California Department of
Housing and Community Development

Cap and Trade Dollars at Work

California Strategic Growth Council

AHSC
Round 9 NOFA Workshop

Presented by:

Department of Housing and Community Development

Strategic Growth Council

California Air Resources Board

April 23, 2025

Agenda

Presenter	Topic
HCD	Housekeeping | Welcome | Round 8 Recap
HCD	Program Overview
HCD	Key Changes - Round 9
HCD	Threshold Requirements
SGC	Scoring Criteria
HCD	Feasibility
BREAK	10-Minute Break
HCD	Application Workbook Highlights
HCD	Application Submittal Process
CARB	Quantification Methodology Updates
HCD	HCD Policies & Applicant Resources

General Housekeeping

- Mute Mics & Silence Cell Phones
- Turn off Cameras
- Timing
- Break Facilities
- Project Specific Questions
- Hold Questions until Q&A

Welcome & Round Recap

Attendees

Who is here today?

Show of hands

- Jurisdiction
- Service Provider
- Transportation/Transit
- Local Officials
- Developers / Others

Round Recap

What did we accomplish?

Round	# of Projects	Jurisdictions	Awarded
7	21	16	$757 million
8	24	20	$789 million

Timeline

AHSC Round 9	
Draft Guidelines Released	November 8, 2024
Final Guidelines Adopted	February 26, 2025
NOFA & Application Released	March 25, 2025
NOFA Workshop & Webinar	Mid-April 2025
Application Due Date	May 28, 2025, at 4:00 pm
Award Announcement	December 2025 Council

AHSC

Program Overview

Presented by: Michael Murphy

Program Overview

Program Vision:

Fund **infill** projects that reduce **Greenhouse Gas (GHG)** emissions and **Vehicle Miles Traveled (VMT)** through sustainable land use, housing, and transportation practices.

What the program funds:

- Affordable Housing Development (AHD) (loan or grant)
- Housing-Related Infrastructure (HRI) (grant)
- Sustainable Transportation Infrastructure (STI) (grant)
- Program Investments (PGM) (grants)

Program Overview: Funding Source

Funding:

- 20% of Cap-and-Trade Auction proceeds through 2030

Funding Availability:

- Round 9 - $775 million

Funding Limits:

- Minimum Award is $10 million
  - Tribal is $1 million
- Maximum Award for:
  - AHD / HRI is $35 million
  - STI / PGM is $15 million

Program Overview: Funding Limits

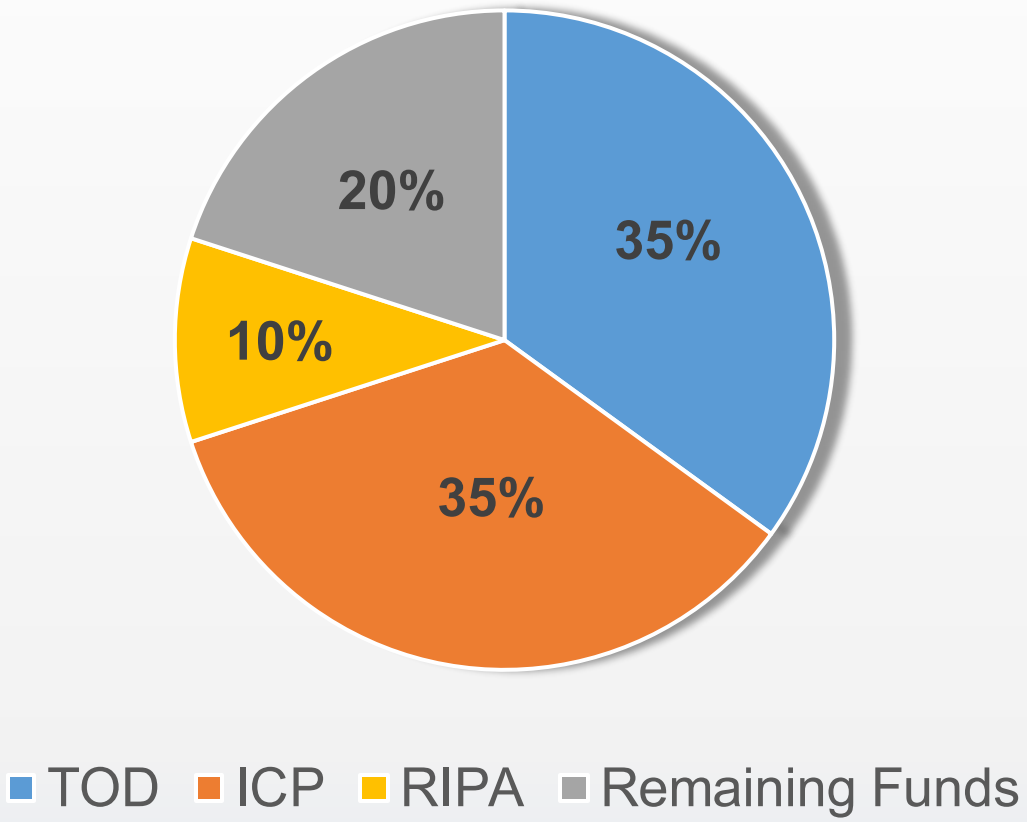
$100 MILLION MAX AWARDS PER RECIPIENT EVERY AHSC NOFA FUNDING CYCLE

$250,000 BASE LOAN AMOUNT PER ASSISTED UNIT

HOMEOWNERSHIP AHD GRANT CALCULATION PURSUANT TO NOFA & GUIDELINES

A MANAGER'S UNIT WILL BE CONSIDERED AN AFFORDABLE UNIT FOR ALLOCATING AHD COSTS

Program Overview: Selection Process



Project Area Type Targets:

- 35% to Transit Oriented Development (TOD)
- 35% to Integrated Connectivity Projects (ICP)
- 10% to Rural Innovation Project Areas (RIPA)

Statutory Requirements:

- +50% to Disadvantaged Communities (DAC)
- +50% to Affordable Housing

Council Goals:

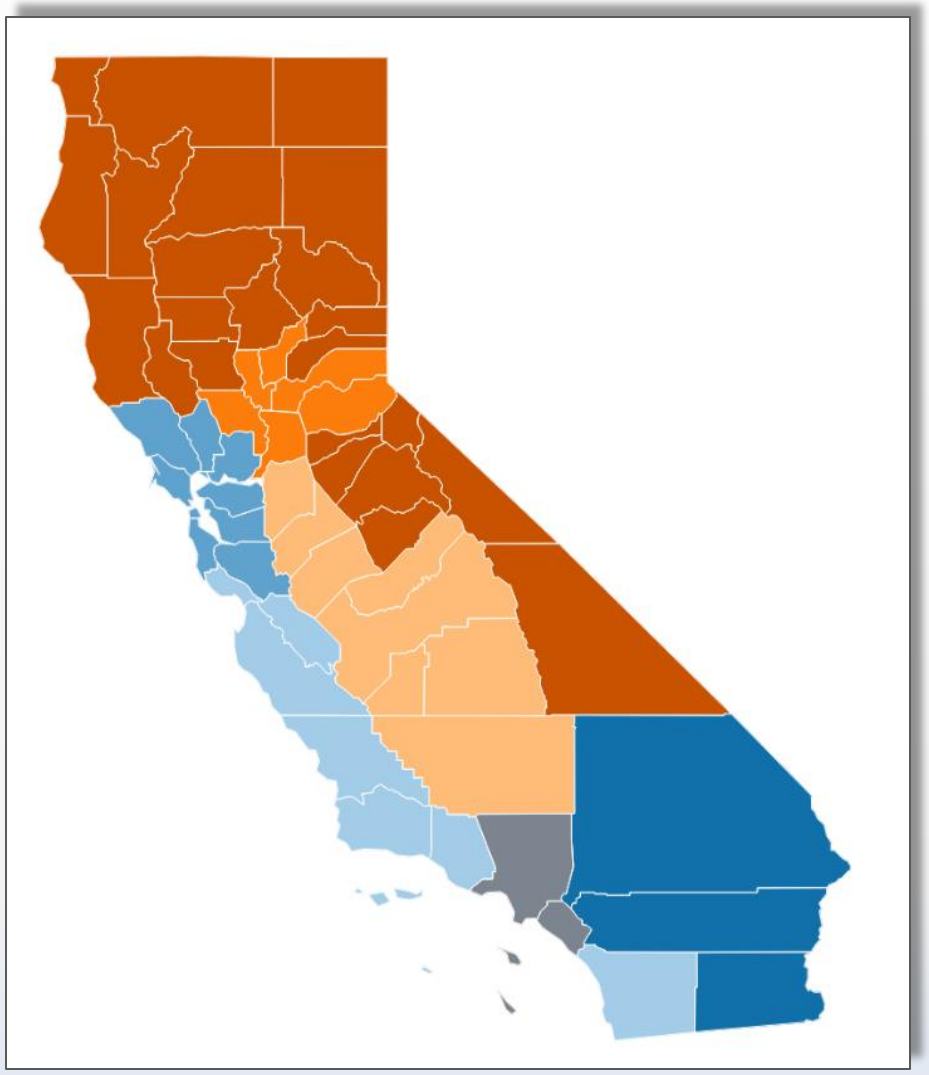
- $50 Million investment in Tribal Projects
- One project award per 8 geographic areas

**DAC and Housing are not mutually exclusive*

Program Overview: Geographic Goals

At least one project in each 8 geographic areas

- **Central Coast**: Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Ventura
- **Coastal Southern California**: Los Angeles, Orange
- **Inland Southern California**: Imperial, Riverside, San Bernardino
- **North State & Sierras**: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tuolumne
- **Sacramento Area**: El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba
- **San Diego Area**: San Diego
- **San Francisco Bay Area**: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma
- **San Joaquin Valley:** Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare



Program Overview: Letters

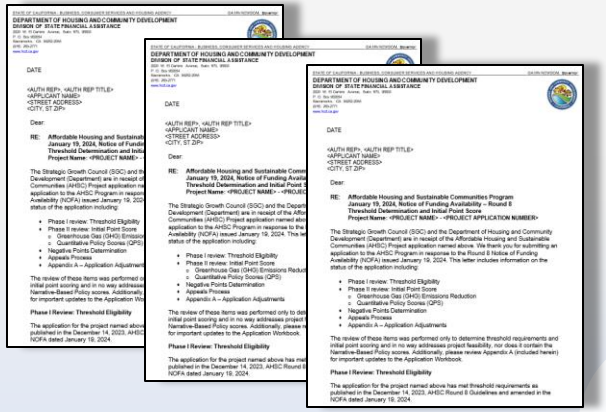
UPDATE: Round 9 Threshold & Scoring letters will be issued separately

THRESHOLD

Initial Threshold Determination Letter

5 Business Day Appeal

Final Threshold Determination Letters



SCORING

Initial Score Letter (QPS & MTCO2e)

5 Business Day Appeal

Final Score Determination Letters

NOTE

- Total GHG scores will not be calculated until after appeals are complete
- Negative points to be assessed
- Projects will not be partially funded

AHSC

Key Changes – Round 9

Presented by: Lena Howell

Key Changes

Round 9 Guidelines Updated to:

- Enhance clarity
- Streamline processes
- Improve alignment with other HCD programs

Changes include:

- Renumbering of sections
- Streamlined language
- More consistent terminology
- Formatting adjustments

Key Changes

Guideline Alignment | Eligible Projects

- On-Demand transit:
  - Pick-up in the Project Area
  - Carshare/Carpool - at the AHD
- “Sponsor” - Rental AHD developers
- “Developer” - Homeownership & Transportation projects
- “Payee” – MHP terminology
- Experience Requirements
- High-Quality Transit Headway 20 minutes or less

Key Changes

Funding Use | Limits | Threshold

Urban Greening moved to Narrative-Based Scoring

AHD must either be Rental **OR** Homeownership

TRA Component incorporated into STI

Maximum & Minimum Loan/Grant Amounts found in NOFA

Minimum award for Tribal entities lowered to $1 million

Key Changes

Scoring Criteria

Quantitative Policy Scoring Updates

- Full points for double bus strategy; level floor boarding reinstated
  - 5 pts = $9M+ or 30% of request
  - 2 pts = $6M+ or 20% of request
- Green & Renewable Energy points moved to Narrative Based Scoring
- Points added for AHDs in Priority Populations
- Projects supporting First-Time Homebuyers earn points
- Updates to eligible Anti-Displacement activities

Key Changes

Application | Legal | Reporting Updates

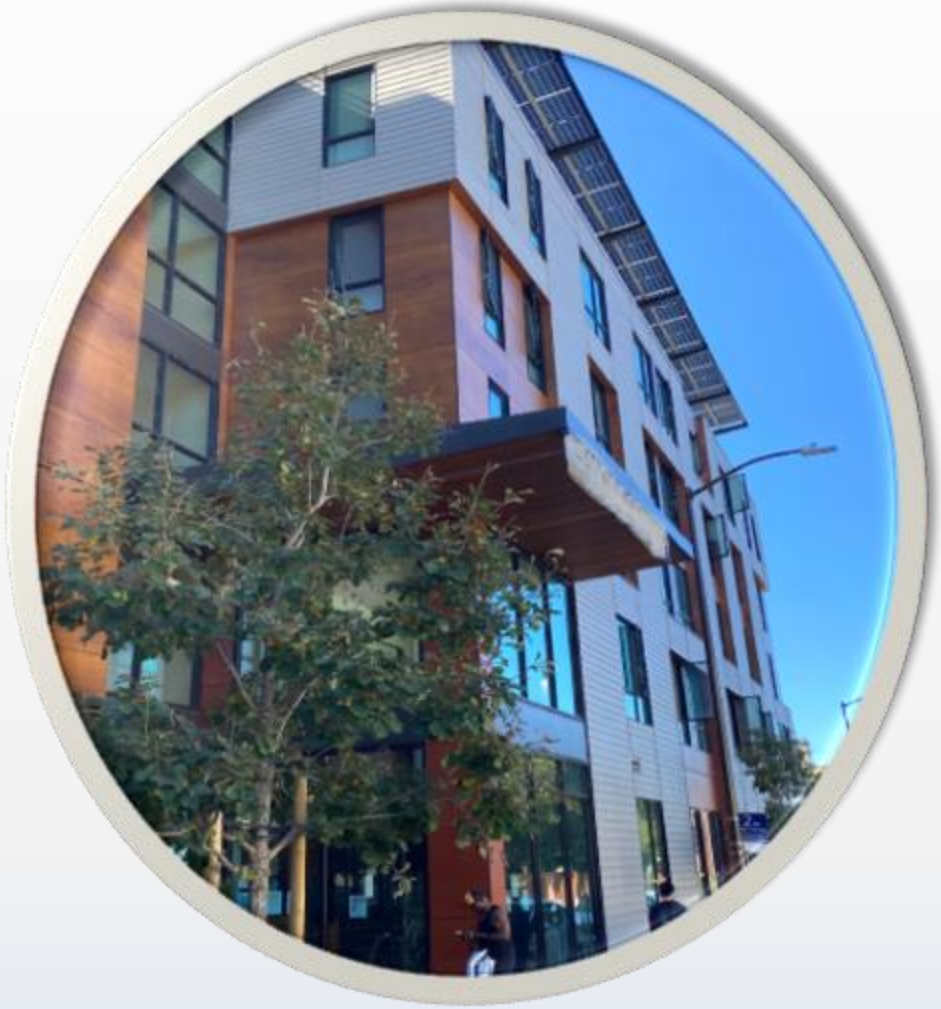
- New section listing required state/federal compliance
- State-sponsored technical assistance information
- Negative Points Policy applies to all responsible parties
- AB 680 Workforce Standards – Apply to all AHSC Projects
- New Environmental Tab in the Application

AHSC

Phase I: Threshold Review

Presented by: Flavio Cordero

Threshold: Program Requirements



Threshold Review Components

- Eligible Project
- Eligible Applicant
- Eligible Use of Program Funds
- GHG Reductions
- Complete Application

Threshold: Eligible Project

Project Area Types

- TOD
- ICP
- RIPA

Frequency of nearby transit is the primary differentiating requirement between the three PAT

Project Components

Must include at least one:

- STI and
- AHD or HRI

Project Funds

- Contiguous circular area
- 1 Transit stop
- Include all AHSC-funded STI

Threshold: Project Area Types

TOD Transit-Oriented Development	**ICP** Integrated Connectivity Project	**RIPA** Rural Innovation Project Area
Transit Station/Stop that is served by: • **High-Quality Transit** & • In operation at the time of application	Transit Station/Stop that is served by: • **Qualifying Transit** & • In operation at the time of application	Transit Station/Stop that is, or will be served by: • **Qualifying Transit** or **High-Quality Transit** & • In operation by the time a certificate of occupancy is provided
Located no farther than one-half (0.50) mile from the AHD along a Pedestrian Access Route		

Threshold: Eligible Project, cont.

Eligible AHD Capital Projects must:

- Contain five (5) or more units
- Be New Construction, Substantial Rehabilitation or Adaptive Reuse
- Shall not have commenced construction
- Location should meet the needs of the tenants

Threshold: Eligible Project, cont.

Net Density means the total number of dwelling units per acre of land to be developed for residential or mixed use, excluding allowed deductible areas.

Calculate Net Density using either:

Unit Count Calculation

Un-Adjusted Minimum Net Density		
Project Area Type	**Residential only Projects**	**Mixed-Use Projects (Floor Area Ratio)**
TOD	30 units per acre	>2.0
ICP	20 units per acre	>1.5
RIPA	15 units per acre	>0.75

Must Use Unit Count for quantification of GHG

Bedroom Count Calculation

Number Adjusted for Unit Size	
0 Bedroom	= 0.7 factor
1 Bedroom	= 0.9 factor
2 Bedroom	= 1.5 factor
3 Bedroom	= 1.6 factor
4 Bedroom	= 1.8 factor

Threshold: Eligible Project, cont.

All-Electric Design

- Projects must be powered entirely through electricity
- No connections to natural gas infrastructure

Eligible Costs include:

- Zero-emission generators
- Battery arrays
- Microgrids

High-Speed Internet

- AHD must offer high speed broadband internet
- Provided to each Assisted unit free of charge for 3 years
- Service may be funded by AHSC Program funds

Threshold: Eligible Project, cont.

