

AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

Concept Application Instructions FY 2014 – 2015 NOFA

Issued January 30, 2015

California
Strategic Growth Council



State of California
Department of Housing and Community Development
Division of Financial Assistance

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General Instructions

Application Overview

Applicants must complete, in its entirety, all appropriate parts of the AHSC Concept Proposal application, along with the applicable attachments and supporting documentation and submit by the deadline as stated in the NOFA. Applications are reviewed for completeness and eligibility.

Modification of the provided application forms is prohibited. You may download these documents and rename the files to reflect your project and the NOFA dated January 30, 2015. Grants are subject to the applicable statutory requirements and the requirements as provided in the AHSC Program Guidelines, adopted January 20, 2015 (“Guidelines”).

The following identifies the required documents to be submitted via the FAAST Online Application Tool and helpful tips to using the FAAST system.

Required Components of the Application

- 1) Completed Application Form (Online FAAST application, described below)
- 2) Required Attachments

FAAST Online Application Tool

- The application uses the FAAST online application tool, located at <https://faast.waterboards.ca.gov/Login.aspx>.
- You will be prompted to develop a login name and password to use the FAAST tool. Application information will be entered into FAAST by typing information into text boxes, selecting choices from preset lists, and uploading attachments.
- Sign up for and explore the FAAST tool before beginning work on your application. Then prepare answers in an unformatted text document for editing. Finally, cut and paste information into the online application and ensure that your content is displaying correctly and responses are not cut off.
- Be sure to save your work often. The FAAST tool starts a 90-minute timer each time a user logs into their account. The timer resets to 90 minutes each time a user saves their work to the system. When working in FAAST, you can save work-in-progress at any point, and you can then return to your application at another time.
- Use only basic formatting. Extra symbols or layout designs can interfere with completion of the online application.

Application, Submission Instructions, and Requirements

All applications, worksheets, spreadsheets, and attachments must meet eligibility requirements upon submission. **All applications must be submitted to the Department using the FAAST online application submittal process.**

No hard copies, facsimiles, walk-in, other electronic formats, late or incomplete applications, or application revisions will be accepted.

Application Outline and Required Components

FAAST Online Tool - Required Tabs:

1. General Information
2. Funding
3. Project Management
4. Legislative Information
5. Cooperating Entities
6. Questionnaire
7. Attachments (see below)

Required Attachments include:

1. Concept Proposal Workbook
2. Certification and Identity of Interest Disclosure
3. Project Area Map

Acronyms

For complete definitions and terms, refer to: [AHSC Program Guidelines - Appendix 1 \(definitions\)](#).

Application Deadline

A complete original application, plus one copy, must be received by the Department no later than **5:00 p.m. on Thursday February 19, 2015.**

No facsimiles, late applications, incomplete applications, application revisions, electronically transmitted, or walk in application packages will be accepted.

Eligible Applicants

Eligible entities that submit concept applications for the AHSC Program must be one of the following (AHSC Program Guidelines § 105(a)(1)):

- A Locality, public housing authority, redevelopment successor agency, transit agency or transit operator, Regional Transportation Planning Agency (RTPA), local Transportation Commissions, Congestion Management Agencies, Joint Powers Authority (JPA), school district, facilities district, University or Community College District.

- A Developer or Program Operator.

Please note, where a Public Agency has a financial or real property interest in the proposed Project, the application will be required to either include the Public Agency as a co-applicant or otherwise include a commitment to enter into a contractual agreement to develop the Project, if it is awarded.

Eligible Project Types

In accordance with AHSC Program Guidelines Section 102(b), eligible concept applications must meet the requirements for one of the following Project Area types:

- Transit Oriented Development (TOD) Project Area; or
- Integrated Connectivity Project (ICP) Project Area.

Additional information on the specific requirements of these Project Area types can be found in the AHSC Program Guidelines Section 102(c) and (d).

