

City of Sunnyvale Request for Proposals
Housing Mitigation and BMR In-Lieu Funds

APPLICATION FORM

City of Sunnyvale Request for Proposals

Housing Mitigation and BMR In-Lieu Funds for
Affordable Housing Projects



RFP Issued:

March 5, 2015

Proposals Due:

**Ongoing until
Funds Exhausted**

Note: HPRR Applicants: Do not use this form. See Part B of RFP for submittal requirements.

PART I: APPLICATION FORM**PROJECT APPLICANT****1. Project Applicant:**Applicant Name (Organization/Agency): MidPen Housing CorporationPrincipal (with Power of Attorney): Matthew O. FranklinPrimary Contact Person: Helen Tong-IshikawaAddress: 303 Vintage Park Drive, Suite 250, Foster City, CA 94404Phone No.: 650-356-2968 Fax No.: 650-357-9766E-Mail: htongishikawa@midpen-housing.org Federal Tax ID No.: 23-7089977

What is the role of the Applicant in the project? (check all that apply):

- ☐ Ownership Entity
☐ Managing Partner or Managing Member
☒ Sponsoring Organization
☒ Developer
☐ Other (describe):

2. Legal Status of Applicant:

- ☐ General Partnership ☐ Limited Partnership ☐ Corporation
☐ Joint Venture¹ ☒ Nonprofit Organization
☐ Other (specify):

3. Status of Organization:

- ☒ In good standing
☐ Other (describe):

4. Name(s) of individual(s)/entities who will be General Partner(s) or Principal Owner(s):

(you have only 6 lines worth of text in this box)

The Principal Owner of the property and project site is currently MP Eight Trees LLC, of which the sole member/manager is Mid-Peninsula Baker Park Inc., a wholly-controlled affiliate of MidPen Housing Corporation.

A new limited partnership structure with MP Eight Trees, LLC as the general partner will be formed at tax credit syndication. The new Limited Partnership formed will be the owner with the LLC as the general partner and the equity investor as the limited partner.

¹ If the Applicant is a Joint Venture, a Joint Venture Agreement is required, clearly describing: the roles and responsibilities of each partner. Explain who is the lead partner, or if the responsibilities are approximately equally split between the partners.

PROJECT DESCRIPTION5. **Project Name:** Eight Trees Apartments**Project Address:** 183 Acalanes Drive, Sunnyvale, CA 94086**Assessor's Parcel No.:** 161-16-003**Census Tract:** 5091.076. **Project Type (check all that apply):**

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Rental | <input type="checkbox"/> Ownership | <input type="checkbox"/> SRO/Studio Apartments |
| <input checked="" type="checkbox"/> Family | <input type="checkbox"/> Special Needs | |
| <input type="checkbox"/> Senior | <input type="checkbox"/> Other (describe): | |

7. **Project Activity (check all that apply):**

- ☐ Acquisition
☒ Rehabilitation
☐ Redevelopment
☒ New Construction - New community building addition
☐ Expiring Tax Credit/Section 8 Property
☐ Mixed Income
☐ Mixed Use
☒ Other (please specify): Tax credit syndication/refinancing

8. **Project Description:**

No. Units: 24

No. Res. Bldgs.: 2

No. Stories: 2

Land Area: 38,333 SF (.88 acres)

Residential Floor Area: 21,005 SF (existing)

Community Room(s): 705 SF (new)

Floor Areas:

Other Uses (specify):

Commercial/Office Uses (specify):

Offices for staff will be included in the new 1,385 SF building addition.

Commercial Floor Area: 0

Office Floor Area: 281 SF (new)

Elevators: 0

N/A

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9. **Parking:**

Total Parking Spaces: 36
 Parking Type: surface parking, carports, garage spaces
 Residential Spaces and Ratio: 1.5
 Guest Spaces: 0
 Commercial Spaces and Ratio: 0
 Office Spaces and Ratio: 0

10. **Number of Housing Units by Income Category:**

Category	Number of Units	Percentage of Units
0% to 30% AMI (Extremely Low-Income)	<u>0</u>	<u>0</u>
31% to 50% AMI (Very Low-Income)	<u>1</u>	<u>4</u>
51% to 80% AMI (Low-Income)	<u>22</u>	<u>92</u>
Unrestricted	<u>1</u>	<u>4</u>

11. **Unit Amenities (air conditioning, laundry in unit, balconies, etc.):**

Full kitchen, with refrigerators, kitchen sinks, dishwashers, electric cooktops/wall ovens. Bathrooms contain sinks, tub-shower surrounds, toilets, and showers. Eight of the units have balconies overlooking the central courtyard area. A common laundry room is on-site for residents.