Project Affordability:

- At least 20% of total residential units must be Affordable Units
- No greater than 50% average affordability of all Restricted Units represented by Area Median Income (AMI)

For Example:

A 30-unit project with 10 units restricted to 40% and 60% AMI the calculation of the average affordability would be as follows:

10 units @ 40% AMI → 10 x 40 = 400
10 units @ 60% AMI → 10 x 60 = 600
400 + 600 = 1000

1000 / 20 total units = average affordability of 50%

Unit Type	% of Area Median Income	Total Units
Rental	30%	4
Rental	40%	3
Rental	60%	8
Rental	30%	4

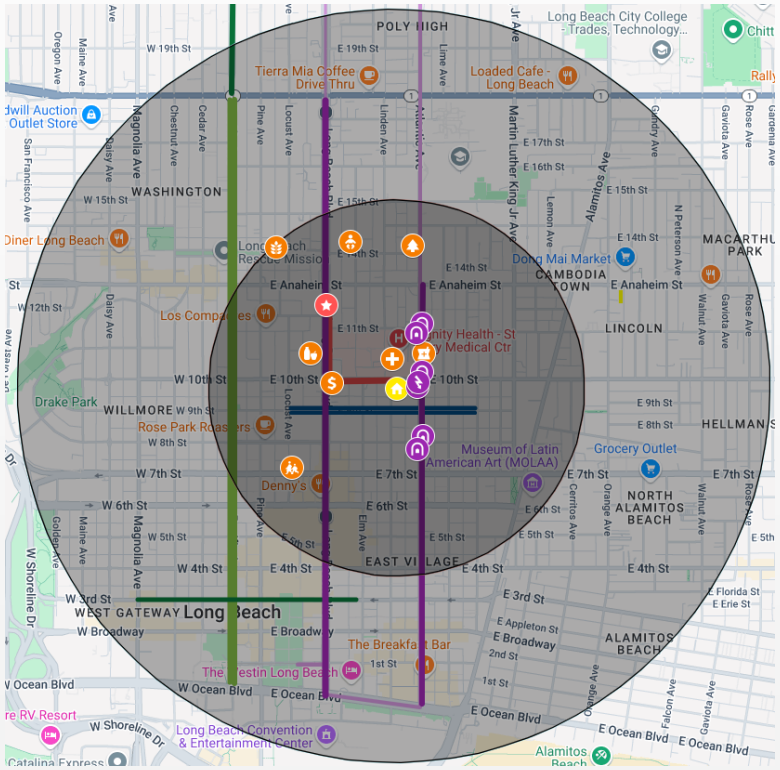
Threshold: Eligible Project, cont.

Project Area

Means the contiguous circular area measured from any single point inside the parcel of the AHD

Requirements:

- TOD and ICP - no greater than 1-mile radius
- RIPA – no greater than 2-mile radius
- May not contain more than one AHD Capital Project
- Scattered Sites – single point in one parcel to establish radius



Sustainable Transportation Improvements (STI)

May extend beyond boundaries of Project Area, but must include a pedestrian entrance to facility inside the Project Area

Threshold: Eligible Applicant Entities

- Locality
- Program Operator (PGM Component only)
- Developer
- Sponsor
- Tribal Entity

Threshold: Applicant Experience

Key Considerations:

- Applicant experience is attributable to an Eligible Applicant, not individual persons
- Eligibility is dependent on experience relevant to the specific Capital Project component

AHD projects must include:

- Unit Type
- Project Size
- Scope
- Unit Count
  - May not be cumulative
- Completion date

Threshold: Applicant Capacity

Capacity

- Adequate Staff
- Capital
- Assets and Resources

Past Performance

- Evidenced by Prior Developed Projects

Applicant(s) Organization Documents

- By-Laws or Operating Agreement
- Articles of Incorporation or Organization
- Resolution
- Must be in good standing with the Secretary of State

Threshold: Site Control

Sponsor/Developer must demonstrate Site Control:

- At time of application
- Maintained through award date
- Documentation in name of Sponsor/Developer, **or** an entity controlled by Sponsor/Developer
- Projects developed in Indian Country
  - Ground lease not less than 50 years, **and**
  - Title Report or status report from BIA

Threshold: Eligible Use of Funds - Housing

Affordable Housing Developments (AHD)

- Rental Projects (loan)
- Homeownership Projects (grant)

Housing-Related Infrastructure (HRI) (grant)

- Infrastructure improvements as a required Condition of Approval
- Factory Built Housing Components

Threshold: Eligible Use of Funds

Transit and Programs

Sustainable Transportation Infrastructure (STI) (grant)

- Buses, Train Cars, Bikeways, Sidewalks, Crosswalks, Ramps
- Bike Parking, Repair Kiosks, Urban Greening, Bus Shelters

Programs (PGM) (grant)

- Active Transportation Programs, Transit Passes, Air Pollution Reduction Programs, Internet Services, Workforce Development Programs, Low-Income ZEV Car Sharing, Tenant Education and Supportive Services

Threshold: GHG Reduction

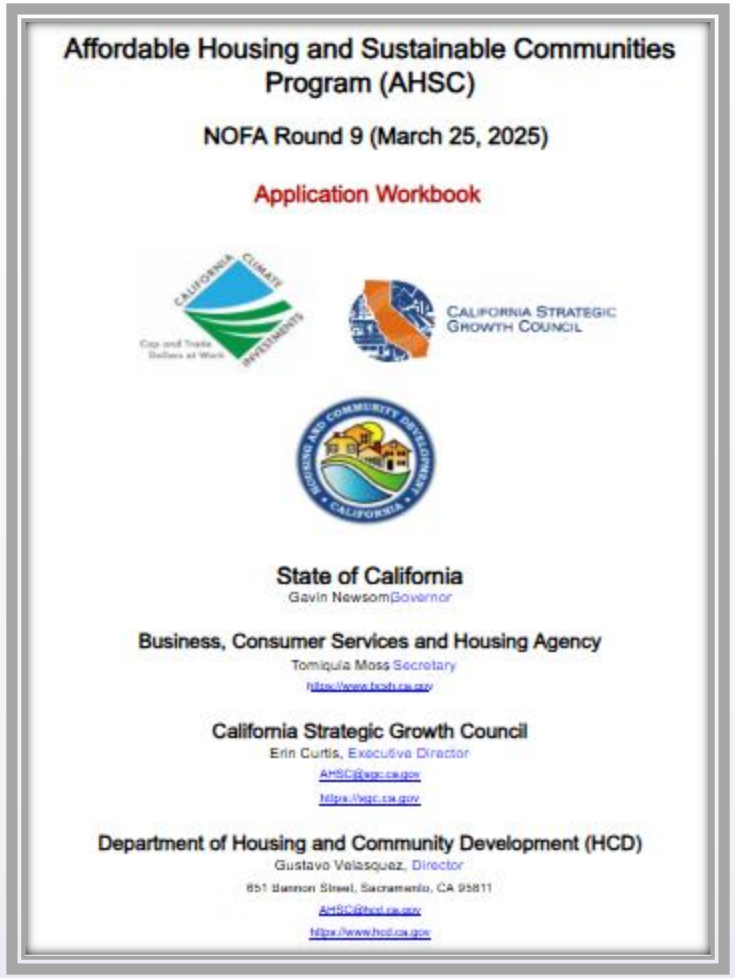
Fewer Vehicle Miles Traveled (VMT)

- Access to Key Destinations and Alternative Transportation Options

Transit Passes

- AHDs in jurisdiction with fare-based transit **must** provide transit passes:
  - At least **one** pass per **Assisted Unit** for at least **three years**
  - Minimum of 40 commute rides per month

Threshold: Complete Application


Affordable Housing and Sustainable Communities Program (AHSC)

NOFA Round 9 (March 25, 2025)

Application Workbook

State of California
Gavin Newsom Governor

Business, Consumer Services and Housing Agency
Tomiquia Moss Secretary

California Strategic Growth Council
Erin Curtis, Executive Director

Department of Housing and Community Development (HCD)
Gustavo Velasquez, Director
651 Bannon Street, Sacramento, CA 95811

- **Market Study**
- **Phase I or II ESA** (Environmental Site Assessment)
- **Appraisal –** if using land value
- **GHG Calculator Tool**
- **Preliminary Title Report**
- **Enforceable Funding Commitments**
- **Sustainable Community Strategies Planning Document**

AHSC

Phase II: Scoring

Presented by: Strategic Growth Council

Scoring

All scoring criteria will be applied to all **Projects**, regardless of the components present in each specific **Project**.

Three Scoring Categories	Points
GHG Reductions Scoring	30
Quantitative Policy Scoring	50
Narrative-Based Policy Scoring	20
Total	**100**

GHG Reductions Scoring – 30 Points

Transit and Shared Mobility GHG — **5 points**

- Transit and shared mobility project component(s)

Project Area GHG — **10 points**

- Affordable housing, active transportation, and/or grid-connected solar photovoltaic (PV) project component(s)

GHG Efficiency — **15 points**

- Total GHG emission reductions per AHSC dollar

GHG Emission Reductions Scoring Process

Emission reductions will be ranked from highest to lowest within each GHG category

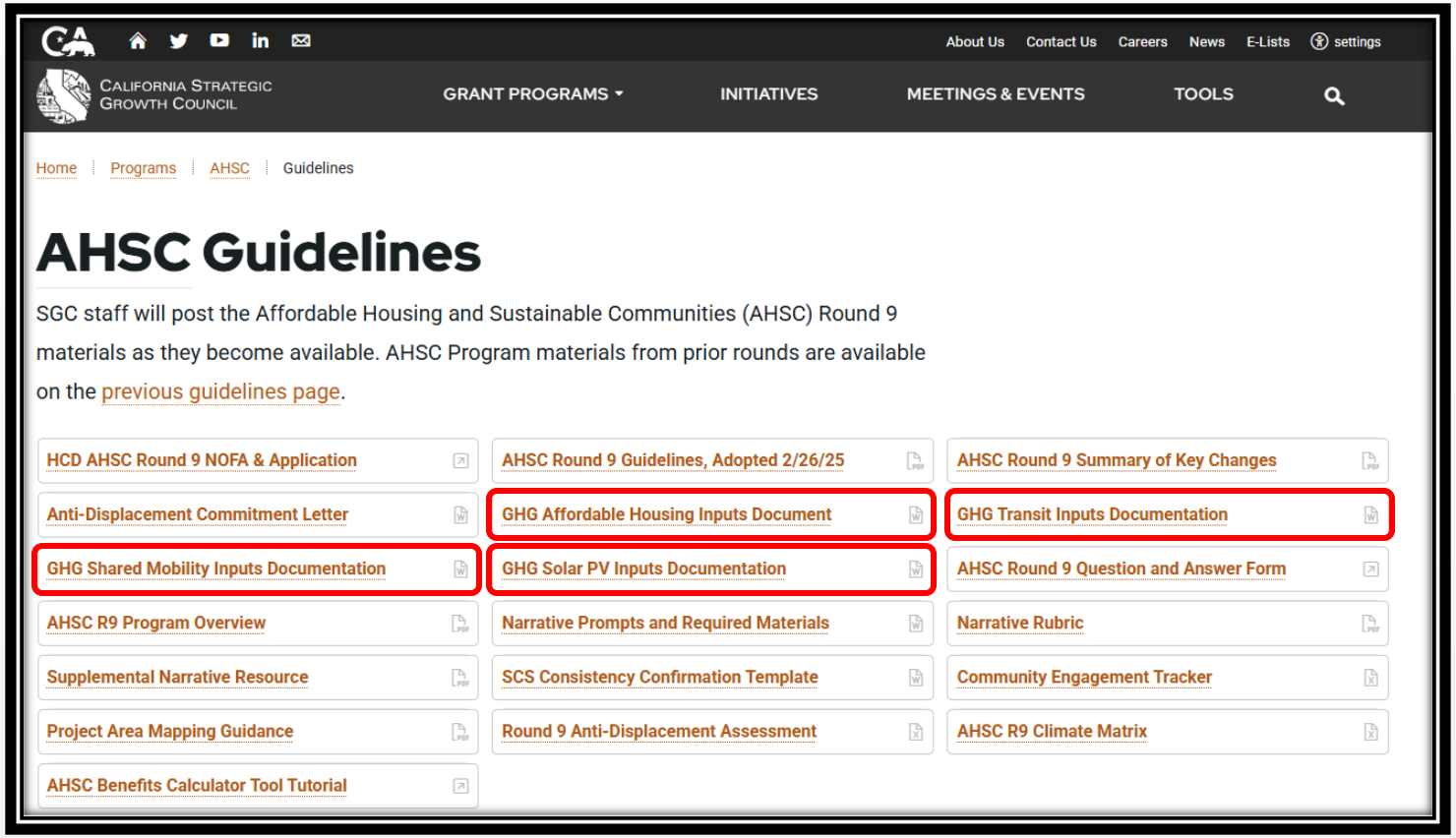
GHG Scoring Category	Bin 1	Bin 2	Bin 3	Bin 4	Bin 5
Transit and Shared Mobility GHG	5 points	4 points	3 points	2 points	1 point*
Project Area GHG	10 points	8 points	6 points	4 points	2 points
GHG Efficiency	15 points	12 points	9 points	6 points	3 points

Note: *Transit components resulting in a net increase in emissions will receive 0 points*

GHG Emission Reductions Scoring Process

GHG Inputs Documents

- Transit Inputs
- Solar PV Inputs
- Affordable Housing Inputs
- Shared Mobility Inputs



Additional information can be found in the AHSC QM User Guide

Quantitative Policy Scoring Process

Quantitative Policy Scoring Section	Max Points
Sustainable Transportation Infrastructure	**20 points**
Location Efficiency and Local Context	**14 points**
Housing Affordability and Funds Committed	**9 points**
Anti-Displacement Activities	**4 points**
Local Workforce Development and Hiring Practices	**3 points**
Total	**50 points**

Quantitative Policy Scoring

Sustainable Transportation Infrastructure

- **Context Sensitive Bikeway**
  - At least 2 lane miles of bikeway — **4 Points**
  - At least 1 lane mile of bikeway — **1 Point**
- **Expansion of Existing Bicycle Network**
  - Proposed bikeway must have entry point within Project area — **2 Points**
- **Safe and Accessible Walkways**
  - More than 2,000 continuous feet — **3 Points**
  - More than 1,000 but less than 2,000 feet — **1 Point**

Quantitative Policy Scoring

Sustainable Transportation Infrastructure Continued

- **New pedestrian facilities**
  - At least 1,000 continuous linear feet — **2 Points**
  - At least 500 continuous linear feet — **1 Point**
- **Improvements to a local bus route** — **Up to:**
  - That serves at least one (1) Transit Station/Stop inside the Project Area — **4 Points**
- **For STI:**
  - At least $9,000,000 or 30% of total funding request — **5 Points**
  - At least $6,000,000 or 15% of total funding request — **2 Points**

Quantitative Policy Scoring

Location Efficiency and Local Context – 14 Points Max

- **Up to 3 points** for number of **Key Destinations** within ½ mile of the **AHD:**
  - For **TOD** and **ICP** projects 1/3 of a point is given for each key destination
  - For **RIPA** projects 1/2 of a point is given for each key destination

- **3 points** for **Projects** that document any of the following:
  - Near an environmentally cleared High-Speed Rail Station
  - Funding the construction of community-identified components from another SGC program
  - An AHD which is to be developed on land disposed of in accordance with Executive Order (EO) N-06-19
  - Utilizing Surplus or Exempt Surplus Land

Quantitative Policy Scoring

Location Efficiency and Local Context Continued

- **1 point** for housing element in substantial compliance
- **2 points** for prohousing designation
- **Up to 5 points** for **Projects** that meet the following Priority Population criteria:
  - **Tribal Entity** is the **Developer** or **STI** partner — **5 Points**
  - **AHD** located in a **Disadvantaged Community** — **3 Points**
  - **AHD** located in a **Low-Income Community** — **2 Points**

Quantitative Policy Scoring

Housing Affordability & Funds Committed – 9 Points Max

- **4 points for Projects** that demonstrate committed funding
- **Up to 5 points as follows:**
  - Rental AHD – Extremely Low Income **Up to 3 Points**
  - Rental AHD 3+ Bedrooms – Extremely Low Income **Up to 2 Points**
  - Homeownership AHD – Low Income **Up to 5 Points**

Quantitative Policy Scoring

Anti-Displacement Activities

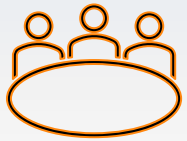
- **Up to 4 points** for **Projects** that commit to at least one eligible anti-displacement strategy

Local Workforce Development and Hiring Practices

- **Up to 3 Points** for **Projects** that implement eligible workforce development strategies with **Priority Populations** (1.5 points per strategy)

Narrative-Based Policy Scoring – 20 points

Narrative-Based Policy Scoring	Points
Climate Adaptation & Community Resiliency	7
Community Benefits & Engagement	6
Collaboration & Planning	4
Equity & Transformation	3
Total	**20**



Narrative-Based Policy Scoring

Narrative Updates

- Streamlined Narrative prompts
- Reduced repetitive information requests through auto-population in application workbook
- Allow applicants to describe urban greening and green building efforts in Narrative
- Updates to supplemental Narrative materials for clarity and ease of use

AHSC

Phase III: Feasibility Review

Presented by: Jeff Ford

Feasibility Review (Underwriting)

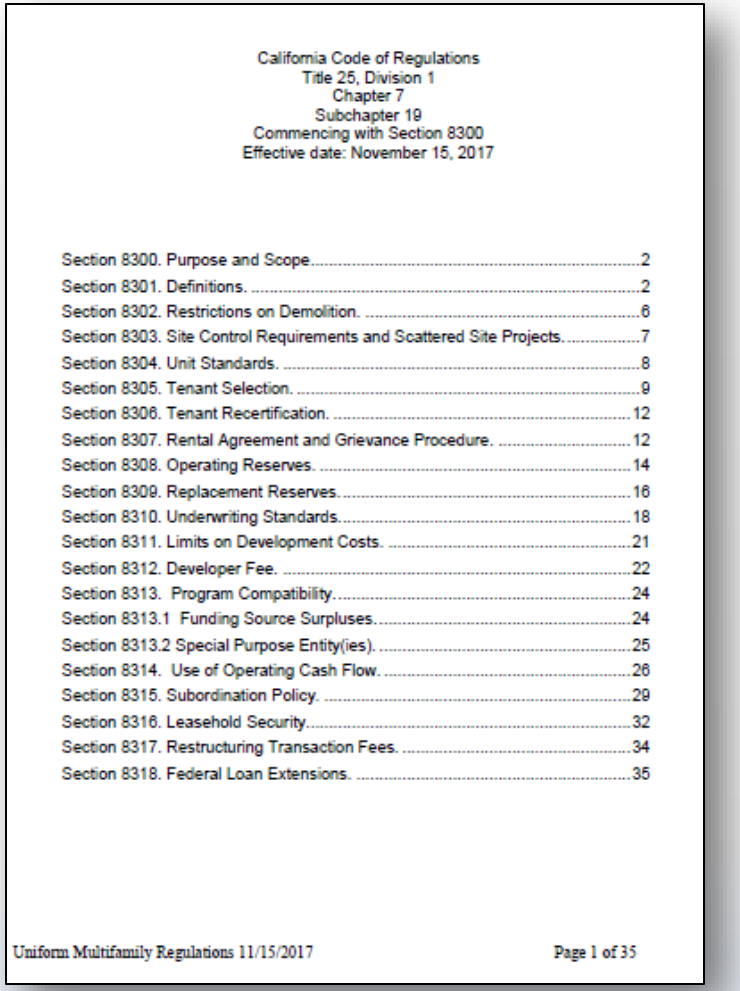
Projects that satisfy both Phase I & II will be reviewed

Feasibility focuses on:

- Sources & Uses
- Site Location
- Market Conditions

Source Guidance:

- UMR Section 8310
- AHSC Guidelines, §103.1(g)(3-5)



California Code of Regulations
Title 25, Division 1
Chapter 7
Subchapter 19
Commencing with Section 8300
Effective date: November 15, 2017

Section 8300. Purpose and Scope....2
Section 8301. Definitions....2
Section 8302. Restrictions on Demolition....6
Section 8303. Site Control Requirements and Scattered Site Projects....7
Section 8304. Unit Standards....8
Section 8305. Tenant Selection....9
Section 8306. Tenant Recertification....12
Section 8307. Rental Agreement and Grievance Procedure....12
Section 8308. Operating Reserves....14
Section 8309. Replacement Reserves....16
Section 8310. Underwriting Standards....18
Section 8311. Limits on Development Costs....21
Section 8312. Developer Fee....22
Section 8313. Program Compatibility....24
Section 8313.1 Funding Source Surpluses....24
Section 8313.2 Special Purpose Entity(ies)....25
Section 8314. Use of Operating Cash Flow....26
Section 8315. Subordination Policy....29
Section 8316. Leasehold Security....32
Section 8317. Restructuring Transaction Fees....34
Section 8318. Federal Loan Extensions....35

Feasibility Review: Key Items

- **Market Study** (3rd party, dated within 1 year)
- **Proof of Committed Funds**
- **Application Workbook Tabs**:
  - Unit Mix
  - Sources & Uses
  - AHD/HRI
  - Operating Budget
  - Supportive Services
  - Cash Flow
- **Total Development Cost**
- **Compliance with AHSC Guidelines & UMRs**

Feasibility Review: Dev Sources

AHSC Coverpage | Instructions | Project Overview | Applicants | Contact List | Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget

Construction and Perm Sources include funding type, amount of funding, etc.

