

Infill Infrastructure Grant Program

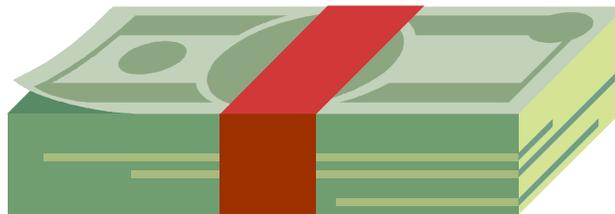


**State Department of Housing
and Community Development
Eugene Lee, Chief**

Notice of Funding Availability (NOFA)

May 14, 2013

- Approximately \$70 million for QIPs.
- \$4 million maximum subject to formula.
- Deadline July 31st. Awards in October.
- Execute IIG agreements by June 30, 2014 and fully disburse by October 1, 2017.



Geographic Target Areas



- 45% to Southern California: (Kern, San Bernardino, San Luis Obispo, Santa Barbara, Ventura, Los Angeles, Orange, Riverside, San Diego, and Imperial)
- 10% to Central Valley: (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare)
- 45% to Northern California: (all those not listed above)

What Can I Get Funds For?

A Capital Improvement Project (CIP) required as a condition of, or approved by the local jurisdiction in connection with its approval of entitlements for the project. (Section 304)



Eligible Cost Examples



- Parks and open space development
- Utility improvements & relocation
- Streets, roads, transit linkages and facilities
- Facilities to support pedestrian & bicycle transit
- Traffic mitigation, such as street signals
- Site preparation or demolition
- Sidewalk or streetscape improvements

Eligible Costs Examples (con't)

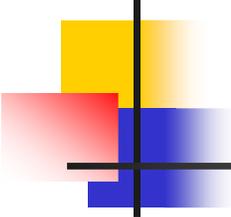


- Storm drains, storm water basins, culverts, & similar drainage features.
- Required environmental remediation for the CIP, not to exceed 50% of the grant amount.
- Parking structures. \$40,000 per space cap.
- Impact fees *required by local ordinance* for identified eligible Capital Improvement Project.

Ineligible Cost Examples

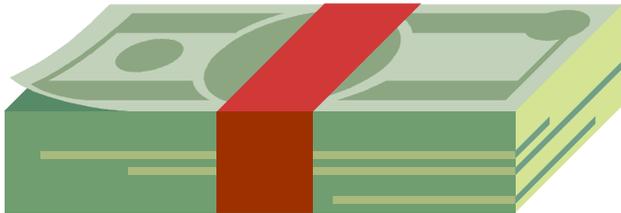


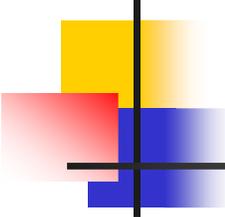
- Parking spaces unless they are transit station parking spaces or in a parking structure.
- Housing or mixed use structures, including the site acquisition.
- Costs incurred before award.



Grant Terms & Limits

- Grant calculation based on # of units, bedroom size, affordability, and density.
- \$4 million maximum.
- Can be combined with a TOD loan.
- May not exceed the amount of the actual costs of the infrastructure.

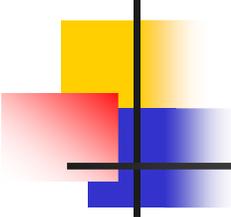




What is a QIP?



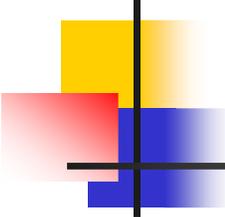
- New construction of a residential or mixed-use infill development.
- Located in an “Urbanized Area”
 - e.g. incorporated city, urbanized area, or urban cluster per census
- Adopted housing element compliant (4th Cycle).



What is a QIP?



- Discrete Development
 - Common development scheme and common, affiliated, or contractually related ownership and financing structures. Planned and locally approved as a single project.
- Applicant/developer has CIP site control.
- Construction not started on the CIP and QIP.

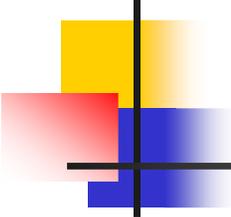


What is a QIP?



“Urban Uses” defined:

Any residential, commercial, industrial, public institutional, transit or transportation passenger facility, or retail use or any combination of those uses...



What is a QIP?



- Urban Uses tests (Any 1 of 3):
 - 75% of area within the QIP is previously improved,
 - 75% of perimeter of the QIP is developed with Urban Uses, or
 - 50% of within and perimeter is developed Urban Uses.
- Validated by professionally certified, detailed site map (e.g. licensed architect, land surveyor, engineer)!

What Is a QIP (con't)?

- Density
 - Will be developed at *no less than* the densities set forth in AB 2348/Ch. 724 (2004) (commonly referred to as Mullin Densities).
- Affordability
 - At least 15% of its units are offered at an affordable rent or affordable housing cost.



