



**AFFORDABLE HOUSING FUNDS  
NOTICE OF FUNDING AVAILABILITY**

**Application Form  
September 30, 2024**

**PROJECT APPLICANT**

**Applicant Name:** \_\_\_\_\_  
**Applicant Contact & Title:** \_\_\_\_\_  
**Applicant Address:** \_\_\_\_\_  
**Applicant Phone & Email:** \_\_\_\_\_ / \_\_\_\_\_

**1. Applicant Role in Project** *(check all that apply):*

- Ownership Entity
- Managing Partner or Managing Member
- Project Sponsoring Organization
- Developer
- Other *(describe):* \_\_\_\_\_

**2. Applicant Legal Status:**

- General Partnership
- Limited Partnership
- Corporation
- Joint Venture
- Non-Profit Organization
- Other *(describe):* \_\_\_\_\_

**PROJECT DESCRIPTION**

**Project Name:** \_\_\_\_\_  
**Project Address:** \_\_\_\_\_  
**Property APN:** \_\_\_\_\_  
**Property Census Tract:** \_\_\_\_\_  
**Property Owner Contact & Title:** \_\_\_\_\_  
**Property Owner Address:** \_\_\_\_\_  
**Property Owner Phone & Email:** \_\_\_\_\_

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

- Rental
- Ownership
- Family
- Senior
- Special Needs
- Permanent Supportive Housing
- SRO/Studio Apartments
- Other (*describe*): \_\_\_\_\_

**4. Project Activity:**

- Acquisition
- Rehabilitation
- Redevelopment
- New Construction
- Expiring Tax Credit Property
- Mixed-Income
- Mixed-Use
- Other (*describe*): \_\_\_\_\_

**5. Project Affordability:**

Income 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)		
81% to 120% AMI (Moderate Income)		
Unrestricted		
Total		

**6. Project Population:**

Population	Number of Units	Percentage of Units
Homeless/Chronically Homeless		
Senior		
Special Needs		

**7. Unit Types:**

Unit Type	Number of Units	Percentage of Units
Studio		
1 Bedroom		
2 Bedroom		
3 Bedroom		

**8. Project Description:**

Land Area (square feet):		Commercial Uses, if any (specify):	
Number of Residential Buildings:		Commercial Floor Area:	
Number of Stories:		Number of Residential Units (Total):	
Elevators:		Residential Floor Area (square feet):	
Total Parking Spaces:		Residential Indoor Common Space/Amenity Floor Area (square feet):	

**9. Parking:**

Total Parking Spaces: \_\_\_\_\_

Parking Type: \_\_\_\_\_

Residential Spaces and Ratio: \_\_\_\_\_

Guest Spaces: \_\_\_\_\_

Commercial Spaces and Ratio: \_\_\_\_\_

**PROJECT NARRATIVE**

**10. Project Description:**

Provide a brief narrative summary of the proposed project. Please include location, project type, target population, and any unique project characteristics. List all entitlements received for the project, if applicable.

---

---

---

---

---

---

---

---

---

---

**11. Project Amenities:**

a. Residential Common Spaces/Amenities:

---

---

b. Residential Unit Amenities:

---

---

---

---

c. On-Site Supportive Services (including any project characteristics that address the special needs of the population that you intend to serve):

---

---

---

---

d. Neighborhood/Off-Site Amenities within 0.5 miles of the Site:

---

---

---

---

**12. Project Design:**

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

---

---

---

---

---

---

---

---

**13. Sustainability, Resiliency, Green Building, and Energy/Resource Efficiency Features:**

Provide a brief description of the sustainability, resiliency, green building, and energy/resource efficiency features that will be incorporated into the project design and housing units.

---

---

---

---

---

---

---

---

**14. Community Outreach and Engagement Strategy:**

Provide a brief description of any past, ongoing, or future community outreach and engagement activities for the project.