12. **Number of Unit Types:**

Studio 0
 1 Bedroom 8
 2 Bedroom 10
 3 Bedroom 6

PROJECT NARRATIVE13. **Project Description:**

Provide a brief narrative summary of the proposed project. Please include location, project type (new versus rehab), target population and any unique project characteristics.

The property was first built in 1964 and contains two 2-story apartment buildings with a total of 24-units serving primarily families. MidPen Housing Corporation officially acquired the property and the existing debt from Homefirst (a local non-profit) in 2016 with the assistance of the City.

14. **Project Design:**

Provide a description of the project's architectural and site plan concepts and how these concepts address the opportunities and limitations of the site and location.

The overall building footprint will not change, though the proposed renovation will replace the central courtyard pool with a much-needed community building space for the residents. The proposed rehab will also convert eight 2-bedroom units into four 3-bedroom units and four 1-bedroom units.

15. **Green Building Features:**

Describe the green building features that will be incorporated into the project.

Green building will be incorporated through the following measures: dual pane windows, Energy Star appliances, and LED site lighting. Through the design process, we will continue to review energy features in order to realize maximum savings for the property and our residents.

16. **On-Site Amenities:**

Describe any on-site amenities, including any project characteristics that address the special needs of the population you intend to serve.

We are proposing to replace the current pool area with a new 1,385 SF building addition. This new addition will include property management/services offices, the laundry room, a computer lab, and community room with kitchen. There will also be gated bicycle parking available on-site.

17. **Neighborhood/Off-Site Amenities:**

Describe the property location, neighborhood, transportation options, local services and amenities within 1/4-mile and 1/2-mile of the site.

The property is a quarter mile from a bus stop and half mile from many amenities such as a park, schools, gas stations, restaurants, and many job centers. Please see #17 in Exhibit A for more details.

18. **Potential Development Obstacles:**

Are there any known issues or circumstances that may delay or create challenges for the project? If yes, list issues below, including an outline of steps that will be taken and the time frame needed to resolve these issues.

We are applying for tax credits in March 2018. This is a competitive process where we may not be funded in the first round. If we are not awarded tax credits in this first round, we will continue strategizing with City staff to submit a more competitive application for the June 2018 round.

SITE INFORMATION

19. **Site Control:**

- a. Site control must be obtained by the time that the proposal is submitted. What is the level of site control currently held by the applicant?

MP Eight Trees LLC (wholly-controlled affiliate of MidPen Housing Corporation) currently owns the property.

- b. Will site acquisition be a purchase or long-term lease?

N/A

- c. What is the purchase price of the land?
(For proposed leaseholds, indicate the amount of the annual lease payment, the term of the lease, and the basis for determining the annual payment amount).

N/A

- e. What is the appraised value of the site? Briefly describe the type of valuation cited.

\$8,440,000 is the as-is market value. Please see the attached appraisal in Attachment 3.

- f. Who is the current property owner and what is their address and contact information?

MP Eight Trees LLC (wholly-owned affiliate of MidPen Housing Corporation)
303 Vintage Park Drive, Suite 250
Foster City, CA 94404
Attn: Helen Tong-Ishikawa, Phone: 650-356-2968

20. **Site Information:**

- a. Total square footage of site: 38,333 SF
- b. Existing uses on the site and the approximate square footage of all structures:

Uses are for Residential Medium Density and total gross building floor area of 22,087 square feet.

- c. Planned use of on-site existing structures:

☐ Demolish ☒ Rehabilitate

☐ Other (describe):

- d. Provide the following information for each on-site building to be retained as part of this project:

Square Footage: 22,087 Date Built: January 1, 1964 No. of Stories: 2 each

- e. Provide a brief description of the condition of any buildings to be rehabilitated.

A physical needs assessment by a third party found both buildings to be in "satisfactory" condition. The complex is functional but it has portions in need of rehabilitation, including plumbing, seismic upgrades, energy standards, building envelope upgrades (including windows), and balconies.

