on a case-by-case basis. Project costs which are excluded from this calculation, such as land costs and reserves, shall be considered reasonable.

Land costs must also be reasonable for the community in which the project is located. The County may require independent documentation of the reasonableness of land costs where necessary.

The sizes of the units in the project must be equal to or greater than the size shown in the chart below:

Unit Size	Minimum Square Feet
0 Bedrooms	No less than 300*
1 Bedroom	450
2 Bedroom	700
3 Bedroom	1,000
4 Bedroom	1,200

* The minimum square footage for a zero bedroom is no less than 300 square feet, however, applicants may request an exception and provide justification for the reduced square footage, which will be considered on a case-by-case basis.

PERMANENT SUPPORTIVE HOUSING GUIDELINES AND DEFINITIONS

Homeless

Applicants will serve HUD Homeless Category 1 as defined below. The County reserves the right to change as needed to meet demand.
Final Rule Defining Homeless, the final rule establishes four categories of homelessness. These categories are:

1. Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution;
2. Individuals and families who will imminently lose their primary nighttime residence;
3. Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; or
4. Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member

Additional information for defining Homeless is available at the following HUD Portal: http://portal.hud.gov/hudportal/documents/huddoc?id=pih2013-15.pdf

Chronically Homeless

Chronically homeless means:

1. A ''homeless individual with a disability,'' as defined in section 401(9) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(9)), who:
   i. Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
   ii. Has been homeless and living as described in paragraph (1)(i) of this definition continuously for at least 12 months or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described in paragraph (1)(i). Stays in institutional care facilities for fewer than 90 days will not constitute as a break in homelessness, but rather such stays are included in the 12-month total, as long as the individual was living or residing in a place not meant for human habitation, a safe haven, or an emergency shelter immediately before entering the institutional care facility;
2. An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or
3. A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) or (2) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

Additional information for defining Chronically Homeless is available at the following HUD Exchange link: https://www.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf

Permanent Supportive Housing

Permanent supportive housing is permanent housing with indefinite leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability achieve housing stability.

Additional information for defining Permanent Supportive Housing is available at the following HUD Exchange link: https://www.hudexchange.info/programs/coc/coc-program-eligibility-requirements/

Permanent Housing

Permanent housing (PH) is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. Under PH, a program participant must be the tenant on a lease (or sublease) for an initial term of at least one year that is renewable and is terminable only for cause. Further, leases (or subleases) must be renewable for a minimum term of one month.

Additional information for defining Permanent Supportive Housing is available at the following HUD Exchange link: https://www.hudexchange.info/programs/coc/coc-program-eligibility-requirements/

Coordinated Entry

Coordinated Entry System is a critical component to any community's efforts to meet the goal of Opening door: Federal Strategic Plan to Prevent and End Homelessness. HUD's primary goal for Coordinated Entry System processes are that assistance be allocated as effectively as possible and as easily accessible no matter where or how people present. The Coordinated Entry System paves the way more efficient homeless assistance systems. It will reduce the amount of time people spend before finding the right housing match; and reduce new entries into homeless by consistently offering prevention and diversion resources upfront, and it will improve data collection and quality thus providing accurate information of what type of assistance is needed in our community.

The Orange County Continuum of Care Coordinated Entry System has been established for Permanent Supportive Housing and will be expanding to other project types. The point of entry for Coordinated Entry System are Street Outreach Teams that provide geographic coverage for the County, and conduct assessments and document collection. The Orange County CES has been developed in accordance with Notice CPD-17-01: Notice Establishing Additional Requirements for a Continuum of Care Centralized or Coordinated Assessment System that was released in January 2017.
Questions regarding Permanent Supportive Housing Guidelines and Definitions contact Juanita Preciado (714) 480-2727 or juanita.preciado@occr.ocgov.com.

ORANGE COUNTY
OC Community Resources
Our Community. Our Commitment.

Vice President

City, CA ----------

RE: Organization Name, Permanent Loan Commitment
Organization address

Dear Mr./Ms. ----------:

We are pleased to inform you that the Orange County Board of Supervisors approved the loan, as described below, for your project on ----------, 2018.

