



***San Gabriel Valley Regional Housing Trust***

***REVISED Notice of Funding Availability:  
Measure A Production, Preservation, and  
Ownership (PPO) Funding***



San Gabriel Valley  
Regional Housing Trust

Dated: February 6, 2026



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## 1. OVERVIEW

### A. Introduction

This Notice of Funding Availability (“NOFA”) represents a funding opportunity by the San Gabriel Valley Regional Housing Trust (“SGVRHT” or “Trust”) to make available Measure A Production, Preservation, and Ownership (“PPO”) Funding.

What follows in this NOFA is a detailed breakdown of the tools (“Financing Products”) that the Trust intends to make available, and the corresponding opportunity for the affordable housing community of the San Gabriel Valley to propose creative structures and approaches that utilize these tools to maximal effect. SGVRHT looks forward to the proposals and long-term partnerships that this funding opportunity will create.

### B. Background

The Los Angeles County Affordable Housing Solutions Agency (“LACAHS”) is a newly formed independent regional governmental agency charged with increasing the production of affordable housing, preserving existing affordable housing stock, and protecting low-income tenants from eviction and displacement throughout Los Angeles County (“County”). LACAHS was created by the California Legislature in 2022 through the Los Angeles County Regional Housing Act (Senate Bill 679, codified at Cal. Government Code sections 64700 et seq.), which establishes legal requirements for the distribution of LACAHS’s revenues. In November 2024, the County’s voters passed Measure A, a half-cent sales tax to fund affordable housing development and homeless prevention programs. Measure A is anticipated to raise approximately \$1.1 billion in annual revenue, and 35.75% of that revenue (estimated to be approximately \$393.25 million) must flow to LACAHS.

Measure A’s sales tax became effective on April 1, 2025, and LACAHS has begun to receive monthly tranches of revenue from the tax. Pursuant to SB 679 and Measure A, at least 60% of LACAHS’s revenues must be used for the production of new affordable housing units, the preservation of existing affordable units (or conversion of existing units to affordable units), and programs for affordable home ownership (i.e., PPO activities). Of this amount, at least 77.25% must go to the production or creation of new or affordable housing units.

### C. Available Funds

Government Code section 64830.5(a)(2) states that funds under the PPO category are split between SGVRHT and other Eligible Jurisdictions, with 70% passing through to the Eligible Jurisdictions, including the San Gabriel Valley Council of Governments (“SGVCOG”)/San Gabriel Valley Regional Housing Trust, and 30% remaining with LACAHS. Funding allocations to Eligible Jurisdictions are proportionally based on LACAHS’s assessment of regional housing needs. Pursuant to this assessment, SGVCOG/SGVRHT is anticipated to receive approximately \$16.1 million in PPO funding in the first fiscal year of the Measure A program, per estimates provided in LACAHS’s Fiscal Year (“FY”) 2025-26 Expenditure Plan.<sup>1</sup>

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<sup>1</sup> LACAHS FY25-26 Expenditure Plan, <https://lakahsa.gov/wp-content/uploads/2025/09/Adopted-LACAHS-FY25-26-Expenditure-Plan.pdf>



Through this NOFA, the SGVRHT hereby makes available approximately \$12.0 million of this allocation to Eligible Applicants. This funding amount is based on FY 2025-26 Measure A anticipated revenues and may vary based on actual amounts received. In future fiscal years, the Trust will consider releases of additional, updated NOFAs based on anticipated Measure A funding and PPO funding allocations to the SGVRHT.

#### D. NOFA Timeline

The NOFA process will proceed as outlined in the following schedule:

Milestone	Date
NOFA Release	January 20, 2026
Deadline to Submit Questions	January 30, 2026
Responses to Questions Posted	February 6, 2026
Application Deadline	February 20, 2026
Application Review Period Ends	March 2026
Award Recommendations Presented to Board	March-April 2026
Notification of Awards	March-April 2026

#### E. Important Resources

All projects funded by SGVRHT are subject to the legal requirements of SB 679 and Measure A.<sup>2</sup> Additionally, the LACAHSAs Board of Directors adopted Transitional Program Guidelines (“Transitional Program Guidelines”) that contain additional LACAHSAs policies and guidance, as well as relevant applications and interpretations of the legal requirements governing LACAHSAs and LACAHSAs funding.<sup>3</sup> SGVRHT cannot grant exceptions to the requirements set forth by SB 679 or the Transitional Program Guidelines under any circumstances.

Even if not set forth in this NOFA or in an eventual loan agreement, established requirements will nonetheless apply to the use of SGVRHT Measure A PPO funds.

## 2. PROGRAM DESCRIPTION

#### A. Authorization

The San Gabriel Valley Regional Housing Trust is a joint powers authority formed in February 2020 for the purposes of funding and financing the planning and construction of affordable housing serving extremely low, very low, and low income households and homeless housing (e.g., emergency shelters, permanent supportive housing, and transitional housing) in the San Gabriel

<sup>2</sup> SB 679 is codified via Government Code section 64710 through 64832, available here: [https://leginfo.ca.gov/faces/codes\\_displayexpandedbranch.xhtml?tocCode=GOV&division=&title=6.9.&part=1.&chapter=&article=&goUp=Y](https://leginfo.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=GOV&division=&title=6.9.&part=1.&chapter=&article=&goUp=Y). Measure A is codified as Ordinance 2024-0062 and is available here: [https://file.lacounty.gov/SDSInter/lac/1183984\\_MeasureAOrdinance.pdf](https://file.lacounty.gov/SDSInter/lac/1183984_MeasureAOrdinance.pdf).

<sup>3</sup> LACAHSAs Final Transitional Program Guidelines, dated September 2025. Due to the transitional nature of the guidelines, the requirements within the guidelines and those referenced in this document are subject to change. The Transitional Program Guidelines are available here: [https://lakahsa.gov/wp-content/uploads/2025/10/LACAHSAs-Transitional-Guidelines\\_September-2025.pdf](https://lakahsa.gov/wp-content/uploads/2025/10/LACAHSAs-Transitional-Guidelines_September-2025.pdf)



Valley. Any city in the San Gabriel Valley can join the SGVRHT. As of January 2026, there are 21 Full Member jurisdictions and four (4) Affiliate Member jurisdictions.

The SGVRHT is governed by a Board of Directors made up of elected officials from seven (7) cities that are members of the SGVRHT and two (2) members that are housing or homeless experts (“Board of Directors”). The Board of Directors is responsible for overseeing the activities of the SGVRHT and administering the SGVRHT’s funds. The SGVRHT’s operations are managed by its Executive Director and the Regional Housing Trust Manager (“Manager”).

**B. Eligible Applicants**

SGVRHT invites nonprofit and for-profit housing developers (“Sponsors”) to apply for funding under this NOFA. To be eligible to apply for funding, the legal entity applying for funding under this NOFA (the “Applicant”) must be the entity that will own or otherwise control the proposed project.

**C. Eligible Projects**

The SGVRHT will exclusively fund projects located within its full member jurisdictions (“Full Members”). Projects located in “Affiliate Member” or non-member jurisdictions within the San Gabriel Valley can become eligible for funding if the jurisdiction becomes a Full Member during the Application review period. As of the date of this document, Full Member cities include:

- Alhambra
- Baldwin Park
- Diamond Bar
- Glendora
- Monrovia
- Pomona
- South El Monte
- Arcadia
- Claremont
- Duarte
- Irwindale
- Montebello
- Rosemead
- South Pasadena
- Azusa
- Covina
- El Monte
- La Verne
- Monterey Park
- San Gabriel
- West Covina

The SGVRHT will exclusively fund projects that have obtained documentation of support from the Full Member city in which the project will be located. Documentation of support must be submitted with submission of the Application.

Projects must meet the specific requirements of the respective Financing Product proposed by the Applicant. As described in the Product Term Sheets, a project’s eligibility for a particular product varies based on several factors including:

- Mix and depth of affordability.
- Readiness to proceed.
- Sponsor experience track record, and financial strength.



## **D. Program Requirements**

### **1. Portfolio Requirements**

Pursuant to SB 679 and Measure A funding guidelines, a minimum of 77.25% of the SGVRHT's Measure A funding allocation must be committed to the production or creation of new affordable housing units ("PPO-New Construction"). All funds available under this NOFA are designated to satisfy the PPO-New Construction requirement. Pursuant to Government Code Section 64830(d)(1)(A)(ii)(I), SGVRHT's portfolio of Measure A funded units must meet or exceed the following requirements when measured in the aggregate over any two (2) year period:

1. 25% of all funded and constructed units shall be reserved for extremely low-income households with incomes at or below 30% of the Area Median Income ("AMI").
2. 25% of all funded and constructed units shall be reserved for very low-income households with incomes at or below 50% AMI.

The Trust will prioritize funding allocations to ensure full compliance with all applicable Measure A requirements. Recognizing that prevailing wage and project labor agreement requirements (see subsection 3 below) may limit the number of eligible developments, the Trust welcomes Applications from projects that meet all Measure A criteria. Applicants able to satisfy these requirements may request up to the maximum funding amount of \$12,000,000, subject to the competitive review process described in this NOFA.

### **2. Project Affordability Requirements**

Affordability requirements are set forth in the LACAHSAs Transitional Program Guidelines and described in detail for each Financing Product in the applicable Term Sheet. Projects funded through this NOFA (i.e., new construction projects) must meet one of the following requirements:

1. Be 100% affordable, with all units restricted to households earning no greater than 80% AMI. In addition:
  - a. 10% of units must be reserved for households earning at or below 30% AMI.
  - b. 10% of units must be reserved for households earning at or below 50% AMI.
 Noting that these project-based requirements are less restrictive than the portfolio requirements described in subsection 1 above, the Trust will prioritize proposed projects that satisfy Measure A portfolio and affordability requirements.
2. Be 100% affordable, with all units restricted to households earning no greater than 120% AMI. In addition:
  - a. 10% of units must be reserved for households earning at or below 30% AMI.
  - b. The greater of i) 50 units or ii) 50% of units must be financed with SGVRHT financing. All units financed by SGVRHT must be reserved for households earning at or below 50% of AMI. Funding shall not be used in connection with any unit that is income restricted solely due to development incentives, density bonuses, or similar programs, except as allowed per Section 2(F) of this NOFA.





3. A mixed-income housing development that includes units targeted to households earning more than 120% AMI. In addition:
  - a. 10% of units must be reserved for households earning at or below 30% AMI.
  - b. 10% of units must be reserved for households earning at or below 50% AMI.
  - c. Measure A PPO SGVRHT funding can only be applied to units that are designated as 80% AMI or below. Funding shall not be used in connection with any unit that is income restricted solely due to development incentives, density bonuses, or similar programs, except as allowed per Section 2(F) of this NOFA.