Permanent						
Permanent	No	HRI	AHSC HRI Grant	State-HCD		
Permanent	No	AHD	AHSC AHD Funding	State-HCD		$13,200,000
Permanent	Yes	AHD	Tax-Exempt Bond Loan			$2,496,763
Permanent	Yes	AHD	No Place Like Home Loan	State-HCD		$2,314,665
Permanent	Yes	AHD	Infill Infrastructure Grant	State-HCD		$3,070,821
Permanent	Yes	AHD	Deferred Developer Fees	Private		$3,108,773
			Developer Fee Contribution			
			GP Equity			
Permanent	Yes	AHD	Gross Tax Credit Equity	4% tax credits		$18,115,634

IMPORTANT: Permanent Sources Terms

Permanent Terms						
Interest Rate		Repayment Terms			$259,788	$0
Rate	Type	Amortizing Period (yrs.)	Type	Due in (yrs.)	Required Residential Debt Service	Required Commercial Debt Service
3.00%	Fixed for Term	55	Residual Receipt	55	$55,400	
7.25%	Fixed for Term	30	FAM	30	$204,388	

Feasibility Review

Cost Alignment | Reasonability

Dev Sources | AHD-HRI S&U Budget | Operating | Supportive Services Costs | Cash Flow | STI Project Overview | STI S&U Budget | Certifications | HCD Reserves Calculator | High-Cost Verification

Total Development Cost = Permanent Sources

Construction Sources = Permanent Sources

High-Cost Verification Calculator

- Costs **>160%** are likely **not reasonable**

2025 TCAC Threshold Basis Limit (TBL) for HCD Developer Fee UMR §8312(b)&(c) and HCD High Cost Test for HCD Limits on Development Costs 2017 UMR §8311(a) & (b) Complete all yellow shaded cells.

Project Name: County: Project's Proposed Tax Credits:
HCD Phase: Origination

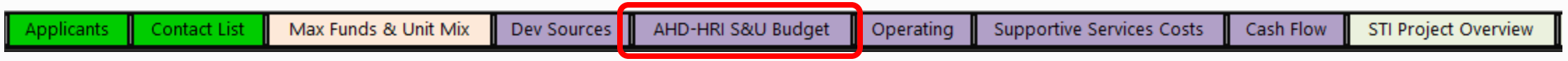
Unit Size	2025 TCAC Threshold Basis Limits (TBL)	# of Units	Basis x Number of Units		
				TOTAL **UNADJUSTED** THRESHOLD BASIS LIMIT (TBL):	$0
SRO/Studio		0	$0	TOTAL **HCD** ADJ. THRESHOLD BASIS LIMIT:	$0
1 Bedroom		0	$0	Adjusted Threshold Basis Limit multiplied by 160%:	$0
2 Bedrooms		0	$0	HCD HIGH COST TEST RESULT:	0%
3 Bedrooms		0	$0		
4+ Bedrooms		0	$0	**Total Eligible Basis**	$0

Manager Units in Project:	0	TOTAL UNITS:	0

ADJUSTMENTS Cal Code of Reg §10327(c)(5)(A-F)

(A)	Adjustment for Projects paid in whole or part out of public funds subject to a legal requirement for the payment of state or federal prevailing wages or financed in part by a labor-affiliated organization requiring the employment of construction workers who are paid at least state or federal prevailing wages (20%).		$0
	For Projects certifies that (1) they are subject to a Project labor agreement within the meaning of §2500(b)(1) of the Public Contract Code, or (2) they will use a skilled and trained workforce as defined by §25536.7 of the Health and Safety Code to perform all onsite work within an apprenticeable occupation in the building and construction trades (5%).		$0
(B)	For New construction Projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels (10%).		$0
(C)	For Projects where a day care center is part of the development (2%).		$0
(D)	For Projects where 100 percent of the units are for Special Needs populations (2%).		$0
(E)	Project applying under §10325 or §10326 of the TCAC regulations that includes one or more of the features below (up to 10%).		$0
(F)	Project requires seismic upgrading of existing structures, and/or requires toxic or other environmental mitigation as certified by the Project architect/ engineer (lesser of costs or 15% basis adjustment).		$0
	If Yes, select type of work:	Enter Certified Costs of Work:	
(G)	Local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required. **WAIVED IMPACT FEES ARE INELIGIBLE.**		
(H)	Projects where at least 95% of the Project's upper floor units are serviced by an elevator (10%).		$0
(I)	Projects wherein at least 95% of the building(s) is constructed as Type I as defined in the California Building Code, in which case, the Type III 10% increase below is not allowed (15%).		$0
(J)	Projects wherein at least 95% of the building(s) is constructed as (1) a Type III as defined in the California Building Code, or (2) a Type III/Type I combination, in which case, the Type I 15% increase above is not be allowed (10%).		$0
(K)	Projects within a county with an unadjusted 9% threshold basis limit for a 2-bedroom unit equal or less than $500,000 and within a census tract designated on the TCAC/HCD Opportunity Map as Highest or High Resource (10%).	No	$0
	County Eligibility:	TCAC/HCD Opportunity Area Map Tract ID #:	Opportunity Map Resource Level:

Feasibility Review: Dev Budget



Contractor Overhead & Profit

- ≤ 14%
- Excludes liability insurance

Separate individual costs

- Do not lump costs in a single line item
- If not, add notes in **Comments**

Hard Cost Contingency

- ≥ 5% for New Construction
- ≥ 10% for Acquisition Rehab / Adaptive Reuse

List items like:

- Prevailing wages
- Demolition / Relocation
- Remediation / Structures / Accounting

Feasibility Review: AHD-HRI S&U Budget

Applicants | Contact List | Max Funds & Unit Mix | Dev Sources | **AHD-HRI S&U Budget** | Operating | Supportive Services Costs | Cash Flow | STI Project Overview

"Other Costs" specified

- "Other costs" must be specified on the application
- Anytime an "Other" cost is added, remove "(Specify)" in parentheses and identify the cost.

Example:

Other Costs (Lender Costs)	$50,000
Other Costs (Specify)	$10,000
Other Costs (Specify)	$0

Feasibility Review: Operating Reserve

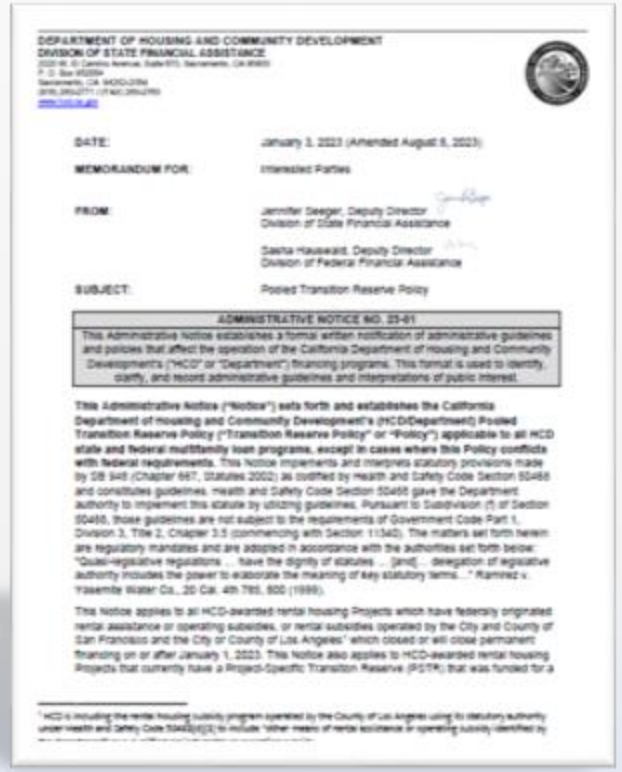
Supportive Services Costs | Cash Flow | STI Project Overview | STI S&U Budget | Certifications | HCD Reserves Calculator | High-Cost Verification | Developer Fee

Operating Reserve Calculator

1	Total Operating Expenses Excluding On-Site Service Coordinator Salaries. *Operating Budget Cell (S107) minus Operating Budget Cell (S100)*				TAX CREDIT Project 3 Month Reserve Required	NON-TAX CREDIT Project 4 Month Reserve Required
	(a) Total Operating Expenses:	$706,243	Amount subject to reserve calculation: *(a - b)*	$608,933	**$152,233**	**$202,978**
	(b) *Minus:* On-Site Service Coordinator Salaries:	$97,310				
2	Replacement Reserve amount from *above*: *(Cell AJ10)*			$42,000	**$10,500**	**$14,000**
3	Debt Service (including all HCD 0.42% Fees and Bond Issuer Fee)					
	Name of Lender *Operating Budget cells (D125 to D137)*			Annual Debt Service Amount	TAX CREDIT Project 3 Month Reserve Required	NON-TAX CREDIT Project 4 Month Reserve Required
	1st Mortgage Debt Service (Specify)			$198,601	$49,650	$66,200
	2nd Mortgage Debt Service (Specify)			$0	$0	$0
	3rd Mortgage Debt Service (Specify)			$0	$0	$0
	MHP .42% Fee			$55,637	$13,909	$18,546
	Other HCD .42% (Specify)			$0	$0	$0
	Other HCD .42% (Specify)			$0	$0	$0
	Bond Issuer Fee			$5,386	$1,347	$1,795
	Miscellaneous Financial Expenses (Specify)			$0	$0	$0
	Other (Specify)				$0	$0
	Totals			$259,624	**$64,906**	**$86,541**
	UMR Required Operating Reserve Amount:				**$227,639**	**$303,519**

Feasibility Review: Transition Reserve

Administrative Notice 23-01
Transition Reserve Policy



DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE

DATE: January 3, 2023 (Amended August 8, 2023)

MEMORANDUM FOR: Interested Parties

FROM: Jennifer Seeger, Deputy Director
Division of State Financial Assistance

Sasha Hauswald, Deputy Director
Division of Federal Financial Assistance

SUBJECT: Pooled Transition Reserve Policy

ADMINISTRATIVE NOTICE NO. 23-01

This Administrative Notice establishes a formal written notification of administrative guidelines and policies that affect the operation of the California Department of Housing and Community Development's ("HCD" or "Department") financing programs. This format is used to identify, clarify, and record administrative guidelines and interpretations of public interest.

This Administrative Notice ("Notice") sets forth and establishes the California Department of Housing and Community Development's (HCD/Department) Pooled Transition Reserve Policy ("Transition Reserve Policy" or "Policy") applicable to all HCD state and federal multifamily loan programs, except in cases where this Policy conflicts with federal requirements. This Notice implements and interprets statutory provisions made by SB 948 (Chapter 667, Statutes 2002) as codified by Health and Safety Code Section 50466 and constitutes guidelines. Health and Safety Code Section 50466 gave the Department authority to implement this statute by utilizing guidelines. Pursuant to Subdivision (f) of Section 50466, those guidelines are not subject to the requirements of Government Code Part 1, Division 3, Title 2, Chapter 3.5 (commencing with Section 11340). The matters set forth herein are regulatory mandates and are adopted in accordance with the authorities set forth below: "Quasi-legislative regulations ... have the dignity of statutes ... [and] ... delegation of legislative authority includes the power to elaborate the meaning of key statutory terms..." Ramirez v. Yosemite Water Co., 20 Cal. 4th 785, 800 (1999).

This Notice applies to all HCD-awarded rental housing Projects which have federally originated rental assistance or operating subsidies, or rental subsidies operated by the City and County of San Francisco and the City of County of Los Angeles[1] which closed or will close permanent financing on or after January 1, 2023. This Notice also applies to HCD-awarded rental housing Projects that currently have a Project-Specific Transition Reserve (PSTR) that was funded for a

[1] HCD is including the rental housing subsidy program operated by the County of Los Angeles using its statutory authority under Health and Safety Code 50462(b)(3) to include "other means of rental assistance or operating subsidy identified by

TOTAL	
Total Operating Subsidy:	$8,500,000
Divide Number of Years:	15
One Year's Worth:	$566,667
TR Pooling Fee	15%
Equals Fee Amount	$85,000

Annual	
First Years Max Subsidy:	$1,053,460
TR Pooling Fee	15%
Equals Fee Amount	$85,000

Feasibility Review: Operating Budget

Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget | Operating | Supportive Services Costs | Cash Flow | STI Project Overview

Important

Staff Costs

Employee Information

No.	FTE	Employee Job Title	Salary/Wages	Value of Free Rent	Comments
1	1.00	On-Site Manager(s)	$62,266	$0	
1	0.32	On-Site Assistant Manager(s)	$42,432	$0	
1		Supportive Services Staff Supervisor(s)	$10,000		
	0.50	Supportive Services Coordinator, On-Site	$25,000		
		Other Supportive Services Staff (inc. Case Manager)			
2	2.00	On-Site Maintenance Employee(s)	$96,858	$0	
		On-Site Leasing Agent/Administrative Employee(s)			
		On-Site Security Employee(s)			
		Other (specify)			
		Other (specify)			
		Total Salaries and Value of Free Rent Units	$236,556	$0	
6711		Payroll Taxes	$18,042		
6722		Workers Compensation			
6723		Employee Benefits	$36,058		
		Employee(s) Payroll Taxes, Workers Comp. & Benefits	$54,100	Show free rent as an expense?	
		Total Employee(s) Expenses	$290,656		

Employee Units

Income Limit	Job Title(s) of Employee(s) Living On-Site	Unit Type (No. of bdrms.)	Square Footage	Comments
None	On-Site Manager(s)	2	710	
	Total Square Footage		710	

Feasibility Review: Expenses & Debt

Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget | Operating | Supportive Services Costs | Cash Flow | STI Project Overview

Financial Expenses: 6800		
6820	1st Mortgage Debt Service	
6830	2nd Mortgage Debt Service	
6840	3rd Mortgage Debt Service	
6890	AHSC 0.42% Fee	
6890	Other HCD 0.42% (Specify)	
6890	Other HCD 0.42% (Specify)	
6890	Bond Issuer Fee	
6890	Miscellaneous Financial Expenses (specify)	
6890	Miscellaneous Financial Expenses (specify)	
6890	Miscellaneous Financial Expenses (specify)	
6890	Miscellaneous Financial Expenses (specify)	
6800T	Total Financial Expenses	$0
	Cash Flow	$0
7190	Asset Management/Similar Fees	

Include:

- Amortized loans
- 0.42% HCD loan payment
- Bond issuer fees
- Asset mgmt. fees

Management fees per UMR §8314

- Capped at $40,887 (2025)

Debt Service Coverage Ratio (DSCR)

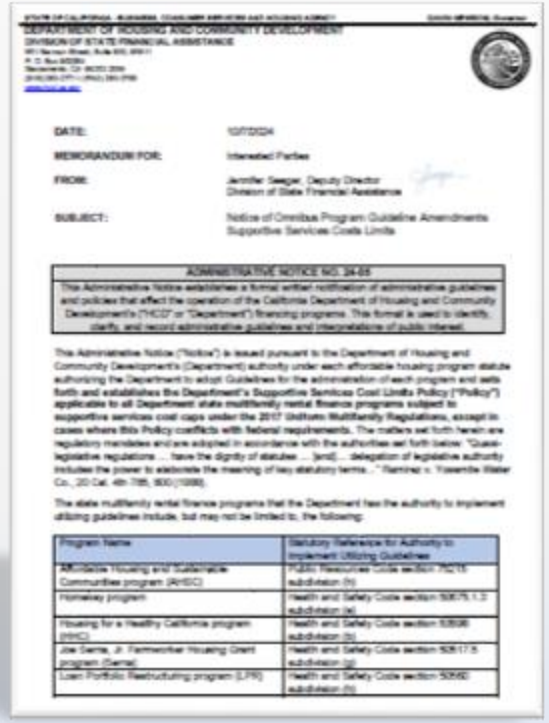
- Inaccurate numbers:
  - Affect DSCR
  - Impact cash flow analysis

Feasibility Review: Supportive Services

AHD-HRI S&U Budget | Operating | Supportive Services Costs | Cash Flow | STI Project Overview | STI S&U Budget | Certifications

Administrative Notice 24-05

[Supportive Services Costs Limits Notice]



DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE

DATE: 10/7/2024
MEMORANDUM FOR: Interested Parties
FROM: Jennifer Seeger, Deputy Director, Division of State Financial Assistance
SUBJECT: Notice of Omnibus Program Guideline Amendments Supportive Services Costs Limits

ADMINISTRATIVE NOTICE NO. 24-05

This Administrative Notice establishes a formal written notification of administrative guidelines and policies that affect the operation of the California Department of Housing and Community Development's ("HCD" or "Department") financing programs. This format is used to identify, clarify, and record administrative guidelines and interpretations of public interest.

