APPLICATION FORM

City of Sunnyvale
Request for Proposals

Housing Mitigation Funds for
Affordable Housing Projects

RFP Issued:

February 27, 2014

Proposals Due:

March 21, 2014

PART I: APPLICATION FORM

PROJECT APPLICANT

1. **Project Applicant:**

Applicant Name (Organization/Agency): _____

Principal (with Power of Attorney): _____

Primary Contact Person: _____

Address: _____

Phone No.: _____ Fax No.: _____

E-Mail: _____ Federal Tax ID No.: _____

What is the role of the Applicant in the project? *(check all that apply):*

- ☐ Ownership Entity
- ☐ Managing Partner or Managing Member
- ☐ Sponsoring Organization
- ☐ Developer
- ☐ Other (describe):

2. **Legal Status of Applicant:**

- ☐ General Partnership
- ☐ Limited Partnership
- ☐ Corporation
- ☐ Joint Venture[1]
- ☐ Nonprofit Organization
- ☐ Other (specify):

3. **Status of Organization:**

- ☐ In good standing
- ☐ Other (describe):

4. **Name(s) of individual(s)/entities who will be General Partner(s) or Principal Owner(s):**
(you have only 6 lines worh of text in this box)

[1] If the Applicant is a Joint Venture, a Joint Venture Agreement is required, clearly describing: the roles and responsibilities of each partner. Explain who is the lead partner, or if the responsibilities are approximately equally split between the partners.

PROJECT DESCRIPTION

5. **Project Name:** _____

Project Address: _____

Assessor's Parcel No.: _____

Census Tract: _____

6. **Project Type *(check all that apply)*:**

- ☐ Rental
- ☐ Family
- ☐ Senior
- ☐ Ownership
- ☐ Special Needs
- ☐ Other (describe):
- ☐ SRO/Studio Apartments

7. **Project Activity *(check all that apply)*:**

- ☐ Acquisition
- ☐ Rehabilitation
- ☐ Redevelopment
- ☐ New Construction
- ☐ Expiring Tax Credit/Section 8 Property
- ☐ Mixed Income
- ☐ Mixed Use
- ☐ Other (please specify):

8. **Project Description:**

No. Units: _____

No. Res. Bldgs.: _____

No. Stories: _____

Land Area: _____

Residential Floor Area: _____

Community Room(s) _____

Floor Areas: _____

Commercial/Office Uses (specify):

Commercial Floor Area: _____

Office Floor Area: _____

Elevators: _____

Other Uses (specify):

9. **Parking:**

Total Parking Spaces: _____
Parking Type: _____

Residential Spaces and Ratio: _____
Guest Spaces: _____

Commercial Spaces and Ratio: _____
Office Spaces and Ratio: _____

10. **Number of Housing Units by Income Category:**

Category	Number of Units	Percentage of Units
0% to 30% AMI (Extremely Low-Income)		
31% to 50% AMI (Very Low-Income)		
51% to 80% AMI (Low-Income)		
Unrestricted		

11. **Unit Amenities (air conditioning, laundry in unit, balconies, etc.):**

12. **Number of Unit Types:**

Studio _____
1 Bedroom _____
2 Bedroom _____
3 Bedroom _____

PROJECT NARRATIVE

13. **Project Description:**

Provide a brief narrative summary of the proposed project. Please include location, project type (new versus rehab), target population and any unique project characteristics.

14. **Project Design:**

Provide a description of the project's architectural and site plan concepts and how these concepts address the opportunities and limitations of the site and location.

15. **Green Building Features:**

Describe the green building features that will be incorporated into the project.

16. **On-Site Amenities:**

Describe any on-site amenities, including any project characteristics that address the special needs of the population you intend to serve.

17. **Neighborhood/Off-Site Amenities:**

Describe the property location, neighborhood, transportation options, local services and amenities within 1/4-mile and 1/2-mile of the site.

18. **Potential Development Obstacles:**

Are there any known issues or circumstances that may delay or create challenges for the project? If yes, list issues below, including an outline of steps that will be taken and the time frame needed to resolve these issues.

