



SELECTION GUIDELINES FOR FUNDING AFFORDABLE HOUSING PROJECTS

These guidelines are designed to assist the public, developers, staff and the Housing Authority in reviewing various factors which may be utilized in making a funding decision. The Housing Authority may or may not rely upon them, and it may choose to consider other factors in making any given funding decision. Nothing in these guidelines, or in the procedures by which they are utilized, is intended to communicate to any potential borrowers a funding commitment. These guidelines are not intended to have the force of law and are provided for informational purposes only.

FUNDING PRIORITIES

1. Projects that increase the supply of affordable rental housing.
2. Projects that support the Neighborhood Revitalization efforts of the City.

FUNDING POLICY REQUIREMENTS

To be considered for funding, a project proposal generally must meet the applicable Economic Development and Housing Department policy guidelines:

1. Low Income Housing Production Subsidy Program Policies.
2. Housing Rehabilitation/Conservation Program Policies.
3. Neighborhood Improvement Program Policies.
4. City's Consolidated and Action Plans.
5. City's Housing Element.
6. Federal, State and Local Funding Policies.

PROJECT SELECTION GUIDELINES

I. EXTENT THAT PROJECT MEETS CURRENT FUNDING PRIORITIES

1. Project provides for new rental housing units.
2. Project is located in an identified Neighborhood Revitalization Focus Area of the City.
3. Project allows for mixed income units.

II. HOUSING NEED

1. Amount/percentage and type of total units in the project that will be affordable, such as:
 - a) Rental elderly housing;
 - b) Rental family housing;
 - c) Rental special needs; and
 - d) Ownership housing.
2. Amount/percentage of total units set aside for extremely low (30%) and very low (50%) income households.

III. PROJECT FEASIBILITY

1. Status of Development Entitlements such as:

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- a) Environmental Clearance;
 - b) Eligible Land Use;
 - c) Design Review Board approval;
 - d) Planning Commission approval;
 - e) City Council approval; and
 - f) Building Permits.
2. Status and Sources of Funding Commitments.
 3. Adequacy of partnership(s) with support service providers if special needs housing.
 4. Projected Date of Occupancy.

IV. PROJECT FUNDING

1. Extent that Housing Authority funds result in the development of additional affordable units above the number required by other project funding.
2. Amount/Percentage of units that Housing Authority funds result in lower income targeting than other project funding.
3. Demonstration that Housing Authority funds will cause the preservation of existing affordable units and/or additional affordable housing restrictions above other project funding.
4. Housing Authority loan amount per targeted unit.
5. Demonstration that other funding sources are maximized.
6. Demonstration that construction costs are within market.
7. Amount/percentage of Developer equity into project above any deferred Developer fee and/or tax credit equity.
8. Repayment terms and conditions of Housing Authority funding.
9. Housing Authority funding risk such as:
 - a) Permanent take-out financing;
 - b) Construction/rehabilitation;
 - c) Land acquisition only; and
 - d) Pre-development financing.

V. DEVELOPER CAPACITY

1. Applicant has demonstrated capacity to develop a similar project.
2. Applicant has demonstrated capacity in managing, contracting management, and/or coordinating the program support services of similar project(s).
3. Applicant has demonstrated capacity of meeting development time-line commitments of similar project(s).