

Notice of Funding Availability (NOFA)

MULTIFAMILY HOUSING PROGRAM (MHP)

2007 FUNDING ROUND 1C-1

January 25, 2007

TIMETABLE FOR MHP APPLICATIONS	
NOFA Issued:	January 25, 2007
Workshops/ Meetings:	See Section E
Application Forms Available (on or about):	February 5, 2007
Applications Due:	March 27, 2007
Loan and Grant Committee Meeting:	June 28, 2007

State of California
Department of Housing and
Community Development

**2007 FUNDING ROUND 1C-1
NOTICE OF FUNDING AVAILABILITY
MULTIFAMILY HOUSING PROGRAM
January 25, 2007**

Table of Contents

A.	INTRODUCTION.....	1
B.	APPLICATION PACKAGING AND SUBMITAL	2
C.	PROGRAM CHANGES	2
D.	TIMETABLE FOR NOFA, APPLICATIONS, WORKSHOPS, AND AWARD NOTIFICATION	3
E.	APPLICATION WORKSHOPS.....	3
F.	PROGRAM SUMMARY.....	4
G.	PROGRAM REGULATIONS AND LEGAL AUTHORITY.....	4
H.	ELIGIBLE PROJECT SPONSORS.....	5
I.	ELIGIBLE USES OF FUNDS	5
J.	ELIGIBLE PROJECTS.....	6
K.	PROJECTS WITH EXTRAORDINARILY HIGH DEVELOPMENT COSTS.....	6
L.	MAXIMUM LOAN AMOUNTS	7
M.	LOAN TERMS AND SECURITY	7
N.	RENT AND OCCUPANCY LIMITS.....	8
O.	DEVELOPER FEES AND DISTRIBUTION LIMITATIONS	8
P.	PROJECTS FOR POPULATIONS WITH SPECIAL NEEDS.....	8
Q.	FUNDING COMPATIBILITY.....	8
R.	GEOGRAPHIC DISTRIBUTION	9
S.	PREVAILING WAGE REQUIREMENTS.....	9
T.	IMPORTANT LEGAL MATERS	9
U.	APPLICATION POINT SCORING	9
V.	DISCLOSURE OF APPLICATION.....	10

ATTACHMENT(S)

Application Workshop Registration Form

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

1800 Third Street, Suite 390
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 322-1560
FAX (916) 327-6660



**2007 FUNDING ROUND 1C-1
NOTICE OF FUNDING AVAILABILITY (NOFA)
MULTIFAMILY HOUSING PROGRAM (MHP)
January 25, 2007**

Multifamily Housing Program General Funding: \$70 million

PROGRAM DESCRIPTION**A. Introduction**

The California Department of Housing and Community Development (hereinafter "HCD" or "Department") is announcing the availability of approximately \$70 million in funding for the Multifamily Housing Program (MHP). Funding for this Notice of Funding Availability (NOFA) is provided under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C). The funds awarded under this NOFA will be allocated to projects that are eligible for funding under the MHP program component authorized under the Act.

MHP General Funds being offered through this NOFA are available as permanent financing for affordable multifamily rental and transitional housing developments.

Other related funding opportunities include:

- Under the Governor's Homeless Initiative (GHI) NOFA, applications are currently being accepted for Supportive Housing projects serving households with an adult member who is chronically homeless and severely mentally ill.
- A MHP Supportive Housing NOFA was issued January 3, 2007, offering funding on an "over-the-counter" basis for permanent supportive housing units.
- In late January, 2007, HCD will also issue a NOFA for the MHP funds earmarked for housing for homeless youth.

Information on all of these funding opportunities is or will be available on the Department's website at <http://www.hcd.ca.gov/fa/mhp>.

APPLICATION PROCEDURES AND DEADLINE

B. Application Packaging and Submittal

Applications must be submitted on forms provided or approved by HCD. Application forms must not be modified. A complete original application, plus one copy, must be received by the Department no later than **5:00 p.m. on Tuesday, March 27, 2007**. No facsimiles, late applications, incomplete applications, or application revisions will be accepted. Applications must meet all eligibility requirements upon submission. Applications having material internal inconsistencies will not be rated and ranked. HCD expects to issue awards to successful applicants in June, 2007.