SITE INFORMATION

19. **Site Control:**

a. Site control must be obtained no later than July 1, 2014. What is the level of site control currently held by the applicant?

b. Will site acquisition be a purchase or long-term lease?

c. What is the purchase price of the land?
(For proposed leaseholds, indicate the amount of the annual lease payment, the term of the lease, and the basis for determining the annual payment amount).

e. What is the appraised value of the site? Briefly describe the type of valuation cited.

f. Who is the current property owner and what is their address and contact information?

20. **Site Information:**

a. Total square footage of site:_____

b. Existing uses on the site and the approximate square footage of all structures:

c. Planned use of on-site existing structures:

☐ Demolish ☐ Rehabilitate

☐ Other (describe):

d. Provide the following information for each on-site building to be retained as part of this project:

Square Footage: _____ Date Built: _____ No. of Stories: _____

e. Provide a brief description of the condition of any buildings to be rehabilitated.

f. Describe unique site features (Heritage trees, parcel shape, etc.).

g. Identify problematic site conditions (high noise levels, ingress/egress issues, etc.).

h. Is the site in a floodplain? Yes ☐ No ☐ Map used:

If yes, type of floodplain (number of years): _____

i. Describe adjoining land uses:

West: _____

East: _____

North: _____

South: _____

21. **Zoning:**

a. What is the current zoning of the project site? _____

b. Is the proposed project consistent with the existing zoning status of the site?

☐ Yes ☐ No (explain)

c. Indicate any discretionary review permits required for the project (Special Development Permit, Design Review Permit, etc.).

d. If rezoning is required, identify the requested zoning district for the project.

22. **Community Priorities:**

a. Explain how this project meets the objectives of the housing goals and priorities identified in this RFP and the goals and objectives of the Housing Element of the City's General Plan.

PROJECT FUNDING

23. **Project Budget:**

a. City Funds Requested: $ _____ City Funds Per Assisted Unit: $ _____

b. Total Project Cost: $ _____ Total Cost Per Assisted Unit: $ _____

c. Other Sources of Permanent Financing (not including private bank loans):

Type of Funding	Amount
☐ 9% Low-Income Housing Tax Credits	_____
☐ 4% Low-Income Housing Tax Credits	_____
☐ CalHFA/Conventional Lender	_____
☐ Tax-Exempt Multi-Family Bonds	_____
☐ Multi-Family Housing Program (MHP)	_____
☐ Affordable Housing Program (AHP)	_____
☐ County of Santa Clara, Office of Affordable Housing	_____
☐ Santa Clara County Housing Trust	_____
☐ Other:	_____

d. How will the requested City funding be used?

e. Amount of developer fee and percentage of project cost:

f. Assess the chances of the project securing required funding and steps that will be taken to make the project competitive. What is the self-scored nine percent (9%) tax credit tie breaker score for the project (if applicable)?

DEVELOPER EXPERIENCE

Developers must have successfully completed a minimum of three affordable housing projects of similar size and complexity as the proposed project to qualify for this RFP.

24. **Provide a summary of affordable housing experience:**

Years Experience: _____

Number of Projects: _____

Number of Projects in Santa Clara County: _____

Average Size of Projects: _____

Number of Units Placed in Service: _____

25. **Describe awards given to projects completed in the last 10 years.**

26. **Describe three projects completed in the last ten years that are similar to the proposed project and provide photographs of each project:**

a. Project 1

Name of Project: _____
Location: _____
Number of Units: _____
Type of Development (senior, family, etc.): _____
Name of Project Manager: _____
Number of Stories: _____
Unit Types (studio, 1-bedroom, etc.): _____
Type of Construction: _____
Project Amenities: _____
Entitlement Date: _____
Occupancy Date: _____
Funding Sources: _____

b. Project 2

Name of Project: _____
Location: _____
Number of Units: _____
Type of Development (senior, family, etc.): _____
Name of Project Manager: _____
Number of Stories: _____
Unit Types (studio, 1-bedroom, etc.): _____
Type of Construction: _____
Project Amenities: _____
Entitlement Date: _____
Occupancy Date: _____
Funding Sources: _____

c. Project 3

Name of Project: _____

Location: _____

Number of Units: _____

Type of Development (senior, family, etc.): _____

Name of Project Manager: _____

Number of Stories: _____

Unit Types (studio, 1-bedroom, etc.): _____

Type of Construction: _____

Project Amenities: _____

Entitlement Date: _____

Occupancy Date: _____

Funding Sources: _____

27. **Personnel:**

List the names of key members of the applicant's development team, their titles, responsibilities and their years of experience in affordable housing:

Project Staff	Name	Role in Proposed Project	Years of Hsg Devt Experience	Years with this Developer
Project Manager				
Director of Real Estate Development				
Executive Director				
Chief Financial Officer				
Other				
Other				
Other				

28. **Other Team Members:**

Indicate which of the following development team members have been selected and identify them:

Developer, if Different from Applicant _____

Architect(s)/Engineer(s) _____

Attorney(s) and/or Tax Professionals _____

Property Management Agent _____

Financial and Other Consultant(s) _____

General Contractor _____

Investor _____

29. **List all other participants and affiliates (people, businesses and organizations) proposing to participate in the project:**

Name	Address

30. **Property Management:**

Describe how the property will be managed, including the number of staff, locations and management office hours.

31. **If the project will be managed by a company other than the project applicant, describe the project applicant's role in the ongoing management of the project and resolution of management issues.**

32. **List the names of key property management staff, their titles, responsibilities and their years of experience managing affordable housing:**

Name	Title *(e.g., project manager, intake staff)*	Job Responsibilities	Years Experience in Affordable Housing

33. **Explain your marketing strategy and tenant selection process, and the establishment and management of waiting lists.**

34. Scoring

Please provide a description of your proposal's attributes for each of the categories below. Yo have 5 lines of text in each box. You may attach up to one page of additional supporting material for each category. For categories 5 and 6, simply fill out the blanks provided. The category descriptions and maximum points available are provided in the "Scoring Sheet" on page 8 of the RFP.

Category:

1. Organizational Capacity and Relevant Experience

2. Project Need

3. Project Design and Readiness

4. Budget and Financial Management

5. Percentage of Matching Funds (Leverage)

Total Project Cost* as stated in Project Budget: $ _____

* *Include capital costs only, not long-term operating costs*

Amount of City HM Funds Requested: _____

Amount of Matching Funds *(Project Cost - City HM Funds Requested)* = _____

Percentage of Matching Funds *(Matching Funds / Project Cost)* = _____

6. Affordability Level

Total # of Units in Project: _____

units affordable to ELI households _____ = _____ % of total units in Project

units affordable to VLI households _____ = _____ % of total units in Project

Please round all numbers provided to the nearest whole number or percentage (i.e., 15%, not 15.34%).

Applicant Certification

I certify that the information submitted in this application and all supporting materials is true, accurate and complete to the best of my knowledge. I acknowledge that if facts and/or information herein are found to be misrepresented, it shall constitute grounds for disqualification of my proposal.

I further certify that all of the following statements are true, except if I have indicated otherwise on this certification:

a. I have not sold any of the projects listed on the "10-Year Projects" list;

b. No mortgage on a project listed on this application has ever been in default, assigned to the government or foreclosed, nor has mortgage relief by the mortgagee been given;

c. I have not experienced defaults or noncompliance under any contract or regulatory agreement nor issued IRS Form 8823 on any Low-Income Housing Tax Credit (LIHTC) project on the "10-Year Projects" list;

d. To the best of my knowledge, there are no unresolved findings raised as a result of Agencies' audits, management reviews or other investigations concerning me or my projects for the past ten years;

e. I have not been suspended, debarred or otherwise restricted by any state agency from participating in the LIHTC program or other affordable housing programs; and

f. I have not failed to use state funds or LIHTC allocated to me in any state.

Statements above (if any) to which I cannot certify have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think helps to qualify me as a responsible principal for participation in this RFP.

Applicant Name(s)

_____

Signature/Date

_____

Print Name and Title

This application and all supporting material are regarded as public records under the California Public Records Act.