### **3. Prevailing Wage & Project Labor Requirements**

Funding recipients will be required to adhere to the labor requirements contained in SB 679 and Measure A. Prevailing wage applies to all PPO activities involving new construction.

Projects in buildings with 40 units or more must comply with the Countywide Community Workforce Agreement executed by the Chief Executive Officer on June 7, 2023<sup>4</sup> or any successor to the agreement. Construction contracts for projects with 40 units or more must include provisions requiring compliance with the Project Labor Agreement (“PLA”) based on the location of the project. At a minimum, 80% of all units funded by the SGVRHT must be built subject to a PLA. The SGVRHT will prioritize funding allocations in a manner that will allow it to maintain compliance with these requirements.

### **4. Expenditure Deadline**

Per the Transitional Program guidelines, PPO funds awarded to a project by the SGVRHT must be expended within three (3) years of the date of obligation, which shall be defined as the date on which the SGVRHT issues a Letter of Intent (“LOI”) to the Applicant.

### **E. Eligible Uses & Financing Products**

SGVRHT will offer two (2) different Financing Products for which Applicants may apply: Residual Receipts Loans and Operating Deficit Reserves. Operating Deficit Reserves may be requested only as supplemental funding for projects also requesting a Residual Receipts Loan, however the sum of the combined requests may not exceed \$12.0 million. Additional details regarding the purpose, eligibility, and maximum request amount of both Financing Products are provided in the following table.

The SGVRHT will prioritize funding for projects that allow it to maintain compliance with Measure A portfolio, affordability, and project labor requirements (Section 2(D) of this NOFA). If a single project utilizes all available funding while ensuring the SGVRHT maintains compliance with these requirements, the Trust may prefer to allocate all funds to that project. While priority will be given to projects that satisfy the per-unit request maximums, projects that exceed these maximums but

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<sup>4</sup> Los Angeles County Countywide Community Workforce Agreement, <https://pw.lacounty.gov/explore-public-works/uploads/2025/02/LA-County-Countywide-CWA-Agreement-1.pdf>





otherwise allow the Trust to maintain compliance with Measure A project and portfolio requirements may still be considered eligible for funding.

Product	Purpose & Form of Assistance	Eligibility & Preferences	Maximum Amount
<b>Residual Receipts Loan</b> ( <a href="#">Exhibit A-1</a> )	Provide subordinate gap financing for new construction LIHTC projects beginning at close of construction financing.	<ul style="list-style-type: none"> <li>• New construction projects.</li> <li>• Awardees may utilize funding to cover construction or permanent financing gaps.</li> <li>• Projects must include LIHTC (9% or 4%) financing.</li> </ul>	<ul style="list-style-type: none"> <li>• \$12,000,000 per project; <b>and</b></li> <li>• \$300,000 per unit.</li> </ul>
<b>Operating Deficit Reserve</b> ( <a href="#">Exhibit A-2</a> )	Reserve funding to cover operating shortfalls in affordable housing projects to the extent rental income is insufficient to meet stabilized operating costs. Structured as reserve commitments rather than capital gap financing.	<ul style="list-style-type: none"> <li>• Funds must be used as supplemental funding to projects requesting Residual Receipts Loans.</li> <li>• New construction affordable projects with units restricted to households at or below 80% AMI.</li> <li>• Use of funds limited to operating purposes, only after depletion of primary reserves.</li> <li>• Funds may cover operating shortfalls for a property for up to 20 years, with renewable terms so long as that property has established affordability covenants compliant with Measure A requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• \$3,000,000 per project; <b>and</b></li> <li>• \$75,000 per unit.</li> </ul>

The complete terms, limitations, and requirements, for the above Financing Products are described in the Term Sheets included in Exhibit A.

## F. Ineligible Activities

SGVRHT funds can only be used for affordable housing projects. As a general rule, SGVRHT may be able to fund units up to 80% of AMI, but SB 679 also contains certain more stringent affordability requirements depending on the nature of the project and the funding. Affordability requirements are set forth in the LACAHSAs Transitional Program Guidelines and described in detail for each Financing Product in the applicable Term Sheet.

Measure A PPO funding cannot be used for homeless services. Measure A PPO funding may fund permanent supportive housing, but the funding for the supportive services must come from other sources. Measure A PPO funding may not be used to fund units required solely by law or entitlement (e.g., inclusionary or density bonus-mandated units). However, Measure A PPO funds may fund eligible units with a project in excess of such requirements if those units meet all LACAHSAs program terms and are covered by a LACAHSAs regulatory agreement. Funding will be allocated only to the eligible portion on a documented, pro-rata basis. The following table provides examples of permissible funding under common density bonus scenarios:



SGVRHT Financing Scenarios Involving Density Bonus Units	
Scenario	Permissible SGVRHT Financing
Density Bonus Units Granted to 100% Affordable Projects	All units, including density bonus units, may be funded by SGVRHT. Because the project is 100% affordable, the income restriction is not due to the density bonus. That is, it was not granted to incentivize the developer to create affordable units by enabling more density for market-rate units. In this case, the density bonus applies because the project is 100% affordable.
Excess Affordable Units in Market Rate Projects	If the developer is proposing to build more affordable units than necessary to obtain a density bonus, then SGVRHT may fund the excess affordable units but not the units needed to achieve the density bonus. Note that, if the developer is receiving a benefit from the excess units (e.g., additional concessions, added density), then SGVRHT may not fund such excess units.

### 3. APPLICATION PROCESS

#### A. Application Materials

Application materials may be found at the SGVRHT website: <https://www.sgvrht.org/>. Inquiries and questions can be directed to the SGVRHT Manager.

Applicants should review the Proposal Requirements section of this NOFA for a complete list of documentation that must be submitted for Applications to be considered complete.

#### B. Submittal of Financing Proposals

##### 1. Application Submittal

Applicants first submit a SGVRHT Measure A PPO Funding Application (“Application”) to the following contacts:

- SGVRHT Staff: Brielle Salazar ([bsalazar@sgvrht.org](mailto:bsalazar@sgvrht.org)), Caitlin Sims ([csims@sgvcog.org](mailto:csims@sgvcog.org)), Rosalie Lansing ([rlansing@sgvcog.org](mailto:rlansing@sgvcog.org))
- Harris & Associates (SGVRHT’s Consultant Team): Zaire Marin ([zaire.marin@weareharris.com](mailto:zaire.marin@weareharris.com)), Vincent Cisneros ([vincent.cisneros@weareharris.com](mailto:vincent.cisneros@weareharris.com))

##### 2. Application Fee

A \$500 fee is due with the submission of the Application and may be paid by check to the San Gabriel Valley Regional Housing Trust.

#### C. Application Scoring & Funding Recommendations

All Application submittals will be scored and ranked according to the Scorecards outlined in Exhibit A. If a project receives extra points for structuring a term beyond minimum requirements (e.g., higher debt service coverage ratio), the new term becomes a required condition for receipt of the requested SGVRHT financing. SGVRHT’s list of funding conditions for each awarded project will list the satisfaction of any such terms as a condition precedent to SGVRHT funding.



After reviewing, scoring, and ranking submitted Applications, SGVRHT staff will submit funding recommendations to the Board for its consideration. The final decision to select and fund projects will be subject to the Board's sole and absolute discretion.

## **D. Funding Awards**

Any award of funding pursuant to one of the Financing Products will be made by the Board (a "Funding Award") and will be conditional upon agreement of terms, as described in the relevant Financing Product Term Sheet Below.

# **4. LOAN TERMS**

## **A. Terms and Term of Commitment**

Each Financing Product is subject to specific terms as particularly described in the respective Term Sheet included in Exhibit A. Projects must meet all conditions of funding related to the applicable Financing Product (i.e., be "ready to close") within 12 months of notification of award. Failure to satisfy all funding conditions within 12 months may result in rescission of the award at SGVRHT's sole and absolute discretion. SGVRHT may grant extensions on a case-by-case basis, particularly for projects pursuing LIHTC or other state/federal funds, where reasonable forward progress is sufficiently documented.

## **B. Affordability Covenant**

Any project funded by any of the Financing Products will be required to record a covenant restricting the units to affordable uses for at least 55 years for rental projects at the required levels of affordability (an "Affordability Covenant").

## **C. Release of Funds**

Funds awarded will be appropriated by SGVRHT for the award. Release of funds will occur via an agreed upon process appropriate for the type of funding, which may include an escrow of the funds or disbursement pursuant to draw requests. SGVRHT will not release funds until an Affordability Covenant and other public benefit requirements are recorded. To the extent applicable and subject to SGVRHT's terms and conditions, funding recipients may request a letter of commitment or similar document to be used to acquire additional financing.

## **D. SGVRHT Fees and Costs**

SGVRHT will collect the following fees and costs from projects/project sponsors in connection with the SGVRHT-financed projects:

1. Upfront Origination Fee
2. Lender Closing Costs
3. Plan and Cost Review/Monitoring Costs (where applicable)

See the Product Terms in Exhibit A. A for details on the applicability and calculation of these fees and costs by Financing Product.



## E. Material Adverse Change

From the date the Application is submitted and at all times up to and including the date of any Funding Award and the closing of such Funding Award, no material adverse change shall have occurred with respect to the Applicant or the project, including but not limited to: the financial condition, working capital, assets, liabilities, management, business, operations, or good standing of the Applicant; the financial feasibility of the project; the physical, environmental, and title conditions to the project site; availability and timeliness of government approvals, land use approvals, permits and licenses; appointment of a receiver, foreclosure, general assignment for the benefit of creditors, bankruptcy filing with regard to or affecting all or any of the assets of the Applicant or its owners; and community support for the project.

Applicants should promptly notify SGVRHT of any actual or expected material changes to their application and explain why such a change is or is not likely to adversely affect the project. SGVRHT will review such notifications and work with Applicants to resolve any related issues as quickly as practicable.

## F. Standard Agreement

SGVRHT will provide standard form loan or subsidy agreements applicable to each respective Financing Product at or around the time of Funding Award.

## G. Subordination

### 1. Financing

SGVRHT will subordinate its financing to senior lenders only for Residual Receipts Loans.

### 2. Affordability Regulatory Restrictions

SGVRHT's affordability regulatory restrictions shall **not** be subordinate to any other regulatory restriction (except as may be required by State Law), covenant, mortgage, or deed of trust (or similar instrument) in favor of any party other than SGVRHT. Additionally, if a project includes income-restricted and non-income restricted units, the Affordability Covenant shall be structured so that SGVRHT can enforce the affordability restrictions without limitation. The presence of non-income restricted units shall not limit SGVRHT's ability to enforce the Affordability Covenant.