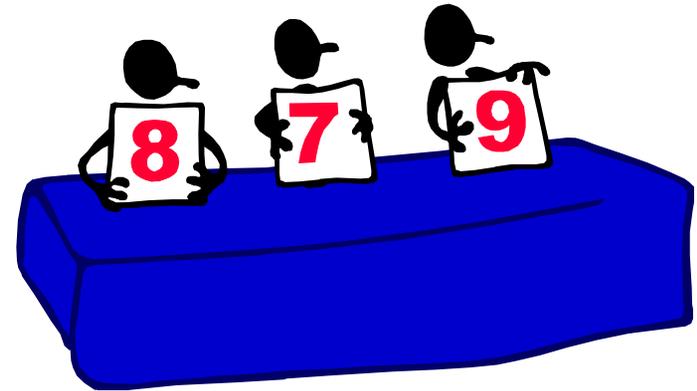
Eligible Applicants

- Non-Profit or For-Profit Developer, individually or with a:
 - Locality
 - Public Housing Authority



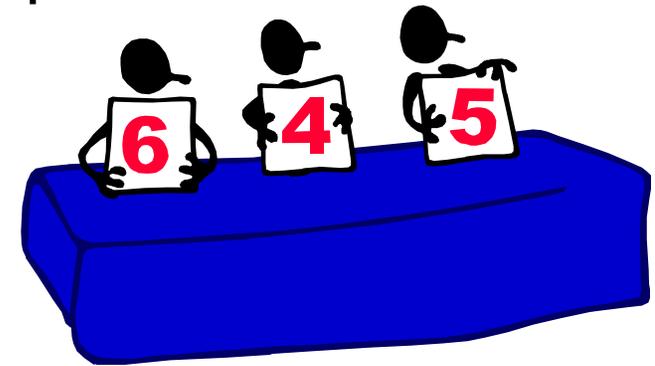
Competitive Points Based On

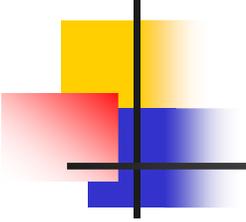
- Readiness (100)
 - Environmental review (30)
 - Land use entitlements (30)
 - Funding commitments (20)
 - Local support (20)
- Affordability (60)
 - Depth and duration of affordability, to what extent the development exceeds the required 15% threshold?



Competitive Points Based On

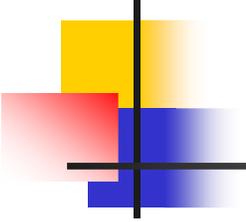
- Density (40)
 - To what extent does the development maximize the available land by exceeding required densities?
- Access to Transit (20)
- Proximity to Amenities (20)
 - Public parks, employment and retail centers, public schools, social services, and senior services.
- Consistency with Regional Plans (10)





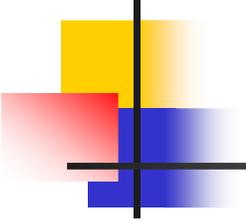
Competitive Points Based On

- Environmental Review (30)
 - CEQA and NEPA compliance and term lapse of appeals and lawsuits. (30)
 - Issuance of public notices of draft EIR, negative declaration, or environmental assessment. (15)



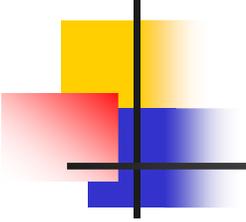
Competitive Points Based On

- Land Use Entitlements (30)
 - All necessary discretionary local land use approvals, except design review, are granted. (30)
 - Consistent with local planning docs, zoning, and application for all necessary discretionary local land use approvals, excluding design review, are deemed complete. (15)



Competitive Points Based On

- Funding Commitments (20)
 - 90% of construction and permanent financing. (20)
Note exclusions in guidelines.
 - 75% of construction and permanent financing. (10)
 - 50% of construction financing. (5)
- Can I substitute my commitment?
- What is a “commitment”?

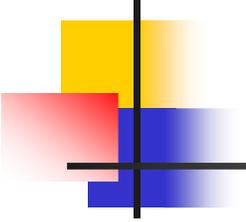


Competitive Points Based On

Funding Commitments (20) (con't):

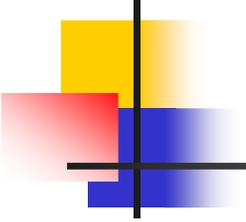
- Borrower's name.
- Project name (if any), address, APN, legal description.
- The amount, interest rate, terms of financing.
- May be conditioned on standard underwriting criteria.

NOT "willingness to process an application", omits the word "commitment", "subject to senior management approval"...