The new Universal Application will be utilized for the first time by the MHP General program under this NOFA. Application forms will be available on or about February 5, 2007. In order to receive an application package, please visit HCD's website after this date, or contact MHP Program Staff at (916) 323-3178, or multifamilyhousingsection@hcd.ca.gov. Applications must be delivered to one of the following addresses:

U.S. Mail

Multifamily Housing Program
Department of Housing and Community
Development
Division of Financial Assistance
P.O. Box 952054
Sacramento, CA 94252-2054

Private Carrier

Multifamily Housing Program
Department of Housing and Community
Development
Division of Financial Assistance
1800 Third Street, Room 390
Sacramento, CA 95814

It is the applicant's responsibility to ensure that the application is clear, complete and accurate. After the application deadline, MHP staff may request clarifying information provided that such information does not affect the competitive rating of the application. No information will be solicited or accepted if this information would result in a competitive advantage to an applicant. No applicant may appeal HCD staff's evaluation of another applicant's application.

C. Program Changes

Significant changes applicable to this NOFA include:

There will be an increase of \$15,000 in the maximum per restricted unit loan amount for projects located in the Central Valley area to encourage Central Valley applicants, with the objective of ensuring a reasonable geographical distribution of funds. For the purpose of geographic distribution, Central Valley includes the counties of Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus and Tulare counties. The maximum loan amount per project will remain \$10,000,000. This increase also remains the same for Southern California.

Reporting

The ballot measure for Proposition 1C contains language that indicates that its programs will be serving several identified targeted populations. Most of the identified populations are either targeted by specific programs or easily identified through specific programs by the nature of the facility funded. However, none of the programs funded through

Proposition 1C specifically target the elderly or veteran populations. Accordingly, the Department is requiring grant and loan recipients, for its multi-family programs, obtain this information as part of the tenant application process and to report this statistical information in its annual reporting. Should the Department find that its multifamily programs are inadequately serving these populations it reserves the right to make adjustments to the competitive process as needed.

Changes were made in the previous funding rounds to the required minimum replacement reserve deposit amounts as shown in the chart below.

Type of Project	Minimum Required Initial Annual Deposit to Replacement Reserve
New Construction or Conversion	0.6% of the structure construction cost, up to \$600 per unit (or \$500 per unit if the project is receiving permanent financing from CalHFA). "Structure construction cost" does not include construction contingency, general contractor profit, overhead, or general requirements.
Rehabilitation	The deposit amount required will be determined by HCD based on a third-party physical needs assessment (PNA). At time of application, prior to completion of the PNA, HCD will base its underwriting on a preliminary estimate. This preliminary estimate is \$469 per unit.

D. Timetable for NOFA, Applications, Workshops, and Award Notification

TIMETABLE FOR MHP APPLICATIONS	
NOFA Issued:	January 25, 2007
Workshops:	See Section E
Application Forms Available (on or about):	February 5, 2007
Applications Due:	March 27, 2007
Loan and Grant Committee Meeting:	June 28, 2007

E. Application Workshops

To assist applicants in preparing their application, the Department will conduct application workshops. During these workshops, the Department will introduce and review the new "Universal Application" which will be utilized for the first time by MHP for this NOFA. The body of the application will be common to the MHP General Program, other Department programs, California Housing Finance Agency (CalHFA), and California Tax Credit Allocation Committee (TCAC). The application will also include an addendum specific to the requirements of the MHP General program. There will also be time for answering individual applicant questions.

If you are unable to attend one of the workshops and have questions about the application process, please contact the MHP program staff.