LOAN COMMITMENT(s)

PERMANENT: A funding maximum of ---------- in U.S. Department of Housing and Urban Development ("HUD") HOME Investment Partnerships Program funds and/or Orange County Housing Successor Agency funds for ---------- Apartments.

PROJECT DESCRIPTION:

The proposed development is new construction of a ----------unit apartment complex consisting of ----two (2) bedroom units and --------- three (3) bedroom units ("Project"). The purpose of the Project is to provide affordable permanent supportive housing for families in Orange County. ----------of the units will be restricted to homeless persons with disabilities earning at or below 50% of the Area Median Income ("AMI"). One two-bedroom unit will be used as an on-site manager's unit. Housing and Community Development & Homeless Prevention will record rent and occupancy restrictions on a total of ---------- units in the project, --------- two-bedroom and --------- three-bedroom units. Occupancy of the Housing and Community Development & Homeless Prevention units will be restricted to households earning at or below 50% AMI for a period of fifty-five (55) years.

Project funding will be contingent on the following underwriting conditions: This commitment is valid only if the borrower applies for and receives a commitment of funds for: (1) no less than $---------- in tax credit equity, (2) no less than $---------- from the City of---------, and (3) no less than $------- from --------- Bank. Material changes to the amount of financing and the total development cost of the Project, which affect the underwriting of the Project are subject to Housing and Community Development & Homeless Prevention review and approval.

Increases or decreases to the financing and the total development costs of the Project, which affect the underwriting of the project, are subject to the Housing and Community Development & Homeless Prevention review and approval.

Housing and Community Development & Homeless Prevention reserves the right to re-underwrite any project based on any material changes to the financing. Financial changes to the Project must be reported to Housing and Community Development & Homeless Prevention within thirty (30) days of their occurrence. This commitment expires 24 months from the date of this letter unless the Project receives the aforementioned financing, and the borrower executes the County's loan documents pursuant to the conditions set forth in this commitment letter, or Housing and Community Development & Homeless Prevention has approved an extension of the terms and conditions. The borrower has the ability to obtain one (1) six (6) month extension, as approved by Housing and Community Development & Homeless Prevention; additional extensions may require Board of Supervisors approval.

SAMPLE

Housing and Community Development & Homeless Prevention reserves the right to require that units assisted under this loan provide a preference to applicants who are referred through the County's Coordinated Entry System.

I. Loan Terms Applicable to the Permanent Loan

1. Term: 55 years from the date of completion of construction of the Project, as evidenced by a recorded notice of completion.

2. Rate: 3% simple interest.

3. Repayment: Residual Receipts. 50% of the residual receipts will go to the County of Orange.

4. Security: Deed of Trust securing a Promissory Note in the amount of $----------. All loan documents shall be in a form approved by the County and borrower. The Housing and Community Development & Homeless Prevention loan shall be non-recourse to borrower except for liabilities arising out of, or due to, fraud, criminal activity, and other standard County conditions.

5. Loan Closing: Disbursement of loan proceeds will be based on completion of work and submission of invoices for approved expenses.

   Disbursement of the County loan may occur upon completion of the following: (1) all construction has been completed; (2) notice of completion has been issued for the Project; (3) certificate of occupancy has been issued for the residential units; (4) Housing and Community Development & Homeless Prevention has received and approved a draft cost certification; (5) title to the subject property is free and clear of all labor and material liens; (6) Housing and Community Development & Homeless Prevention has received and approved all items per Housing and Community Development & Homeless Prevention's Loan Closing Checklist, (7) the borrower satisfies the other conditions to closing set forth in the loan documents.

6. Subordination: The Deed of Trust securing said loan shall be recorded, insured and encumber the subject real property as a **second** Deed of Trust only. If said County loan is junior to senior debt approved by the County, the County will execute and deliver its standard form subordination agreement confirming its subordination to said senior debt. Borrower shall cause all financing junior to the County's loan to provide an executed subordination agreement in favor of the County on County's standard form as a condition to the closing of County's loan.