## 5. UNDERWRITING REQUIREMENTS

Each Application will be subject to the terms and requirements set forth in the Term Sheet for each Financing Product sought (see Exhibit A). Notwithstanding the foregoing, SGVRHT will generally apply the underwriting requirements contained in the Uniform Multifamily Regulations ("UMR") set forth at Section 8300 of Title 25, Division 1, Chapter 7, Subchapter 19 of the California Code of Regulations; and the California Tax Credit Allocation Committee Regulations set forth at California Code Of Regulations Title 4, Division 17, Chapter 1, with particular attention directed to Section 10327 related to financial feasibility and determination of credit amounts. In the event of a conflict



between the UMR and the underwriting terms provided in the relevant Term Sheet (or otherwise provided in this NOFA or by SGVRHT), SGVRHT's underwriting terms shall control.

### **A. Predevelopment and Development Budgets**

The SGVRHT will evaluate the predevelopment and development budgets in comparison to construction cost estimates; costs for other, similar projects; costs for other projects with adjustments for differences; industry resources; and other resources available to the SGVRHT.

### **B. Cash Flow and Debt Coverage Ratio**

The Applicant shall submit a cash flow for the longer of the affordability term (see Affordability Requirements section) or 30 years. The cash flow should show a Year 1 debt service coverage ratio of 1.10 or higher and positive net cash flow through at least Year 15.

### **C. Operating Expenses**

Total operating expenses shall not be less than those specifically listed in California Code of Regulations, Title 4, Section 10327, as minimum operating expenses unless the Applicant can provide sufficient evidence that lower expenses will be sufficient. Projects that will use tax credits must satisfy the operating cost minimums published by the CTCAC for Los Angeles County and the applicable project type and year. The SGVRHT may require higher operating expenses where warranted by the experience of comparable properties and particular building characteristics, such as the nature of the tenant population. The SGVRHT may approve total operating expenses that are less than those specified in Section 10327 if the project has an extraordinary design feature that results in a quantifiable operating cost savings or if the Board of Directors determines that lesser total operating expenses are sufficient for the effective operation of the project.

### **D. Reserves**

The development budget should include the following reserves, to be funded in the permanent financing phase and/or from operating income:

1. Replacement Reserves to fund new building materials and systems as older materials and systems wear out.
2. Operating Reserves to cover a deficit in the property's operation.

See the relevant Product Terms in Exhibit A. A for details on minimum Replacement Reserve and Operating Reserve deposits.

### **E. Fair Housing and Equal Opportunity**

SGVRHT is an equal opportunity lender. All projects receiving Measure A PPO funding must comply with applicable State and Federal fair housing and equal housing opportunity laws.

## **6. PROPOSAL REQUIREMENTS**

All Applications must contain sufficient information and supporting documentation to allow SGVRHT to determine eligibility, evaluate proposals, and assign scores based on the published Scorecard. Incomplete Applications may be deemed ineligible. Proposals must include all of the following in the Application.





## A. Executed Certifications and Legal Disclosure Form

Applicants will be required to submit the Certifications and Legal Disclosure form attached as Exhibit B. The form must be executed by two principals with the authority to bind the Applicant.

## B. Application Checklist

A comprehensive Application Checklist is provided in Exhibit A for each Financing Product. Applicants must complete and submit the checklist with their Application to confirm that all required materials are included. The checklist will be integrated in the Application.

The Application Checklist will solicit narrative and documentary information in the following areas:

<b>Required Documents</b>
<b>1. Organizational and Eligibility</b>
<b>Organizational Documents: Articles of Incorporation, Bylaws, 501(c)(3) Determination Letter (if applicable), Certificate of Good Standing</b> <i>Applicants and Managing Partners in the project's organizational chart must each provide required organizational documents. Applicants must provide narrative addressing additional documents required under Section 2(B) and 2(C) of this NOFA.</i>
<b>Organizational Chart with Principal/Guarantor Equity Distribution</b> <i>Applicants and Managing Partners must submit an organizational chart that outlines percentage ownership among the entities and individuals within the partnership structure.</i>
<b>Sponsor/Guarantor Financial Statements</b> <i>Three years of audited financial statements and current year's financial statement that includes income statements and balance sheets.</i>
<b>Sponsor Experience</b> <i>Provide Sponsor's list and Project Manager's resume of completed affordable multifamily rental housing projects in the past 10 years and identify completed projects in LA County.</i>
<b>Certifications and Legal Disclosure Forms (Exhibit B)</b>
<b>2. Real Estate &amp; Land Use</b>
<b>Site Control, Preliminary Title Report, ALTA Survey</b> <i>Site control documents must be evidenced by fee simple title, ground lease, purchase and sale agreement, a leasehold with development provisions, or any other enforceable agreement (including development and disposition agreements and exclusive negotiation agreements) subject only to ministerial approval showing site control will be obtained within 12 months of notification of award. Preliminary title reports and ALTA survey must be dated within 90 days of application submission.</i>
<b>Zoning Status/Approvals, Permits (if any)</b> <i>Evidence that the project's zoning will allow the proposed scope of development by providing a copy of verification of zoning and land use entitlement approvals, zoning confirmation letter from the relevant city or County of Los Angeles, or verification of zoning for the APN(s) and parcel map. If the project's entitlements are not yet approved by the application deadline, applicant shall demonstrate all discretionary land use approvals can be obtained within 90 days or by the Project Award approval date, whichever is sooner. Include narrative on density bonus requirements and determination to be eligible for SGVRHT funds.</i>
<b>3. Environmental Compliance</b>



<p><b>California Environmental Quality Act (“CEQA”) Determination, National Environmental Policy Act (“NEPA”) Environmental Assessment (if required)</b> <i>Evidence of CEQA and NEPA status or narrative outlining the approval will be received within 90 days of notification of award. Provide narratives detailing ministerial/CEQA-exempt paths and closure letters/clearance determinations.</i></p>
<p><b>Phase I/II Environmental Reports</b> <i>Phase I ESA must be dated within 180 days of application submission.</i></p>
<p><b>4. Design/Construction/Labor (Readiness)</b></p>
<p><b>Schematic/Preliminary Design and Development (“DD”), Construction Document (“CD”), or Permitted Set of Plans</b> <i>At minimum, includes a site plan that identifies all areas or features proposed as project amenities, building elevations, and unit floor plans (include square footages).</i></p>
<p><b>General Contractor (“GC”) Engagement and Cost Review, GC Qualifications (if any)</b> <i>Provide certification from the construction manager or GC engaged to confirm the Schedule of Value estimate for the project used in the pro forma.</i></p>
<p><b>Labor Requirements (Exhibit C)</b> <i>Narrative identifying applicable PLA (City, County) or why PLA is not required, draft labor compliance plan, and/or subcontractor labor tracking or workforce plan (if applicable).</i></p>
<p><b>5. Financing &amp; Economics</b></p>
<p><b>Application</b> <i>Includes development team information, sources and uses, rent schedule, and pro forma.</i></p>
<p><b>Market Study</b> <i>Market study must be dated within 12 months of application deadline and must comply with the latest Market Study Guidelines published by the California Tax Credit Allocation Committee and California Debt Limit Allocation Committee (available at <a href="https://www.treasurer.ca.gov/ctcac/2021/market-study-guidelines.pdf">https://www.treasurer.ca.gov/ctcac/2021/market-study-guidelines.pdf</a>). Current, audited operating statements of comparable assets, accompanied by a narrative and other required validations may also be reviewed to validate operating expense assumptions.</i></p>
<p><b>Financing Term Sheets/Letters of Intent/Commitments (if applicable)</b> <i>Preliminary award letters with no discretionary actions remaining for funding approval, and commitment letters from bank Construction/Permanent lenders.</i></p>
<p><b>6. Affordability, Compliance &amp; Operations</b></p>
<p><b>Property Management Experience and Qualifications</b> <i>Include narrative of property management plan. List property management properties in the past 15 years: (a) in California and (b) for all income-restricted projects.</i></p>
<p><b>7. Services (if applicable)</b></p>
<p><b>Services Plan, Service Provider Agreements (if applicable)</b> <i>Provide narrative describing services plan. Provide Letter of Intent, Memorandum of Understanding, or other form of service agreement with resident services provider and qualifications. List service provider experience in: (a) California and (b) LA County.</i></p>

**C. Application**

SGVRHT modeled the Application after the Uniform Application Workbook created by LACAHS for purposes of its PPO NOFA to maintain consistency with the LACAHS PPO NOFA application process and minimize Applicant efforts seeking funding from both LACAHS and SGVRHT.





## **D. Required Supporting Documentation**

Applicants must attach all supporting documentation referenced in the Documentation Checklists included in Exhibit A, as applicable to the Financing Product. This may include copies of site control agreements, entitlement approvals, agreements, financial statements, and other records as specified.

# **7. OTHER TERMS AND CONDITIONS**

## **A. General SGVRHT Requirements**

All projects receiving funding under this NOFA must adhere to SB 679, Measure A, the LACAHSAs Transitional Program Guidelines, the LACAHSAs Annual Expenditure Plan, and any other policies and guidelines adopted by the SGVRHT Board.

## **B. SGVRHT's Rights and Responsibilities**

SGVRHT reserves the right to change the requirements and policies described in this NOFA. SGVRHT is responsible only for that which is expressly stated in the NOFA documents, any authorized written addenda, and any posted questions and answers. Such addenda shall be made available to each person or organization via SGVRHT's website. It is the responsibility of Applicants to ensure, prior to submission, that their Application reflects the most recent addenda information, program requirements, and policies. By submission of the Application, each Applicant acknowledges receipt of all addenda, if any, that are emailed or posted on SGVRHT's website. SGVRHT is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf if those representations conflict with NOFA requirements.

## **C. Confidentiality; Application Property of SGVRHT**

Once submitted, each Application becomes the property of SGVRHT and becomes a public record. SGVRHT is not liable for the disclosure of any information contained in the Application. Any information that Applicants do not wish to disclose to the public must be clearly marked "confidential." A blanket statement of confidentiality or the marking of every page of the Application as confidential shall not be deemed sufficient notice of exception. Applicants must specifically label only those portions of the Application that are confidential in nature and notify SGVRHT that confidential information is included.

## **D. Cost of Application Preparation**

The cost of Application preparation shall be borne by the Applicant. In no event shall SGVRHT be liable for any expenses incurred in the preparation and submission of the Application.

