FY 2013-14 FUNDING ROUND
NOTICE OF FUNDING AVAILABILITY (NOFA)
TRANSIT-ORIENTED DEVELOPMENT HOUSING PROGRAM (TOD)
May 14, 2013

TRANSPORT-ORIENTED DEVELOPMENT HOUSING PROGRAM FUNDING:
APPROXIMATELY $60 MILLION

PROGRAM DESCRIPTION

A. Introduction

The California Department of Housing and Community Development (HCD) is announcing the availability of approximately $60 million in funding for the Transit-Oriented Development (TOD) Housing Program. Funding for this Notice of Funding Availability (NOFA) is provided under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) pursuant to the TOD Housing Program established by Part 13 of Division 31 of Health and Safety Code commencing with Section 53560. Additional funds may be added to the NOFA based on future project fund disencumbrances.

B. Program Summary

Program funds being offered through this NOFA are available as permanent financing for the development and construction of housing development projects (Housing Development) and for infrastructure necessary for the development of higher density uses within close proximity to a transit station, or to facilitate connections between that development and the transit station (Infrastructure Project). A Housing Development or an Infrastructure Project is also referred to collectively and individually as a "Project" or "TOD Project".

Available funds are subject to the revised TOD Program Guidelines (Guidelines) issued by HCD and dated May 10, 2013. These Guidelines include detailed information on eligibility requirements and application selection criteria, and may be accessed at http://www.hcd.ca.gov/fa/tod.

C. Maximum Loan and/or Grant Amounts

The maximum Program rental housing development loan (TOD Loan) amount awarded for a single Housing Development or to a single housing developer applicant, including any affiliates of such applicant, will be $4 million. The maximum Program infrastructure grant (TOD Grant) amount awarded to a locality
or transit agency applicant for an eligible Infrastructure Project will be $4 million. However, a single Project may be awarded up to a total maximum amount of $8 million through the combination of a TOD Loan for the Housing Development awarded to a single housing developer and a TOD Grant for the Infrastructure Project supporting the Housing Development awarded to the locality or transit agency.

A housing developer and locality or transit agency may elect to jointly apply for a TOD Loan and a TOD Grant and will then be considered co-applicants. For joint applications with a housing developer, locality or transit agency as co-applicants for a TOD Loan and a TOD Grant, the amount of the award(s) applied to the total $8 million combined TOD Loan and TOD Grant limit shall be equally apportioned between the bona fide housing developer, locality and/or transit agency co-applicants.

In the event an applicant, or such other co-applicants as described above, applies to the Infill Infrastructure Grant (IIG) Program for infrastructure funding in support of a single Housing Development, applicant is then eligible only to apply to the Program for a TOD Loan up to the $4 million limit on that same single Housing Development notwithstanding other loan or grant award limits that may apply to subject Project. An applicant may not be awarded both a TOD Grant and IIG Grant for an Infrastructure Project supporting the same single Housing Development.

The total maximum amount of Program assistance for Housing Development or Infrastructure Project applications based on a single Qualifying Transit Station and all awards of Program funds over the life of the Program shall be $50 million.

D. Application Scoring

All TOD Project applications will be evaluated based on the criteria set forth in Sections 103, 104, 105, 106, 107, and 108 of the Guidelines. Pursuant to Section 107(a)(9), Project applications must receive a minimum score of 250, excluding bonus points, in order to be considered for funding. Applications must contain a completed TOD Self-Scoring Worksheet along with documentation acceptable to the Department that adequately supports the Self-Score provided. Applications that do not include a Self-Scoring Worksheet will not be considered for funding. Self-Scoring Worksheets must be included within the application at the time of submittal to HCD. No additional information may be added to an application after it has been submitted.