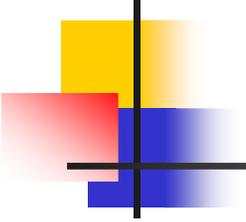
Competitive Points Based On

- Local Support (20)
 - 25% of IIG request from a local public agency(ies) for QIP or CIP. (20)
 - 15% of IIG request from a local public agency(ies) for QIP or CIP. (15)
 - Local fee waivers and verified land donations (appraised within 1 year) accepted.
 - Funds administered by locality accepted (e.g. CDBG, HOME)



Competitive Points Based On

- Affordability (60)
 - MHP affordability scoring,
 - 9% TCAC scoring, or
 - IIG Grant Affordability Density (GAD) scoring.



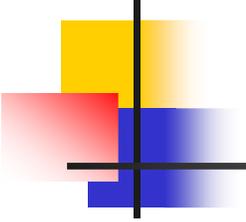
Competitive Points Based On

- Density (40)

To what extent does the average Net Density exceed the Mullin Density for your area?

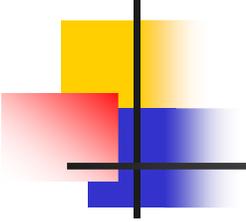
Net Density is not the residential “footprint” or areas only.

Total units/acre of land to be developed excluding permanent streets, drainage, sidewalks, parks, public rights of way, easements, encroachments, dedicated open space.



Competitive Points Based On

- Access to Transit (20)
 - 1/2 mile to Transit Station or Major Transit Stop.(20)
 - 1 mile to Transit Station or Major Transit Stop. (10)
 - 1 mile to Transit Station or Major Transit Stop with less frequency per guidelines (Sec. 302(I)). (5)
- Must be a “walkable route” boundary to boundary, as defined. Detail it!

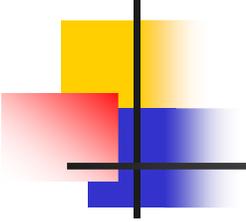


Competitive Points Based On

- Proximity to Amenities (20)

What is the distance to:

- Public parks.
- Locally recognized employment center with at least 50 full-time employees (e.g. hospital, office area, industrial park).
- Locally recognized retail center w/ at least 50 full-time employees.
- Public school or community college (+50% of units must be 2 BD+)

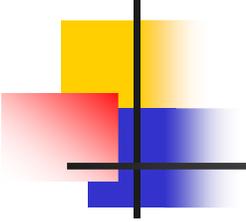


Competitive Points Based On

- Proximity to Amenities (20)

What is the distance to:

- Social service facility for Special Needs or SRO QIPs.
 - Senior center or facility offering senior services for Senior QIPs.
-
- Provide scaled maps, photos!



Competitive Points Based On

- Consistency with Regional Plans (10)

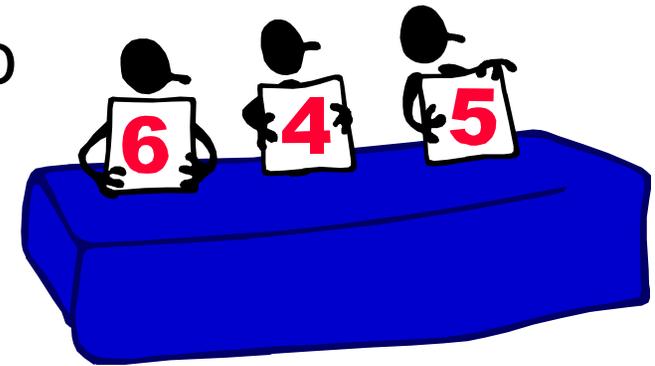
Accepted plans:

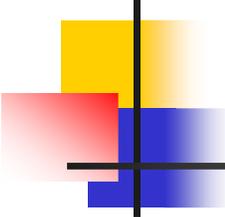
- Regional blueprint plan.
- Regional growth plans like:
 - Regional transportation plan.
 - Sustainable communities strategy.

All must be adopted and have the stated intent of fostering efficient land use that encourages infill development.

Tie-breaker Criteria

- QIPs located in a Gold or Silver Catalyst area per HCD. (10)
- Lowest ratio of grant request to maximum allowed grant request. (5)
- For each completed QIP. (3)
- Earliest received application. (1)
- HCD Deputy Director.

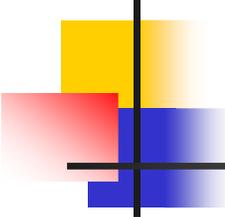




Application Lessons



- How much information should I provide?
- Is the information self-evident and easily locatable?
- How distance-detailed and surrounding descriptive are my maps?
- Include transit locations, schedules, and routes.
- Identify the walkable route.



Application Lessons



- The forms use the Uniform Multi-family Regulations (UMRs). Am I explaining my trending assumptions, if different?
- Does the person signing have authority per the Governing Board Resolution?
- How strong is the self-score? Only 210?
- Is it complete? Provide CD copies in both Original and Copy binder versions.
- Ask HCD before the deadline.

Contact Us!



Infill Infrastructure Grant Program

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