Resources

- [Strategic Growth Council AHSC Program website](#)
- [AHSC Round 1 Guidelines \(adopted 01/20/15\)](#)
- [January 29, 2015 2014-2015 AHSC NOFA](#)
- Tax Credit Allocation Committee (TCAC): <http://www.treasurer.ca.gov/ctcac/tax.asp>
- [AB 32](#) (Chapter 488, Statutes 2006)
- [SB 375](#) (Chapter 728, Statutes, 2008)
- [California Metropolitan Organizations \(MPOs\) and Regional Transportation Planning Agencies \(RTPAs\)](#)

Application Instructions

FAAST Online Submittal Tool

Please create a FAAST user account by logging into the FAAST website at <https://faast.waterboards.ca.gov/Login.aspx>.

For Assistance in using the FAAST system, please contact the FAAST Help Desk by email at FAAST_ADMIN@waterboards.ca.gov or by telephone (toll-free) at **1-866-434-1083** Monday through Friday from 8:00AM - 5:00PM.

A list of FAAST Frequently Asked Questions is available online at https://faast.waterboards.ca.gov/LoginLinks/FAASTFAQs_031914.pdf.

The following instructions are provided as a step-by-step guideline to assist applicants in completing the concept application in the FAAST system.

1. General Information Tab

Project Title: Enter the name of the Project or Project Area.

Project Description: Enter a brief description of the proposed Project.

Project Location:

- Latitude and Longitude locations are NOT necessary to complete the application – please skip this section
- Watershed information is also NOT required.
- County – Select County in which the Project Area is located.
- Responsible Regional Water Board – Please select default response of “Statewide”. NOTE: this is a required field and a value must be selected.

Click on “Save as Work in Progress” and “Next”

2. Funding Tab

- Select the click box under “Apply?”

Click on “Save as Work in Progress” and “Next”

3. Project Management Tab

- Enter information for Project Director and Project Manager. The Project Director should be the individual identified as the Authorized Representative for the application and would be the individual authorized to sign and enter into a standard agreement with the Department if awarded AHSC Program funds. This representative

will receive all official correspondence, enter into agreements, and will be notified of the concept proposal review outcome. The Project Manager is the day-to-day contact for the concept proposal application.

Click on “Save as Work in Progress” and “Next”

4. Legislative Information Tab

- Enter State Senate and Assembly as well as federal congressional district information for all applicable districts within the identified Project Area.

Click on “Save as Work in Progress” and “Next”

5. Cooperating Entities Tab

- Enter contact information for all eligible co-applicants. Provide the name of the entity, role/contribution to the Project and a contact person with Phone and Email for each co-applicant. If more than one co-applicant, select “Save & Next” to add additional entities.

Click on “Save as Work in Progress” and “Next”

6. Questionnaire Tab

The Questionnaire tab includes information related to the proposed Project Area, proposed use of funds and demonstration of ability to address threshold requirements.

FAAST Questionnaire Contents		
Project Overview		
1	Project Area Description	<p>The application must define the boundaries of the proposed Project Area. The Project Area must encompass the Transit Station/Stop, housing and Key Destinations as required pursuant to Section 102(a) and 102(c) or (d). Provide a brief, but specific, description that includes enough information to identify the boundaries of the Project Area as well as the location of the Transit Station/Stop and proposed Capital Projects for which AHSC Program funds are being requested. In addition to a narrative description, the application must include a map of the Project Area as an attachment.</p> <p>For example: In the City of Enchantment, roughly bounded by A Street on the North, I-5 on the West, E Street on the South, and Fifth Street on the East.</p>