This Administrative Notice ("Notice") is issued pursuant to the Department of Housing and Community Development's (Department) authority under each affordable housing program statute authorizing the Department to adopt Guidelines for the administration of each program and sets forth and establishes the Department's Supportive Services Cost Limits Policy ("Policy") applicable to all Department state multifamily rental finance programs subject to supportive services cost caps under the 2017 Uniform Multifamily Regulations, except in cases where this Policy conflicts with federal requirements. The matters set forth herein are regulatory mandates and are adopted in accordance with the authorities set forth below. "Quasi-legislative regulations . . . have the dignity of statutes . . . [and] . . . delegation of legislative authority includes the power to elaborate the meaning of key statutory terms . . ." Ramirez v. Yosemite Water Co., 20 Cal. 4th 785, 800 (1999).

The state multifamily rental finance programs that the Department has the authority to implement utilizing guidelines include, but may not be limited to, the following:

Program Name	Statutory Reference for Authority to Implement Utilizing Guidelines
Affordable Housing and Sustainable Communities program (AHSC)	Health and Safety Code section 75215 subdivision (h)
Homekey program	Health and Safety Code section 50675.1.3 subdivision (a)
Housing for a Healthy California program (HHC)	Health and Safety Code section 53560 subdivision (h)
Joe Serna, Jr. Farmworker Housing Grant program (Serna)	Health and Safety Code section 50517.5 subdivision (g)
Loan Portfolio Restructuring program (LPR)	Health and Safety Code section 50462 subdivision (h)

Restrictions for Supportive Services Cost:

NOTE: This Supportive Services Cost Limit tool is only used for projects subject to the 2017 UMRs or subsequent amendments. Complete all yellow shaded cells.

Has or will this Project receive HCD HOME, HOME-ARP, or NHTF funding: **Yes**

Supportive Services Costs tab:

A. Supportive Services Units:	Total number of Units: 62	Certification Year - select budget reporting period year: 2025	Total Units	Max PUPY Expense	Max Costs
(1) UMR §8314(e)(1): Total number of Supportive Housing (SH) Units anticipated to be restricted to individuals or families experiencing chronic homelessness as defined consistent with Health and Safety Code (HSC) §50675.14.			12	$4,971	$59,652
(2) UMR §8314(e)(2): Total number of Supportive Housing (SH) Units (other than those restricted to individuals or families experiencing chronic homelessness pursuant to HSC §50675.14), PLUS the total number of Units restricted to occupancy by Special Needs Populations (SNP)* under any HCD program. Do not include Units included in (1) above.			0	$3,728	$0
(3) UMR §8314(e)(3): Total number of Units where the Sponsor, their affiliate, or a service provider under contract to provide Supportive Services at the Project has both: (A) qualified staff devoted exclusively to oversight and quality control of resident services in affordable housing, including the Project; and (B) a system to track and report on tenant outcomes, such as changes in employment status and income. Do not include Units included in items (1) and (2) above.			0	$1,281	$0
(4) UMR §8314(e)(4): Total number of Units anticipated to be offered Supportive Services provided by the Project Sponsor, a Sponsor affiliate, or contracted service provider that do not satisfy the criteria in items (1), (2) and (3) above.			50	$305	$15,250
(5) Maximum Supportive Services Costs			62		$74,902

Feasibility Review: Supportive Services

AHD-HRI S&U Budget | Operating | **Supportive Services Costs** | Cash Flow | STI Project Overview | STI S&U Budget | Certifications

Has or will this Project receive HCD HOME, HOME-ARP, or NHTF funding: **No**

Has or will this Project receive only HCD VHHP funding: **Yes**

Operating Budget Cell E111 Total Supportive Services Costs cannot exceed

s - from above	$25,000
ries, On-Site - from above	$75,000
Staff Salaries - from above	$0
n Overhead	$5,500
Costs (specify)	
Costs (specify)	
Total Supportive Services Costs	$105,500

A. Supportive Services Units:	Total number units: 62	Certification Year - select budget reporting period year: 2025	**Total Units**	**Max PUPY Expense**	**Max Costs**
(1) Total number of units: **(A)** for supportive housing restricted to individuals or families experiencing chronic homelessness or homelessness, as defined consistent with Health and Safety Code (HSC) §50675.14[1]; and **(B)** for supportive housing units restricted to occupancy by special needs populations under HCD programs subject to Administrative Notice 24-05 ("Special needs population" has the same meaning as set forth in individual program guidelines); units anticipated to be restricted to individuals or families experiencing chronic homelessness as defined consistent with HSC §50675.14. [1]For units assisted by the HCD Veterans Housing and Homelessness Prevention (VHHP) program, this category includes Supportive Housing Units restricted to Veterans who are experiencing Chronic Homelessness, units restricted to persons who are experiencing Chronic Homelessness by another public agency program, Supportive Housing Units restricted to Veterans with a Disability Experiencing Homelessness, and other Units restricted to persons who are Veterans with a Disability Experiencing Homelessness. (Capitalized terms in this footnote have the same meaning as those set forth in the VHHP guidelines.)			12	$10,000	$120,000
(2) Total number of other units[2] where the Sponsor, their affiliate, or a service provider under contract to provide Supportive Services at the Project has both: **(A)** qualified staff devoted exclusively to oversight and quality control of resident services in affordable housing, including the Project; and **(B)** a system to track and report on tenant outcomes, such as changes in employment status and income. Do not include units counted in category (1) above. [2]For units assisted by the VHHP program, this category includes Units that are restricted to Extremely Low-Income households, but not to Veterans who are experiencing Chronic Homelessness or Veterans with a Disability Experiencing Homelessness. (Capitalized terms in this footnote have the same meaning as those set forth in the VHHP guidelines.)			0	$4,000	$0
(3) Except as noted below for the VHHP program, total number of units where the Sponsor, their affiliate, or a service provider under contract does not satisfy the requirements set forth in subsection **(2)** above[3]. Do not include units counted in categories (1) and (2) above. [3]For units assisted by the VHHP program, the amount for this category of units will remain as currently allowed under this program.			50	$997	$49,850
(4) Maximum Supportive Services Costs			**62**		**$169,850**

Maximum Supportive Services Costs from calculator

Feasibility Review: Supportive Services

Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget | Operating | Supportive Services Costs | Cash Flow | STI Project Overview

Operating Budget – Supportive Services Costs: 6900

Supportive Services Costs: 6900				Comments	Max allowed
6990	Staff Supervisor(s) Salaries - from above	$25,000			11,250
6990	Services Coordinator Salaries, On-Site - from above	$75,000			
6990	Other Supportive Services Staff Salaries - from above	$0			
6990	Supportive Services Admin Overhead	$5,500			15,825
6990	Other Supportive Services Costs (specify)				
6990	Other Supportive Services Costs (specify)				
6900T	Total Supportive Services Costs	$105,500	$0		

Answer YES, UMR limits apply

Position	UMR
Staff Supervisor Salaries	10%
Administrative Overhead	15%

Answer NO, Memo limits apply

Position	Admin Memo 24-05
Staff Supervisor Salaries	15%
Administrative Overhead	15%

Feasibility Review: Cash Flow & DSCR

AHD-HRI S&U Budget | Operating | Supportive Services Costs | **Cash Flow** | STI Project Overview | STI S&U Budget | Certifications

DEBT SERVICE	Year 1
1st Mortgage Debt Service (Specify)	$609,200
2nd Mortgage Debt Service (Specify)	$0
3rd Mortgage Debt Service (Specify)	$0
HCD (AHSC) .42% Debt Service Fee	$79,193
Other HCD (Specify)	$0
Bond Issuer Fee	$9,740
Misc. Financial Expenses: (Specify)	$0
TOTAL REQUIRED DEBT SERVICE	$698,133

CASH FLOW after all debt service	Year 1
	$129,368
DEBT SERVICE COVERAGE RATIO	1.19

DSCR between 1.10 – 1.20

DEBT SERVICE	Year 1
1st Mortgage Debt Service (Specify)	$71,882
Bridge Loan (repaid from Investor equity)	
2nd Mortgage Debt Service (Specify)	$0
3rd Mortgage Debt Service (Specify)	$0
HCD (AHSC) .42% Debt Service Fee	$72,286
Other HCD (Specify)	$0
Other HCD (Specify)	$0
Other HCD (Specify)	$0
Bond Issuer Fee	$0
Misc. Financial Expenses: (Specify)	$0
TOTAL REQUIRED DEBT SERVICE	$144,168

CASH FLOW after all debt service	Year 1
	$67,971
DEBT SERVICE COVERAGE RATIO	1.47

DSCR below 1.10 or above 1.20, exceptions <u>may</u> apply per UMR's

Ten Minute
Break

AHSC Round 9

Application Workbook

Presented by: Mae Dao

Application Workbook: Location

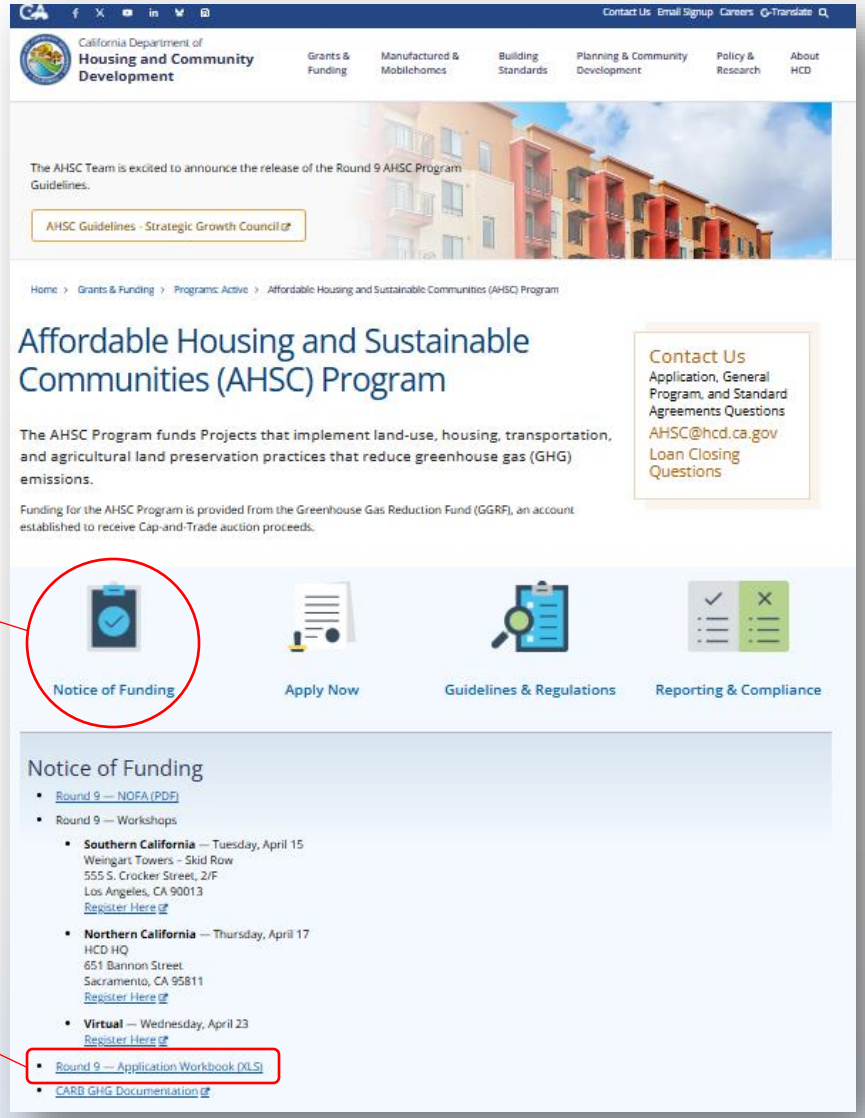
Navigate to the AHSC Round 9 Webpage

https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities

Click on Notice of Funding

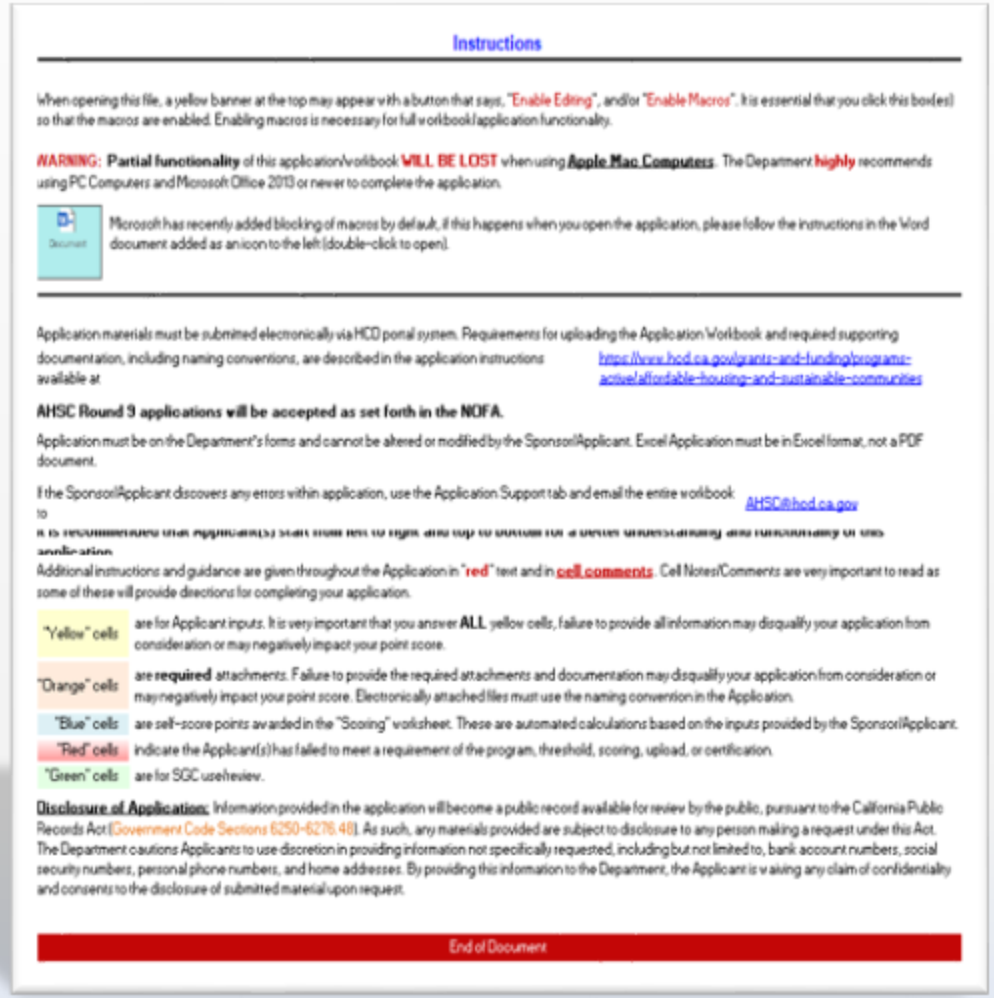
The Round 9 Application Workbook link will appear in the list

ahsc-rd-9-application.xlsm



Application Workbook: Instructions Tab

AHSC Coverpage | Instructions | Project Overview | Applicants | Contact List | Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget



Instructions

When opening this file, a yellow banner at the top may appear with a button that says, "Enable Editing", and/or "Enable Macros". It is essential that you click this box(es) so that the macros are enabled. Enabling macros is necessary for full workbook/application functionality.

WARNING: **Partial functionality** of this application/workbook **WILL BE LOST** when using **Apple Mac Computers**. The Department **highly** recommends using PC Computers and Microsoft Office 2013 or newer to complete the application.

Microsoft has recently added blocking of macros by default. If this happens when you open the application, please follow the instructions in the Word document added as an icon to the left (double-click to open).

Application materials must be submitted electronically via HCD portal system. Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available at https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities

AHSC Round 3 applications will be accepted as set forth in the NOFA.

Application must be on the Department's forms and cannot be altered or modified by the Sponsor/Applicant. Excel Application must be in Excel format, not a PDF document.

If the Sponsor/Applicant discovers any errors within application, use the Application Support tab and email the entire workbook to AHSC@hcd.ca.gov

Additional instructions and guidance are given throughout the Application in "**red**" text and in **cell comments**. Cell Notes/Comments are very important to read as some of these will provide directions for completing your application.

"Yellow" cells	are for Applicant inputs. It is very important that you answer **ALL** yellow cells, failure to provide all information may disqualify your application from consideration or may negatively impact your point score.
"Orange" cells	are **required** attachments. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Application.
"Blue" cells	are self-score points awarded in the "Scoring" worksheet. These are automated calculations based on the inputs provided by the Sponsor/Applicant.
"Red" cells	indicate the Applicant(s) has failed to meet a requirement of the program, threshold, scoring, upload, or certification.
"Green" cells	are for SGC use/review.

Disclosure of Application: Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (Government Code Sections 6250-6276.48). As such, any materials provided are subject to disclosure to any person making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, social security numbers, personal phone numbers, and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

End of Document

Application workbook functionality:

- Enable macros before entering any information
- Use a Microsoft computer vs. Apple/Mac
- Use Office 2013 or newer version
- Always work the Application from left to right and top to bottom
- Yellow cells must be answered (Yes / No / N/A)
- Utilize guidelines and NOFA when completing application

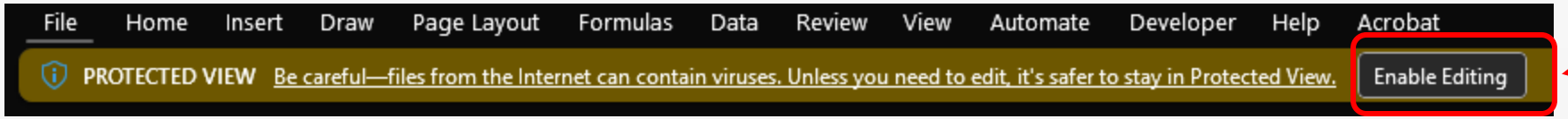
Guideline references in orange text:

Applicant(s) acknowledges and certifies that the **Project Area** meets all requirements specified in §102.