## **E. Other Funding Applications by NOFA Applicants**

SGVRHT reserves the right to request any funding applications submitted by NOFA Applicants to other funding sources. Funding applications include all such requests for financing associated with the proposed project. Failure to provide such information upon request may result in SGVRHT taking action up to and including rescission of funding.



## **F. Compliance with Local, State, and Federal Law**

Applicants must be in compliance with all SGVRHT fiscal and programmatic requirements, all regulatory agreements with SGVRHT, and the requirements of other governmental entities or permitting agencies, including any and all laws, statutes, ordinances, codes, rules, regulations, directives, writs, injunctions, orders, decrees, rulings, or conditions of approval.

If any of the Applicant's existing projects are not in compliance with SGVRHT fiscal and programmatic requirements or other requirements as noted in the foregoing, the project will not be considered for funding.

## **G. Noncompliant/Debarred Contractors**

Applications may be withheld from funding consideration in the event that the Applicant (or any of its principals, or partners) is currently in arrears or delinquent in payment of debt to SGVRHT, deemed to be noncompliant with the requirements of any agreement with SGVRHT, or included on any County of Los Angeles, HUD, or other public agency's debarment list.

## **H. Insurance Requirements**

Applicants must document that they maintain insurance against claims for injuries to persons or damage to property that may arise from or in connection with the performance of the work by the Applicant, its agents, representatives, employees, or subcontractors. Insurance is required for all general partner entities and all insurance, including all applicable endorsements, are required to be final and approved by SGVRHT prior to closing.

## **I. Labor Requirements**

Refer to Exhibit C.

## **J. Affordability Requirements**

Refer to the Affordability Requirements applicable to each Financing Product in the applicable Term Sheet.

## **K. General Contractor Selection and Construction Contracts**

When seeking a general contractor, Applicants must solicit a minimum of three bids for comparison of pricing and services offered. General contractors working on funded projects must use a guaranteed maximum price contract (GMAX) wherein the basis for payment is the cost of the work plus a fee. The construction contract shall include an overall cost limitation acceptable under SGVRHT's underwriting criteria. All construction contracts shall clearly state that the sharing of cost savings above and beyond the maximum general conditions, overhead, and profit allowed by SGVRHT's underwriting criteria are not allowed. Construction contracts shall not include costs associated with tenant improvements for commercial space associated with the project. Project budgets shall not include tenant improvement costs, and project funds (regardless of source) shall not be used for commercial tenant improvement costs.



## L. Fair Housing, Accessibility, Marketing, and Lease-up

All projects receiving funding under this NOFA must adhere to all fair housing and accessibility requirements applicable under federal, state, and local law. The project must be constructed and maintained in accordance with all applicable accessibility standards.

Projects that propose or implement a local preference will not be eligible for funding unless (a) such preference is required by law or (b) the Applicant can, at the time of application, otherwise demonstrate to the satisfaction of SGVRHT and its legal counsel that the preference is fully compliant with all applicable fair housing laws.

## M. Misrepresentation of Information

All information contained with an Application or otherwise provided by an Applicant or by any person on behalf of an Applicant, is material to SGVRHT's decision to make a Funding Award. In the event that SGVRHT determines that an application (or any other related submittal under this NOFA) includes false, misleading, or inaccurate statements or information, SGVRHT may, at its sole and absolute discretion, rescind any funding commitment or refuse to close on committed obligations. In addition to the foregoing, SGVRHT may initiate an action at law or equity to pursue any and all available legal or equitable remedies, including remedies to recover funds issued to Applicants. This provision shall not be construed as any limitation on SGVRHT's rights or remedies. Recipients of Funding Awards may be required to make information available to SGVRHT to confirm that the award and use of SGVRHT's public funding is free of fraud, waste, or abuse.

## 8. EXHIBITS

The following pages contain Exhibits A-C, which include:

4. Exhibit A: Financing Product Term Sheets, Scorecards, and Document Checklists
  - a. Exhibit A-1: Residual Receipts Loan
  - b. Exhibit A-2: Operating Deficit Reserve
5. Exhibit B: Certifications and Legal Disclosure Forms
6. Exhibit C: Labor Requirements

# **EXHIBIT A: FINANCING PRODUCT TERM SHEETS, SCORECARDS, AND DOCUMENT CHECKLISTS**

## **Defined Terms**

For the purposes of this NOFA, Term Sheets, and Scorecards provided herein, the following terms have the following meanings:

**“Adjusted Total Development Costs”** for a project means the sum of all project costs described in the pro forma *minus*:

- Developer fee contributed as GP equity
- Donated land for LIHTC projects
- Value of any below-market ground lease
- Any SGVRHT Operating Deficit Reserve

**“Trust”** means the San Gabriel Valley Regional Housing Trust (SGVRHT).

**“Agency”** means the Los Angeles County Affordable Housing Solutions Agency (LACAHSAs).

**“Area Median Income (AMI)”** means the area median income (and household size adjustment) published by HUD and adopted by the Trust for the applicable program year.

**“Affordability Covenant” or “Regulatory Agreement”** means the Trust-approved recorded agreement (or equivalent instrument) that imposes affordability and other program requirements on a Project for the required term.

**“Document Checklist”** means the consolidated list of documents required to evaluate Applications, organized by category for each Financing Product, as may be updated by the Trust.

**“Environmental Site Assessment (ESA)”** means, unless otherwise specified by the Trust, a Phase I Environmental Site Assessment prepared in accordance with ASTM E1527-21 (or its successor), intended to identify recognized environmental conditions in connection with commercial real estate.

**“HUD Fair Market Rents” or “HUD FMR”** means the 2026 Fair Market Rents published for the County of Los Angeles by the U.S. Department of Housing and Urban Development (“HUD”), unless the project is in a zip code for which HUD publishes 2026 Small Area Fair Market Rents (“SAFMR”), in which case “HUD Fair Market Rents” or “HUD FMR” shall mean the 2026 SAFMR for the applicable zip code published by HUD.

**“LIHTC Project”** means a project financed with federal Low-Income Housing Tax Credits under Internal Revenue Code Section 42, meeting the requirements for

qualified low-income buildings, applicable fraction, set-aside, and extended use restrictions.

**“New-Construction Project”** means a Project involving the construction of new residential improvements (and related site work) where no residential structures previously existed (or where prior structures are demolished and replaced) to create new affordable housing units.

**“Non-LIHTC Project”** means a Project that is not financed with federal Low-Income Housing Tax Credits under IRC Sec. 42 (though it may use other subsidies, bonds, or Financing Products).

**“SGVRHT Developer Fee Standards”** means the maximum developer fee allowed for projects receiving financing under one of the Financing Products. For LIHTC projects, this maximum will be equal to the CDLAC/TCAC maximums for total and cash developer fees applicable to the project. In the case of new construction or major rehabilitation, 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.

**“SGVRHT Interest Reserve Requirements”** means the following standard requirements for capitalized interest during the construction period and through stabilization. Each project relying on capitalized interest during the construction phase must create an interest reserve sized as follows: Construction Period + Lease-up Period + 3-Month Cushion (Construction and Lease-up periods to be verified by plan and cost review and appraisal, respectively), assuming the greater of 50% average outstanding loan balance or monthly spending projections. For the purposes of initial project selection, applicants should size interest reserves assuming no tenant income during the construction and lease-up phases. However, following project selection and during the full underwriting process, SGVRHT may give credit for tenant income subject to prudent underwriting standards.

**“SGVRHT Interest Rate Assumptions”** mean the generally assumed interest rates for SGVRHT Measure A PPO Loans. The generally assumed interest rate for Residual Receipts Loans is 3.00%.

**“SGVRHT Standard Closing Cost Assumptions”** means the Trust’s standard assumptions for certain costs customarily incurred at closing, as follows:

<b>SGVRHT Standard Closing Cost Assumptions</b>	
Lender Legal	\$100,000
Market Study	\$13,500
Appraisal	\$15,000

Pro forma financials must assume costs greater than or equal to those detailed.

**“SGVRHT Standard Construction Review & Monitoring Assumptions”** means the Trust’s requirements for draw administration, site inspection, frequency of monitoring, deliverables (e.g., inspection reports), and related fees during construction. For the purposes of this NOFA, pro forma financials must assume a cost of at least \$8,000 for an upfront plan and cost review, plus \$1,600 per month for monitoring during the construction period, to meet these requirements.

**“SGVRHT Readiness to Proceed Checklist”** means the Trust’s standardized checklist of items evidencing development readiness, used for scoring and/or underwriting, which, depending on the Financing Product, may include: (i) complete pro forma financial model; (ii) preliminary financing commitments from all non-SGVRHT funders; (iii) evidence of site control; (iv) site development plan provided; (v) evidence of appropriate zoning; (vi) market study (compliant with CDLAC/TCAC guidelines) provided; (vii) physical needs assessment; (viii) commitment letter/letter of intent for permanent financing from a non-SGVRHT source.

**“SGVRHT Unit Cost Benchmark”** means the benchmark for development cost per square foot by project type used for eligibility, scoring, and/or underwriting under this NOFA. This benchmark will be equal to the mean of Adjusted Total Development Costs for all projects applying for financing under this NOFA, expressed on a per-square-foot basis. As described in the Scorecards below, projects may receive additional points for costs significantly below this amount. If SGVRHT determines it has not received sufficient information to create a benchmark for a project type, SGVRHT may rely on recent publicly available data for development costs in LA County, internal data sources from recent funding applications considered through other funding sources, or other reputable real estate development data sources to create a benchmark.