2	Project Area Census Tracts	Enter all applicable census tract(s) for the entire Project Area.
3	Is the Project located within a Metropolitan Planning Organization (MPO)?	Click either “yes” or “no” to indicate if Project Area is located within a MPO. If yes, please enter the name of the MPO. <i>Note - Refer to the map in the resources section above for information on MPOs.</i>
4	Project Area Type	Select the Project Area type from the provided drop-down menu Application must meet the requirements of either a Transit Oriented Development (TOD) or Integrated Connectivity Project (ICP) Project Area. Please refer to Section 102 of the AHSC Program Guidelines for specific requirements of each Project Area Type.
Transit Description		
5	Name or Location of Transit Station/Stop	Enter the name or location of the Transit Station/Stop being used to qualify for the AHSC Program <i>Note – Each Project Area must include at least one Transit Station/Stop.</i>
6	Peak Period Headway Frequency	Enter the Peak Period headway frequency for the Transit Station/Stop. Note: To qualify for a TOD Project Area, Peak Period frequency must be 15 minutes or less. Peak Period means the period with the highest ridership during the entire transit service day as determined by the transit operator. Peak hours must include at least one hour during both the morning and evening commute hours, Monday through Friday. Please refer to Appendix A (definitions) of the AHSC Program Guidelines for additional information.
7	Mode of Transit Serving Transit Station/Stop	Please indicate the mode of transit serving the identified Transit Station/Stop. Please note, transit serving the Transit Station/Stop must meet the definition of Qualifying Transit as detailed in Appendix A of the AHSC Program Guidelines.
Project Description		
8	Proposed use of AHSC Program funds	The applicant must indicate the proposed use of AHSC Program funds by selecting the appropriate boxes. Refer to Section 103 of the AHSC Program Guidelines.

		<p>Select all of the following which apply:</p> <ul style="list-style-type: none"> • Affordable Housing Development • Housing-Related Infrastructure • Transportation-Related Infrastructure • Planning Implementation • Programs
9	Description of Proposed Capital Projects	<p>For each <u>Capital Asset Project</u> (i.e. Affordable Housing Development, Housing-Related Infrastructure or Transportation-Related Infrastructure), the applicant must include detailed information on the proposed use of funds including all of the following:</p> <ul style="list-style-type: none"> • Capital Project Name • Associated Assessor Parcel Number(s) (APNs) • Capital Project Type – select type from the provided drop down menu • Capital Project Description – provide a brief description of the proposed Capital Project. <p><i>Note: FAAST provides fields for a maximum of 3 capital projects. If requesting AHSC Program funds for more than 3 capital projects, please complete the supplemental Capital Project Description form in the attachments</i></p>
10	Planning Cost project description	For Planning Costs the applicant must indicate the types of pre-development activities that are required to implement the Capital Project(s).
11	Program Cost project description	<p>Provide a description of program objectives, population served, program activities and operations.</p> <p>In addition, the applicant must indicate whether the Program funds will be used to create a new program or expand an existing program, the nature of the program, (e.g., education, outreach or training as it applies)</p> <p>The applicant must choose which the following best describes the type of program activity:</p> <ul style="list-style-type: none"> • Active Transportation • Transit Ridership • Criteria Pollutant Reduction
Eligibility for Statutory Set-Asides		
12	Eligibility for Statutory Set-Asides	The applicant should indicate eligibility for statutory set-asides by selecting the appropriate response from the provided drop down menu.