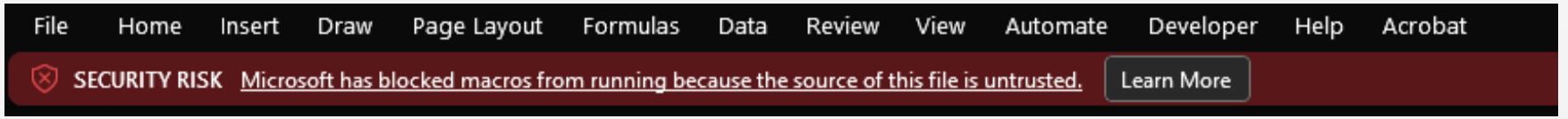
Application Workbook: Enable Editing

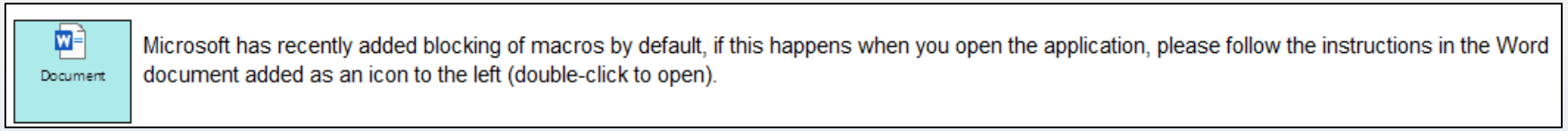
Refer to Instructions tab for detailed steps to:

- Enable Editing
- Unblock Macros



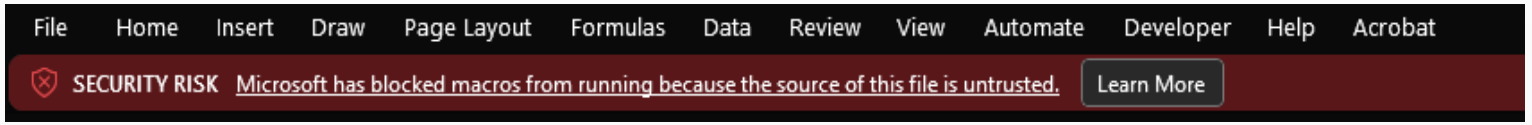
Must enable to proceed





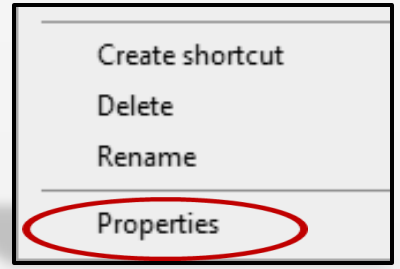
Application Workbook: Unblock Macros

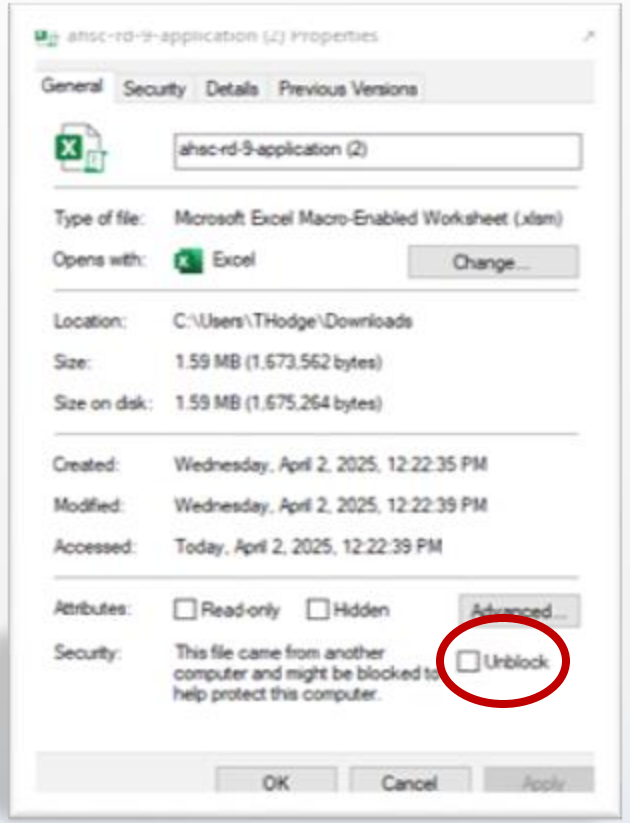
Security Risk Warning



Complete the following steps:

- Save and close the application
- Re-open the application and Enable Editing
  - If Security Risk disappears, proceed
- If Security Risk persists:
  - Close the application
  - Right-click on the downloaded application excel file
  - Choose Properties from the menu
  - Select Unblock checkbox
  - Click Apply then OK





Application Workbook: What's New

New Tabs!

Applicants	Supportive Services Costs	STI Project Overview	PGM Project Overview	Certifications	Local Enviro Verification

Application Workbook Updates

Added Tabs

- Applicants
- Supportive Services Costs
- STI Project Overview
- PGM Project Overview
- Certifications
- Local Enviro Verification

Deleted Tabs

- AHD Dev Budget
- Threshold Requirements
- CARB Info

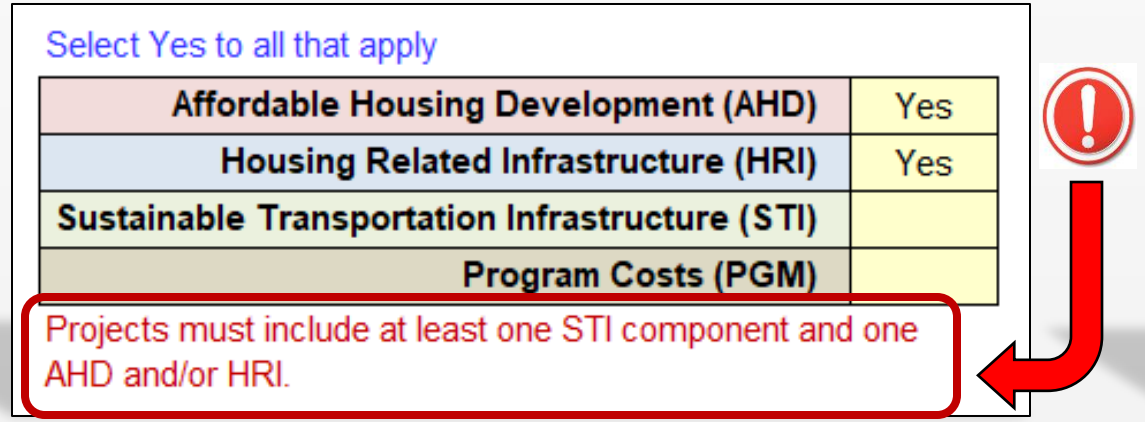
New! Dev Budget is now the AHD-HRI Sources & Uses Budget tab

Residential Sources and Uses Budget				Eligible Basis	
Grand Totals	$70,000,000	$70,000,000	$0	$55,000,000	$0
USES OF FUNDS Soft cost in red (total AHSC AHD below) $0	Total Project Costs	Total Project Costs - Residential Cost/Sources	Total Project Costs - Commercial Cost/Sources	30% PVC for New Const/Rehab	30% PVC for Acquisition
HRI TOTAL PROJECT COSTS	$0	$0		$0	$0
AHD TOTAL PROJECT COSTS	$70,000,000	$70,000,000	$0	$55,000,000	$0
TOTAL PROJECT COSTS (AHD & HRI)	$70,000,000	$70,000,000	$0	$55,000,000	$0

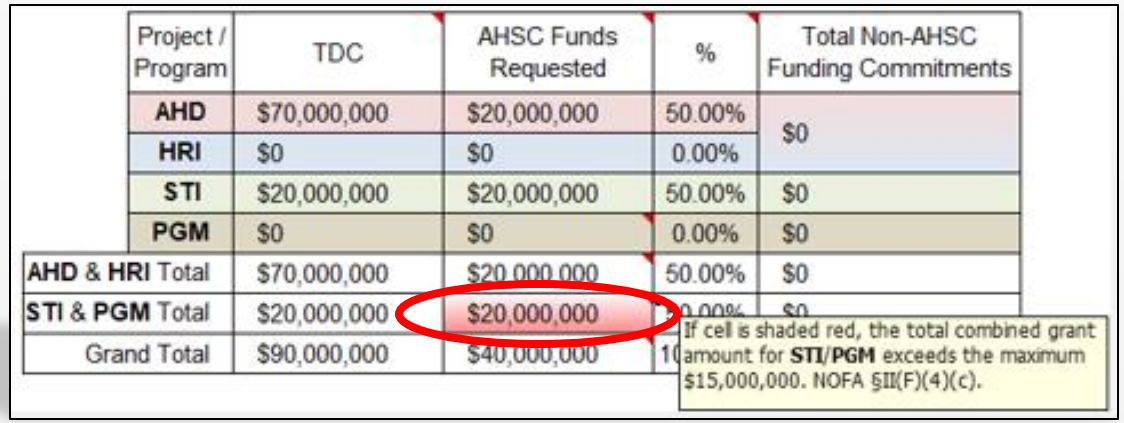
Application Workbook: Red Indicators

Red font or red highlighted cells indicate requirements are either not met, inaccurate, incomplete or there is missing information

Red Font example:

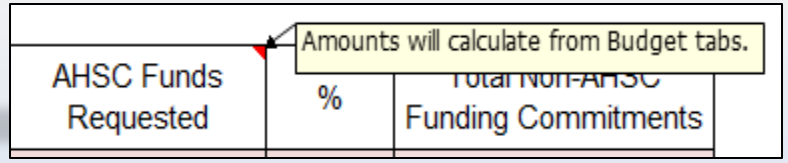


Red highlighted cell example:



Red "carrot" is a Tool Tip:

- Hover to reveal tip



Application Workbook: Applicants Tab

Applicant Entity Names

Applicant #1	Entity name	ABC Entity		
Eligible applicant type	Sponsor		Organization type	Non-profit Corporation
File Name:	053. App1 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Uploaded to HCD?	
File Name:	054. App1 OrgDoc1, OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Uploaded to HCD?	

Applicant #2	Entity name	City of XYZ		
Eligible applicant type	Locality		Organization type	Public Agency
File Name:	060. App2 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Uploaded to HCD?	
File Name:	061. App2 OrgDoc1, OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Uploaded to HCD?	

Enter all Applicant Entities associated with the Project

Up to 4 Applicants – Owner/Borrower, MGP, & AGP

Application Workbook: Applicants Tab

AHSC Coverpage | Instructions | Project Overview | **Applicants** | Contact List | Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget

Applicant #1 must be Sponsor/Developer with AHD/HRI experience & capacity

Complete all Project Staffing Chart fields

Does **Sponsor/Applicant** #1 certify to have successful prior ownership and development of affordable rental housing?	Yes
Do you certify that the **Sponsor/Applicant** #1 employs experienced staff without reliance upon another entity or parent company?	Yes
Do you certify that the **Sponsor/Applicant** #1 has sufficient financial capacity to provide payroll and employment benefits to staff without reliance upon another entity or parent company?	Yes
Do you certify that the **Sponsor/Applicant** has sufficient financial capacity to carry out its obligations pursuant to Program requirements including, but not limited to providing financial guarantees without reliance upon another entity or parent company?	Yes

Complete all certification questions

Project Staffing Chart

Staff type	Employee / Consultant full name	Position title	Full time / Part time	% of time dedicated to this project
Employee	Bob	Project Manager	Full time	100%

Provide 2 comparable projects for requisite experience

AHD requisite experience - Past **Projects**:

Quantities used for demonstration of experience may not be cumulative across multiple projects, phases, and **Developers/Sponsors/Applicants.**

AHD name #1		Any other names **AHD** has been known by:									
Name of Applicant demonstrating requisite experience	0							Placed In Service (PIS) Date			
Project address:				City:		State:		Zip:			
Meets ten year requirement?	FALSE	PIS term		Total units		Total square feet		Number of stories		Commercial	
Development type											

Application Workbook: Applicants Tab

Payee fields open based on components selected in Project Overview tabs and allow up to:

- One AHD entry
- Two HRI entries
- Five STI entries
- Six PGM entries

A **Recipient** of **Department** funds must remain liable for performing all requirements of the award of funds as set forth in the Standard Agreement. Where there are multiple **Recipients**, all such **Recipients** must remain jointly and severally liable to the **Department** for that performance. Notwithstanding the foregoing, **Recipients** may indemnify each other by entering into agreements with one another as to individual **Capital Projects**. In no event will any such agreement alter, amend, or revoke each individual **Recipient's** obligations to the **Department**, including the joint and several liability.

Payee of **AHD** loan:	Bob the Builder
Payee(s) of **HRI** grant 1:	City of Dinuba
Payee(s) of **HRI** grant 2:	
Payee(s) of **STI** grant 1:	Dinuba Transit
Payee(s) of **STI** grant 2:	
Payee(s) of **STI** grant 3:	
Payee(s) of **STI** grant 4:	
Payee(s) of **STI** grant 5:	
Payee(s) of **PGM** grant 1:	Dinubas Finest Services
Payee(s) of **PGM** grant 2:	
Payee(s) of **PGM** grant 3:	
Payee(s) of **PGM** grant 4:	
Payee(s) of **PGM** grant 5:	
Payee(s) of **PGM** grant 6:	

Application Workbook

AHD-HRI S&U Budget Tab

- Permanent Sources of Funds headers will populate from the Dev Sources Tab
- If amounts do not match, cell will change to “Red”
- For “Other” costs, you will need to specify what these are

Permanent						
Permanent	No	HRI	AHSC HRI Grant	State-HCD		$0
Permanent	No	AHD	AHSC AHD Funding	State-HCD		$20,000,000
			Tax-Exempt Bond Loan			$55,000,000

Residential Sources and Uses Budget				Eligible Basis		Permanent Sources of Funds		
Grand Totals	$70,000,000	$70,000,000	$0	$55,000,000	$0	$0	$20,000,000	$50,000,000
USES OF FUNDS Soft cost in red (total AHSC AHD below) $0	Total Project Costs	Total Project Costs - Residential Cost/Sources	Total Project Costs - Commercial Cost/Sources	30% PVC for New Const/Rehab	30% PVC for Acquisition	AHSC HRI Grant	AHSC AHD Funding	Tax-Exempt Bond Loan

Application Workbook: Subsidies

AHSC Coverpage | Instructions | Project Overview | Applicants | Contact List | Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget

Project Overview Tab → Complete Income from Subsidies section:

Income from subsidies

Rental Subsidy?	Yes	Projects having or proposing project-based rental assistance must provide documentation of current contract Rents. A fully executed subsidy contract shall be required prior to permanent loan closing.		
Subsidy Program Name:	ABC Project Based Vouchers		Contract Term: (enter in years)	20
Subsidy Program Name:			Contract Term: (enter in years)	
Subsidy Program Name:			Contract Term: (enter in years)	

Subsidy information from Project Overview feeds over to the Unit Mix section

ABC Project Based Vouchers		N/A		N/A		Annual Net		
						Annual Net Restricted Rent		
Monthly Gross Subsidy Contract Rent Amount	Subsidy Units	Monthly Gross Subsidy Contract Rent Amount	Subsidy Units	Monthly Gross Subsidy Contract Rent Amount	Subsidy Units	# of Baths	Square Feet	Building Type

Application Workbook: Unit Mix - Subsidies

AHSC Coverpage | Instructions | Project Overview | Applicants | Contact List | Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget

Subsidy section now has a Gross Subsidy Contract Rent field

	Gross Proposed Monthly Rent	[1]Monthly Utility Allowance	ABC Project Based Vouchers: Monthly Gross Subsidy Contract Rent Amount	ABC Project Based Vouchers: Subsidy Units
Incorrect	$576	$50	$500	6
Correct	$576	$50	$1,076	6

If RAD or other vouchers only provide a subsidized amount the rent PLUS the subsidy will need to be entered in the Unit Mix as the Gross Subsidy Contract Rent

	Proposed Rents Net Subsidy Rent		
	Net Subsidy Rent	N/A Net Subsidy Rent	N/A Net Subsidy Rent
Incorrect	-$456	$0	$0
Correct	$3,000	$0	$0

Application Workbook: STI / PGM Overview

Supportive Services Costs | Cash Flow | STI Project Overview | STI S&U Budget | PGM Project Overview | PGM S&U Budget | Certifications | HCD Reserves Calculator

STI Project Overview

Sustainable Transportation Infrastructure (STI)

STI #1	Type of Project	Bike					
Project Name:	ABC Street Bike Path			Address:			
City:		Zip Code:		County:		Latitude:		Longitude:	
Work To Be Completed By:				Name:			

§103(f) STI experience - STI #1

Provide two completed projects to demonstrate previous experience comparable to STI #1

Past experience **STI** name:				Placed In Service (PIS) Date	
Project address:		City:		State:		Zip:	
Name of demonstrating experience							
Meets ten year requirement?	FALSE	PIS term		(years)			
Type of Project	Bike						

Application Workbook

STI / PGM S&U Budget Tab

Supportive Services Costs | Cash Flow | STI Project Overview | STI S&U Budget | PGM Project Overview | PGM S&U Budget | Certifications | HCD Reserves Calculator

Project Name and Funding Commitments feed from the STI / PGM Project Overview Tab to the STI / PGM S&U Budget Tab

§103.1(g)(4) STI Enforceable Funding Commitments

Committed by Application time?	Commitment Date	Source Name (listed in order of lien priority)	Source Type	Lien No.	Amount	Interest Rate		Term - # of months	Required Debt Service	Balloon?
						Rate	Type			
Yes		**AHSC STI** Grant	State-HCD		$1,000,000					
Yes	4/3/25	City of XYZ IIG grant	Local		$500,000					
*Total Committed Non-AHSC **STI** Funds*	$500,000				**$1,500,000**	*TOTAL **STI** Sources (must equal **STI** Budget Amount)*				

Sustainable Transportation Infrastructure (STI) Sources and Uses Budget App

If proposing multiple distinct STI Capital Projects, provide detail for each Project in separate budgets below. Amounts from each budget will auto sum at the bottom. The sum will be used to determine the total STI funds requested and cost cap.