Part II: REQUIRED ATTACHMENTS

The following supporting materials must be attached to each proposal:

1. **Cover Letter**

   Provide a brief summary of the proposed project and discuss your agency's qualifications and why your proposal should be selected for funding. The cover letter must be on the applicant agency's letterhead and signed by a person authorized by the agency to submit the proposal.

2. **Evidence of Site Control**

   By the time the proposal is submitted, or no later than July 1, 2014, the developer must have control of the proposed project site, consisting of either fee title ownership, a long-term lease, an option to purchase, or similar legally enforceable means of site control. The developer must show that if the proposal is selected, site control can be maintained at a minimum until a conditional funding award is made and, through completion of the entitlement process, until the property can be acquired. As evidence of site control, one of the following documents must be submitted with the application, or applicant shall explain in detail how applicant intends to obtain site control by July 1, 2014.

   - Purchase agreement, with an escrow period sufficient to hold the property until the anticipated date of purchase.
   - Option to purchase or lease, binding on seller or landlord, including evidence that the option period extends to or is renewable until the anticipated date of purchase.
   - A long-term lease agreement with a term of not less than 55 years.
   - Executed land sales contract or other enforceable agreement for acquisition.
   - A grant deed to the developer
   - Other commonly accepted and legally enforceable evidence of the applicant's site control.

   Land acquisition costs must be justified and represent a competitive market price. Prior to closing on any City funding, the City may commission its own appraisal to confirm property value, at applicant's expense.

3. **Appraisal**

   Attach an appraisal that has been completed within the past six (6) months of the application deadline. The appraisal must conform to the Uniform Standards of Professional Appraisal Practice and the appraisal requirements of the Appraisal Institute's Regulation 3. All appraisers must be licensed and certified by the State of California. The appraisal must include a separate as-is value for any improvements to be retained, or a demolition cost for any to be removed. Site value must be as-is, with no assumptions such as a future rezoning or environmental cleanup.

4. **Preliminary Title Report**

A preliminary title report dated within thirty (30) days of the application deadline.

5. **Ten-Year Projects List (Do not include projects listed under item 26 of application form)**

For each project the applicant has completed in the past ten (10) years, provide the following information on a separate attachment, in a consistent format. If more than six (6) projects have been completed, provide information for the last six (6) projects.

- Name of Project:
- Location (street address, city, county, zip code):
- Type of Development (senior, family, etc.):
- Number of Units:
- Mix of Unit Sizes:
- Number of Affordable Units and Level of Affordability:
- Number of Stories:
- Type of Construction:
- Project Amenities:
- Total Project Cost:
- Funding Sources and Amounts:
- Entitlement Date:
- Occupancy Date:
- Name of Project Manager:

6. **Rehabilitation Scope of Work, Property Inspection and Cost Estimate**

If the project involves rehabilitation, include the following information:

- Preliminary Scope of Work;
- A third-party physical needs assessment, property inspection report or predesign report;
- A preliminary independent cost estimate; and
- Basic unit configurations/plans.

7. **Relocation Plan**

If the project involves temporary (less than 12 months) or permanent relocation of current residential or commercial tenants, please provide a narrative Relocation Plan and Relocation Budget that complies with state relocation law, and federal law, if any federal funds are included in applicant's budget. Projects requiring permanent relocation of residential or business tenants are highly discouraged. The Relocation Plan should include:

- A description of the applicable relocation requirements (i.e., state and/or federal) and relocation benefits to be provided;
- A reasonable cost estimate of the relocation expenses;
- Identification of the number of households or businesses to be displaced;
- The current rent roll for the existing structures on site; and
- A description of the proposed advisory services that will be provided to the displaced households/businesses.

8. **Community Outreach Plan**

Provide a plan for conducting community outreach to current tenants and/or neighbors of the project site and interested community groups, to be implemented if the project receives a conditional funding award. The Outreach Plan should describe how the developer intends to build support for the project and address community concerns.

9. **Development Schedule**

Provide a detailed project schedule, identifying all major tasks and timelines. The schedule must include major milestones for development approval, acquisition, if not already owned, community outreach, financing applications, close of escrow, project construction and lease-up.