---

---

---

---

---

---

---

---

**15. Community Priorities:**

Provide a brief description of how the project addresses the housing needs of Palo Alto and why the project should receive City funding. Include an explanation of how this project meets the objectives of the housing goals and priorities identified in this NOFA, Affordable Housing Fund Guidelines, and the goals and objectives of the City's Housing Element and Comprehensive Plan.

---

---

---

---

---

---

---

---

**16. Potential Project Obstacles:**

Provide a description of any known issues or circumstances that may delay or create challenges for the project. Include an outline of steps that would be taken and the time frame needed to resolve these issues.

---

---

---

---

---

---

---

---

---

---

**17. Applicant Mission Statement and Organization Description:**

Describe the applicant’s mission statement and discuss the applicant organization in general, such as the programs or services offered, the clientele served, etc.

---

---

---

---

---

---

---

---

---

---

**PROJECT FUNDING**

**18. Project Cost Overview:**

Number of Units in Project: # \_\_\_\_\_  
Number of Units City Funding Would Assist: # \_\_\_\_\_  
Amount of City Funds Requested: \$ \_\_\_\_\_  
Total Project Cost: \$ \_\_\_\_\_  
Project Cost per Unit: \$ \_\_\_\_\_

**19. Use of Funds:**

Provide a summary of the project costs and a description of how City funding would contribute toward the success of the project. Provide clarification on how City funds would be used, such as for units at specific affordability levels.

---

---

---

---

---

---

---

---

**20. Potential Sources of Project Permanent Financing (not including private bank loans) (check all that apply):**

- 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
- Housing Trust Silicon Valley
- Stanford Housing Funds (administered by County of Santa Clara)
- Other (describe): \_\_\_\_\_

**21. Developer Fee:**

Note the amount of developer fee and percentage of project cost.

\_\_\_\_\_

**SITE INFORMATION**

**22. Site Control:**

a. Site control at the time of application is required. What is the level of site control currently held by the applicant?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. If site acquisition is required, will it be a purchase or long-term lease?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. If site acquisition is required, what is the purchase price of the land? (For proposed leaseholds, indicate the amount of the annual lease payment and the basis for determining that amount).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**23. Site Information:**

a. Total Square Footage of Site:

\_\_\_\_\_

b. Existing uses on the site, number of existing units, existing unit size, 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: \_\_\_\_\_

Number 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 problem site conditions (high noise levels, ingress/egress issues, etc.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

h. Is the site in a floodplain? If yes, note type of floodplain.

\_\_\_\_\_

i. Describe adjoining land uses:

West: \_\_\_\_\_

East: \_\_\_\_\_

North: \_\_\_\_\_

South: \_\_\_\_\_

**24. Zoning:**

a. What is the current zoning of the project site? \_\_\_\_\_

b. Is the proposed project entitled? \_\_\_\_\_

c. Is the proposed project consistent with the existing zoning status of the site? Please explain.

\_\_\_\_\_  
\_\_\_\_\_



**DEVELOPER EXPERIENCE**

**25. Experience Summary:**

Years of Experience: \_\_\_\_\_  
Number of Projects in Past 10 Years: \_\_\_\_\_  
Number of Projects in Santa Clara County: \_\_\_\_\_  
Number of Projects in Palo Alto: \_\_\_\_\_  
Average Size of Projects: \_\_\_\_\_  
Number of Units Placed in Service: \_\_\_\_\_  
Award List for Projects Completed in Past 10 Years: \_\_\_\_\_  
\_\_\_\_\_

**26. Describe three projects completed in the last 10 years that are similar to the proposed project:**

Project 1

Project Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Project Type: \_\_\_\_\_  
Number of Units: \_\_\_\_\_  
Unit Types (studio, 1-bedroom, etc.): \_\_\_\_\_  
Income Categories: \_\_\_\_\_  
Project Amenities (indoor/outdoor): \_\_\_\_\_  
Entitlement Date: \_\_\_\_\_  
Occupancy Date: \_\_\_\_\_  
Funding Sources: \_\_\_\_\_