Cost Category	ALL FUNDING SOURCES					Comments
	AHSC STI Grant	City of XYZ IIG grant	0	0	Total STI Costs	
ABC Street Bike Path STI #1 Total Budgeted Project Costs	$1,100,000	$500,000	$0	$0	$1,600,000	

Application Workbook: Supportive Services

Max Funds & Unit Mix | Dev Sources | AHD-HRI S&U Budget | Operating | **Supportive Services Costs** | Cash Flow | STI Project Overview

- Population Type
- Lead Service Provider
- Supportive Services Narrative
- Resident Services Narrative

AHSC does not regulate to these populations but costs are included in operating budget and must be within allowable requirements.

The units will be occupied by the following populations:

1)
2)
3)
4)
5)

Lead Service Provider:

Supportive Services Narrative (if applicable) Costs above claimed for HCD 2025 Administrative Notice No. 24-05(a)(1):

Resident Services Narrative Costs above claimed for HCD 2025 Administrative Notice No. 24-05(a)(2&3):

Application Workbook: Local Enviro Verification

High-Cost Verification | Developer Fee | Quantitative Policy Scoring | Narrative-Based Policy Scoring | **Local Enviro Verification** | Certification & Legal

Local Approvals and Environmental Review Verification

To the Sponsor/Applicant: Submit this form to the agency or department of local government responsible for administration of the items listed. This form may be submitted to more than one agency or department if necessary. If an item is not required, include the reason why in box provided.

Project Sponsor/Applicant:	ABC Entity
Sponsor/Applicant Address:	123 ABC Street
Sponsor/Applicant City:	Sacramento
Project Name:	AHSC Round 9
Project Address/site:	1234 ABC Way
Project City:	Los Angeles
Project County:	Los Angeles
Assessor Parcel Numbers (APNs):	123-456-789; ; ; ; ;

Info Auto Populates

To the local jurisdiction: The Sponsor/Applicant named above has submitted an application to the State Department of Housing and Community Development (HCD) requesting funding for the Project named above, under the NOFA. Projects submitted for program funding are subject to a competitive rating process. Project readiness is a component of that process. Verification of items listed below will be used in evaluating applications.

Is this Project approved "by right"? 0

		Applicable for this Project	Final date of Public Comment Period	Approved Date
All Environmental Clearances (CEQA and NEPA) necessary to begin construction are either finally approved or unnecessary:	CEQA			
	NEPA			

Discuss below any special NEPA and/or CEQA Special Circumstances or exemptions and provide estimated/actual completion dates of all necessary environmental clearances (include documentation, if applicable):

	Required for this Project?	Under Review?	Verified as Completed and date completed
All necessary, discretionary, and non-discretionary public land use approvals except building permits and other ministerial approvals are:			

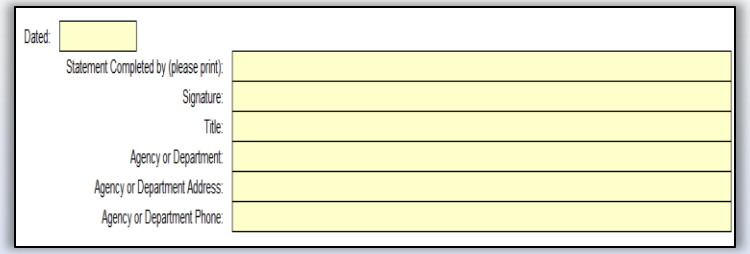
Specify in the box below, items not required and explain why (include documentation, if applicable):

Manual Process:

- Print a hard copy of tab
- Circulate for completion and wet signature
- Upload with application

Electronic Process:

- PDF a copy of tab
- Circulate for completion
- Apply electronic signatures
- Upload with application


Dated:

Statement Completed by (please print):

Signature:

Title:

Agency or Department:

Agency or Department Address:

Agency or Department Phone:

Application Workbook: Upload Checklist

Narrative-Based Policy Scoring | Local Enviro Verification | Certification & Legal | Applicant Documents | **Upload Checklist** | Application Support

File descriptions are throughout the application

- Shaded red = threshold item not met

Uploaded to HCD?	No

- If "Yes" or "N/A", the cell will remain canary yellow

Uploaded to HCD?	Yes

Complete Upload Checklist to ensure appropriate documents are included. All documents should be correctly labeled with assigned file name and number

Full list of Uploads

FILE NAME	FILE DESCRIPTION	
HCD Excel Application		
001. AHSC Application Workbook	AHSC Application Excel Workbook.	Included
Project Overview		
002. Tribal Entity Waiver	Modifications or waivers as provided for in HSC §50406, subdivision (p) (Assembly Bill 1010, Chapter 660, Statutes of 2019)	
003. Indian Country Verification	Documentation verifying land is located in Indian Country as defined by 18 USC 1151.	
004. Fee or Trust Land Verification	Documentation verifying land is located on Fee or Trust Land.	
005. Tribal Land Use Approvals or Entitlements	Provide documentation for all land use approvals or entitlements required by tribal law.	
006. AB 1550 (BAT)	Applicable CARB Priority Population Benefit Assessment Tools (BAT)	
007. FBH Proposal	Proposal from Factory-Built Housing provider	
008. Project Area Map	Map the items as outlined in the Project Area Mapping Guide. Items marked with **(PAM)** in this application must be identified on the Project Area Map (**PAM**)" File must be submitted in a KML/KMZ format.	

Included
Not Included
Not Applicable

Application Workbook: Application Support

Narrative-Based Policy Scoring | Local Enviro Verification | Certification & Legal | Applicant Documents | Upload Checklist | **Application Support**

Having Application Issues? We're here to help!

1. Navigate to Application Support Tab
2. Complete ALL applicable fields
3. Email the tab or Application workbook to:
   - AHSC@hcd.ca.gov
   - Include "App Support" on the Subject Line for efficient tracking

To	AHSC@hcd.ca.gov
Cc	
Subject	App Support

Application Development Team (ADT) Support Form V1 3/25/25

Please complete the "yellow" cells in the form below and email along with a copy of the application workbook to: **AHSC@hcd.ca.gov**. A member of the Application Development Team will respond to your request.

Full Name:	Bob	Date Requested:	4/13/25	Application Version Date:	3/25/25
Organization:	Bob the Builder Industries	Email:	DinubaRules	Contact Phone:	555-555-5555

Issue #	Sheet/Tab name	Section	Cell#	Describe the issue/error or suggestion	Urgency	ADT Status	Status Date
1	Quatitative Policy	Location Efficiency	AJ64	I don't know what I am doing...Help	Low		
2							
3							
4							
5							
6							
7							
8							
9							
10							

AHSC Round 9

Application Portal

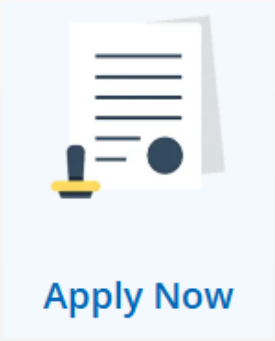
Presented by: Patti Jones

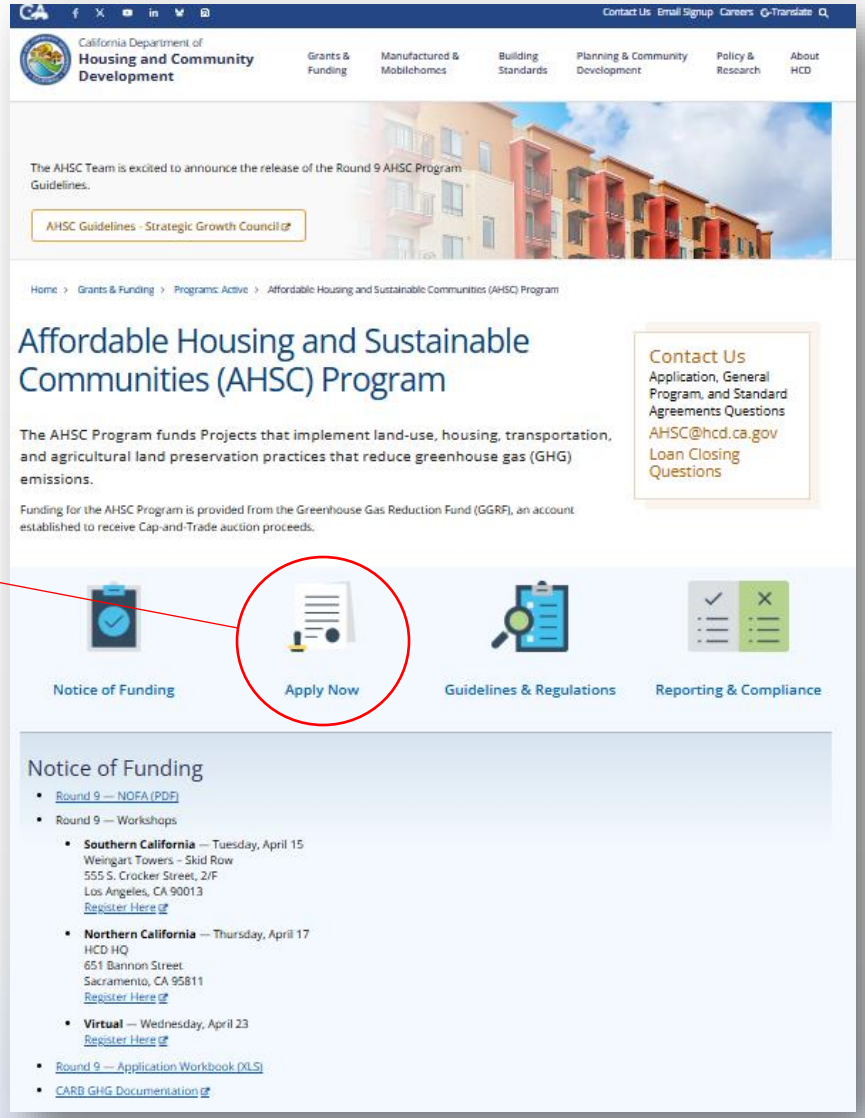
HCD Application Portal

Navigate to the AHSC Round 9 Webpage

https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities

Click on
Apply Now
to Register for an
Account

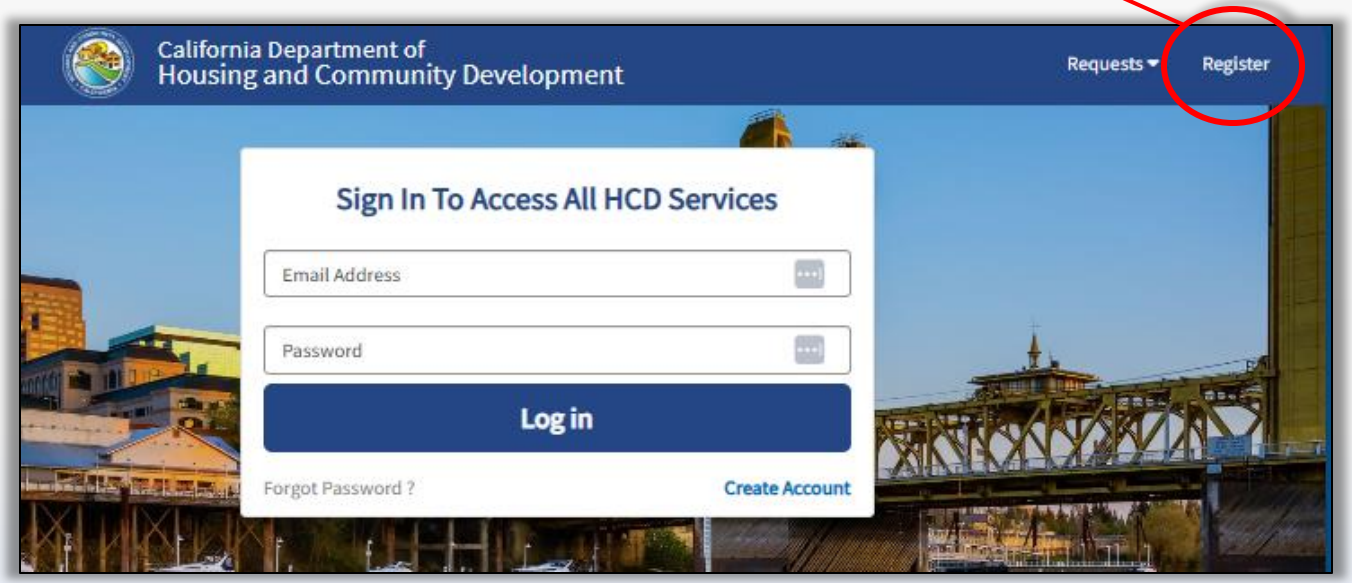


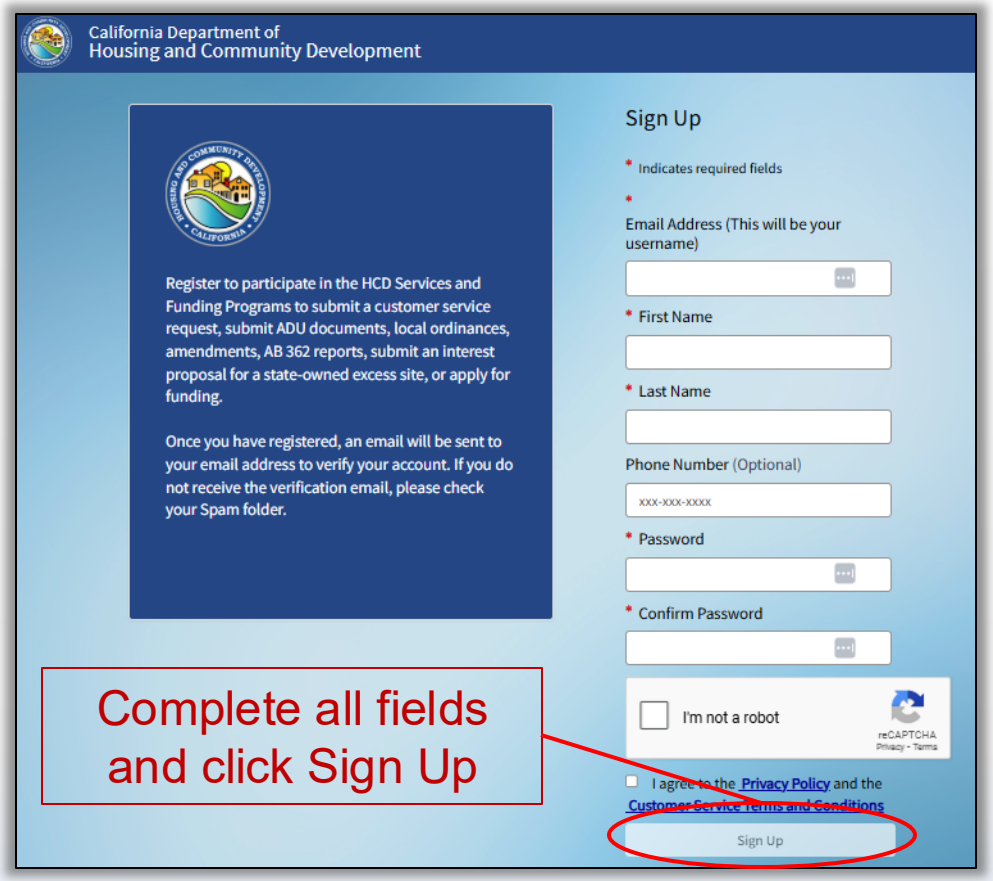


HCD Application Portal

Register in the HCD Portal to submit your AHSC Round 9 Application Workbook and Documents

Click Register to Sign up



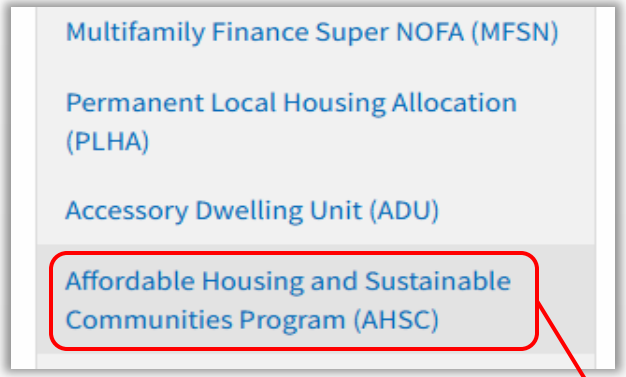


Complete all fields and click Sign Up

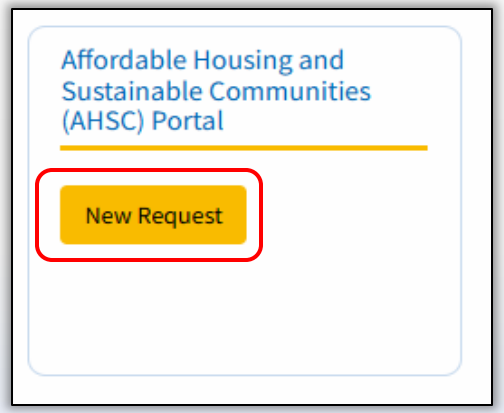
HCD Application Portal

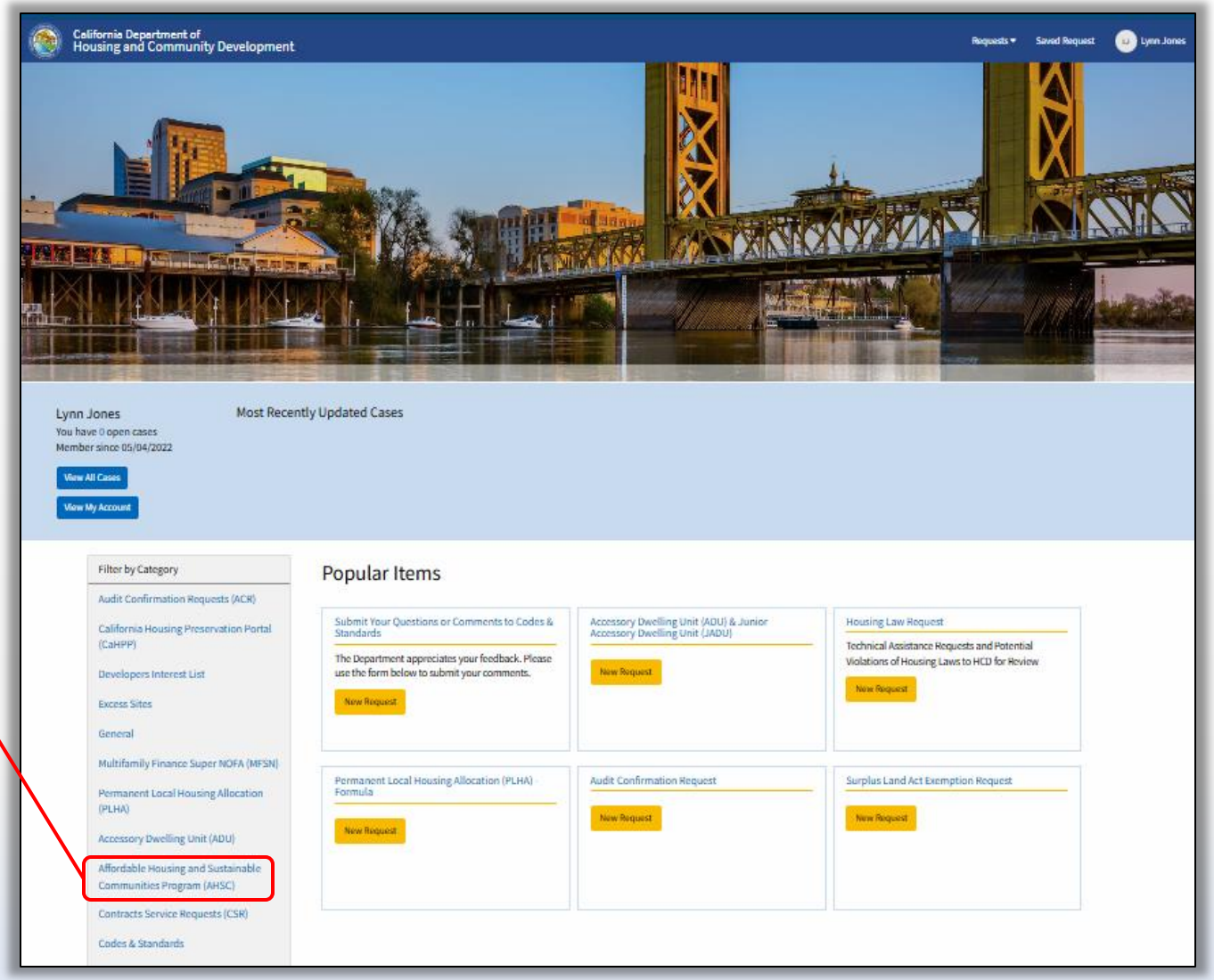
All application materials must be submitted electronically