10. **Resident Services Plan**

Provide a Resident Services Plan that describes any services to be provided to tenants on site (i.e., child care, computer training, etc.) and demonstrates how supportive and social services for the tenant population will be provided and funded long-term. Projects with units set aside for formerly homeless households or special needs groups must provide sufficient supportive services for the target population and show sufficient funding commitments for services.

11. **Management Companies**

If the proposal includes the use of a property management company other than the applicant, provide detailed information on that company, including:

- Company name and three client references;
- Total number of projects and units managed;
- List of projects managed and their locations;
- Number of employees; and
- Management philosophy.

12. **Marketability of Mixed-Use Projects**

Proposals for development of housing with commercial space must include evidence of demand for commercial/retail and marketability of space by submitting a market study or a survey of comparables and vacancy rates, or have at least half of the commercial/retail space preleased.

13. **Detailed Development Budget**

Provide a detailed development budget that includes all anticipated funding sources and provides a breakdown of all development costs. State whether the budget assumes payment of federal and/or State prevailing wages and if so, which funding sources require payment of prevailing wages. The following requirements should be considered in preparing the budget:

- <u>Construction Contingency</u>

  The City requires a minimum 10 percent construction contingency, which should be factored into the development budget. For projects involving extensive rehabilitation work, a 20 percent or greater construction contingency is required.

- <u>Insurance and Bonding Requirements</u>

  The selected agency will be required to comply with the City's insurance and bonding requirements for construction contracts and general contractors, which should be factored into the project budget. These requirements are available upon request from the City.

14. **Detailed Operating Budget and 30-Year Pro Forma Analysis (Rental Projects Only)**

For rental proposals, please submit a detailed operating budget and 30-year pro forma analysis based on the assumptions described below:

- Five percent (5%) annual vacancy/collection loss for family and senior projects.

- Ten percent (10%) annual vacancy/collection loss for efficiency studio, SRO or special needs projects.
- Three and one-half percent (3.5%) annual increase for expenses (other than property taxes and replacement reserve deposit).
- Two and one-half percent (2.5%) annual increase for income.
- Tenant utility allowances should be based on the Housing Authority of Santa Clara 2010 Utility Allowance Table available at *www.hacsc.org/p_rentlimits.php*.
- If Section 8 or other rental or operating assistance is assumed, an additional pro forma should be included that assumes the contract will expire after its initial term. Applicants are encouraged to budget transition reserves due to the risk that rental assistance contracts may not be renewed.
- Partnership/Asset Management fees (for tax credit projects only) may not exceed a combined total of $25,000 annually but may increase by 3 percent per year.
- The interest rate on the City's funds for low-income housing tax credit projects is generally set at 3 percent simple interest per annum, for projects that generate cash flow. City loan payments will be due from surplus cash flow (after payment of operating costs, senior debt, reserves and deferred developer fee). To the extent cash flow does not generate sufficient payments, any balance may be deferred for the term of the loan. All loans are due in full on sale, refinancing or transfer.

The pro forma should clearly list all assumptions and include information on all financing, including loan term, interest rate, and payee.

The pro forma should also include information on the number of units, sizes, rent and utility levels, targeted levels of affordability and basis of rent calculations.

15. **Developer Financial Reports**

Provide independent audit reports for the last three (3) years, including copies of management letters. This should include complete financial statements, including balance sheets, income statements and statement of cash flows with notes for the last three (3) years.

16. **Experience and References**

Provide résumés and project experience for all key staff working on the project, including, but not limited to, principals, project manager, project staff and financial officer. Indicate the level of experience of the project manager with projects similar to the proposal. Provide at least three (3) references from the city or county staff involved with the projects completed in the last six (6) years.

17. **Partnership Agreement or Corporate Articles and Bylaws (if applicable)**

18. **501(c)(3) Letter of Determination from IRS (if applicable)**

19. **Photos**

    Attach recent, clearly labeled photos of the project site and surrounding area, including at least one street view and one aerial view.

20. **Site Plan**

    Attach a simple site plan (black and white line drawing) showing the property boundaries and general footprint of the structures to be developed or rehabilitated.

21. **Board of Directors**

    Provide the name and city of residence of each member of the developer's Board of Directors. (maximum 30 lines of text)