Workshop sessions are scheduled as follows:

Date	Location	Time
Thursday, February 8, 2007	Junipero Serra State Building 320 W. Fourth Street 7 th Floor Conference Room Los Angeles	10:00 a.m. – 3:00 p.m.*
Friday, February 9, 2007	City Heights Technology Center (CHCTC) 4283 El Cajon Blvd., Suite 220 (Smart Room A) San Diego **Enter on Van Dyke for parking- use code 9587	10:00 a.m. – 3:00 p.m.*
Tuesday February 13, 2007	HCD Headquarters 1800 Third Street Room183, 1 st Floor Sacramento	10:00 a.m.– 3:00 p.m.*
Wednesday, February 14, 2007	Department of General Services 2550 Mariposa Mall Fresno State Bldg. Fresno	10:00 a.m. – 3:00 p.m.*

*There will be a 1 hour lunch break at approximately 12:00

ADVANCE REGISTRATION FOR THE WORKSHOP IS REQUESTED. Please complete attached registration form and return via email to bstolk@hcd.ca.gov or fax to (916) 445-0117, attention Barbara Stolk, at least 24 hours before the workshop.

F. Program Summary

MHP provides low-interest loans to developers of affordable housing. MHP General funds available under this NOFA may be used for multifamily rental and transitional housing projects involving new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures.

HCD expects MHP funds to be leveraged with other resources, including local government funds, the federal Continuum of Care programs, four percent low-income housing tax credits, tax-exempt bond financing and private debt financing.

Projects using nine percent tax credits are ineligible. See Section J.

G. Program Regulations and Legal Authority

MHP was established by SB 1121, Statutes of 1999 (Alarcón), which created Chapter 6.7 of Part 2 of Division 31 commencing with Section 50675, of the Health and Safety Code. Applications submitted under this NOFA shall be subject to two sets of regulations: the MHP-specific regulations, 25 CCR 7300, *et seq.*, and the Uniform Multifamily Regulations (UMR), 25 CCR 8300, *et seq.* The regulation text is available on the HCD website at: <http://www.hcd.ca.gov/ca/multifamilyregs.html>. Applications submitted under this NOFA are also subject to the applicable statutory requirements,

including those of Proposition 1C and SB 1689 of 2006 and the requirements specified in this NOFA.

All section references in this NOFA refer to the MHP regulations unless otherwise noted.

H. Eligible Project Sponsors

Sponsors and borrowing entities may be organized on a for-profit or not-for-profit basis. Any individual, public agency or private entity capable of entering into a contract is eligible to apply, provided that they, or their staff, have successfully developed at least one affordable housing project. The Department will evaluate all Sponsors, including the roles of any general partner(s) in a limited partnership, to determine if the Sponsor's roles, responsibilities, and benefits in the project development and operations are commensurate with activities normally undertaken or controlled by project developers and owners. The Sponsor will be reviewed to determine if adequate staffing levels exist to undertake and complete the project. The same criteria will be applied to evaluate sponsor experience for the purpose of awarding points. **The entity that submits information for the award of the experience points must be the named Sponsor on the application.** A parent entity cannot submit an application through a single asset entity and count the experience of the parent entity. If an applicant wishes to use the parent entity's development experience the parent entity must be the named Sponsor/applicant. The Department will permit loan commitments to be transferred to single-asset entities provided the Sponsor entities maintain sufficient control of the borrowing entity to ensure that the Ultimate Borrower has the resources and experience to develop, own and manage the project. Sponsors will be required to prepare a written narrative explaining how the Sponsor identified in the Project Report has full control of the Ultimate Borrower entity and development of the project. The Sponsor must expressly describe the management and control for each entity in the organizational structure of the Ultimate Borrower. The narrative must be submitted with the organizational documents for the Ultimate Borrower and must cite the organizational documents, with reference to page, paragraph or section number, that evidence the Sponsor's control of the Ultimate Borrower. The narrative and supporting documentation must be submitted at the time the Ultimate Borrower is formed and in all cases, prior to the construction loan close. Where the requisite control cannot be shown, the Sponsor will have to change its organizational structure accordingly to comply with the applicable regulations and the loan commitment.

If the Borrower is an entity other than the Sponsor identified in the application, the Department may require the Sponsor to enter into a Sponsor Operating Guaranty as a condition of closing the MHP loan.

Sponsors must have site control in the name of the Sponsor or an entity controlled by the Sponsor as defined in the Uniform Multifamily Regulations (UMR) Section 8303.