Click:



Then click:

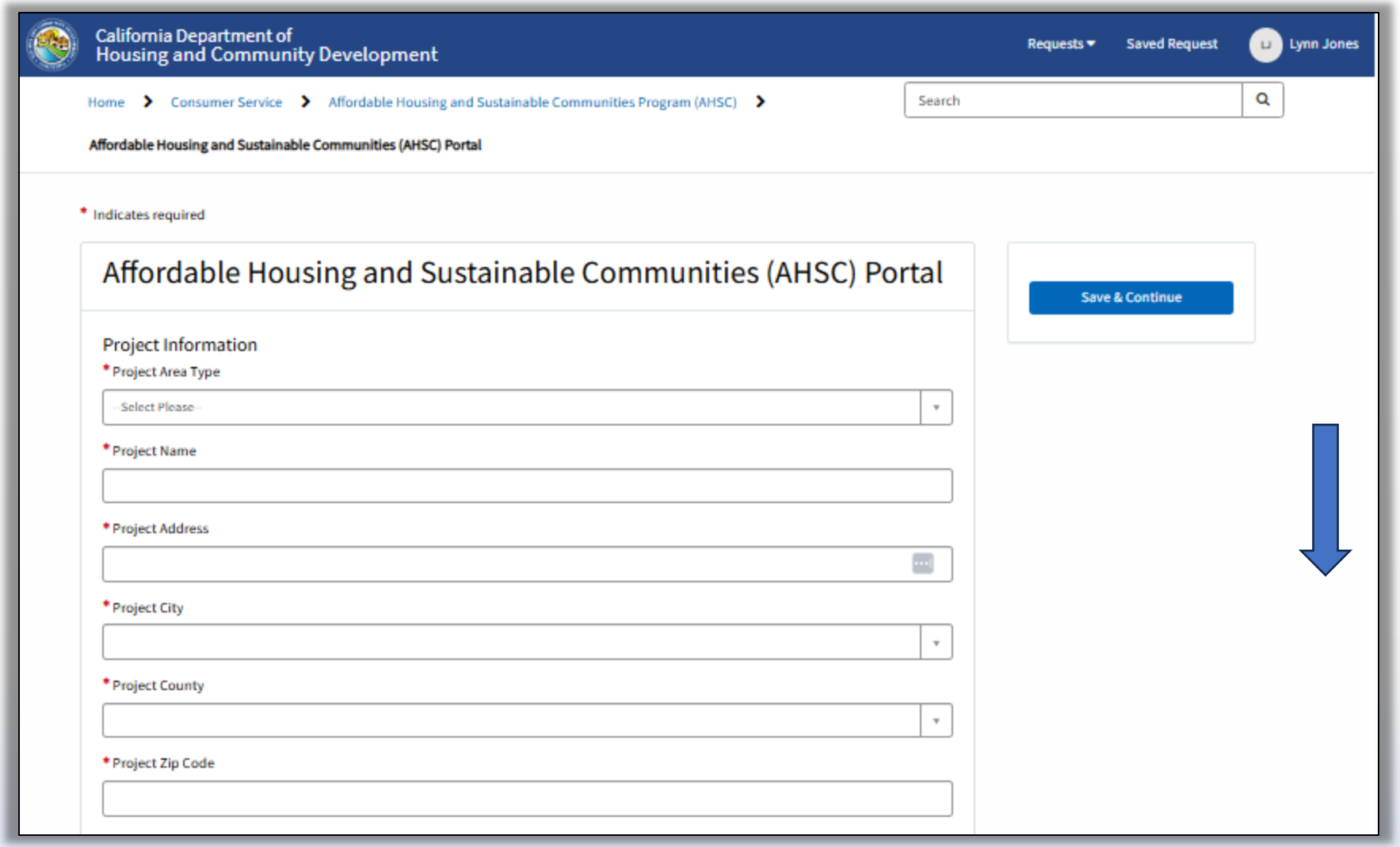




Application Portal: Project Information

* All fields marked with a red asterisk are required fields.

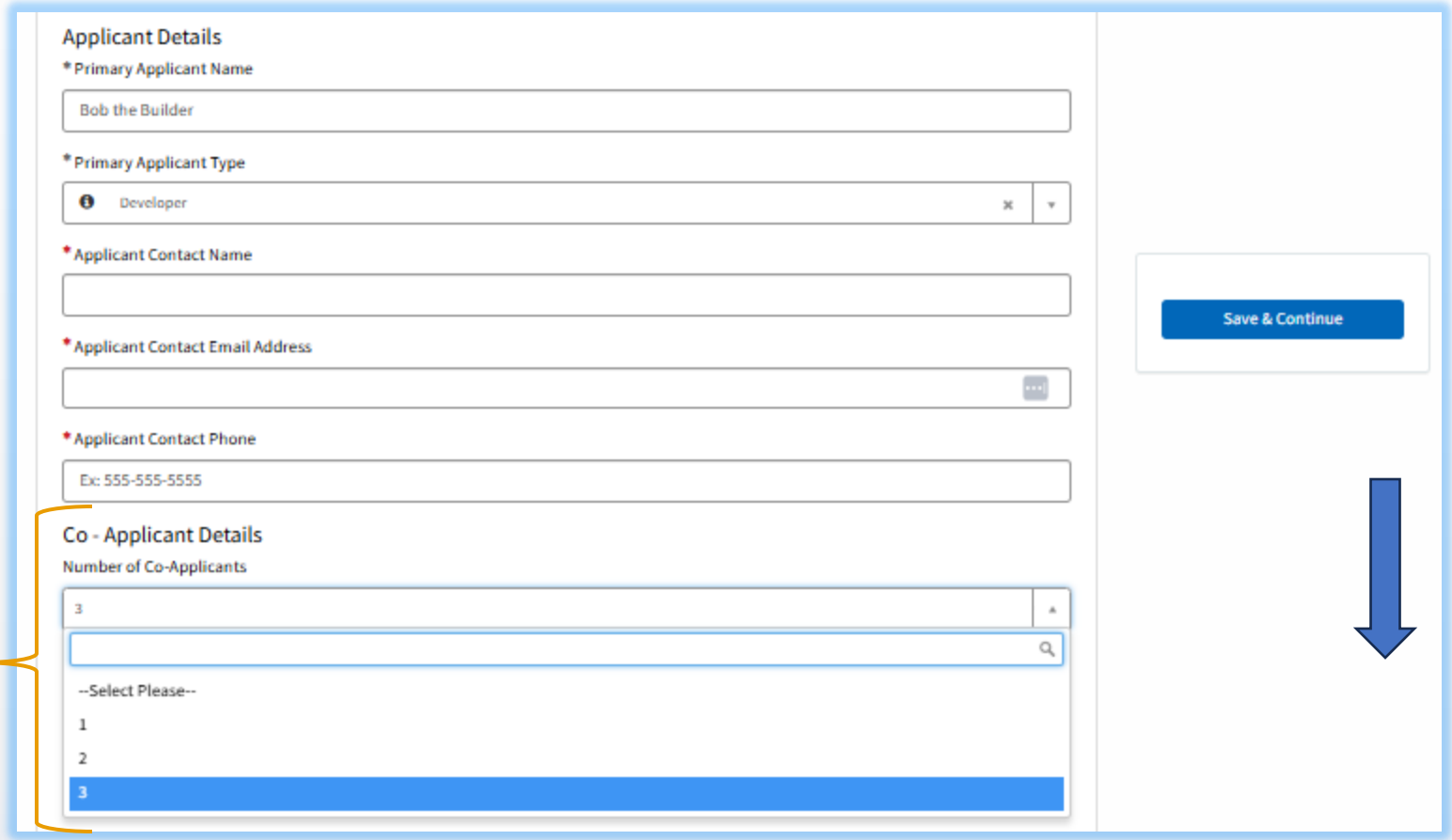
Users are unable to proceed until ALL fields are complete.



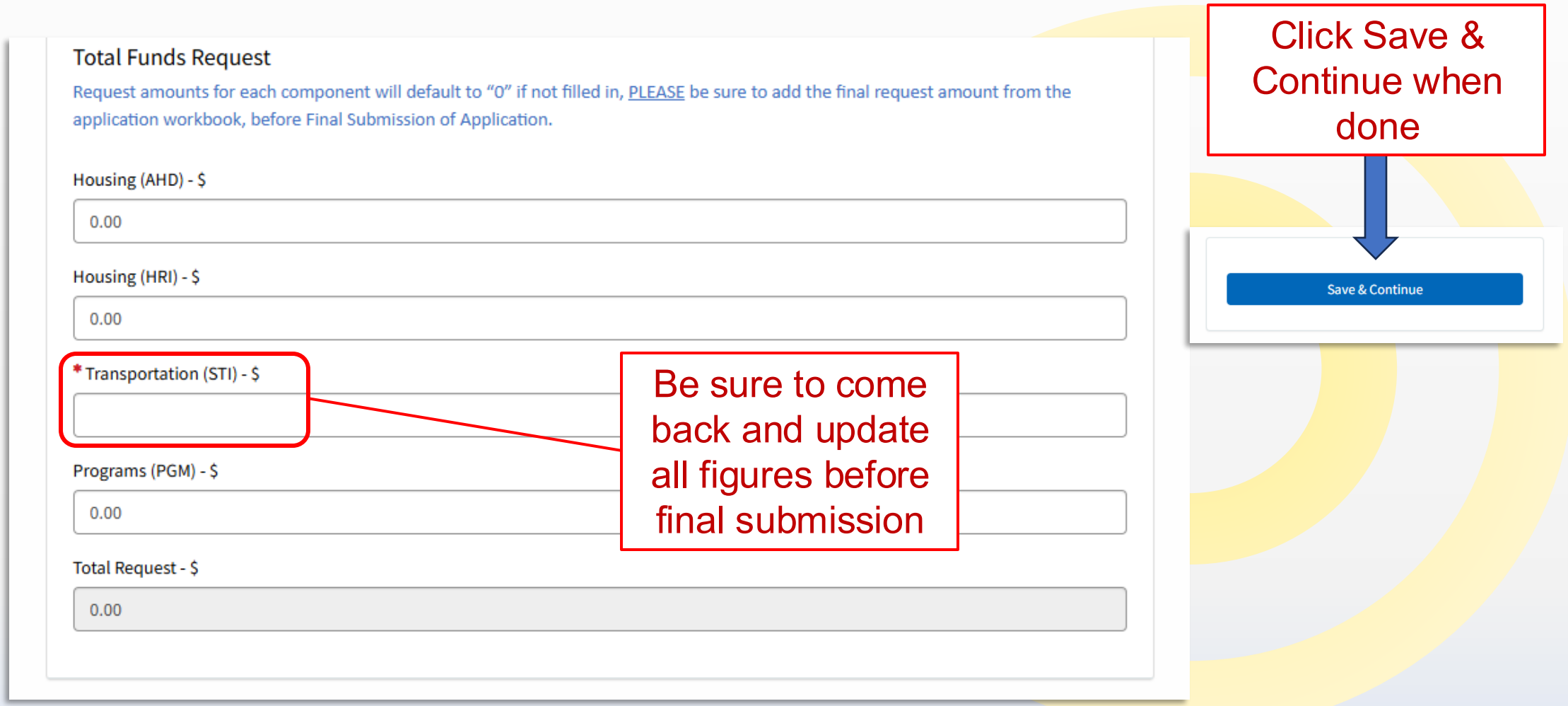
Application Portal: Applicant Details

How many Applicants are applying?

Select up to 3 additional Applicants from the Co-Applicant Details drop-down menu



Application Portal: Funds Request

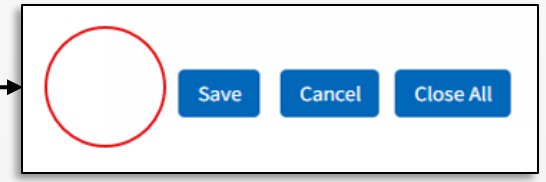


Application Portal: Attachments

Application Portal: Missing Documents

If “Submit” is present, all required docs are uploaded

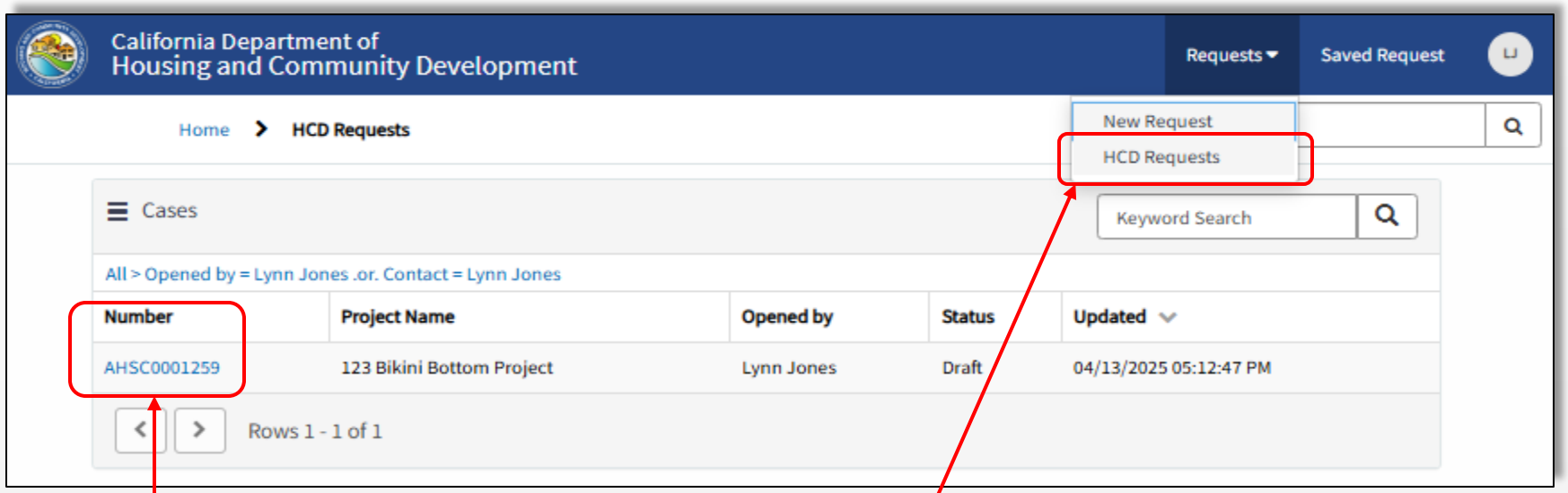
When “Submit” button is not visible, required documents are missing.



Primary Applicant docs have not been uploaded

Application Portal: Return to Application

Once an application has begun, a user may return to upload documents up to the application deadline as long as the application has not been submitted



Navigate to **"Requests"** and Select "**HCD Requests**" to see all Case Numbers opened by a user

Application Portal: Submission Details

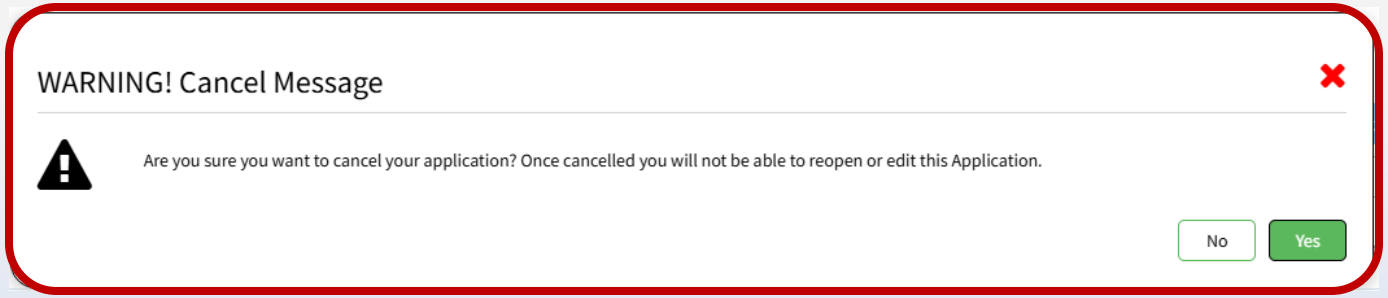
To Submit the application:

- Select Activity tab
- Click “Submit” radial button

Post Submission Actions:

- An application number will be generated, e.g., AHSC0001102
- An email confirming application submission will automatically generate

If “Cancel” is accidentally selected, click No to proceed



Application Submittal

All application and supporting documentation must be uploaded and submitted no later than **4:00 p.m.** on **Wednesday, May 28, 2025**

Users will receive auto-generated emails detailing:

- Application number & uploaded documents confirmation
- Application submission with *required documents
- A reminder that an application is pending submission

Application Submittal

Reminders & Best Practices

- Late applications will not be accepted
- Organization and compliance with program regulations and guidelines is a must
- Applications with substantial inconsistencies may result in disqualification
- Applications must meet eligibility requirements upon submission, except as noted in the Guidelines

Disclosure of Application

Use Discretion

- Sponsor is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request
- Information becomes a public record available for review by members of the public, if requested

This Photo by Unknown Author is licensed under CC BY-SA

CARB

Quantification Methodology

Recording by: Julia Branco https://youtu.be/0sLD7l8RX9c [youtu.be]

AHSC Benefits Calculator Tool Updates

Affordable Housing Tab

- Applicants can estimate GHG benefits of a second building in the same tool

Shared Mobility Tab

- Applicants can now directly estimate benefits of shared mobility projects like carshare and vanpool
- Bike and pedestrian infrastructure projects are now quantified
  Shared Mobility tab

Quantification Methodology Resources

QM Calculator tool & User Guide

https://www.caclimateinvestments.ca.gov/tools

QM Calculator Tutorial Video

https://sgc.ca.gov/grant-programs/ahsc/resources/guidelines.html

Questions about the QM Tool?