**EXHIBIT A-1: PRODUCT TERMS, SCORECARD, AND DOCUMENT CHECKLIST**

**RESIDUAL RECEIPTS LOAN**

	Product Terms	Selection Criteria	Max Score	Project Score
<b>A. Purpose &amp; Form of Assistance</b>				
Purpose & Form of Assistance	Provide subordinate gap financing for new construction LIHTC projects beginning at close of construction financing.	N/A		
<b>B. Eligibility</b>			<b>16</b>	
Projects	New-construction projects also funded by 4% or 9% LIHTC.	<b>Threshold Requirements</b> Is this a new-construction project with LIHTC financing? <b>If YES, proceed   If NO, disqualified</b>		
Owners	Eligible Nonprofits, Private Entities.	<b>Threshold Requirements</b> Is the project owned by either an Eligible Nonprofit entity or a Private Entity? <b>If YES, proceed   If NO, disqualified</b>		
Readiness to Proceed	Projects must demonstrate readiness to close on construction and permanent financing (as evidenced by meeting all threshold requirements in SGVRHT's Readiness to Proceed Checklist) within 12 months of award.	<b>Threshold Requirements</b> Is the project ready to proceed within the required timeframe based on the following? (i) Complete pro forma financial model; (ii) Evidence of site control; (iii) Site development plan provided; (iv) Evidence of appropriate zoning; (v) Evidence of public utilities and service availability; (vi) Preliminary environmental reports (e.g., Phase I) and a plan to complete necessary additional steps within the required timeframe; (vii) Floodplain determination and, if necessary, quote for flood insurance; (viii) Market study provided;	<b>16</b>	



	Product Terms	Selection Criteria	Max Score	Project Score
		<p><b>If YES to ALL, proceed   If NO to any, disqualified</b>  <u>Point Scoring</u>            Add points for the following:            (i) Full architectural drawings by licensed architect (<b>3 points</b>);            (ii) Full environmental clearance with no further action required (<b>3 points</b>);            (iii) Preliminary financing commitments from all non-SGVRHT funders (<b>3 points</b>);            (iv) General contractor (a) has been engaged (<b>1 point</b>), (b) has helped develop the construction budget (<b>1 additional point</b>), is bound by a fully executed contract (<b>1 additional point</b>);            (iv) Complete entitlements package and all permits or a permit-ready letter (subject only to payment of fees) in hand (<b>4 points</b>).</p>		
<b>C. Loan Size and Structure</b>				
Funding Maximums	Funding requests shall not exceed \$12,000,000 per project or \$300,000 per unit.	<p><u>Threshold Requirement</u>            Is the funding amount requested less than or equal to \$12,000,000 total, and \$300,000 per unit?  <b>If YES, proceed   If NO, disqualified</b></p>		
Term	55 years.	N/A		
Maximum Amortization	N/A - Residual receipts payment based on 50% split of cashflow (loan is not forgivable or extendable beyond maturity date).	N/A		
Interest Rate	3% Simple Interest.	<p><u>Threshold Requirement</u>            Does the model assume a 3% simple interest rate?  <b>If YES, proceed   If NO, disqualified</b></p>		

	Product Terms	Selection Criteria	Max Score	Project Score
Conversion Requirements	Set by permanent lender; Must be acceptable to SGVRHT.	N/A		
Prepayment Lockout/ Penalties	No prepayment lockout or penalties.	N/A		
Recourse	Non-recourse, subject to exceptions for fraud, misrepresentation, etc. (so-called "bad boy carveouts").	N/A		
Security	Junior lien on real property (may subordinate to other lenders as necessary).	N/A		
<b>D. Loan Costs</b>				
Upfront Origination Fee	1% of total Residual Receipt loan amount requested.	<b>Threshold Requirement</b> Does the model assume a 1% origination fee? <b>If YES, proceed   If NO, disqualified</b>		
Lender Closing Costs	Borrower to pay SGVRHT legal and advisory costs at closing.	<b>Threshold Requirement</b> Does the model assume proper lender closing costs based on SGVRHT Standard Closing Cost Assumptions (as defined in Exhibit A)? <b>If YES, proceed   If NO, disqualified</b>		
Plan and Cost Review/Monitoring Costs	Borrower to cover the cost of SGVRHT's plan and cost reviewer/construction monitor where plan and cost review not required by senior lender.	<b>Threshold Requirement</b> Does the model assume proper plan and cost review / monitoring costs based on SGVRHT Standard Construction Review & Monitoring Assumptions? <b>If YES, proceed   If NO, disqualified</b>		
<b>E. Public Benefit Requirements</b>			<b>23</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
Affordability Restrictions	<p><u>New Construction:</u></p> <p><b>Option 1: 100% Affordable Building up to 80% of AMI:</b>  (1) 10% of units at or below 30% of AMI and  (2) 10% of units at or below 50% of AMI and  (3) 100% of total development units at or below 80% of AMI.</p> <p><b>Option 2: 100% Affordable Building up to 120% of AMI:</b>  (1) 10% of units at or below 30% of AMI and  (2) The greater of 50 units or 50% of units in the development must be financed with SGVRHT financing. Of the financed units, all must be at or below 50% of AMI. Funds cannot be used in connection with any unit that is solely income restricted due to density bonus, development incentives, or similar programs (except as allowed per Section 2(F) of this NOFA).</p> <p><b>Option 3: Mixed-Income Building (including units above 120% of AMI):</b>  (1) 10% of units at or below 30% of AMI and  (2) 10% of units at or below 50% of AMI and remaining SGVRHT-financed units at or below 80% of AMI.</p>	<p><b>Threshold Requirements</b>  Does the proposed unit mix meet required minimum standards for new construction?  <b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b>  Add <b>16 points</b> for projects that meet relevant affordability requirements.</p>	16	
Project Labor Requirements	For all projects, construction contracts and subcontracts must include provisions requiring the payment of prevailing wages. Additionally, construction contracts for projects with 40 units or more must include provisions requiring compliance with the applicable Project Labor	N/A		

	Product Terms	Selection Criteria	Max Score	Project Score
	Agreement based on the location of the project.			
Resident Services	Sponsors will be required to provide resident services consistent with the tenant population and any special set asides (e.g., seniors, formerly homeless).	<u>Point Scoring</u> Add <b>7 points</b> for projects that provide resident services consistent with the tenant population and any special set asides.	<b>7</b>	
<b>F. Credit Risk Standards</b>			<b>37</b>	
Sponsor Experience/ Track Record	SGVRHT will review sponsor development experience, staffing and depth of project team, development pipeline, management plan and experience, references, and similar information for compliance with SGVRHT standards.	<u>Threshold Requirements</u> Either the project sponsor or sponsor's lead project manager must (i) have completed (i.e., secured Certificate of Occupancy/Completion) a minimum of 3 affordable multifamily rental housing projects in California in the past 10 years or (ii) otherwise be eligible for full experience points from CDLAC/TCAC. Sponsors or project managers must not have any compliance or reporting violations with LA County, CDLAC, or TCAC in the past 5 years. <u>Point Scoring</u> Add points as follows: <b>2 points</b> for at least 7 years of development experience in California and <b>2 additional points</b> for at least 5 completed projects in Los Angeles County in the past 15 years.	<b>4</b>	
Sponsor Financial Strength	SGVRHT will analyze sponsor/guarantor financials (including multiyear calculations of liquidity and net worth, as well as contingent liabilities) and portfolio performance to gauge financial management capacity and ensure entities have the financial strength to step in and assist if a project struggles financially.	<u>Threshold Requirement</u> Does the sponsor have at least (i) \$3 million of net worth for private entities and \$1 million for nonprofit entities and (ii) \$1 million of liquidity for private entities and \$500k for 501(c)(3) entities? <b>If YES, proceed   If NO, disqualified</b>	<b>2</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
		<p><b><u>Point Scoring</u></b>  Add <b>1 point</b> for sponsor with at least (i) \$15 million of net worth for private entities and \$5 million for nonprofit entities and <b>1 point</b> for sponsor with at least (ii) \$6 million of liquidity for private entities and \$1.5 million for nonprofit entities.</p>		
Sponsor Contribution	SGVRHT will evaluate sponsor contributions to the project relative to the project's total development costs.	<p><b><u>Point Scoring</u></b>  Add <b>1 point</b> for every 5% of total development costs contributed to the project as sponsor cash (e.g., loans of upfront cash, equity contributions), up to a maximum of <b>6 points</b>.</p>	<b>6</b>	
Developer Fee Payments	Cumulative pay-ins must be no greater than the following: 15% at Closing, 40% at 50% Completion, 70% at 100% Lien- Free Completion, 85% at Permanent Conversion, 100% at Stabilization (defined as 90% economic occupancy for 3 months).	<p><b><u>Threshold Requirement</u></b>  Does the model assume cumulative developer fee payments no greater than the following: 15% at Closing, 40% at 50% Completion, 70% at 100% Lien-Free Completion, 85% at Permanent Conversion, 100% at Stabilization (defined as 90% economic occupancy for 3 months)?  <b>If YES, proceed   If NO, disqualified</b></p>		
Plan and Cost Review/Monitoring	Third-party plan and cost review required (either performed by a reviewer from the SGVRHT-approved list or by the reviewer selected by a third-party senior lender).	N/A		
Contract Type	Guaranteed maximum price contract required.	N/A		
Hard Cost Contingency	Greater of 5% or plan and cost review recommendation.	<p><b><u>Threshold Requirement</u></b>  Does the model assume at least 5% hard cost contingency?  <b>If YES, proceed   If NO, disqualified</b></p>		
Soft Cost Contingency	3%.	<b><u>Threshold Requirement</u></b>		

	Product Terms	Selection Criteria	Max Score	Project Score
		Does the model assume at least 3% soft cost contingency? <b>If YES, proceed   If NO, disqualified</b>		
Lease-Up	All lease-up assumptions to be verified via appraisal-derived lease-up estimates, including capture rate and absorption rate.	N/A		
Max. Loan-to-Cost (LTC) Ratio	90% LTC on senior permanent financing. 95% All-in LTC.	<b>Threshold Requirement</b> Does the model assume the proper maximum LTC ratios? <b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b> Add <b>0.5 points</b> for every 2.5% below the threshold requirement up to a maximum of <b>1 point</b> .	<b>1</b>	
Max. Loan-to-Value (LTV) Ratio	90% LTV on senior permanent financing. 95% All-in LTV.	<b>Threshold Requirement</b> Does the model assume the proper maximum LTV ratios? <b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b> Add <b>1 point</b> for every 2.5% below the threshold requirement, up to a maximum of <b>1 point</b> .	<b>1</b>	
Verification of Assumptions	Restricted rents, market rents, and commercial/non-residential income to be estimated based on an updated market study and verified via an appraisal with as-stabilized valuation scenario.	<b>Threshold Requirement</b> Did the Applicant provide income assumptions consistent with the market study and explain major variations from market study values? <b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b> Add <b>2 points</b> for total operating expenses no higher than market study estimate.	<b>2</b>	
Vacancy Assumptions	Vacancy assumptions equal to the greater of 5% or appraisal figure (for all but subsidized	<b>Threshold Requirement</b> Does the model assume at least 5% vacancy?	<b>5</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
	permanent supportive housing units, which require the greater of 10% or appraisal figure).	<b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b> Add <b>5 points</b> if model assumes vacancy rate of at least 5%.		
Income Trending	Assume lesser of 2.5% annual growth, 1% lower than expense trending, or appraisal figure.	<b>Threshold Requirement</b> Does the model assume at most 2.5% annual income trending and 3.5% annual expense trending? <b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b> Add <b>3 points</b> for 2.5% annual income trending and 3.5% annual expense trending.	<b>3</b>	
Verification of Operating Expense Assumptions	All operating expense assumptions to be verified via an appraisal with as-stabilized valuation scenario.	N/A		
Taxes and Abatement Assumptions	Assumed tax abatements must be supported by the appraisal and borrower due diligence establishing eligibility for the Welfare Tax Exemption.	N/A		
Expense Trending	Assume greater of 3% annual growth or appraisal figure.	N/A		
Debt Service Senior Coverage (DSC)	1.10x minimum.	<b>Threshold Requirement</b> Does the model assume at least 1.10x DSC? <b>If YES, proceed   If NO, disqualified</b>		
Debt Service All-in Coverage	1.05x minimum.	<b>Threshold Requirement</b> Does the model assume at least 1.05x all-in DSC? <b>If YES, proceed   If NO, disqualified</b>		
Debt Service Reserve	As determined by perm lender.	<b>Point Scoring</b> Add <b>0.5 points</b> for each month of reserve, up to a maximum of <b>3 points</b> .	<b>3</b>	