- f. Describe unique site features (Heritage trees, parcel shape, etc.).

The parcel is slightly trapezoidal in shape because of the angle formed by Acalanes Drive along the frontage. The site provides a generous front setback and that contains a lawn with full landscaping and mature trees. There are no heritage trees on-site.

- g. Identify problematic site conditions (high noise levels, ingress/egress issues, etc.).

There are no major problematic site conditions at this time. The concrete drive-aisles display some amounts of cracking in the rear area which will be addressed with the rehab. Due to site's current space limitations, no additional parking can be added to the property.

- h. Is the site in a floodplain? Yes ☐ No ☒ Map used:

If yes, type of floodplain (number of years): N/A

- i. Describe adjoining land uses:

West: To the immediate west crosses into Mountain View city limits, where there is a mobile home park

East: Across Acalanes Drive are multifamily apartment complexes

North: Multifamily apartment complexes

South: Multifamily apartment complexes

21. **Zoning:**

- a. What is the current zoning of the project site? R3 – Med. Density Residential

- b. Is the proposed project consistent with the existing zoning status of the site?

☒ Yes ☐ No (explain)

N/A

- c. Indicate any discretionary review permits required for the project (Special Development Permit, Design Review Permit, etc.).

We have submitted a planning permit application for the renovation work. The current scope will require a Use Permit and Variance which will require review by the Zoning Administrator.

- d. If rezoning is required, identify the requested zoning district for the project.

N/A

22. Community Priorities:

- a. Explain how this project meets the objectives of the housing goals and priorities identified in this RFP and the goals and objectives of the Housing Element of the City's General Plan.

This project preserves existing at-risk affordable housing stock in the City of Sunnyvale. MidPen Housing seeks to maintain the affordability of these units and improve the quality of the housing asset through the rehabilitation work. Please see #22 Exhibit A for more information.

PROJECT FUNDING**23. Project Budget:**

- a. City Funds Requested: \$ 3,324,036 City Funds Per Assisted Unit: \$ 138,502
- b. Total Project Cost: \$ 12,760,168 Total Cost Per Assisted Unit: \$ 531,674
- c. Other Sources of Permanent Financing (not including private bank loans):

Type of Funding	Amount
<input checked="" type="checkbox"/> 9% Low-Income Housing Tax Credits	<u>9,436,032</u>
<input type="checkbox"/> 4% Low-Income Housing Tax Credits	<u></u>
<input type="checkbox"/> CalHFA/Conventional Lender	<u></u>
<input type="checkbox"/> Tax-Exempt Multi-Family Bonds	<u></u>
<input type="checkbox"/> Multi-Family Housing Program (MHP)	<u></u>
<input type="checkbox"/> Affordable Housing Program (AHP)	<u></u>
<input type="checkbox"/> County of Santa Clara, Office of Affordable Housing	<u></u>
<input type="checkbox"/> Santa Clara County Housing Trust	<u></u>
<input checked="" type="checkbox"/> Other: General Partner Equity	<u>100</u>

- d. How will the requested City funding be used?

The City funding will be primarily used to pay off the First Mortgage (approximately \$2.3MM) on the property in February 2018. The remaining balance will go towards both hard construction costs and soft costs (architecture, engineering, financing costs) for the project.

- e. Amount of developer fee and percentage of project cost:

\$1,366,755 or 10.7% of the project cost.

- f. Assess the chances of the project securing required funding and steps that will be taken to make the project competitive. What is the self-scored nine percent (9%) tax credit tie breaker score for the project (if applicable)?

The project will apply for competitive 9% tax credit funding in 2018. The City's HMF funds will assist in increasing the project's tiebreaker score. The tie breaker score will be established once the final project sources and uses are confirmed.

DEVELOPER EXPERIENCE

Developers must have successfully completed a minimum of three affordable housing projects of similar size and complexity as the proposed project to qualify for this RFP.

