

NOTICE OF FUNDING AVAILABILITY

Community Development
701 Laurel St., Menlo Park, CA 94025
tel 650-330-6614



Background

The City of Menlo Park announces the availability of funds for new affordable rental housing projects in Menlo Park. Approximately \$11.5 million in Below Market Rate (BMR) housing funds is available under this NOFA to support the preservation, acquisition, rehabilitation or new construction of permanent housing that will provide long-term affordability. The funding is intended to fill the financing gap between the projected total development costs and other available funding sources.

The Below Market Rate Housing Fund is comprised of revenues from both residential in lieu fees and commercial impact fees. Residential in lieu fees are collected from certain developers of 10 or more residential units in lieu of building affordable housing units required by the Menlo Park Municipal Code Chapters 15.36, 16.04 and 16.96. Commercial impact fees are collected from commercial and industrial developers. The funds are expended to increase the supply of below market rate housing units in the city, which benefits low and moderate income households.

Qualified developers of affordable housing who can meet the NOFA qualifications and demonstrate their ability to design, build, and manage affordable housing are encouraged to submit proposals. All proposals must be received no later than 5 p.m., January 31, 2019. Interested parties may submit as an individual entity and/or may collaborate with other entities, so long as the collective group meets the NOFA requirements. Applications submitted after this deadline will not be considered. Funding will be awarded by the City Council on a competitive basis to those projects that are most successful in addressing the City's affordable housing needs and benefit the community.

The City is seeking proposals demonstrating: an understanding of the community; the unique attributes and opportunities of the neighborhood where the project will be located; successful experience in developing and managing affordable housing; and a commitment to an inclusive and informative public engagement process. Applicants must have successfully completed a minimum of two affordable, deed-restricted housing projects containing a minimum of 10 units. Joint venture partnerships are allowed assuming at least one member of the partnership meets the minimum experience requirement.

Eligible projects include preservation of existing affordable housing, new construction and acquisition, with or without rehabilitation, for developing permanent affordable rental housing for extremely low, very low and low-income households. Development of emergency shelters for the homeless and transitional housing is not eligible because they do not result in permanent affordable housing. Mixed income projects containing both affordable and market rate units are eligible, with only the affordable housing portion of the project eligible for assistance under this NOFA.

The City will evaluate proposals based on City Council adopted project goals and housing priorities. All proposals will be reviewed for consistency with the recently adopted Housing Element and the City's General Plan. There will not be a point system applied to these goals and priorities.

Project priorities

To be considered for funding under this NOFA, the project should attempt to meet the following project priorities:

- Housing units will remain affordable through deed restrictions for at least 55 years.
- The project is consistent with the goals and objectives of the City's Housing Element and General Plan
- The project has reasonable costs, the ability to compete well in securing competitive funding sources, and is soundly underwritten.
- The project will allow the City to spend housing funds expeditiously
- The project site allows a development to achieve maximum density and is consistent with the zoning and neighborhood setting.
- The project provides dual benefits by preserving/developing affordable housing and creating a substantial improvement of a blighted property and/or neighborhood.
- The building incorporates green building practices and materials.
- The project incorporates appropriate community spaces, amenities and services for the target population.
- The project site is within walking distance of transit, services and amenities and is convenient for the target population.
- The project will attempt to implement a Local Hire program for Menlo Park residents (via construction and/or operations)
- The development team has demonstrated experience with successful affordable housing projects and the capacity to work cooperatively with communities in the design and development of projects.
- The project provides rental housing targeting low income households earning 60 percent or less of the median income for San Mateo County.
- The project is in Central or West Menlo Park.
- The project contains larger units (2+ bedroom units and larger) and generally targets families.
- The project targets occupancy for Menlo Park households dislocated by the current displacement crisis
- The project's management plan promotes a healthy living environment for tenants and a compatible relationship with neighbors

Review process

Application review

Staff will review all proposals to verify the applicant is eligible. Proposals from developers that do not meet the City's minimum required experience will not be considered. Incomplete proposals will not be considered.

Please note that the city hopes to target BMR funds toward projects serving households at the lowest affordability levels. The City also hopes to maximize the impact of its investment by awarding project funds to projects requesting reasonable levels of subsidy. So, in instances where there are multiple projects applying for funds, affordability targeting and subsidy level per unit will be considered.