The highest scoring applications that meet all threshold requirements will be selected for funding under each allocation in this NOFA. Applications will be funded in descending order. HCD may make adjustments in this procedure to meet approximately the following geographic distribution objectives:

(a) Awarding not less than 45 percent of total funds to projects located in Southern California (Kern, San Bernardino, San Luis Obispo, Santa Barbara, Ventura, Los Angeles, Orange, Riverside, San Diego or Imperial counties);
(b) Awarding not less than 30 percent of total funds to projects located in Northern California (those counties not specified in paragraph above).

(c) Awarding not less than 50 percent of total funds to Projects served by Qualifying Transit Stations not served by heavy rail (BART and Metro Red Line).

In the event two or more applications have the same rating and ranking scores, the following bonus points will be in this order of priority until there is no longer a tie:

(1) 10 bonus points will be awarded if the TOD Project is located within a Gold or Silver Catalyst area as designated by HCD via the Catalyst Projects for California Sustainable Strategies Pilot Program. A listing of Catalyst designees is available at http://www.hcd.ca.gov/hpd/catalyst_summaries082510.pdf.

(2) If a tie still remains after applying the above criteria, then, an additional 5 bonus points will be awarded to the TOD Project having the lowest ratio between the requested TOD Loan or TOD Grant amount to the total allowable maximum TOD Loan or TOD Grant amount per the maximum calculated in accordance with the respective TOD Guidelines provision (e.g., as that maximum is calculated pursuant to Section 105(d)(2) and/or (f)(3)). All such ratios will be rounded to the nearest second decimal point.

(3) If a tie still remains after applying the above criteria, then, an additional 3 bonus points will be awarded to the TOD Project for each prior awarded TOD Project developed by the applicant entity that has received a certificate of occupancy by the deadline for submittal of applications set forth in the NOFA.

(4) If a tie still remains after applying the above criteria, then, an additional 1 bonus point will be awarded to the TOD Project application received earliest by HCD.

(5) If a tie still remains after applying the above criteria (i.e. if two or more applications remained tied and were received by HCD at the same time) then the HCD Deputy Director shall have the discretion to resolve the remaining tied applications.

Pursuant to TOD Guidelines Sections 107(a)(4) and (b)(6), applications are ineligible if construction of the Housing Development or the Infrastructure Project has commenced.

The ultimate awarding of Program funds is subject to the approval of the Division of Financial Assistance’s Deputy Director. The decision of the Deputy Director is final.
APPLICATION PROCEDURES AND DEADLINE

A. 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 HCD no later than 5:00 p.m. on Wednesday, July 31, 2013. 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.

The Universal Application will be utilized by the Program under this NOFA and will include addendum specific to the requirements of the Program. It is the applicant's responsibility to ensure that the application is clear, complete and accurate. After the application deadline, TOD 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’s evaluation of another applicant’s application.

B. Application Workshop

To assist applicants in preparing their application, HCD will conduct application workshops throughout the State. During the workshop, HCD will review the TOD Guidelines, the Universal Application, and addendum specific to the requirements of the Program. There will also be time to answer individual applicant inquiries. Once scheduled, the workshop location, date, and time information will be posted on HCD’s website.

C. State Prevailing Wages

Program funds will be considered to be public funds pursuant to State Prevailing Wage Law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720, unless exempt by the terms of that statute (see Labor Code Section 1720, subdivisions (c) and (d)). The nature and extent of prevailing wage obligations will depend on the financial structure of each project receiving or supported by Program assistance. Applicants are urged to seek professional advice as to how this law may affect their application.

D. Disclosure of Application

Information provided in the application will become 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, HCD cautions 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 HCD, the Applicant is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request.
E. **Other Information**

The Program’s application forms, workshop details, and related program information will be posted on its website at [http://www.hcd.ca.gov/fa/tod/](http://www.hcd.ca.gov/fa/tod/).

HCD offices are moving effective July 8\textsuperscript{th}. The TOD Program will be located at:

**2020 W. El Camino Avenue, Sacramento, CA 95833**

Questions may be directed to TOD Housing Program staff at (916) 322-1560 or emailed to tod@hcd.ca.gov