Sponsors of projects where at least 70 percent of the units consist of Special Needs Population units may be exempt from the requirement for previous development experience under limited conditions per Section 7303 (d).

I. Eligible Uses of Funds

MHP funds will be provided as permanent financing only, and may be used to take out construction loans used to cover normal project development (capital) costs, as detailed in Section 7304. MHP funds may be used to capitalize a project operating reserve account up to the limit required under UMR Section 8308. Program funds may not be used for the cost of supportive services, although Department-approved costs of on-site

supportive services coordination may be treated as a project operating cost, payable from operating income.

MHP funds must be attributable to the costs of “restricted” units (MHP units and units subject to a long-term regulatory agreement with occupancy and rent restrictions similar to those of MHP) or to the costs of facilities used for childcare, after-school care, and social services that are integrally linked to the restricted units.

Applications for acquisition/rehabilitation projects will be reviewed to ensure that development costs do not include payments for appreciated equity through transfers or syndication between related parties. The term “related parties” as used in this paragraph has the same meaning as TCAC regulation 10302(gg). MHP funds must be used to fill financing gaps resulting from deep income targeting and affordability. Equity cash-out is not necessary to meet the goals of the program and thus is not an eligible use of MHP funds. Costs representing the cash out of existing equity will not be recognized. See section 7304.

J. Eligible Projects

Projects must qualify as rental housing developments, as defined in UMR Section 8301, and meet the requirements of Section 7302. For example, projects must contain five or more dwelling units. MHP General funded units may be operated as permanent or transitional housing.

Projects are ineligible if construction has commenced as of the application due date per Section 7302, or if the project is already fully funded. Projects must meet the underwriting standards described in UMR Section 8310.

Projects receiving nine percent tax credits are ineligible and the Department will not hold MHP funds pending the outcome of a nine percent tax credit application. Therefore, projects which have a nine percent tax credit application pending at the time the MHP application is submitted will be disqualified from competing in this funding round. Furthermore, projects which receive a funding commitment and subsequently apply for nine percent tax credits will be deemed ineligible and the funding commitment will be immediately rescinded.

K. Projects with Extraordinarily High Development Costs

The Department is concerned about the extremely high cost of a small but significant number of projects funded in the recent past, and the extraordinary level of public subsidy required by these projects. Of particular concern are projects with total development costs in excess of \$350,000 per unit. The Department will require thorough justification for costs above that level. In this period of rapidly rising development costs, it is especially important to encourage MHP funding of otherwise qualified projects that are able to minimize costs, without sacrificing design elements that are cost effective in the long run or meet vital needs of project residents.

In light of this concern, and consistent with UMR Section 8311, the Department reserves the right to reject an application if total development cost exceeds an amount that cannot be reasonably justified, in comparison to the costs for other similar developments of modest design in the general area. Projects may be required to justify the total development cost if the cost substantially exceeds the Department’s historical project costs for similar projects, with an allowance for increased construction costs.

In evaluating projects with high per unit costs, the Department will closely scrutinize the

justification that costly design features were necessary to obtain local approvals or neighborhood acceptance. Similarly, the Department will be giving close scrutiny to projects with extraordinary site development costs (where they are not fully compensated for by a sharply discounted purchase price), or where the constraints of the site necessitate an especially expensive design. Although the Department appreciates that individual developers may experience great difficulty locating more appropriate sites, it has concluded that the interests of the Program are best served by avoiding excessive site and design-related costs.

L. Maximum Loan Amounts

The maximum loan per project is \$10,000,000. The maximum loan amount per “restricted” unit is a function of unit size, location, and affordability level per Section 7307. The maximum loan per restricted unit is being increased by \$15,000 per unit for the Central Valley region to encourage the equitable distribution of funds for the area. (See Item C, Program Changes above.) The Southern California increase will remain in effect.