Environmental review and assessment

Before the final funding commitment, projects must be assessed in accordance with the California Environmental Quality Act (CEQA). If Federal funding is involved, the project must also be assessed in accordance with the National Environmental Policy Act (NEPA).

Application process

Timeline

The tentative timeline for evaluating and selecting proposals is anticipated to be:

City Council approval:	Tuesday, October 23, 2018
NOFA summary and application circulated:	Wednesday, October 24, 2018
NOFA proposals due:	Thursday, January 31, 2019
City Council study session:	TBD, February 2019

Contact information

Questions regarding this NOFA may be directed to Clay Curtin, Interim Housing and Economic Development Manager by calling 650-330-6615 or sending an email to cjcurtin@menlopark.org.

Changes to the NOFA process

The City of Menlo Park reserves the right to request additional information from applicants, reject any and all submittals, waive any irregularities in the submittal requirements or cancel, suspend or amend the provisions of this NOFA. If such an action occurs, the City will notify all interested parties in advance.

Application submittal requirements

- Applicants must submit the following material:
- One (1) original and six (6) copies of a complete application with all required supporting materials.
- Applications must be submitted by 5 p.m., Thursday, January 31, 2019.
- Under the California Public Records Act, all documents submitted as part of this application are considered public records and will be made available to the public upon request.
- The attached application form describing the project, the location, the proposed financing, developer qualifications, plans for neighborhood compatibility, community engagement and any other information relevant for describing how the project meets the goals stated above.

Submit your completed application to

City Clerk
 City of Menlo Park
 701 Laurel St.
 Menlo Park, CA 90425

2018 NOTICE OF FUNDING AVAILABILITY APPLICATION

Community Development
701 Laurel St., Menlo Park, CA 94025
tel 650-330-6614

Project applicant			
Organization/Agency:			
Primary contact person:			
Phone:		Email:	
Address:		City:	State: Zip:
<p>1. What is the role of the applicant in the project (check all that apply):</p> <p><input type="checkbox"/> Ownership entity</p> <p><input type="checkbox"/> Managing partner or managing member</p> <p><input type="checkbox"/> Sponsoring organization</p> <p><input type="checkbox"/> Developer</p> <p><input type="checkbox"/> Other (describe):</p> <p>2. Applicant legal status:</p> <p><input type="checkbox"/> General partnership</p> <p><input type="checkbox"/> Joint Venture</p> <p><input type="checkbox"/> Limited partnership corporation</p> <p><input type="checkbox"/> Nonprofit organization</p> <p><input type="checkbox"/> Other (please specify):</p> <p>3. Organization status:</p> <p><input type="checkbox"/> Currently exists</p> <p><input type="checkbox"/> To be formed (estimated date):</p> <p>4. Name(s) of individuals who are/will be general partner(s) or principal owner(s):</p> <p>If the applicant is a joint venture, a joint venture agreement is required that clearly describes the roles and responsibilities of each partner, who is the lead partner or if the responsibilities are approximately equally split between the partners.</p>			
Project detail			
Project name:			
Project address:		City:	State: Zip:
Assessor's parcel number:			
<p>Project type (check all that apply):</p> <p><input type="checkbox"/> Families</p> <p><input type="checkbox"/> Seniors</p> <p><input type="checkbox"/> Special needs</p> <p><input type="checkbox"/> Other (please describe):</p>			

Project activity (check all that apply): <input type="checkbox"/> Acquisition <input type="checkbox"/> Rehabilitation <input type="checkbox"/> New construction <input type="checkbox"/> Preservation <input type="checkbox"/> Mixed-income <input type="checkbox"/> Mixed-use <input type="checkbox"/> Other (please specify):										
Land area:					Number of residential buildings:					
Number of units:					Residential total floor area:					
Number of stories:					Number of elevators:					
Number of community rooms:					Community room(s) total floor area:					
Commercial/office uses (please specify):										
Commercial total floor area:					Office total floor area:					
Other uses (please specify):										
Total parking spaces:					Parking type(s):					
Residential parking spaces:					Residential parking ratio:					
Guest parking spaces:										
Commercial parking spaces:					Commercial parking ratio:					
Office parking spaces:					Office parking ratio:					
Income categories										
City BMR funds may only be used to reduce the cost of housing to levels that are affordable to extremely low, very low, low and moderate income households, as defined in the Housing Element of the City's General Plan. Inclusions of units for homeless households are encouraged.										
Category	Number of units					Percentage of units				
	Studio	1 bd	2 bd	3 bd	4 bd	Studio	1 bd	2 bd	3 bd	4 bd
0 to 30 percent AMI – Extremely low										
31 to 50 percent AMI – Very low income										
51 to 80 percent AMI – Low income										
80 to 120 percent AMI – Moderate income										
Unrestricted										
TOTAL										