Project 2

Project Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Project Type: \_\_\_\_\_  
Number of Units: \_\_\_\_\_  
Unit Types (studio, 1-bedroom, etc.): \_\_\_\_\_  
Income Categories: \_\_\_\_\_  
Project Amenities (indoor/outdoor): \_\_\_\_\_  
Entitlement Date: \_\_\_\_\_  
Occupancy Date: \_\_\_\_\_  
Funding Sources: \_\_\_\_\_

Project 3

Project Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Project Type: \_\_\_\_\_  
Number of Units: \_\_\_\_\_  
Unit Types (studio, 1-bedroom, etc.): \_\_\_\_\_  
Income Categories: \_\_\_\_\_  
Project Amenities (indoor/outdoor): \_\_\_\_\_  
Entitlement Date: \_\_\_\_\_  
Occupancy Date: \_\_\_\_\_  
Funding Sources: \_\_\_\_\_

**27. Property Management:**

Describe how the project and property will be managed on an ongoing basis, including the number of staff, locations, and management office hours. If the project will be managed by an agency other than the project applicant, describe the project applicant's role in the ongoing management of the project and resolution of management issues.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**28. Marketing Plan:**

Explain your marketing strategy and the tenant selection process (including how local preferences will be handled) and the establishment and management of waiting lists.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**29. 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)/Financial Consultant(s): \_\_\_\_\_  
Contractor: \_\_\_\_\_  
Investor: \_\_\_\_\_

**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:

- I have not sold any of the projects listed on the "10-Year Projects" list (Section 26 of the application);
- No mortgage on a project listed by me has ever been in default, assigned to the government, or foreclosed, nor has mortgage relief by the mortgagee been given;
- 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;
- 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 10 years;
- 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
- 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. 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 NOFA.

---

Applicant Name(s)

---

Signature Date

---

Print Name and Title

**APPLICANT FAIR HOUSING PRACTICES**

Discuss the accessibility of your project, service, or physical facility to people with disabilities. What steps have been taken to inform the public or program participants of your willingness to make accommodations?

---

---

---

Does your agency prohibit discrimination based on age, race, religion, sex, national origin, ancestry, disability or sexual preference in its programs, services, and employment practices? If not, please sign Form 410 below:

---

**FORM 410**

**Certification of Nondiscrimination:** As suppliers of goods or services to the City of Palo Alto, the firm and individuals listed below certify that they do not discriminate in employment with regards to age, race, color, religion, sex, national origin, ancestry, disability, or sexual preference; that they are in compliance with all Federal, State, and local directives and executive orders regarding nondiscrimination in employment.

Firm: \_\_\_\_\_ Date: \_\_\_\_\_

Title of Officer Signing: \_\_\_\_\_

Signature: \_\_\_\_\_



## **AFFORDABLE HOUSING FUNDS NOTICE OF FUNDING AVAILABILITY**

### **Application Supporting Materials**

The following additional supporting material must be provided with the Notice of Funding Availability (NOFA) application as noted. The additional supporting materials may be forwarded to the City Council along with the signed application.

**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.

**2. Evidence of Site Control:**

At the time a development proposal is submitted, the developer must have site control of the property for which funding is requested. The developer must provide documentation that if the proposal is selected, site control can be maintained through completion of the entitlement process and until the property can be acquired. As evidence of site control, one of the following documents must be submitted with the application:

- Purchase agreement, including evidence that the agreement is for a term that is sufficient to hold the property until the anticipated date of purchase.
- Option to purchase or lease, binding on seller or landlord, including evidence that options are 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.
- Other evidence that developer has site control.
- Land acquisition costs must be justified and represent a competitive market price. Prior to closing on any City funding, the City will commission its own appraisal to confirm property value.