24. Provide a summary of affordable housing experience:

Years Experience:	47
Number of Projects:	105
Number of Projects in Santa Clara County:	42
Average Size of Projects:	70
Number of Units Placed in Service:	7,362

25. Describe awards given to projects completed in the last 10 years.

MidPen Housing Corporation has a long-standing history of developing noteworthy developments throughout the Bay Area. In the last 10 years, MidPen has received over 25 local and national awards recognizing its ability and dedication to develop beautiful, sustainable affordable housing for a wide range of communities with varying needs. Recently in 2016, Half Moon Village won two major awards: Gold Nugget Grand Award from Pacific Coast Builders Conference and San Francisco Business Times' Best Affordable Residential Real Estate Development of the Year. In the last three years, the Urban Land Institute has given two MidPen communities its Award for Excellence. In 2012, Fair Oaks Plaza in Sunnyvale received Affordable Housing Finance Magazine's award for senior project of the year. Onizuka Crossing, a Sunnyvale project that completed construction in 2016, received the Structures Award from the Silicon Valley Business Journal under the Affordable Residential Project category.

26. Describe three projects completed in the last ten years that are similar to the proposed project and provide photographs of each project:

a. Project 1

Name of Project: Maryce Freelen (2013 rehabilitation)

Location: 2230 Latham Street, Mountain View, CA 94040

Number of Units: 74

Type of Development (senior, family, etc.): Family

Name of Project Manager: Peter Villareal

Number of Stories: 2

Unit Types (studio, 1-bedroom, etc.): 1, 2, and 3 bedroom units

Type of Construction: Wood frame with composition shingle roofs

Project Amenities: Courtyard; swimming pool; play structure; community room; community room

Entitlement Date: n/a

Occupancy Date: n/a occupied rehab

Funding Sources: City of Mountain View CDBG, HOME and Redevelopment funds

b. Project 2

Name of Project: Morse Court (2016 rehabilitation)

Location: 825 Morse Avenue, Sunnyvale, CA 94085

Number of Units: 35

Type of Development (senior, family, etc.): Family

Name of Project Manager: Barbara Sanders

Number of Stories: 2

Unit Types (studio, 1-bedroom, etc.): 16 one bedroom, 15 two bedroom, 4 three bedroom

Type of Construction: Wood frame with composition shingle roofs

Project Amenities: Landscaped courtyards; private balconies or patios; tot lot; laundry

Entitlement Date: n/a

Occupancy Date: n/a occupied rehabilitation

Funding Sources: HUD Section 8; CalHFA; City of Sunnyvale Housing Mitigation

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c. Project 3

Name of Project: Homestead Park (rehabilitation)

Location: 1601 Tenaka Place, Sunnyvale, CA 94087

Number of Units: 211

Type of Development (senior, family, etc.): Families and seniors

Name of Project Manager: Matt Lewis

Number of Stories: 3

Unit Types (studio, 1-bedroom, etc.): 20 studio, 20 one bedroom, 96 two bedroom, 65 three bedroom

Type of Construction: Wood frame with composition shingle roofs

Project Amenities: Tot lots; outdoor common areas; community room with kitchen;

Entitlement Date: n/a

Occupancy Date: n/a occupied rehabilitation

Funding Sources: HUD 236 and Section 8; CalHFA; City of Sunnyvale Housing Mit

27. **Personnel:**

List the names of key members of the applicant's development team, their titles, responsibilities and their years of experience in affordable housing:

Project Staff	Name	Role in Proposed Project	Years of Hsg Devt Experience	Years with this Developer
Project Manager	Helen Tong-Ishikawa	Day-to-day project management, strategy, project oversight	4.5	4.5
Director of Real Estate Development	Jan M. Lindenthal	Oversight of the Development Team	26	9
Executive Director	Matthew O. Franklin	President	22	8
Chief Financial Officer	Art Fatum	Finance/Accounting	12	3
Other	Peter Villareal	Development Director	13	9
Other	Bruce Brackett	Construction Manager	32	14
Other	Kris Adhikari	Development Support	1	1

28. Other Team Members:

Indicate which of the following development team members have been selected and identify them:

Developer, if Different from Applicant MidPen Housing Corporation

Architect(s)/Engineer(s) Dahlin Group

Attorney(s) and/or Tax Professionals Gubb and Barshay

Property Management Agent MidPen Property Management Corporation

Financial and Other Consultant(s) California Housing Partnership Corporation (CHPC)

General Contractor TBD

Investor TBD

29. List all other participants and affiliates (people, businesses and organizations) proposing to participate in the project:

Name	Address
MidPen Property Management Corporation	303 Vintage Park Drive, Suite 250, Foster City, CA 94404
MidPen Resident Services Corporation	303 Vintage Park Drive, Suite 250, Foster City, CA 94404

30. Property Management:

Describe how the property will be managed, including the number of staff, locations and management office hours.