	Product Terms	Selection Criteria	Max Score	Project Score
Replacement Reserve	Greater of \$300/unit/year or the amount assumed/recommended in the appraisal or physical needs assessment.	<p><b>Threshold Requirement</b> Is replacement reserve sized at a minimum of \$300/unit/year? <b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b> Add <b>2 points</b> if replacement reserve equals at least \$300/unit/year.</p>	2	
Operating Reserve	Minimum 3 months operating expenses.	<p><b>Threshold Requirement</b> Is the operating reserve sized at a minimum of 3 months' operating expenses? <b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b> Add <b>1 point</b> for each additional month, up to a maximum of <b>4 points</b>.</p>	4	
Capitalized Interest Reserve	As required by senior lenders.	<p><b>Threshold Requirement</b> Does reserve sizing meet SGVRHT Interest Reserve Requirements? <b>If YES, proceed   If NO, disqualified</b></p>		
Manager Experience	Property manager to be reviewed and approved by SGVRHT prior to closing.	<p><b>Threshold Requirement</b> Does the property manager have prior experience in California? <b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b> Add points as follows: <b>1 point</b> for at least 7 years of property management experience in California and <b>1 point</b> for at least 5 projects managed in California in the past 15 years.</p>	2	
Service Provider Experience	Any social service providers to be reviewed and approved by SGVRHT prior to closing.	<p><b>Threshold Requirement</b> If social services will be provided on the property, does the service provider have experience in California?</p>	2	

	Product Terms	Selection Criteria	Max Score	Project Score
		<p><b>If YES, proceed   If NO, disqualified</b>  <u>Point Scoring</u>            Add points as follows: <b>1 point</b> for at least 7 years of services experience in California and <b>1 point</b> for at least 5 projects served in Los Angeles County in the past 15 years.</p>		
<b>G. Efficiency Standards</b>			<b>21</b>	
Sponsor/Related Party Capital	Cost of any capital contributed by Sponsors or Related Parties must be consistent with that of a publicly supported project.	<p><u>Threshold Requirement</u>            Where sponsor or a related party is contributing capital in the form of a loan, is the cost of such capital consistent with a publicly supported project?  <b>If YES, proceed   If NO, disqualified</b></p>		
Developer Fee	Projects to comply with SGVRHT Developer Fee Standards.	<p><u>Threshold Requirement</u>            Does the model assume cumulative developer fee payments no greater than the following: 15% at Closing, 40% at 50% Completion, 70% at 100% Lien-Free Completion, 85% at Permanent Conversion, 100% at Stabilization (defined as 90% economic occupancy for 3 months)?  <b>If YES, proceed   If NO, disqualified</b></p>		
Cost Containment	N/A	<p><u>Point Scoring</u>            Add points as follows: <b>2.5 points</b> for every \$50/square foot by which a project's cost is lower than the SGVRHT Unit Cost Benchmark, up to a maximum of <b>10 points</b>.</p>	<b>10</b>	
Public Funds Leveraging	N/A	<p><u>Point Scoring</u>            Add <b>1 point</b> for every \$500,000 of non-SGVRHT public support in the project, up</p>	<b>6</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
		to a maximum of <b>6 points</b> .		
Total SGVRHT Subsidy	Residual Receipts Loan may not exceed 15% of total development cost.	<p><b>Threshold Requirement</b></p> <p>Is the requested Residual Receipts Loan less than or equal to 15% of total development costs?</p> <p><b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b></p> <p>Add <b>1 point</b> for every percentage point of total development costs by which the requested Residual Receipts Loan is less than 15%, up to a maximum of <b>5 points</b>.</p>	<b>5</b>	
<b>H. Tie Breakers (Order of Priority)</b>				
Affordability Per Subsidy Dollar	N/A	Advantage to the greatest affordability (as measured by discount to market per bedroom) per dollar of SGVRHT support (including all SGVRHT capital sources).		
Lowest Total Development Cost (TDC) by Unit Type	N/A	Advantage to the lowest feasible total development cost per square foot.		
Greatest Readiness	N/A	Advantage to the highest points on SGVRHT Readiness to Proceed Checklist.		

<b>Document Checklist</b>	
<b>Required Documents</b>	<b>Provided?</b>
<b>1. Organizational and Eligibility</b>	
Articles/Bylaws/501(c)(3), Good Standing	<input type="checkbox"/>
Org chart, principals/guarantors, COI	<input type="checkbox"/>
Sponsor/guarantor financials & org docs	<input type="checkbox"/>
Public resolution; Housing Element/AFFH (if public)	<input type="checkbox"/>
<b>2. Real Estate &amp; Land Use</b>	
Site control, prelim title, ALTA	<input type="checkbox"/>
Zoning status/approvals, permits (if any)	<input type="checkbox"/>
Will-serve/utilities, flood	<input type="checkbox"/>
<b>3. Environmental Compliance</b>	
CEQA/NEPA status (NOE/NOD; ND/MND/EIR; CatEx/EA/FONSI/EIS)	<input type="checkbox"/>
Phase I/II ESA; mitigation matrix	<input type="checkbox"/>
<b>4. Design/Construction/Labor (Readiness) (If Applicable)</b>	
Prelim Plans/specs; schedule	<input type="checkbox"/>
Plan & cost review; GMP/bids (if any)	<input type="checkbox"/>
GC quals; Prevailing Wage/PLA; ADA	<input type="checkbox"/>
<b>5. Financing &amp; Economics</b>	
Full Application; S&U; pro forma	<input type="checkbox"/>
Appraisal/cost; market study	<input type="checkbox"/>
Financing LOIs/commitments; SLR	<input type="checkbox"/>
<b>6. Affordability, Compliance &amp; Operations</b>	
Rent schedule	<input type="checkbox"/>
PM plan; reporting & compliance; insurance	<input type="checkbox"/>
Subordination, Non-Disturbance, and Attornment Agreement (SNDA) (if any)	<input type="checkbox"/>
<b>7. Resident Impacts &amp; Services</b>	
Community outreach; engagement plan (A/R)	<input type="checkbox"/>
Relocation plan; income certs (A/R only)	<input type="checkbox"/>
Services plan & provider agreements (if PSH/ELI)	<input type="checkbox"/>

## EXHIBIT A-2: PRODUCT TERMS, SCORECARD, AND DOCUMENT CHECKLIST

### *OPERATING DEFICIT RESERVE*

	Product Terms	Selection Criteria	Max Score	Project Score
<b>A. Purpose &amp; Form of Assistance</b>				
Purpose & Form of Assistance	Provide reserve funding to cover operating shortfalls in affordable housing projects to the extent rental income is insufficient to meet stabilized operating costs. Structured as reserve commitments rather than capital gap financing. Funds to be held by designated trustee in a segregated interest-bearing account (with interest accruing to the reserve account). Draws require owner certification of deficit, evidence of primary reserve depletion, and notification of SGVRHT.	N/A		
<b>B. Eligibility</b>			<b>25</b>	
Projects	New-construction affordable rental projects where SGVRHT-funded units may not exceed 80% AMI. Use of funds limited to operating purposes including operating shortfalls, debt service, or unanticipated operating expenses after depletion of primary reserves. <b><u>Funds must be used as supplemental funding to projects requesting Residual Receipts Loans.</u></b>	<p><b><u>Threshold Requirements</u></b> Is this a new construction project with SGVRHT-funded units restricted at or below 80% of AMI? <b>If YES, proceed   If NO, disqualified</b></p> <p><b><u>Point Scoring</u></b> Add <b>5 points</b> for projects with a majority of units restricted at or below 50% of AMI.</p>	<b>5</b>	
Readiness to Proceed	Projects must demonstrate readiness to close on construction and permanent financing (as evidenced by meeting all threshold requirements in SGVRHT Readiness to Proceed Checklist) within 12 months of award.	<p><b><u>Threshold Requirements</u></b> Is the project ready to proceed within the required timeframe based on the following? (i) Complete pro forma financial model; (ii) Evidence of site control; (iii) Site development plan provided; (iv) Evidence of appropriate zoning; (v) Evidence of public utilities and service availability; (vi) Preliminary environmental reports (e.g.,</p>	<b>20</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
		Phase I) and a plan to complete necessary additional steps within the required timeframe; (vii) Floodplain determination and, if necessary, quote for flood insurance; (viii) Market study provided; <b>If YES to ALL, proceed   If NO to any, disqualified</b> <u>Point Scoring</u> Add points for the following: (i) Full architectural drawings by licensed architect ( <b>4 points</b> ); (ii) Full environmental clearance with no further action required ( <b>4 points</b> ); (iii) Preliminary financing commitments from all non-SGVRHT funders ( <b>4 points</b> ); (iv) General contractor (a) has been engaged ( <b>2 point</b> ), (b) has helped develop the construction budget ( <b>2 additional point</b> ), is bound by a fully executed contract ( <b>2 additional point</b> ); (iv) Complete entitlements package and all permits or a permit-ready letter (subject only to payment of fees) in hand ( <b>2 points</b> ).		
<b>C. Loan Size and Structure</b>				
Funding maximums	Funding requests shall not exceed \$3,000,000 per project <b>or</b> \$75,000 per unit.	<u>Threshold Requirement</u> Is the funding amount requested less than or equal to \$3,000,000 total, and \$75,000 per unit? <b>If YES, proceed   If NO, disqualified</b>		
Term	55 years.	N/A		
Rate Lock/ Commitment Options	Reserve may be created immediately (e.g., at closing) or forward-committed up to 36 months in advance of permanent conversion.	N/A		