5. Neighborhood off-site amenities: Describe the property location, neighborhood transportation options, and local services and amenities that are within 1/4 mile and 1/2 mile of the site.

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

Site information (please use additional sheets of paper as needed)

Note: Site control is required. Evidence should also be submitted demonstrating that the entity with site control is the same entity applying for funds. Please include the site control documentation with the application.

Describe the current site control situation and/or control held by the applicant:

The site acquisition will be a: Purchase Long-term lease Current County-assessed site value:

Land purchase price or annual lease payment: Total site sq.ft.

Current property owner's name:

Property owner phone: Property owner email:

Property owner address: City: State: Zip:

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

Planned use of on-site existing structures:

- Demolish
- Rehabilitate
- Other (describe):

Provide the square footage, date built and number of stories for each on-site building to be retained as part of this project:

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

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

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

Floodplain

Is the site in a floodplain? Yes No

If yes, type of flood plain and number of years:

List any maps referenced:

Describe adjoining land uses

West:

East:

North:

South:

Zoning

What is the current zoning of the project site?

Is the proposed project consistent with the existing zoning status of the site? Yes No

Explain:

Indicate any discretionary review permits required for the project (Planned Community Permits, Design Review Permits, Rezoning, etc.)

If rezoning is required identify the requested zoning district for the project:

Community priorities (please use additional sheets of paper as needed)

Explain how this project meets the objectives of the project priorities identified in this notice of funding availability and the goals and objectives of the City's Housing Element and General Plan:

Project funding (please use additional sheets of paper as needed)

City funds requested:

Funds per assisted unit:

Total project cost:

Cost per assisted unit:

How will the requested City funding be used?

Assess the chances of the project securing required funding and steps that will be taken to make the project competitive.

What is the self-scored 9 percent tax credit tiebreaker score for the project if applicable?

Developer experience (please use additional sheets of paper as needed)

Applicants may be nonprofit or for-profit affordable housing developers or owners who have affordable housing experience in the nine-county Bay Area (San Mateo, San Francisco, Marin, Sonoma, Napa, Solano, Contra Costa, Alameda and Santa Clara) and a successful track record of at least two years of ownership of at least two affordable, deed-restricted housing projects within the nine-county Bay Area in which 100 percent of the units, are targeted to those at or below 60 percent AMI. Joint venture partnerships are allowed assuming at least one member of the partnership meets the minimum experience requirement. Previous development/ownership experience must include projects that contain at least 10 units.

Years of experience:

Number of projects:

Number of projects in San Mateo County:

Average size of projects:
Number of units placed in service:
Please describe two projects completed in the last 10 years that are similar to the proposed project and provide photographs of each project:
Project 1 - name of project:
Location:
Number of units:
Type of development (senior, family, etc.):
Name of project manager:
Number of stories:
Unit types (studio, 1 bedroom, etc.):
Type of construction:
Project amenities:
Entitlement date:
Occupancy date:
Funding sources:
Project 2 - name of project:
Location:
Number of units:
Type of development (senior, family, etc.):
Name of project manager:
Number of stories:
Unit types (studio, 1 bedroom, etc.):
Type of construction:
Project amenities:
Entitlement date:
Occupancy date:
Funding sources:

Personnel

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

Project Staff	Name	Role in proposed project	Years of housing development experience	Years with this developer
Project Manager				
Director of Real Estate Development				
Executive Director				
Chief Financial Officer				
Other				
Other				

Indicate which of the following development team members have been selected and identify them if different from applicant.

Developer:	Architect(s):
Engineer(s):	General contractor:
Attorney(s) and/or tax professionals:	
Property management agent:	
Financial and other consultant(s):	
Investor(s):	

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

Name	Address

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

If the project will be managed by an agency other than the project applicant describe the project applicant's role in the ongoing management of the project and resolution of management issues.