M. Loan Terms and Security

Loans will have 55-year terms, and bear simple interest at the rate of three percent per year. For the first 30 years, annual interest payments will be required in the amount of 0.42 percent of the outstanding principal loan balance. The annual payment amount for the next 25 years will be set by HCD in year 30, and will be the minimum amount necessary to cover HCD’s monitoring costs. Unpaid principal and accrued/deferred interest will be due at the end of the loan term.

Cash flow remaining after payment of all debt service, Operating Expenses, required reserves and allowable deferred Developer Fee and Distributions per UMR Section 8312 and 8314 shall be applied toward repayment of the MHP loan. If the terms of other public agencies’ financing also require payments from remaining cash flow, the Department may agree to share the remaining cash flow with the public agencies in proportion to the respective loan amounts.

MHP loan documents will include a promissory note, deed of trust and regulatory agreement. The deed of trust and regulatory agreement may be subordinated to bond debt, and amortizing loans from institutional lenders and the federal government provided no balloon payments are due prior to the end of the MHP loan term. MHP loans may not be subordinated to local public agency loans or restrictions attached to these loans, unless the amount of the local agency loan is at least twice the amount of the Department’s total assistance to the project, including both loans and grants per Section 7306 (e) and UMR Section 8315.

The MHP loan must be secured by the fee or a leasehold interest in the property acceptable to the Department. The term of a leasehold interest must be at least 90 years (65 years where the lessor is a public entity) from the date the MHP loan closes, excluding any unexercised lease extensions. If the MHP loan is secured by leasehold, the owner of the fee and the borrower must sign the Department’s standard form lease rider, unless the lessor will sign the MHP deed of trust secured by the fee. See UMR Section 8316 for other leasehold requirements.

N. Rent and Occupancy Limits

MHP assisted unit rent and tenant incomes will be restricted in accordance with the rent and income limits proposed by the project sponsor in their MHP application, with rents not exceeding 30 percent of the applicable income limit. The maximum possible income and rent limits are those set by the Tax Credit Allocation Committee (TCAC), using its calculation methods: 60 percent of Area Medium Income (AMI), adjusted by household size, and 30 percent of 60 percent of AMI, adjusted by bedroom size. These maximum limits are available on the TCAC website at <http://www.treasurer.ca.gov/ctcac/>.

Projects will be underwritten at the rent limits for the income levels proposed in the application. The Program's maximum 1.20 debt coverage ratio limit will be applied using the maximum rents allowable.

Assisted unit rent increases will be limited in accordance with the rules governing tax credit units and Section 7311 and 7312. Where the project receives Section 8 or other rental assistance subsidies, "rent" is defined as the tenant's contribution, rather than the contract rent level. Sponsors of this type of project will be required to continue the rental assistance as long as it is available. Projects with rental subsidies must also be feasible with 50 percent of AMI rents for units garnering income-targeting points in the event the rental assistance is terminated.

O. Developer Fees and Distribution Limitations

Developer fees mean the same as the definition of that term in the California Code of Regulations, Title 4, Section 10302 and includes Financial Consulting Costs. The Developer fees are further limited in accordance with UMR Sections 8312 and 8314, and distributions to the Sponsor out of operating income are also limited in accordance with UMR Sections 8312 and 8314. The per unit amounts used in calculating the allowable developer fee limits were adjusted in the previous funding round for inflation pursuant to UMR Section 8312.

P. Projects for Populations with Special Needs

Sponsors of Special Needs Populations' projects must submit a specific, feasible plan for delivery and funding of tenant services for Department approval and will be required to meet minimum threshold criteria for experience and the provision of services. MHP funds may not be used to fund tenant services. Sponsors must also be very careful to avoid violation of laws barring housing discrimination. HCD will review proposed tenant selection criteria for potential violations of these laws. HCD may condition funding on the elimination of restrictions that it believes to be impermissible, or reject an application where it determines that compliance with applicable law is not feasible.

Fair Housing is a very complex, and in many ways unsettled, area of law. Sponsors are encouraged to seek professional advice if there is any doubt that their proposal may run afoul of non-discrimination and fair housing laws. A useful resource is *Between the Lines: A Question and Answer Guide on Legal Issues in Supportive Housing* published by the Corporation for Supportive Housing. This document is available online at www.csh.org or by calling the publisher at (510) 251-1910.