Eight Trees is managed by MidPen Property Management Corporation. The property will have three key staff members. An on-site community manager, a part-time maintenance technician, and a part time Services coordinator. The on-site management office is open Monday through Friday from 10am-2pm.

31. If the project will be managed by a company other than the project applicant, describe the project applicant's role in the ongoing management of the project and resolution of management issues.

Eight Trees will continue to be managed by an affiliate of the project applicant, called MidPen Property Management Corporation. Once rehabilitation is completed, MidPen Housing Corporation will continue to be actively involved in the ongoing management of the project.

32. List the names of key property management staff, their titles, responsibilities and their years of experience managing affordable housing:

Name	Title (e.g., project manager, intake staff)	Job Responsibilities	Years Experience in Affordable Housing
Debra Sobeck	VP of Property Management	Oversight of Management Team	23
Monica Arteaga	Assistant Operations Manager	Onsite community manager	6 (market-rate housing)
Erica Pulido	Operations Manager	Oversees onsite manager	10
Kim Wolcott	Director & General Manager	Oversees and ensures overall integrity	11

33. Explain your marketing strategy and tenant selection process, and the establishment and management of waiting lists.

We are marketing any vacancies through GoSection8.com, with flyers, and with information posted at the property as well. The waitlist is currently open and we began it upon acquisition of the property. It is established on a first-come, first-served basis. See #33 in Exhibit A for more information.

We are also working collaboratively with the City of Sunnyvale housing staff to share vacancy information to share with prospective applicants. There is currently one vacancy on the property. We are processing applications now and will be filling the vacancy in the next couple of weeks.

34. Scoring

Please provide a description of your proposal's attributes for each of the categories below. You have 5 lines of text in each box. You may attach up to one page of additional supporting material for each category. For categories 5 and 6, simply fill out the blanks provided. The category descriptions and maximum points available are provided in the "Scoring Sheet" on page 8 of the RFP.

Category:**1. Organizational Capacity and Relevant Experience**

Since MidPen's inception over 40 years ago, it has developed approximately 7,400 affordable units in ten counties and has acquired/rehabilitated many properties to maintain affordability. The development team brings extensive and diversified experience to developing and managing affordable housing; some of whom specialize in acquisition/rehab projects. In the City of Sunnyvale, we own and manage 10 properties, with 1 project currently in development. See Exhibit B for more information.

2. Project Need

By obtaining and rehabilitating this property MidPen Housing seeks to maintain these units as affordable, and improve them to provide stable, affordable, high-quality living space for many years to come. Further, it will help address needs identified in the Housing Element by easing housing cost burdens, protecting renters against housing overpayment. By preserving its affordability, Eight Trees will continue to provide opportunities for low-income individuals and families within the area to access affordable housing. See Exhibit C for more information.

3. Project Design and Readiness

The project has submitted plans to the City and is currently awaiting final approval at a Zoning Administrator Hearing scheduled in the next couple of weeks. Once financing is secured, the project will immediately apply for building permits. The proposed project's hard costs budget will continue to go through a rigorous review and bid process to ensure that the project's costs are low while ensuring that the building's significant rehab needs are addressed. Operating costs will also be reviewed to ensure that they are feasible for the long-term. See Exhibit D for more information.

4. Budget and Financial Management

MidPen's solid financial position allows it to deliver on its mission to develop and maintain high-quality affordable housing. MidPen and affiliates have the capacity to set aside sufficient operating reserves and provide discretionary working capital for asset management and new development projects. Furthermore, MidPen has a strong standing of financial and regulatory compliance for its portfolio and day-to-day operation of the organization. MidPen also has accounting capacity for financial management, which allows it to thoroughly track budgets. See Exhibit E for more information.

