

SGVRHT PPO NOFA Questions and Answers

- 1. One of the threshold requirements is the cash developer fee disbursement schedule (15% at Closing; 40% at 50% Completion; 70% at 100% lien-free completion; 85% at Permanent Conversion; and 100% at Stabilization, defined as 90% economic occupancy for three consecutive months). However, the Measure A statute itself does not govern or restrict either the amount or timing of developer cash fee payments. Given that developers often spend multiple years—minimum two to three years—in predevelopment without receiving any fee payments, it is unclear why imposing a prescriptive fee schedule is necessary, especially as a threshold item. Additionally, other funding agencies (i.e., CDLAC, TCAC, HCD, LACDA, etc.) do not require a cash fee schedule.**

The definition of SGVRHT Developer Fee Standards has been updated to the following: Cumulative developer fee payments no greater than the following: 15% at Closing, 40% at 50% Completion, 70% at 100% Lien-Free Completion, 85% at Stabilization (defined as 90% economic occupancy for 3 months), 100% at Permanent Conversion. A revised NOFA pdf has been published.

- 2. Our company has a very extensive REO schedule (100+). Can we just list enough projects to demonstrate experience in CA and LA County to score full points?**

Yes. Information can be provided in a separate PDF if comprehensive information has already been assembled for other funding applications.

- 3. The FS and REO tab include sensitive financial information (i.e., gross annual income, NOI, DSCR, etc.). How can we keep this information confidential? How will this be handled in the event of a public records request?**

Sensitive financial information submitted to a public agency is not automatically confidential and may be subject to disclosure under the California Public Records Act (CPRA). Per Section 7C of the NOFA, if an Applicant believes that any portion of its Application is exempt from public disclosure, such portion may be marked “confidential”. In the event materials marked “confidential” are subject to a CPRA request, SGVRHT will endeavor to notify the Applicant and provide the Applicant with an opportunity to seek judicial intervention prior to disclosure of the materials.

- 4. Can we just list hard debt, or is soft debt required for each project as well, because this can get very extensive?**

Please complete the noted fields to the extent that details are available for projects.

5. If problems with the workbook arise post Q&A due date, can we still reach out for questions?

Yes. For technical issues, please reach out to Brielle Salazar at bsalazar@sgvrht.org.

6. For other questions not addressed here, is it safe to assume that we can rely on the Q&A from the recent LACAHSA NOFA?

Generally, yes, as the SGV PPO NOFA was closely modeled after that of the LACAHSA PPO NOFA. However, some variations may result in answers to questions specific to the SGV NOFA that cannot be accurately addressed through the LACAHSA PPO NOFA Q&A.

7. The checklist requires us to submit draft regulatory agreements. What draft regulatory agreements are you looking for? In lieu of draft regulatory agreements, please confirm that projects requesting funding will adhere to the Affordability Covenant/Regulatory Agreement requirements detailed in the SGVRHT NOFA.

The Required Document Checklist within the SGVRHT PPO NOFA has been updated to remove the draft regulatory agreement item. An updated NOFA has been published to the SGVRHT website. Loans issued through this NOFA will remain subject to a regulatory agreement which SGVRHT will draft.

8. Can a City provide support for more than one project within its jurisdiction that is seeking funding from the SGVRHT?

Yes. The SGVRHT maintains a pipeline of projects within the region and project that are not awarded SGV Measure A PPO funding can be considered for future SGVRHT funding opportunities.