7. Affordability: 55-year regulatory agreement to be recorded.

II. Other Financing

1. Other Financing: The following financing has been underwritten as follows in the County's Pro Forma dated _____, 2010:

Bank Loan:----------

Security: First Deed of Trust

SAMPLE

City Grant: ----------

Security: None

AHP Grant: ----------

Security: Third position

III. Conditions Applicable to the Loan

1. The borrower shall take title to the subject property free and clear of all encumbrances, covenants and conditions, whether recorded or unrecorded, except for Housing and Community Development & Homeless Prevention approved title encumbrances.

2. The borrower shall provide an ALTA Lender's Policy of Title Insurance containing such title endorsements as required by the County.

3. The borrower must comply with all the applicable requirements, statutes, and regulations of the funding source(s) being utilized for the proposed Project, which includes federal HOME funds and Orange County Housing Successor funds.

4. The borrower shall complete and execute all Affirmative Action and Minority- and Women-Owned Business Enterprise plans provided by the County.

5. The borrower shall submit a project timeline for review and approval by Housing and Community Development & Homeless Prevention. The project schedule will be attached as an exhibit to the loan agreement. Non-compliance with this schedule, unless specifically permitted by Housing and Community Development & Homeless Prevention, shall be considered a default under the County loan agreement.

6. The borrower shall execute all County standard loan documents that are required or deemed appropriate by the County in a form approved by the County in its discretion.

7. The borrower shall submit evidence of insurance on County approved forms with such carriers and in such amounts and containing such deductibles as may be approved by the County.

8. The borrower shall submit a marketing plan for review and approval by Housing and Community Development & Homeless Prevention. The marketing plan must contain procedures that include marketing of the units to residents throughout Orange County including residents of unincorporated areas and other incorporated cities. For certain developments, including but not limited to those receiving Housing Choice Vouchers and/or Veterans Affairs Supportive Housing Project Based Vouchers from the cities of Anaheim, Garden Grove or Santa Ana, or are subject to special zoning ordinances requiring preference for City residents, further documentation from the borrower will be required demonstrating that residents throughout the County will have equal opportunity at obtaining units in the Project.

9. Upon execution of the loan agreement, the borrower shall execute and cause to be recorded County form affordability covenants restricting the occupancy of the units for a period of 55 years. The affordability covenants will remain in effect for not less than the agreed upon term regardless of the date upon which the Housing and Community Development & Homeless Prevention loan is fully repaid if that date occurs prior to the expiration of the covenant. Said covenant shall be in a form approved by the County.

10. The borrower shall submit for review and approval by Housing and Community Development & Homeless Prevention by-laws and articles of incorporation as well as a Board of Director's resolution authorizing the loan.

SAMPLE

11. The borrower shall submit for Housing and Community Development & Homeless Prevention's review and approval executed commitments and loan documents for all sources of financing in amounts and with terms consistent with the Financial Pro Forma ----------.

12. The borrower shall submit for Housing and Community Development & Homeless Prevention's review and approval the construction drawings, as approved by the City of ----------. Housing and Community Development & Homeless Prevention will have the right to review and approve all material changes to the construction drawings.

13. If applicable, the borrower shall submit for review and approval by Housing and Community Development & Homeless Prevention all service contracts budgeted in the development costs. No disbursements will be processed for services whose contracts were not approved in advance and/or which are not in compliance with the budget submitted to Housing and Community Development & Homeless Prevention.

14. The borrower shall submit a management plan for review and approval by Housing and Community Development & Homeless Prevention. Housing and Community Development & Homeless Prevention will have the right to review, approve, and require changes to the property management plan, operation of the building, and property management entity in order to preserve the affordability, physical appearance and condition of the project, during the fifty (55) years of the covenant.

15. A Phase I environmental assessment dated ---------- has been reviewed and approved by the County. No funds shall be disbursed until an updated environmental clearance showing no material changes to the environmental condition to the property has been received and approved by the County.

16. The borrower shall submit within sixty (60) days after issuance of the Certificate of Occupancy a certified statement setting forth a complete breakdown of the development costs with supporting documentation.

17. The borrower shall comply with Davis-Bacon and State Prevailing Wage requirements, if applicable.

18. Housing and Community Development & Homeless Prevention may subordinate its covenant and security to approved construction and permanent financing. Any changes to subordination amount or position on title require approval prior to funding.

19. The borrower and Housing and Community Development & Homeless Prevention agree to comply with the requirements of Article XXXIV of the California Constitution as applicable.