5. Percentage of Matching Funds (Leverage)

Total Project Cost* as stated in Project Budget: \$	12,760,168
* Include capital costs only, not long-term operating costs	
Amount of City HM Funds Requested:	3,324,036
Amount of Matching Funds (<i>Project Cost - City HM Funds Requested</i>) =	9,436,132
Percentage of Matching Funds (<i>Matching Funds / Project Cost</i>) =	73.9%

6. Affordability Level

24

Total # of Units in Project: _____

units affordable to ELI households 0 = 0 % of total units in Project

units affordable to VLI households 1 = 4 % of total units in Project

Please round all numbers provided to the nearest whole number or percentage (i.e., 15%, not 15.34%).

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APPLICATION FORM

Applicant Certification

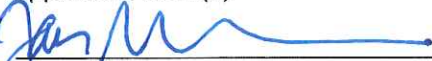
I certify that the information submitted in this application and all supporting materials is true, accurate and complete to the best of my knowledge. I acknowledge that if facts and/or information herein are found to be misrepresented, it shall constitute grounds for disqualification of my proposal.

I further certify that all of the following statements are true, except if I have indicated otherwise on this certification:

- a. I have not sold any of the projects listed on the "10-Year Projects" list;
- b. No mortgage on a project listed on this application has ever been in default, assigned to the government or foreclosed, nor has mortgage relief by the mortgagee been given;
- c. I have not experienced defaults or noncompliance under any contract or regulatory agreement nor issued IRS Form 8823 on any Low-Income Housing Tax Credit (LIHTC) project on the "10-Year Projects" list;
- d. To the best of my knowledge, there are no unresolved findings raised as a result of Agencies' audits, management reviews or other investigations concerning me or my projects for the past ten years;
- e. I have not been suspended, debarred or otherwise restricted by any state agency from participating in the LIHTC program or other affordable housing programs; and
- f. I have not failed to use state funds or LIHTC allocated to me in any state.

Statements above (if any) to which I cannot certify have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think helps to qualify me as a responsible principal for participation in this RFP.

Applicant Name(s)



Signature/Date

Jan M. Lindenthal, VP of Real Estate Development

Print Name and Title

This application and all supporting material are regarded as public records under the California Public Records Act.

Part II: REQUIRED ATTACHMENTS

The following supporting materials must be attached to each proposal:

1. Cover Letter

Provide a brief summary of the proposed project and discuss your agency's qualifications and why your proposal should be selected for funding. The cover letter must be on the applicant agency's letterhead and signed by a person authorized by the agency to submit the proposal.

2. Evidence of Site Control

By the time the proposal is submitted, the developer must have control of the proposed project site, consisting of either fee title ownership, a long-term lease, an option to purchase, or similar legally enforceable means of site control. The developer must show that if the proposal is selected, site control can be maintained at a minimum until a conditional funding award is made and, through completion of the entitlement process, until the property can be acquired. As evidence of site control, one of the following documents must be submitted with the application.

- Purchase agreement, with an escrow period sufficient to hold the property until the anticipated date of purchase.
- Option to purchase or lease, binding on seller or landlord, including evidence that the option period extends to or is renewable until the anticipated date of purchase.
- A long-term lease agreement with a term of not less than 55 years.
- Executed land sales contract or other enforceable agreement for acquisition.
- A grant deed to the developer
- Other commonly accepted and legally enforceable evidence of the applicant's site control.

Land acquisition costs must be justified and represent a competitive market price. Prior to closing on any City funding, the City may commission its own appraisal to confirm property value, at applicant's expense.

3. Appraisal

Attach an appraisal that has been completed within the past six (6) months of the application deadline. The appraisal must conform to the Uniform Standards of Professional Appraisal Practice and the appraisal requirements of the Appraisal Institute's Regulation 3. All appraisers must be licensed and certified by the State of California. The appraisal must include a separate as-is value for any improvements to be retained, or a demolition cost for any to be removed. Site value must be as-is, with no assumptions such as a future rezoning or environmental cleanup.

4. **Preliminary Title Report**

A preliminary title report dated within thirty (30) days of the application deadline.

5. **Ten-Year Projects List (Do not include projects listed under item 26 of application form)**

For each project the applicant has completed in the past ten (10) years, provide the following information on a separate attachment, in a consistent format. If more than six (6) projects have been completed, provide information for the last six (6) projects.