		<i>Note: An applicant may be eligible for the Affordable Housing Set-Aside if it is applying for AHSC Program funds for Capital Uses related to either of the following: 1) Affordable Housing Development or 2) Housing-Related Infrastructure.</i>
	Description of how the Project is eligible for statutory set-asides indicated.	Describe how the proposed Project is eligible for the identified set-asides.
13	<p>For Disadvantage Community set-aside:</p> <ul style="list-style-type: none"> Disadvantaged Community Census Tract CalEnviroscreen score 	<p>To determine eligibility for the Disadvantaged Community Set-Aside, the applicant must demonstrate the proposed Capital Project, Planning or Program Cost will provide a benefit to a Disadvantaged Community as determined by CalEPA's CalEnviroscreen 2.0. Benefit to a Disadvantaged Community can be determined as either of the following:</p> <ul style="list-style-type: none"> Project is located within a Disadvantaged Community; or Project provides a benefit to a Disadvantaged Community <p>Additional information on how to demonstrate "benefit" to a disadvantaged community is provided in Section 106 of the AHSC Program Guidelines (Figure 8, page 27)</p>
14	Identification of Project Co-Benefits	To demonstrate the maximum public health and safety, economic, and environmental co-benefits to all communities served by the AHSC Program, the applicant must describe and quantify the co-benefits of the Project according to Section 107(j) and Appendix E of the AHSC Program Guidelines.
<p>Threshold Requirements</p> <p>Within the concept application, applicant must supply information on a subset of the AHSC Program threshold requirements as specified in Section 106 of the AHSC Program Guidelines. Applicants (and joint applicants, if any) must also certify that they understand, should the concept application be invited to submit a full application, that all application threshold requirements as detailed in Section 106 of the Program Guidelines must be achieved by the full application submittal date of April 15, 2015.</p>		
15	GHG Reduction Strategies	The AHSC Program will reduce GHG emissions through projects that implement land use, housing, and transportation strategies to support infill, compact, and affordable housing development. The AHSC Program identifies two project types: Transit-Oriented Development (TOD) and

		<p>Integrated Connectivity Projects (ICP). Vehicle Miles Traveled (VMT) and the associated GHG reductions for a TOD or ICP project are based on the characteristics of the proposed projects. Depending on the project specifics, an AHSC project may have multiple VMT reduction strategies.</p> <p>The checklist in question 15 is a guide to determine if a proposed TOD or ICP project would result in VMT and GHG emission reductions.</p> <p>Applicants should place an “x” in the box next to each GHG reduction strategy included within the Proposed Project area.</p> <p><i>Note: This checklist is NOT a funding eligibility checklist or a GHG emission reduction quantification.</i></p>
16	Supports Implementation of Sustainable Communities Strategy	Describe how the Project supports the implementation of the applicable Sustainable Communities Strategy or other qualifying regional plan.
17	Consistency with State Planning Priorities	<p>Describe how the project is consistent with the State Planning Priorities (Government Code 65041.1) which include:</p> <ol style="list-style-type: none"> 1) reducing air pollution; 2) improving conditions in disadvantaged communities; 3) supporting or improving public health and other co-benefits as defined in Section 39712 of the Health and Safety Code; 4) improving connectivity and accessibility to jobs, housing, and services; 5) increasing options for mobility, including the implementation of the Active Transportation Program established pursuant to Section 2380 of the Streets and Highway Code; 6) increasing transit ridership; 7) preserving and developing affordable housing for lower income households, as defined in Section 50079.5 of the Health and Safety Code; and 8) protecting agricultural lands to support infill development.
18	Attachments	<p>Links are provided to application attachments.</p> <ul style="list-style-type: none"> • Concept Proposal Workbook* • Certification and Identity of Interest Disclosure*

	<ul style="list-style-type: none"> • Project Area Map** • Supplemental Capital Project Description <p><i>*Required Attachments</i> <i>**There is no template for this attachment, however, all applications must include a Project Area Map.</i></p>
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Click on “Save as Work in Progress” and “Next”

7. Attachments

This tab allows the applicant to upload required attachments and supporting documentation (i.e. commitment letters) to the application through the FAAST system.

Attachment templates can be downloaded in the Questionnaire tab (see number 18 in table above).

Concept Proposal Workbook

The Concept Proposal Workbook includes multiple tabs – not all tabs are required for all Projects. The following table lists the required tabs in the workbook based on proposed use of AHSC Program funds. Specific instructions for each of the tabs is provided below.

	Affordable Housing Development	Housing-Related Infrastructure	Transportation-Related Infrastructure	Planning or Program Costs
Enforceable Funding Commitments	X	X	X	
Commitment Letters	X	X	X	
Leverage	X	X	X	X
Site Control	X	X	X	
Environmental	X	X	X	
Entitlements	X	X	X	
Milestones	X	X	X	X
Funds Requested Worksheet	X	X	X	X
Housing Development Budget	X			
Housing-Related Infrastructure (HRI) Budget		X		
Transportation-Related Infrastructure (TRI) Cost Estimate			X	
Planning and Program Budget				X
Total Budget Summary	X	X	X	X

Enforceable Funding Commitments

The applicant must list all sources of funding for all proposed Capital Projects for construction period funding and deferred costs.