In evaluating tenant selection criteria for Special Needs Populations applications, HCD will first examine whether the criteria resulted from federal or state funding, as an indicator of legislative authorization. It will then review other aspects of the selection criteria, the services and facilities proposed to meet the needs of the targeted group and the proposed sources of other funding. If an applicant disagrees with HCD's

determination, it may seek an alternate opinion from the California Department of Fair Employment and Housing (DFEH). HCD will defer to DFEH's opinion. Please be advised that a proposal may have substantial discrimination problems even though it targets a group specifically listed in the definition of Special Needs Populations in Section 7301.

Q. Funding Compatibility

Sponsors typically anticipate using an array of funding sources to fund the construction and permanent financing of their projects. The sponsor should determine, prior to applying for the MHP funds, that the requirements of the non-MHP funding sources are compatible with the requirements of the MHP. For example, compatibility issues have arisen with local and federal funding sources related to:

- The required terms of the MHP security when the security for the MHP loan is in a leasehold interest (UMR Section 8316);
- The MHP prohibition of senior debt that has a provision for a “balloon” payment. Often bond financing provisions include interest rate resets with potential calls prior to the full amortization term of the loan. Any interest rate resets or similar provisions governing senior debt shall be subject to the approval of the Department and shall not jeopardize the feasibility of the project.;
- Under MHP, senior debt with a variable interest rate is underwritten at the highest potential rate;
- The mandatory payment to HCD of the .42 percent debt service;
- The MHP requirement to target some of the project rents to extremely low income households that are below the federal income eligibility standard; and
- The State statutory requirement that projects financed with MHP pay no less than the State prevailing wage rate.

R. Geographic Distribution

MHP's enabling statute requires the program to “ensure a reasonable geographic distribution of funds.” To prevent an extreme imbalance in funding, no less than approximately 45 percent of the total funds awarded under this NOFA will be awarded to projects in Southern California, 30 percent will be awarded to projects in Northern California, and 10 percent will be awarded to projects in rural areas.

For the purpose of geographic distribution, Southern California includes the counties of Kern, San Bernardino, San Luis Obispo, and all counties to the south. Northern California includes all other counties of the State. “Rural” is defined to be consistent with the definition used by TCAC for the tax credit program, and a list of rural areas as well as the methodology to determine Rural or Non-Rural status, can be found at TCAC's website, <http://www.treasurer.ca.gov/ctcac/>.

S. Prevailing Wage Requirements

Pursuant to Health & Safety Code Section 50675.4(c)(2), projects receiving assistance under this NOFA are subject to State prevailing wage law, as set forth in Labor Code Section 1720 et seq.

T. Important Legal Matters

HCD reserves the right, at its sole discretion, to suspend or amend the provisions of this NOFA. If such an action occurs, HCD will notify all interested parties.

Article XXXIV of the California Constitution requires advance voter approval of certain publicly funded and regulated low-income housing projects. Projects funded by MHP must either have Article XXXIV approval or be exempt from the need for this approval.

All applications are subject to the considerations discussed in Section P regarding compliance with laws barring housing discrimination.

U. Application Point Scoring

The criteria that will be used to competitively score projects are described in Section 7320, and summarized below. In assessing whether a project is “At-Risk,” MHP will use the same standards as TCAC. TCAC regulations first mandate that to be considered “at-risk” housing, the project must meet the requirements of the California Revenue and Taxation Code, subsection 10758 C (4) except as further defined in TCAC regulations at section 10325 (g) (5) (B) (i), as well as meet additional TCAC requirements.