- Name of Project:
- Location (street address, city, county, zip code):
- Type of Development (senior, family, etc.):
- Number of Units:
- Mix of Unit Sizes:
- Number of Affordable Units and Level of Affordability:
- Number of Stories:
- Type of Construction:
- Project Amenities:
- Total Project Cost:
- Funding Sources and Amounts:
- Entitlement Date:
- Occupancy Date:
- Name of Project Manager:

6. **Rehabilitation Scope of Work, Property Inspection and Cost Estimate**

If the project involves rehabilitation, include the following information:

- Preliminary Scope of Work;
- A third-party physical needs assessment, property inspection report or predesign report;
- A preliminary independent cost estimate; and
- Basic unit configurations/plans.

7. Relocation Plan

If the project involves temporary (less than 12 months) or permanent relocation of current residential or commercial tenants, please provide a narrative Relocation Plan and Relocation Budget that complies with state relocation law, and federal law, if any federal funds are included in applicant's budget. Projects requiring permanent relocation of residential or business tenants are highly discouraged. The Relocation Plan should include:

- A description of the applicable relocation requirements (i.e., state and/or federal) and relocation benefits to be provided;
- A reasonable cost estimate of the relocation expenses;
- Identification of the number of households or businesses to be displaced;
- The current rent roll for the existing structures on site; and
- A description of the proposed advisory services that will be provided to the displaced households/businesses.

8. Community Outreach Plan

Provide a plan for conducting community outreach to current tenants and/or neighbors of the project site and interested community groups, to be implemented if the project receives a conditional funding award. The Outreach Plan should describe how the developer intends to build support for the project and address community concerns.

9. Development Schedule

Provide a detailed project schedule, identifying all major tasks and timelines. The schedule must include major milestones for development approval, acquisition, if not already owned, community outreach, financing applications, close of escrow, project construction and lease-up.

10. Resident Services Plan

Provide a Resident Services Plan that describes any services to be provided to tenants on site (i.e., child care, computer training, etc.) and demonstrates how supportive and social services for the tenant population will be provided and funded long-term. Projects with units set aside for formerly homeless households or special needs groups must provide sufficient supportive services for the target population and show sufficient funding commitments for services.

11. Management Companies

If the proposal includes the use of a property management company other than the applicant, provide detailed information on that company, including:

- Company name and three client references;
- Total number of projects and units managed;
- List of projects managed and their locations;
- Number of employees; and
- Management philosophy.

12. Marketability of Mixed-Use Projects

Proposals for development of housing with commercial space must include evidence of demand for commercial/retail and marketability of space by submitting a market study or a survey of comparables and vacancy rates, or have at least half of the commercial/retail space preleased.

13. Detailed Development Budget

Provide a detailed development budget that includes all anticipated funding sources and provides a breakdown of all development costs. State whether the budget assumes payment of federal and/or State prevailing wages and if so, which funding sources require payment of prevailing wages. The following requirements should be considered in preparing the budget:

- Construction Contingency

The City requires a minimum 10 percent construction contingency, which should be factored into the development budget. For projects involving extensive rehabilitation work, a 20 percent or greater construction contingency is required.

- Insurance and Bonding Requirements

The selected agency will be required to comply with the City's insurance and bonding requirements for construction contracts and general contractors, which should be factored into the project budget. These requirements are available upon request from the City.

14. Detailed Operating Budget and 30-Year Pro Forma Analysis (Rental Projects Only)

For rental proposals, please submit a detailed operating budget and 30-year pro forma analysis based on the assumptions described below:

- Five percent (5%) annual vacancy/collection loss for family and senior projects.

- Ten percent (10%) annual vacancy/collection loss for efficiency studio, SRO or special needs projects.
- Three and one-half percent (3.5%) annual increase for expenses (other than property taxes and replacement reserve deposit).
- Two and one-half percent (2.5%) annual increase for income.
- Tenant utility allowances should be based on the Housing Authority of Santa Clara 2010 Utility Allowance Table available at www.hacsc.org/p_rentlimits.php.
- If Section 8 or other rental or operating assistance is assumed, an additional pro forma should be included that assumes the contract will expire after its initial term. Applicants are encouraged to budget transition reserves due to the risk that rental assistance contracts may not be renewed.
- Partnership/Asset Management fees (for tax credit projects only) may not exceed a combined total of \$25,000 annually but may increase by 3 percent per year.
- The interest rate on the City's funds for low-income housing tax credit projects is generally set at 3 percent simple interest per annum, for projects that generate cash flow. City loan payments will be due from surplus cash flow (after payment of operating costs, senior debt, reserves and deferred developer fee). To the extent cash flow does not generate sufficient payments, any balance may be deferred for the term of the loan. All loans are due in full on sale, refinancing or transfer.