20. Housing and Community Development & Homeless Prevention will specify in the County loan documents events which will cause Housing and Community Development & Homeless Prevention to declare the borrower in default. These events include, but are not limited to, development or operational cost overruns, breach of rent covenants, failure to maintain the property, failure to make agreed upon loan repayments, breach of affirmative action, equal opportunity and MBE/WBE requirements, failure to abide by prevailing wage requirements if applicable, failure to maintain appropriate insurance coverage, failure to abide by development and/or construction schedules, bankruptcy, and dissolution or insolvency of the borrower or general partner or borrower's partnership.

21. The loan is subject to the total development cost and, specifically, the developer fee and contractor's overhead and profit, not differing by more than 5% from the amount indicated in the Development Cost Schedule.

22. Prior to the commencement of any construction of the project, Borrower shall deliver to County copies of the cost-plus construction contract as approved by the City of ----------.

SAMPLE

23. The construction contract(s) shall be awarded pursuant to a negotiated bid. Housing and Community Development & Homeless Prevention shall approve the final construction cost breakdown, the construction contract, and the contractor. Housing and Community Development & Homeless Prevention will have the right to review any change orders related to the construction of the project.

24. Prior to the commencement of any construction of the project, Borrower shall deliver to County copies of performance and payment bonds for such construction.

The parties intend that the County shall only be obligated to fund the subject loan when: (i) all of the matters set forth in this commitment letter have been satisfied, completed or waived, (ii) the borrower has satisfied all of the conditions to closing set forth in the County's loan documents, and (iii) the borrower has executed and delivered, in recordable form, the County's standard form loan documents in a form acceptable to the County.

Notwithstanding any other provision of this commitment letter, in the event that the County is unable to provide the Loan due to a requirement by the State of California or HUD to transfer all, or a portion, of the County's Housing Successor Agency Fund or other County housing funds, to the State's general fund or HUD, the Borrower and the County agree and acknowledge that this letter shall be terminated and the County or the Orange County Housing Successor Agency, as applicable, shall have no obligation to make the Loan and shall be released by Borrower from all further liability pertaining thereto.

Please acknowledge your consent to the terms and conditions of this letter by signing and returning the original to Housing and Community Development & Homeless Prevention.

Sincerely,

Director

Partnership, LLC consents to the terms and conditions set forth in this letter.

By: _____ By: _____
Name Name

_____ _____
Title Title

_____ _____
Date Date

Attachment: County of Orange Agenda Staff Report (ASR) – ----------

SAMPLE

AFFORDABLE HOUSING OPPORTUNITY OVERLAY ZONE
ELIGIBLE SITES

The purpose of the Orange County Housing Opportunities Manual is to provide implementation guidelines for the Housing Opportunities Overlay Regulations pursuant to Section 7-9-148.6 of the County of Orange Zoning Code and the Housing Element of the County of Orange General Plan. The Housing Opportunities Overlay Regulations (Overlay Regulations) permit the development of affordable housing, emergency shelters, and multi-service centers in commercial and industrial districts in the unincorporated area. The Overlay Regulations also allow affordable housing projects on certain residentially-zoned arterial highway frontage parcels in the unincorporated area. These uses are consistent with the County of Orange Zoning Code and County of Orange General Plan, and are therefore allowed "by-right" subject to the provisions of Zoning Code section 7-9-148.

The Orange County Housing Opportunities Manual (2014) is available on the OC Development Services/Planning website at the following link: http://www.ocpublicworks.com/ds/planning/codes

A list and maps of eligible sites under the Housing Opportunities Overlay are available in the Land Inventory (Appendix B) of the County of Orange Housing Element adopted December 10, 2013. The Housing Element is available on the OC Development Services/Planning website at the following link: http://www.ocpublicworks.com/civicax/filebank/blobdload.aspx?blobid=33606

For updates on the Affordable Housing Overlay contact Joanna Chang (714) 667-8815 or

joanna.chang@ocpw.ocgov.com.

Question and Answers for Bid #1603-002 - 2016 Permanent Supportive Housing NOFA - Addendum 1

Overall Bid Questions
There are no questions associated with this bid.