**3. Appraisal:**

An appraisal is required that has been completed within three (3) months of submitting an application. 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 California State licensed/certified. 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 presumed condition such as a 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:**

Provide the following information on at least six projects completed in the past ten years, in a consistent format as follows. **(Information provided in application Section 27 can be referenced but does not need to be repeated here.)**

- Name of Project:
- Location:
- 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. Preliminary Relocation Analysis:**

If the project involves temporary or permanent relocation of residential or commercial tenants, provide a description of tenants eligible for relocation assistance and a preliminary budget for the relocation assistance. (A full Relocation Plan will be required during the entitlement process for projects that received reserved funding.) The preliminary relocation analysis should include:

- A description of the applicable relocation requirements 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; and
- Name, contact information and a description of the consultant or agency that will prepare the Relocation Plan and provide assistance to the displaced households/businesses.

**8. Development Schedule:**

Detailed project schedule, identifying all major milestones. The schedule must include major milestones for the development approval process, purchase of the property, community outreach process, financing applications, approvals and closings, project construction and lease-up.

**9. Resident Services Plan:**

A Resident Services Plan that describes services to be provided to tenants (child care, computer training, etc.) and demonstrates how supportive and social services for the tenant population will be provided and funded. 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.

**10. Management Companies:**

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

- Total number of projects and units managed;
- Listing of projects managed and their locations;
- Number of company employees; and
- Management philosophy.

**11. 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 comparable and vacancy rates or have at least half of the commercial/retail space preleased.

**12. Development Budget:**

Provide a detailed development budget that includes all anticipated funding sources and provides a breakdown of all development costs. The following requirements should be considered in preparing the budget:

- **Construction Contingency:**  
The City requires a 10 percent minimum construction contingency, which should be factored into the development budget. For projects involving extensive rehabilitation work, a 15 percent construction contingency may be required.
- **Prevailing Wage Requirements:**  
It is the City's policy that any affordable housing projects funded by the City will require State prevailing wage payments or if Federal funds are used for the project, Davis-Bacon wage payments. Applicants will be expected to comply with all State and Davis-Bacon wage requirements. Any previous unsettled violation of the prevailing wage requirements of the City may disqualify the contractor or any subcontractors from participating bidding as contractors or subcontractors on City financed projects.
- **Insurance/Bonding Requirements:**  
The selected agency will be required to comply with the City's insurance requirements, which should be factored into the project budget.

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

For rental project proposals, a detailed operating budget and 30-year pro forma analysis should be submitted which uses the assumptions detailed 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.
- If Section 8 or other rental or operating assistance is assumed, an additional operating pro forma should be included that assumes the contract will expire after its initial term. Applicants

should include transition reserves in their budgets 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 three percent (3%) per year.
- The interest rate on the City's funds for low-income housing tax credit projects will be set on a case-by-case basis. The interest rate typically will range from one percent (1%) to three percent (3%) simple interest per annum, where there is a financial benefit to the project. Payments of interest and principal will be due from excess cash flow from operations after payment of operating costs, senior debt, reserves and deferred developer fee. All loans are due on sale, refinancing or transfer (except to a related entity, such as a limited partnership, subject to City approval).

The pro forma should clearly list all assumptions and include information on all debt sources, including term, interest rate information and name of intended debt providers. 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 level calculations.

**14. 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.

**15. Experience and References:**

Provide resumés 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 City or County staff involved with projects completed in the last six (6) years. Information specifically related to experience in successfully completing projects with prevailing wage or Davis-Bacon wage requirements is preferred. It is highly desirable that the developer's contractor has experience in this area, but it is not mandatory.

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

**17. 501(c)(3) Letter of Determination from IRS (if applicable).**

**18. Photos:**

Attach recent, clearly labeled photos of the project site and surrounding area.

**19. Board of Directors:**

Provide a listing of the Board of Directors, including the city of residence.

**20. Additional Supplemental Information (Optional).**