	Product Terms	Selection Criteria	Max Score	Project Score
<b>D. Loan Costs</b>				
Upfront Origination Fee	1% of total Operating Deficit Reserve requested.	<b>Threshold Requirement</b> Does the model assume a 1% origination fee? <b>If YES, proceed   If NO, disqualified</b>		
Plan and Cost Review/ Monitoring Costs	Where applicable, borrower to cover the cost of SGVRHT's plan and cost reviewer/construction monitor where plan and cost review not required by senior lender.	<b>Threshold Requirement</b> Does the model assume proper plan and cost review / monitoring costs based on SGVRHT Standard Construction Review & Monitoring Assumptions? <b>If YES, proceed   If NO, disqualified</b>		
<b>E. Public Benefit Requirements</b>			<b>33</b>	
Affordability Restrictions	<p><b>New Construction:</b></p> <p><b>Option 1: 100% Affordable Building up to 80% of AMI:</b> (1) 10% of units at or below 30% of AMI and (2) 10% of units at or below 50% of AMI and (3) 100% of total development units at or below 80% of AMI.</p> <p><b>Option 2: 100% Affordable Building up to 120% of AMI:</b> (1) 10% of units at or below 30% of AMI and (2) the greater of 50 units or 50% of units in the development must be financed with SGVRHT financing. Of the financed units, all must be at or below 50% of AMI. Funds cannot be used in connection with any unit that is solely income restricted due to density bonus, development incentives, or similar programs.</p> <p><b>Option 3: Mixed-Income Building (including units above 120% of AMI):</b> (1) 10% of units at or below 30% of AMI and (2) 10% of units at or below 50% of AMI and</p>	<p><b>Threshold Requirements</b> Does the proposed unit mix meet required minimum standards for new construction? <b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b> Add <b>25 points</b> for projects that meet relevant affordability requirements.</p>	<b>25</b>	



	Product Terms	Selection Criteria	Max Score	Project Score
	(3)Remaining SGVRHT-financed units at or below 80% of AMI			
Project Labor Requirements	For all projects, contracts and subcontracts must include provisions requiring the payment of prevailing wages. Additionally, construction contracts for projects with 40 units or more must include provisions requiring compliance with the applicable Project Labor Agreement based on the location of the project.	N/A		
Resident Services	Sponsors will be required to provide resident services consistent with the tenant population and any special set asides (e.g., seniors, formerly homeless).	<b>Point Scoring</b> Add <b>8 points</b> for projects that provide resident services consistent with the tenant population and any special set asides.	<b>8</b>	
<b>F. Credit Risk Standards</b>			<b>17</b>	
Sponsor/Guarantor	SGVRHT will review sponsor development experience, staffing and depth of project team, development pipeline, management plan and experience, references, and similar information for compliance with SGVRHT standards.	<b>Threshold Requirement</b> Did applicants submit resumes, REO schedule, development pipeline, and management plan for review? <b>If YES, proceed   If NO, disqualified</b>		
Sponsor Experience/Track Record	SGVRHT will review sponsor development experience, staffing and depth of project team, development pipeline, management plan and experience, references, and similar information for compliance with SGVRHT standards.	<b>Threshold Requirements</b> Either the project sponsor or sponsor's lead project manager must (i) have completed (i.e., secured Certificate of Occupancy/Completion) a minimum of 3 affordable multifamily rental housing projects in California in the past 10 years or (ii) otherwise be eligible for full experience points from CDLAC/TCAC. Sponsors or project managers must not have any compliance or reporting violations with LA County, CDLAC, or TCAC in the past 5 years. <b>Point Scoring</b> Add points as follows: <b>2 points</b> for at least 7 years of development experience in California	<b>4</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
		and <b>2 additional points</b> for at least 5 completed projects in Los Angeles County in the past 15 years.		
Sponsor Financial Strength	SGVRHT will analyze sponsor/guarantor financials—including multiyear calculations of liquidity and net worth, as well as contingent liabilities—and portfolio performance to gauge financial management capacity and ensure entities have the financial strength to step in and assist if a project struggles financially.	<b>Threshold Requirement</b> Sponsor must have at least (i) \$3 million of net worth for private entities and \$1 million for nonprofit entities/Emerging Developers and (ii) \$1 million of liquidity for private entities and \$500k for nonprofit entities/Emerging developers. Does the sponsor meet relevant net worth and liquidity requirements? <b>If YES, proceed   If NO, disqualified</b>		
Max. Loan-to-Cost (LTC) Ratio	90% LTC on senior permanent financing. 95% All-in LTC.	<b>Threshold Requirement</b> Does the model assume the proper maximum LTC ratios? <b>If YES, proceed   If NO, disqualified</b>		
Max. Loan-to-Value (LTV) Ratio	90% LTV on senior permanent financing. 95% All-in LTV.	<b>Threshold Requirement</b> Does the model assume the proper maximum LTV ratios? <b>If YES, proceed   If NO, disqualified</b>		
Verification of Operating Income Assumptions	Restricted rents, market rents, and commercial/non-residential income to be estimated based on an updated market study and verified via an appraisal with as-stabilized valuation scenario. Owners must certify tenant eligibility and rent reasonableness annually. Payments remitted by SGVRHT to owner/operator, benchmarked to Fair Market Rent or alternative rent schedule, as approved.	<b>Threshold Requirement</b> Did the Applicant provide income assumptions consistent with the market study and explain major variations from market study values? <b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b> Add <b>2 points</b> for total operating expenses no higher than market study estimate.	<b>5</b>	
Vacancy Assumptions	Vacancy assumptions equal to the greater of 5% or appraisal figure (for all but subsidized permanent supportive housing units, which require the greater of 10% or appraisal figure).	<b>Threshold Requirement</b> Does the model assume at least 5% vacancy? <b>If YES, proceed   If NO, disqualified</b> <b>Point Scoring</b>		

	Product Terms	Selection Criteria	Max Score	Project Score
		Add <b>5 points</b> if model assumes vacancy rate of at least 5%.		
Income Trending	Assume lesser of 2.5% annual growth, 1% higher than expense trending, or appraisal figure.	<p><b>Threshold Requirement</b> Does the model assume at most 2.5% annual income trending and 3.5% annual expense trending? <b>If YES, proceed   If NO, disqualified</b></p> <p><b>Point Scoring</b> Add <b>2 points</b> for 2.5% annual income trending and 3.5% annual expense trending.</p>	<b>2</b>	
Verification of Operating Expense Assumptions	All operating expense assumptions to be verified via an appraisal with as-stabilized valuation scenario.	N/A		
Taxes and Abatement Assumptions	Assumed tax abatements must be supported by the appraisal and borrower due diligence establishing eligibility for the Welfare Tax Exemption.	N/A		
Expense Trending	Assume greater of 3% annual growth or appraisal figure.	N/A		
Debt Service Senior Coverage (DSC)	1.10x minimum.	<p><b>Threshold Requirement</b> Does the model assume at least 1.10x DSC? <b>If YES, proceed   If NO, disqualified</b></p>		
Debt Service All-in Coverage	1.05x minimum.	<p><b>Threshold Requirement</b> Does the model assume at least 1.05x all-in DSC? <b>If YES, proceed   If NO, disqualified</b></p>		
Debt Service Reserve	As determined by perm lender.	N/A		
Replacement Reserve	Greater of \$300/unit/year or the amount assumed/recommended in the appraisal or physical needs assessment.	<p><b>Threshold Requirement</b> Is replacement reserve sized at a minimum of \$300/unit/year? <b>If YES, proceed   If NO, disqualified</b></p>		
Manager Experience	Property manager to be reviewed and approved by SGVRHT prior to contract award.	<p><b>Threshold Requirement</b> Does the property manager have prior experience in California? <b>If YES, proceed   If NO, disqualified</b></p>	<b>3</b>	

	Product Terms	Selection Criteria	Max Score	Project Score
		<p><b><u>Point Scoring</u></b> Add points as follows: <b>2 point</b> for at least 7 years of property management experience in California and <b>1 point</b> for at least 5 projects managed in California in the past 15 years.</p>		
Service Provider Experience	Any social service providers to be reviewed and approved by SGVRHT prior to contract award.	<p><b><u>Threshold Requirement</u></b> If social services will be provided on the property, does the service provider have experience in California? <b>If YES, proceed   If NO, disqualified</b></p> <p><b><u>Point Scoring</u></b> Add points as follows: <b>2 point</b> for at least 7 years of services experience in California and <b>1 point</b> for at least 5 projects served in Los Angeles County in the past 15 years.</p>	<b>3</b>	
Services Plan and Budget	Where social services provided, full services plan and budget will be required prior to contract award.	N/A		
<b>G. Efficiency Standards</b>			<b>10</b>	
Sponsor/Related Party Capital	N/A	<p><b><u>Threshold Requirement</u></b> Where sponsor or a related party is contributing capital in the form of a loan, is the cost of such capital consistent with a publicly supported project? <b>If YES, proceed   If NO, disqualified</b></p>		
Developer Fee	Where applicable, projects to comply with SGVRHT Developer Fee Standards.	<p><b><u>Threshold Requirement</u></b> Does the model assume developer fees no higher than the CDLAC/TCAC maximums for LIHTC projects. For non LIHTC projects does the model assume cumulative developer fee payments no greater than the following: 15% at Closing, 40% at 50% Completion, 70% at 100% Lien-Free Completion, 85% at Permanent Conversion, 100% at Stabilization</p>		

	Product Terms	Selection Criteria	Max Score	Project Score
		(defined as 90% economic occupancy for 3 months)?		
Cost Containment	N/A	<b>Point Scoring</b> Add points as follows: <b>2.5 points</b> for every \$50/square foot by which a project's cost is lower than the SGVRHT Unit Cost Benchmark, up to a maximum of <b>10 points</b> .	<b>10</b>	
<b>H. Tie Breakers (Order of Priority)</b>				
Affordability Per Subsidy Dollar	N/A	Advantage to the greatest affordability (as measured by discount to market per bedroom) per dollar of SGVRHT support (including all SGVRHT capital sources).		
Lowest TDC by Unit Type	N/A	Advantage to the lowest feasible total development cost per square foot.		
Greatest Readiness	N/A	Advantage to the highest points on SGVRHT Readiness to Proceed Checklist.		

