Affordable Housing and Sustainable Communities Program

Program Guideline and Concept Proposal Application Clarifications
February 13, 2015

Guidelines Section 103 – Eligible Costs

- Clarification Regarding Net Density Requirements for Mixed-Use Developments – Section 103(a)(1)(A)(iv)

Mixed-use Affordable Housing Developments may demonstrate consistency with the Net Density requirements through either the unit per acre or Floor Area Ratio (FAR) requirements detailed in Figure 4 (page 12). For example, if a Mixed Use Affordable Housing Development located within an Urban area has a density of 35 units per acre and a FAR of 1.7, the Development would meet the minimum Net Density requirements for the AHSC Program.

- Clarification Regarding Eligible Costs of Housing-Related Infrastructure (HRI) – Section 103(a)(2)

All eligible HRI costs must be capital improvements as required by a locality, transit agency or special district as a condition to the approval of the Affordable Housing Development.

- Clarification Regarding Eligible Costs for Transportation-Related Infrastructure (TRI) – Section 103(a)(3)

Transportation-Related Infrastructure Capital Projects must be publically accessible. For example, bike lockers which may be available exclusively to residents of an Affordable Housing Development would not qualify as TRI.

Guidelines Section 105 – Eligible Applicants and Application Process

- Clarification regarding Eligible Applicants – Section 105(a)

The application is required to include a Developer as co-applicant when AHSC Program funds will be used to fund an Affordable Housing Development.

- Clarification regarding the evaluation of leverage in the Concept Proposal Process – Section 105(c)(3)(B)

For concept proposals which include Affordable Housing Development or Housing-Related Infrastructure Capital Projects, 4 percent low-income housing tax credit equity contributions (without the necessity of a tax credit reservation letter), or tax-exempt
bonds are considered Enforceable Funding Commitments for the Concept Proposal. However, concept proposals which include an Affordable Housing Development or Housing-Related Infrastructure Capital Projects relying upon 9 percent low-income housing tax credits, that source will not be considered an Enforceable Funding Commitment.

Guidelines Section 113 – Prevailing Wages

State Prevailing Wage Law applies to the Capital Project (for both grants and loans) funded by the AHSC Program. The Capital Project is a component of the overall project, as defined in the Guidelines. State Prevailing Wage Law may not necessarily apply to the overall project.

Guidelines Appendix A – Definition of Enforceable Funding Commitment

Other Department funding (eg. Infill Infrastructure Grant Program) is considered committed in this calculation unless the Department has provided written documentation that the other Department funding will not be provided because the application is ineligible or is uncompetitive for that funding.

Guidelines Appendix B – Eligible Costs

The Program Guidelines adopted on January 20 erroneously omitted some eligible use of funds in Appendix B: Examples of Eligible Costs. Low Impact Design measures including soil restoration and permeable surfaces, heat island mitigation (e.g. reflective and vegetated surfaces, shade canopy), rainwater recycling, flow and filtration systems including rain gardens, stormwater planters and filters, vegetated swales, bioretention basins, infiltration trenches and integration with riparian buffers and Tree canopy and shade trees along walkable and bike-able corridors are Capital Project eligible uses of funds under Affordable Housing Development, Housing-Related Infrastructure and Transportation-Related Infrastructure. Please refer to page B-3.

Concept Application/Workbook

An updated version of the Concept Proposal Workbook is now available on HCD’s website. To download the update version of the Concept Proposal Workbook please click here. The previous version did not allow applicants to alter the amount of funds requested in the Funds Requested tab if the amount requested was less than the formulaic amount pre-populated in the cell. This updated workbook includes fixes to formulas and now allows for applicants to indicate the total amount requested for Affordable Housing Development and Housing Related Infrastructure Capital Projects. The FAFAST system has been updated to correctly link to the most recent version of the Concept Proposal Workbook in the Attachment section (#18) of the Questionnaire. Any new users beginning a FAFAST application after 5:00 p.m. on Friday, February 15th will automatically download the corrected version.

** Note – For applicants who have already begun the application process in FAFAST, please be sure to download the newest version of the spreadsheet from HCD’s website.
FAAST Application Guidance:

- Questionnaire #13: Please enter the lower value of the range provided in CalEnviroscreen 2.0. For example, if the CalEnviroscreen score is 76-80%, please enter 76.

- Questionnaire #15: For GHG reduction strategies which are currently listed as applicable to employees (15.17, 15.18, 15.24), if the proposed Project includes these strategies targeted to residents of the AHSC funded Affordable Housing Development, please click “Yes” and add a brief narrative indicating the strategy (include strategy #) is being proposed for “residents” to item #1 (Project Area Description) in the Questionnaire.