Commitment Letters

This tab is provided as an index for all applicable commitment letters as detailed in the Enforceable Funding Commitment tab above. Applicant must identify a list of all enforceable funding commitments, and supply the enforceable commitment letters as supplemental documentation. In order for a letter to be deemed complete and acceptable as enforceable, financing commitment documentation must contain the following:

1. The borrower's name.
2. The project name (if any).
3. The project site address, assessor's parcel number, or legal description; and
4. The amount, interest rate, and terms of the financing being committed.

The letter may be conditioned on certain standard underwriting criteria, such as appraisal, but may not be generally conditioned. Examples of unacceptable general conditions include phrases such as "subject to senior management approval," or a statement that omits the word "commitment" but instead indicates the lender's "willingness to process an application" or indicates that financing is "subject to loan committee approval of the project."

Leverage

The leverage calculation pertains only to enforceable funding commitments associated with Capital Projects during the Construction phase. It is calculated as follows:

$$\frac{\text{Non-AHSC committed funding for Capital Projects}}{\text{AHSC funding for Capital Projects}}$$

- The information for this calculation will be auto-populated from other worksheets.
- Note that deferred costs, such as deferred developer fees, will not be counted as a source.
- Land donations will be counted as a source, based on the value of either the original purchase price or the current appraised value as supported by an independent third party appraisal prepared by a MAI-qualified appraiser within one year of the application deadline.

Site Control

Site control may be established by one of the following means:

1. Fee Title – provide an executed copy of the deed naming the Applicant as owner in fee.
2. Leasehold Interest – provide a copy of the lease fully executed by all parties.
3. Option to Purchase or Lease – provide a copy of the Option Agreement fully executed by all parties.
4. Disposition and Development Agreement with a public agency – provide a copy of the Disposition and Development Agreement fully executed by the Applicant/developer and the public agency.
5. Encroachment permit for construction of improvements or facilities within the public right of way or on public land – provide a copy of the fully executed permit.
6. An agreement with a public agency for exclusive rights to negotiate with the agency for site acquisition – provide a copy of this agreement fully executed by the Applicant/developer and the public agency which owns the site.
7. Land sales contract or other enforceable agreement for the acquisition of the property. Provide a copy of the agreement fully executed by all parties.
8. Other forms of site control – Submit documentation which will give the Department equivalent assurance that the applicant or developer will be able to complete the Project and all housing designated in the application in a timely manner and in accordance with all the requirements of the program.

NOTE: If any of the following statements are not currently secured at the time of submittal of the concept proposal, the applicant must provide a narrative in the space provided below to describe associated timeframes to demonstrate site control will be secured by the full application submittal deadline of April 15, 2015.

Environmental

For each proposed Capital Project, the applicant must provide information on the status of necessary environmental clearances.

Entitlements

For each proposed Capital Project, the applicant must list all required discretionary land use entitlements and permits, excluding design review, indicated the Agency or issuer of the approval and the status. If the approval have been received, please provide the specific date on which approval was granted.

NOTE: If necessary discretionary local land use entitlements and permits have not been completed at the time of submittal of the concept proposal, the applicant must

provide a narrative in the space provided below to describe associated timeframes to ensure all required entitlements and permits will be secured by the full application submittal deadline of April 15, 2015.

Milestones

Milestones are required for all proposed Capital Projects as well as Program Costs. Applicants must enter a date for each applicable milestone. It is acknowledged that some of the following milestones may have already been achieved. For those milestones which have previously been met, please enter the month and year completed. For those milestones not yet completed, please provide a projected completion date (MM/YY) for each of the applicable items below. If not applicable to the specific Capital Project or Program, please indicate "NA" in the appropriate field.