The pro forma should clearly list all assumptions and include information on all financing, including loan term, interest rate, and payee.

The pro forma should also include information on the number of units, sizes, rent and utility levels, targeted levels of affordability and basis of rent calculations.

15. Developer Financial Reports

Provide independent audit reports for the last three (3) years, including copies of management letters. This should include complete financial statements, including balance sheets, income statements and statement of cash flows with notes for the last three (3) years.

16. Experience and References

Provide résumés and project experience for all key staff working on the project, including, but not limited to, principals, project manager, project staff and financial officer. Indicate the level of experience of the project manager with projects similar to the proposal. Provide at least three (3) references from the city or county staff involved with the projects completed in the last six (6) years.

17. **Partnership Agreement or Corporate Articles and Bylaws (if applicable)**

18. **501(c)(3) Letter of Determination from IRS (if applicable)**

19. **Photos**

Attach recent, clearly labeled photos of the project site and surrounding area, including at least one street view and one aerial view.

20. **Site Plan**

Attach a simple site plan (black and white line drawing) showing the property boundaries and general footprint of the structures to be developed or rehabilitated.

21. **Board of Directors**

Provide the name and city of residence of each member of the developer's Board of Directors. (maximum 30 lines of text)

Mark Battey - Chairman; Half Moon Bay
Beth Bartlett - Vice Chairperson; Portola Valley
Daniel Seubert - Secretary; Palo Alto
Erik Doyle; Portola Valley
Kim Le; San Jose
Koonal Gandhi; San Francisco
Monique Moyer - Treasurer; San Mateo
Paul Staley - Vice Chairperson; San Francisco
Richard Slaton; Oakland
Susan Smartt; Tiburon
Terry Freeman; Woodside
Julia M. Baigent; Woodside
Gina Diaz; San Francisco
Brandi E. Thomas; San Jose

Eight Trees Apartments

SOURCES AND USES		
CONSTRUCTION SOURCES		per unit
Construction Loan	\$ 8,010,904	333,788
City Housing Mitigation Funds	\$ 3,324,036	138,502
Tax Credit Investor Proceeds	\$ 943,603	39,317
GP Equity	\$ 100	4
		per unit
<i>total</i>	\$ 12,278,643	\$ 511,610
PERMANENT SOURCES		per unit
City Housing Mitigation Funds	\$ 3,324,036	138,502
Tax Credit Investor Proceeds	\$ 9,436,032	393,168
GP Equity	\$ 100	4
<i>total</i>	\$ 12,760,168	\$ 531,674
PERMANENT USES		
Loan Repayment	total	per unit
Loan Repayment	\$ 2,347,092	97,796
		\$ -
<i>Total Refinance Costs</i>	\$ 2,347,092	\$ 97,796
HARD COSTS		
Resid. Site Work and Structures	\$ 4,480,587	186,691
Commercial Costs	\$ -	-
Escalation Contingency	\$ 224,029	9,335
Overhead & Profit/GC/Ins. Bond	\$ 1,317,293	54,887
Owner Contingency	\$ 903,286	37,637
<i>Total Hard Costs</i>	\$ 6,925,195	288,550
SOFT COSTS		
Architecture and Engineering	\$ 475,800	19,825
Construction Loan interest and fees	\$ 477,733	19,906
Legal Fees	\$ 120,500	5,021
Reserves	\$ 136,200	5,675
Permits and Fees	\$ 67,989	2,833
Other Soft Costs (Audit, TCAC fees, Appraisal, Syndication Consultant, etc.)	\$ 249,059	10,377
Soft Cost Contingency	\$ 182,845	7,619
Relocation	\$ 411,000	17,125
Developer Fee	\$ 1,366,755	56,948
<i>Total Soft Costs</i>	\$ 3,487,882	145,328
TOTAL DEVELOPMENT COSTS	\$ 12,760,168	\$ 531,674
SURPLUS / (GAP)	\$	(0)