Email: GGRFProgram@arb.ca.gov

Upcoming QM Calculator Q&A Session

When? April 29, 2025 at 1:30 p.m.

Register : https://us06web.zoom.us/j/89884097131

HCD

Program Policies

Presented by: Barbara Sargent

HCD Program Policies

Disencumbrance | Negative Points | Stacking Repeal

Administrative Notice No. 22-02 Notice of Disencumbrance

- Secure all funding withing 24 months of initial HCD award
- 24-month clock starts at Award Date (anticipated December 2025)

Administrative Notice No. 22-01 Notice of Negative Points

- Applies to loans and grants
- Email: **complianceverification@hcd.ca.gov**

Administrative Notice No. 21-06 Stacking Prohibition Repeal

- Limit of Department awards:
  - 2 Loans & 2 Infrastructure Grants
    - Grants do not apply to Transit or Program funds – STI, PGM

HCD Program Policies

Supportive Services and Developer Fee

Administrative Notice No. 24-05 supportive-services-costs-memo.pdf

- Applies to all Department State Multifamily rental finance programs subject to the supportive services cost caps under the 2017 UMRs

Administrative Notice No. 24-03 developer-fee-memo.pdf

- No increase in Developer Fees for past awards
- Utilization of Additional Funding Sources
  - Awards to projects that secure additional funding subsequent to the HCD award may have the HCD award amount reduced to avoid supplantation of funds

AHSC

Resources

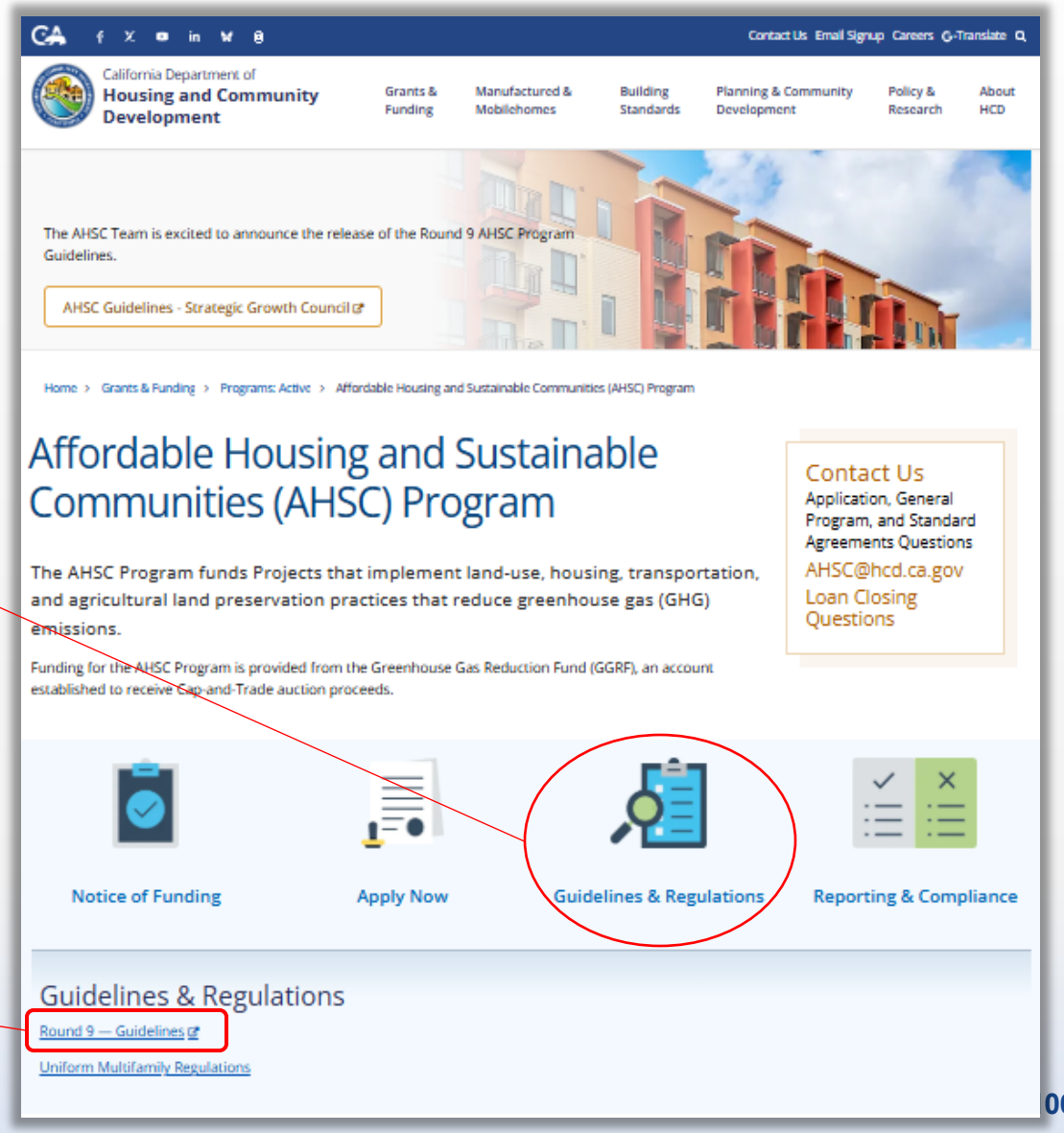
Presented by: Barbara Sargent

Resources: Supplemental Materials

Navigate to the AHSC Round 9 Webpage

https://www.hcd.ca.gov/grants-and-funding/programs-active/affordable-housing-and-sustainable-communities

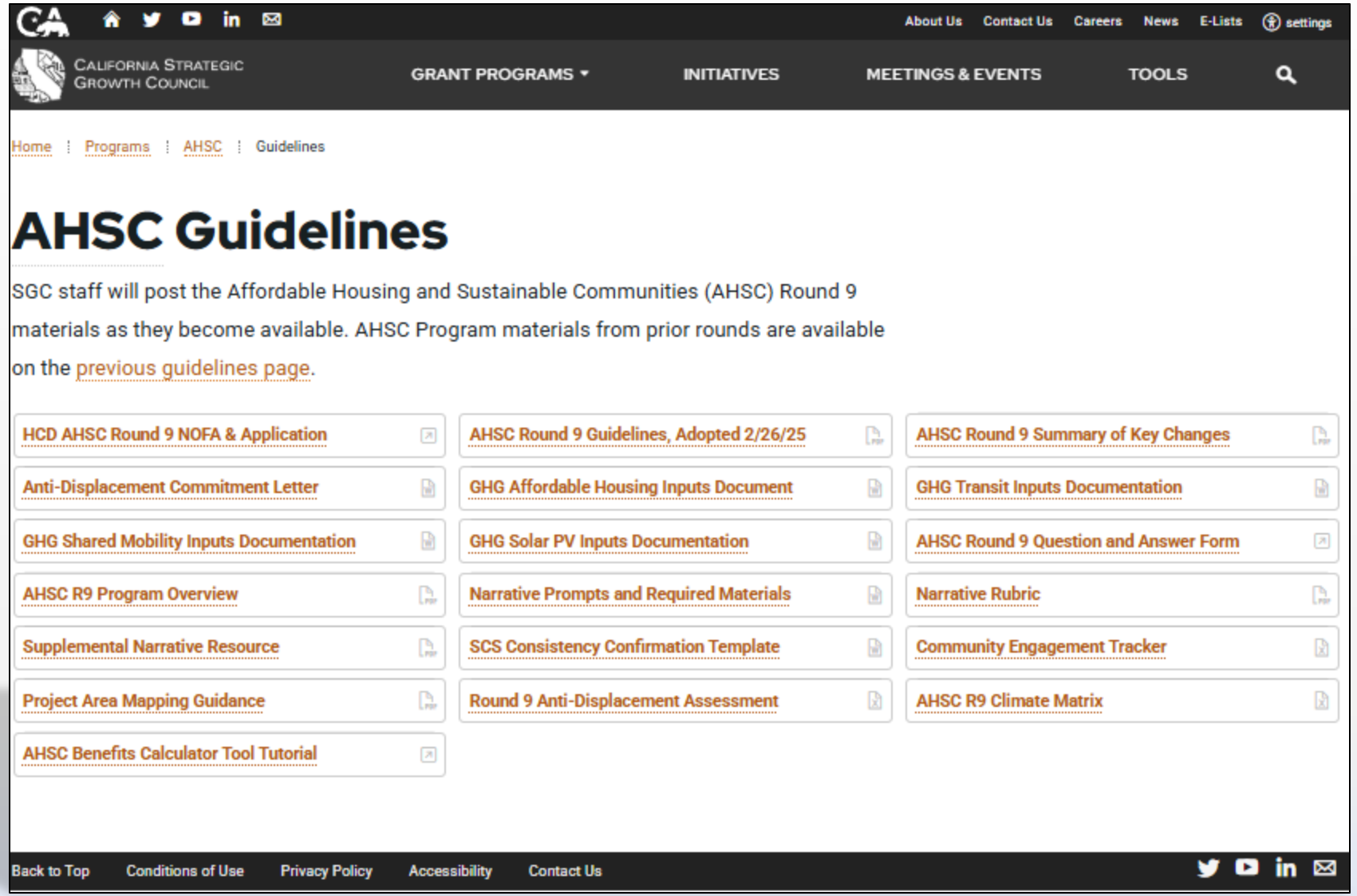
Click on Guidelines & Regulations to reveal the Round 9 Guidelines link



Resources: Supplemental Materials

HCD & SGC pages are linked

Clicking on the Round 9 Guidelines link on the HCD webpage will route to SGCs webpage to find a library of relevant documents

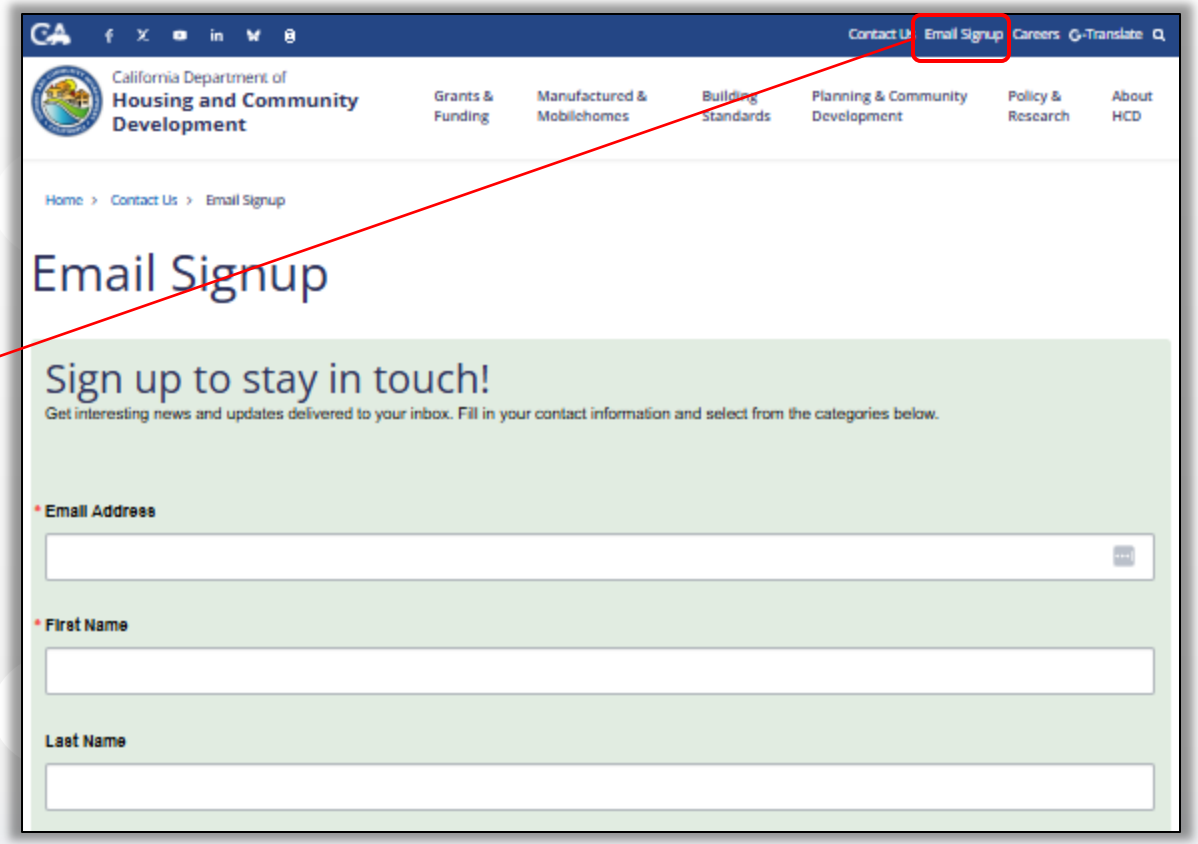


Resources: Email Sign-Up

Stay in Touch!

Navigate to: www.hcd.ca.gov

Sign up to receive important emails from HCD



Resources

Follow HCD on Social Media

Like us on Facebook: /CaliforniaHCD

Follow us on X (fka Twitter): @California_HCD

Follow us on LinkedIn: /company/californiahcd

Resources

- **2024 TCAC Regulations:**

  https://www.treasurer.ca.gov/ctcac/programreg/December-11-2024-Regulations-FINAL-APPROVED-Clean-Version.pdf

- **Methodology for Determining Rural Status:**

  https://www.treasurer.ca.gov/ctcac/Cover-memo.pdf

- **TCAC/HCD Opportunity Area Maps:**

  https://www.treasurer.ca.gov/ctcac/opportunity.asp

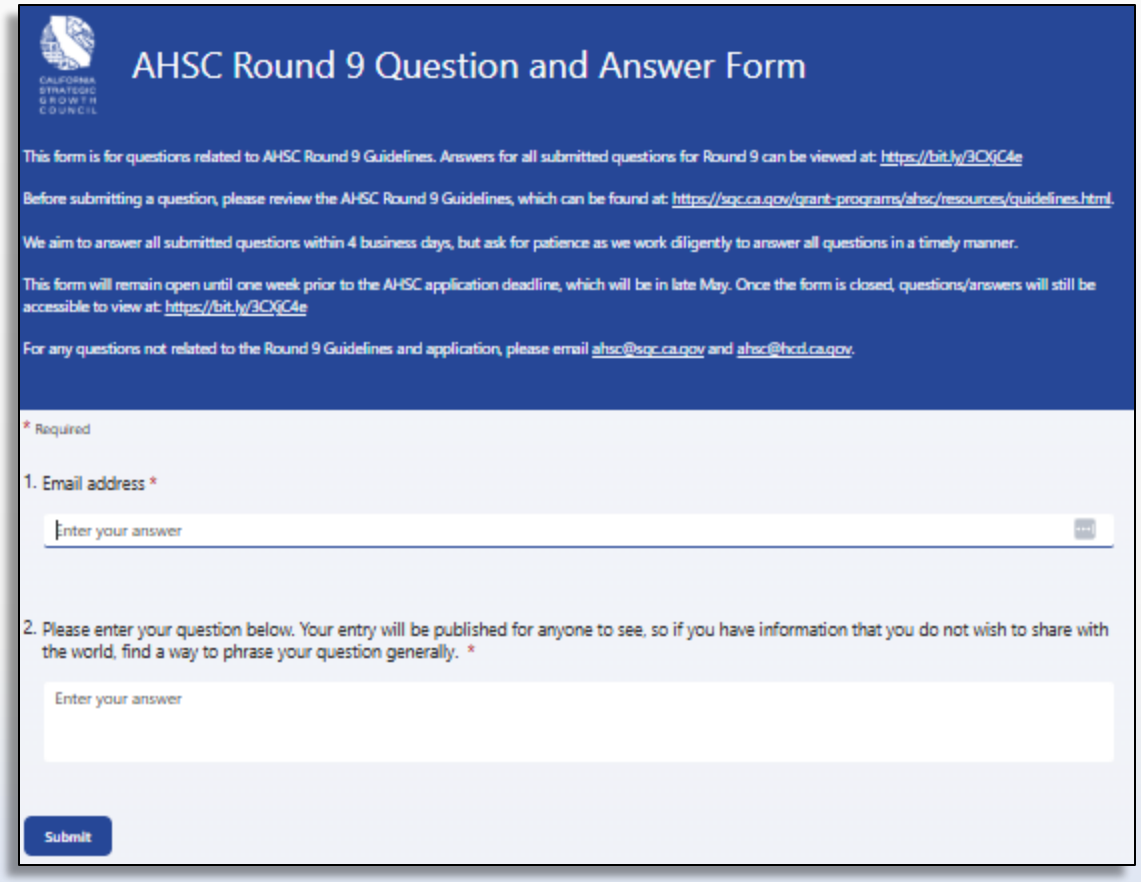
- **California Government Code:**

  https://leginfo.legislature.ca.gov

Resources: Submit Questions

Have Questions? Submit a Q&A

[Round 9 AHSC QnA Form.xlsx]



Review previously submitted Questions

https://bit.ly/3CXjC4e

- Before submitting a new question, review previous responses
- Excel Q&A responses can be filtered by topic or questions
- Q&A spreadsheet will remain open until one week prior to apps due (end of May)

Resources: Contact

AHSC@hcd.ca.gov
AHSC@sgc.ca.gov

Thank you

On behalf of HCD, SGC, and CARB – Enjoy the rest of your day

California Department of
Housing and Community Development

Question-and-Answer Session
California Strategic
Growth Council