<b>Document Checklist</b>	
<b>Required Documents</b>	<b>Provided?</b>
<b>1. Organizational and Eligibility</b>	
Articles/Bylaws/501(c)(3), Good Standing	<input type="checkbox"/>
Org chart, principals/guarantors, COI	<input type="checkbox"/>
Sponsor/guarantor financials & org docs	<input type="checkbox"/>
Public resolution; Housing Element/AFFH (if public)	<input type="checkbox"/>
<b>2. Financing &amp; Economics</b>	
Full Application; S&U; pro forma	<input type="checkbox"/>
Appraisal/cost; market study	<input type="checkbox"/>
Financing LOIs/commitments; SLR	<input type="checkbox"/>
<b>3. Affordability, Compliance &amp; Operations</b>	
Rent schedule	<input type="checkbox"/>
PM plan; reporting & compliance; insurance	<input type="checkbox"/>
Subordination, Non-Disturbance, and Attornment Agreement (SNDA) (if any)	<input type="checkbox"/>
<b>4. Resident Impacts &amp; Services</b>	
Community outreach; engagement plan (A/R)	<input type="checkbox"/>
Relocation plan; income certs (A/R only)	<input type="checkbox"/>
Services plan & provider agreements (if PSH/ELI)	<input type="checkbox"/>
<b>5. Product-Specific Supplements</b>	
Subsidy Structure	<input type="checkbox"/>
<b>6. Financing &amp; Economics</b>	
Full Application; S&U; pro forma	<input type="checkbox"/>
Appraisal/cost; market study	<input type="checkbox"/>
Financing LOIs/commitments; SLR	<input type="checkbox"/>
<b>7. Affordability, Compliance &amp; Operations</b>	
Property Management Experience and Qualifications	<input type="checkbox"/>
<b>8. Resident Impacts &amp; Services (If Applicable)</b>	
Relocation Plan (if applicable)	<input type="checkbox"/>
Services Plan, Service Provider Agreements (if applicable)	<input type="checkbox"/>

# **EXHIBIT B: CERTIFICATIONS AND LEGAL DISCLOSURE FORM**

## **Instructions**

The San Gabriel Valley Regional Housing Trust (“SGVRHT”) requires all applicants to complete a Certification and Legal Disclosure Form (“Disclosure Form”). SGVRHT uses the Disclosure Form to confirm the accuracy and completeness of the information that the applicant provides in the application and to identify any legal issues that may affect the proposed project and use of SGVRHT funds.

The Disclosure Form includes a certification section and a questionnaire. In certification section of the Disclosure Form, applicants must attest to: (1) the accuracy of the information they provided in the application, (2) their legal authority to submit the application, (3) the disclosure of any persons or entities that will provide goods or services to the project, (4) the legal status of the Project and the property on which it is proposed, and (5) the public nature of the information in the application. The questionnaire covers the applicant and certain related parties’ civil and criminal legal history, including any bankruptcies, receiverships, defaults on loans, foreclosures, civil litigation, administrative or civil settlements, decisions, or judgments, and criminal charges or convictions. Applicants must provide an explanation for any positive responses to any questions regarding the applicant’s legal history. Some parties, including certain public entities, members of the boards of directors of nonprofit corporations and certain executive officers, are not required to complete the questionnaire.

Applicant Entity Information	
Name	
Entity Type	Choose an item.
Address	

## **Certification**

On behalf of the entity identified above, I certify that:

1. The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct.

2. I possess the legal authority to submit this application on behalf of the entity identified in this application and the attached signature block.
3. The following is a complete disclosure of all identities of interest - of all persons or entities, including affiliates, that will provide goods or services to the Project either (a) in one or more capacity or (b) that qualify as a "Related Party" to any person or entity that will provide goods or services to the Project. "Related Party" is defined in the California Tax Credit Allocation Committee (CTCAC) Regulations (California Code of Regulations Section 10302):

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As of the date of application, the project, or the real property on which the project is proposed, is not party to or the subject of any claim or action at the State or Federal appellate level.

4. I have disclosed and described below any claim or action undertaken which affects or potentially affects the feasibility of the Project. In addition, I acknowledge that all information in this application and attachments is public and may be disclosed by SGVRHT.

Printed Name	Title of Signatory	Signature	Date

## Legal Disclosure

Applicant Entity Information	
Name	
Entity Type	
Address	

For purposes of the following questions, and with the exceptions noted below, the term "applicant" shall include the applicant, joint applicant, sponsor(s), and any subsidiary



of the applicant, joint applicant, or sponsor(s) if the subsidiary is involved in (for example, as a guarantor) or will be benefited by the application or the project.

In addition to each of these entities themselves, the term “applicant” shall also include the direct and indirect holders of more than ten percent (10%) of the ownership interests in the entity, as well as the officers, directors, principals and senior executives of the entity if the entity is a corporation, the general and limited partners of the entity if the entity is a partnership, and the members or managers of the entity if the entity is a limited liability company. For projects using tax-exempt bonds, it shall also include the individual who will be executing the bond purchase agreement.

The following questions must be responded to for each entity if the entity and person qualifying as an “applicant” as defined above. **Exceptions:**

- Public entity applicants that do not have an ownership interest in the proposed project, including, but not limited to cities, counties, and joint powers authorities with 100 or more members, are not required to complete the following questionnaire.
- Members of the boards of directors of non-profit corporations, including officers of the boards, are also not required to respond. However, chief executive officers (Executive Directors, Chief Executive Officers, Presidents or their equivalent) must respond, as must chief financial officers (Treasurers, Chief Financial Officers, or their equivalent).

## Administrative Matters

Explain all positive responses on a separate sheet and include with this questionnaire in the application.

1. In the past ten years, has the applicant received a notice of non-compliance or other notice of violation related to its administration of multifamily housing from a housing agency or municipal entity in the County of Los Angeles or from the California Debt Limit Allocation Committee (CDLAC) or California Tax Credit Allocation Committee (CTCAC)?	
2. Does the applicant (or any of its principals or partners) currently appear on any debarment list maintained by any housing agency or municipal entity in the County of Los Angeles, by the State of California (e.g., CDLAC, CTCAC, Department of Housing and Community Development), or by the U.S. Federal Government (e.g., U.S. Department of Housing and Urban Development)?	

## Civil Matters

Explain all positive responses on a separate sheet and include with this questionnaire in the application.

3. Has the applicant filed a bankruptcy or receivership case or had a bankruptcy or receivership action commenced against it, defaulted on a loan or been foreclosed against in the past ten years?	
4. Is the applicant currently a party to, or been notified that it may become a party to, any civil litigation that may materially and adversely affect (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?	
5. Have there been any administrative or civil settlements, decisions, or judgments against the applicant within the past ten years that materially and adversely affected (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?	
6. Is the applicant currently subject to, or been notified that it may become subject to, any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency?	
7. In the past ten years, has the applicant been subject to any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency that resulted in a settlement, decision, or judgment?	

## Criminal Matters

Explain all positive responses on a separate sheet and include with this questionnaire in the application.

8. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, felony charges against the applicant?	
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9. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, misdemeanor charges against the applicant for matters relating to the conduct of the applicant's business?	
10. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, criminal charges (whether felony or misdemeanor) against the applicant for any financial or fraud related crime?	
11. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, that could materially affect the financial condition of the applicant's business?	
12. Within the past ten years, has the applicant been convicted of any felony?	
13. Within the past ten years, has the applicant been convicted of any misdemeanor related to the conduct of the applicant's business?	
14. Within the past ten years, has the applicant been convicted of any misdemeanor for any financial or fraud related crime?	

Printed Name	Title of Signatory	Signature	Date

## **EXHIBIT C: LABOR REQUIREMENTS**

### *The Act and Measure A Construction Labor Requirements*

#### **The Act**

Government Code, § 64720.5:

- (a) Any construction or rehabilitation project receiving funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers Issuer of which the agency is a member, including, but not limited to, a project with under 40 units, shall constitute a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.
- (b) A project with 40 units or greater is eligible to receive funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers Issuer of which the agency is a member, only if all construction and rehabilitation is subject to the City of Los Angeles Department of Public Works PLA. For purposes of this subdivision and subdivision (c), the number of units means the maximum number of units authorized in an entitlement granted by the land use permitting Issuer for the development project, regardless of whether construction or rehabilitation proceeds in phases or ownership is divided.
- (c) Notwithstanding subdivision (b), if a specific countywide project labor agreement is negotiated with mutual agreement between the Los Angeles/Orange Counties Building and Construction Trades Council and the Southern California Association of Nonprofit Housing and approved by the agency, then a project with 40 units or greater is eligible to receive funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers Issuer of which the agency is a member, only if all construction and rehabilitation is subject to the specific countywide project labor agreement rather than the Department of Public Works PLA.
- (d) For purposes of this section, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.
- (e) For purposes of this section, “Department of Public Works PLA” means the City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030 with Los Angeles/Orange Counties Building and Construction Trades Council, effective August 25, 2021.

*(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)*

#### **Measure A**

##### Section 28 – Construction Work

- A. It is the intent of this section to encourage the development of local job opportunities and career

pathways into the building and construction trades, including but not limited to apprenticeship and pre-apprenticeship programs.

- B. Any construction or rehabilitation project receiving funding or financing from this Ordinance, including but not limited to a project of fewer than 40 units, shall constitute a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with section 1720) of Part 7 of Division 2 of the Labor Code.
- C. A project of 40 or more units is eligible to receive funding or financing from this Ordinance only if all construction and rehabilitation is subject to the City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030 if the project is within the City of Los Angeles, or the Countywide Community Workforce Agreement executed by the Chief Executive Officer on June 7, 2023 if the project is elsewhere, or any successor to either agreement.
- D. For purposes of sections 28 and 29 of this Ordinance, the number of units means the maximum number of units authorized in an entitlement granted by the land use permitting Issuer for a development project, regardless of whether construction or rehabilitation proceeds in phases or project ownership is divided.
- E. The Designated Enforcement Agency (“DEA”) shall have Issuer to enforce Labor Code sections 1720-1815, as amended from time to time, for projects funded by the tax imposed by this Ordinance. Any developer, contractor, or subcontractor as to such projects shall be required to cooperate fully in any investigation the DEA initiates. For projects located in the City of Los Angeles, the DEA shall be the Department of Public Works, Bureau of Contract Administration. For projects elsewhere, the contracting Funding Recipient shall act as or designate the DEA. The DEA shall be authorized to work with joint labor management committees established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. section 175a) in order to carry out the enforcement/investigation duties under this Ordinance. A joint labor management committee may bring an action in any court of competent jurisdiction against an employer that fails to comply with the labor standards required under this Ordinance.
- F. Notwithstanding subsection C of this section, if a project labor agreement is agreed between the Funding Recipient or project developer, the Los Angeles/Orange Counties Building and Construction Trades Council, and the Western States Regional Council of Carpenters, then a project with 40 or more units is eligible to receive funding or financing from this Ordinance if all construction and rehabilitation is subject to that project labor agreement.
  - For purposes of this Ordinance, “project labor agreement” has the meaning stated in subdivision (b)(1) of section 2500 of the Public Contract Code