Funds Requested Worksheet

This worksheet calculates the AHSC grant and loan amounts.

A. LOANS: for applications in which Affordable Housing Developments or Housing-Related Infrastructure are a Capital Use:

- BASE AMOUNT: Calculate the base loan amount as follows:
 1. Based on whether the project location is governed by the HERA or Non-HERA income, rent and loan limits, select the appropriate table for 2014:

[2014 Non-HERA MHP Income, Rent and Loan Limits - MHP, GHI, HY, SH and TOD Housing](#) – (Adobe PDF)

[2014 HERA MHP Income, Rent and Loan Limits - MHP, GHI, HY, SH and TOD Housing](#) – (Adobe PDF)

2. Enter the appropriate loan limits, and the number of units, for each unit type (i.e., efficiency, 1, 2, 3, or 4 bedrooms) in the Rent and Unit Mix Table.
 3. Indicate whether the project will be financed using 4% low-income housing tax credits by selecting “YES” or “NO” in the drop down box.
- 4% LIHTC PROJECTS: The data entered for loan limits and number of units will be used to calculate the eligible loan amounts based on whether or not the project will be financed by 4% low-income housing tax credits. Projects using 4% LIHTC will receive an additional \$30,000/unit in the loan calculation.

B. GRANTS:

The Housing-Related Infrastructure amount requested will be automatically calculated based on the number of units entered in the Rent and Unit Mix Table. Unrestricted Units are eligible for a grant amount of \$35,000/unit and Restricted Units are eligible for \$50,000/unit.

- C. The Total AHSC Funding Amount Requested will be calculated based on the eligible grant and loan amounts. Grants are for Housing-Related Infrastructure (HRI), Transportation-Related Infrastructure (TRI), Planning and Program Costs (PP), and loans for Affordable Housing Developments. Information for HRI is calculated in this worksheet based on the number of units entered, and TRI and PP will be derived from the respective cost estimate and budget worksheets.
- D. Residential Parking Costs are calculated automatically based on the number of Restricted Units, the Total number of Residential Units, to collect information regarding the amount of parking costs attributable to restricted units.

Housing Development Budget

- For applications in which Affordable Housing Developments are a Capital Use, complete the Housing Development Budget. Indicate the Sources and Uses of funds by cost category.
- Refer to the Excel comment boxes within specific cells with the red triangle in the upper right corner for more guidance in those line items.

Housing-Related Infrastructure (HRI) Budget

- For applications in which Housing-Related Infrastructure projects are a Capital Use, complete the HRI Budget. AHSC funds for infrastructure projects are only grants, not loans. Indicate the Sources and Uses of funds by cost category.
- Refer to the Excel comment boxes within specific cells with the red triangle in the upper right corner for more guidance in those line items.
- If Replacement Transit Parking is part of the scope of work, enter the Total Number Replacement Parking Spaces in cell D75.
- If Residential Parking is part of the scope of work, enter the number of Eligible Parking Spaces (not to exceed one parking space per residential unit) in cell D85.

Transportation-Related Infrastructure (TRI) Cost Estimate

For applications in which Transportation-Related Infrastructure projects are a Capital Use, complete the TRI Cost Estimate. AHSC funds for infrastructure projects are only grants, not loans. Provide information in the yellow cells. Report information for Construction Items only separate from Non-Infrastructure items.

Planning and Program Budget

For applications in which Planning Implementation and Program Costs are proposed, complete the Planning and Program Budget. Indicate the Sources and Uses of funds by cost category. AHSC funds for Planning and Programs are only grants, not loans.

Total Budget Summary

The funding source amounts will automatically populate in the Total Budget Summary from other worksheets.

Upon completion of all FFAST application tabs and uploading of all required Attachments and applicable documentation, be sure to select "Preview/Submit" to view an electronic copy of the information submitted.

Be sure to review all information for accuracy. Once the Concept Proposal is submitted through the FFAST system, no further amendments or changes may be made.

Once all information is reviewed, select "Application/Survey Completion Check"