Criterion	Max. Points	Notes
Extent Project Serves the Lowest Income Levels	35	The income levels referenced in the regulations are posted on the Department website.
Extent the Project Addresses the Most Serious Local Housing Needs	15	If a market study is submitted, it must be performed by a qualified third party in accordance with the Department’s application of TCAC Market Study Guidelines, as specified in the MHP Application form.
Development and Ownership Experience of the Sponsor	20	Sponsors using alternative scoring methods in this category are advised to communicate with the Department in order to receive technical assistance.
Percentage of Units for Families or Special Needs Populations and “At-Risk” Rental Housing Developments	35	“At-risk” projects receive full points in this category.
Leverage of Other Funds	20	Sponsors of projects containing commercial space are advised to communicate with the Department in order to receive technical assistance.
Project Readiness	15	Projects must have all construction financing and all soft financing committed (exceptions are noted in MHP Regulation Sections 7320(b)(6)(A)1-6 in order to receive full points in this category).
Adaptive Reuse/Infill/Proximity to Amenities	10	Projects demonstrating compliance with the conditions of any subcategory will receive full points in this category.
Total	150	

Projects must receive a minimum point score of 125, as determined by HCD staff, in order to be considered for a funding award.

Tiebreaker: In the event of tied point scores, the Department shall rank tied applications based on the lowest weighted average affordability of Restricted Units per Section 7320.

Partial Funding: In the event that there are insufficient funds available to award the full amount of the MHP loan requested by the lowest scoring fundable project, and the Sponsor is awarded partial funding, the Department will allow the Sponsor 90 days from the date of the Department's Award Letter to fill the funding gap created by the shortfall of MHP funds and provide documentation, satisfactory to the Department that additional funding commitment(s) have been obtained. The Department reserves the right, at its sole discretion, to rescind such award and offer funding to the next project in rank order if the Sponsor is unable to secure the necessary commitment(s) within the time specified.

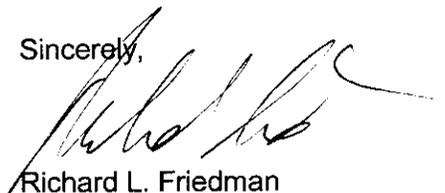
V. Disclosure of Application

Information provided in this application will become a public record available for review by the public pursuant to the Public Records Act. As such, any materials provided will be disclosable to any person making a public records request. As such, we caution you to use discretion in providing us with information that is not specifically requested, including but not limited to, bank account numbers, personal phone numbers and home addresses. By providing this information to the Department, the sponsor is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request.

Do not hesitate to contact the Department if you should have any questions regarding the NOFA, the application, the application process, or necessary documents at any time during the application preparation period.

Questions should be directed to the MHP program staff at (916) 323-3178. Thank you for your interest in the Multifamily Housing Program.

Sincerely,



Richard L. Friedman
Deputy Director

Attachment(s)

Attachment 1

Multifamily Housing Program Workshop Round 1C-1, 2007 Registration Form

The Multifamily Housing Program (MHP) Workshop is designed to provide training on the MHP application and technical assistance for applicants. It is strongly recommended that you attend. If you plan to attend, please complete and submit this single page (no cover sheet needed) to the MHP program staff.

- Please RSVP at least 24 hours before the workshop date by filling out this document and submitting it to bstolk@hcd.ca.gov or FAX (916) 445-0117.
- Refer registration questions and forms to Barbara Stolk at (916) 445-0576.

Name of Attendee(s):	
Organization's Name:	
Address:	
City, Zip Code:	
E-mail:	
Phone Number:	
Fax:	

Indicate which of the following sessions you plan to attend:

<p>LOS ANGELES</p> <p><input type="checkbox"/> Thursday, February 8, 2007 Junipero Serra State Building 320 W. Fourth Street 7th Floor Conference Room Los Angeles</p>	<p>*SAN DIEGO</p> <p><input type="checkbox"/> Friday, February 9, 2007 City Heights Technology Center (CHCTC) 4283 El Cajon Blvd., Suite 220 (Smart Room A) San Diego</p>
<p>SACRAMENTO</p> <p><input type="checkbox"/> Tuesday, February 13, 2007 HCD Headquarters 1800 Third Street Room 183, 1st Floor Sacramento</p>	<p>FRESNO</p> <p><input type="checkbox"/> Wednesday, February 14, 2007 Fresno State Bldg. 2550 Mariposa Mall Fresno</p>

*Please enter parking garage from Van Dyke Avenue. The code for the parking garage is **9587**.