

## EXHIBIT D – CLT/LEHC/PREC SUBPROGRAM, revised 1/4/2023

### APPLICATION ORGANIZATION AND DOCUMENTATION REQUIREMENTS

#### INSTRUCTIONS:

Paper applications will not be accepted. Applicants will apply directly through the City’s online application portal at <https://citydataservices.net/>. All materials related to this NOFA may be downloaded from the City’s website at [www.oaklandca.gov/resources/2022-acquisition-conversion-preservation-nofa](http://www.oaklandca.gov/resources/2022-acquisition-conversion-preservation-nofa) including the NOFA and all Exhibits.

**ALL APPLICATIONS FOR NEW ACAH PROJECTS MUST INCLUDE THE CDS ACAH APPLICATION, THE CITY-PROVIDED FORMS, AND ALL SUPPLEMENTAL DOCUMENTATION.**

**APPLICATIONS FOR EXISTING ACAH PROJECTS MUST INCLUDE THE CDS ACAH APPLICATION, ALL CITY-PROVIDED FORMS *UNLESS OTHERWISE NOTED*, AND ALL SUPPLEMENTAL DOCUMENTATION *UNLESS OTHERWISE NOTED*.**

#### **CDS ACAH APPLICATION – REQUIRED FOR BOTH NEW AND EXISTING ACAH PROJECTS**

Applicants must complete the information directly within the ACAH Application on City Data Services, including the sections listed below. Please note that the CDS Application is expected to be live no later than January 4, 2023.

- Application Checklist
- Project Summary
- Applicant Information
- Site Control
- Project and Site Information
- Optional survey on organization racial/ethnicity composition of staff and board

#### **CITY-PROVIDED FORMS – ATTACHMENTS TO EXHIBIT D**

Applicants must complete City-provided forms available as downloads from the ACAH Application on City Data Services, and that are **also available for download at the City’s website** at [www.oaklandca.gov/resources/2022-acquisition-conversion-preservation-nofa](http://www.oaklandca.gov/resources/2022-acquisition-conversion-preservation-nofa). Applicants must upload completed City-provided forms to the CDS Application portal. This includes the following:

1. Self-Score Worksheets for New ACAH Projects and Existing ACAH Projects
2. Narrative Certification Form - *Not required for existing ACAH projects*
3. Household Certification Form - *Not required for existing ACAH projects*
4. Developer Experience Worksheet - *Not required for existing ACAH projects*

5. Developer Capacity Worksheet - *Not required for existing ACAH projects*
6. Project Schedule Worksheet
7. Excel-based Financial Proforma Worksheets
8. Required City Certifications
9. Disclosure of Campaign Contributions Form
10. City Combined Contract Compliance Schedules

### **SUPPLEMENTAL DOCUMENTATION**

Applicants must submit the following supplemental materials and documentation with their applications:

1. Narrative Cover Letter

Applicants must provide a narrative cover letter (*maximum 5 pages*), signed and dated by the Executive Director or Chief Executive Officer of the organization, that describes the site to be acquired and project to be developed. The cover letter should indicate whether the developer considers themselves an Emerging Developer as defined in the NOFA, and contain, but not be limited to, the following information:

#### ***Site Information***

- Current use of site
- Address/Location of project
- Number and size of units (number of bedrooms per unit)
- Current condition of site/project
- Age of building
- Construction type/# of stories
- Any environmental issues
- On- and off-site improvements required

#### ***Project Proposal***

- Target population served and proposed income levels to be served
- Type of project proposed – Acquisition Only; Acquisition/Rehabilitation
- Tenure proposed – Affordable rental housing; Affordable Homeownership; Affordable “rent- or lease-to-own”; Affordable “rent-to-cooperative”; Affordable Cooperative
- Description of proposed resident engagement/tenant organizing prior to the acquisition and plans for resident engagement once acquisition is completed
- If a cooperative project is proposed by the community land trust (CLT), provide the name of the cooperative organization with whom the CLT is working, or the CLT’s plans and timeframe for working with the tenants to form a resident cooperative

### ***Rehabilitation Plan***

- Provide a brief description of the proposed scope of any anticipated rehabilitation (regardless of how minor). (Note that additional documentation on the project rehabilitation needs must be provided through the CDS Application uploads, as further described in Exhibit D to this NOFA.)

### ***Financing Information***

- Amount of ACAH funds requested
  - Is funding request for an existing project that has already received ACAH funding, or for a new project? If for existing ACAH-funded project, provide description of why the additional ACAH funding is requested.
  - Would you consider NSP funds for your project?
  - Total anticipated Acquisition or Acquisition/Rehabilitation costs including total development costs
  - Description of other (non-City) funds that are being considered or committed
  - If requesting 100% City financing, describe why other financing options are not viable
  - Any desired variance in City's standard loan terms
  - **Applicants with multiple applications must state their preferences for funding priority in their application cover letter**
  - **Existing applicants shall describe the priority of their funding request and urgency of ACAH funding need in terms of how it relates to the rehabilitation scope of work planned for the property and how other funding sources will be impacted.**
2. Self-Score Worksheets for New and Existing Projects, Back-Up Documentation Requirements, and Narrative and Household Certification Forms for New Projects

**New Proposed ACAH Projects:** The documentation requirements and scoring criteria for the City's anti-displacement priorities are described in **Exhibit A** of this NOFA. These scoring criteria will be applied to new projects seeking ACAH and/or NSP1 funding. In this application section, Applicant must provide a completed **Self-Score Worksheet** based on the City's Anti-Displacement Priorities Scoring Points. Application must provide **Back-Up Documentation** supporting their self-scores. Applicant is required to complete the **Narrative Certification Form** (Certification Form 1), a narrative statement describing how the back-up documentation supports each Anti-Displacement Priority; and the **Household Certification Form** (Certification Form 2) to provide household and income information on existing tenants if available. The Self-Score Worksheet and Certification Forms 1 and 2 are available for download on the CDS Application and from the City's website. *Applicants should not assume that their self-score estimate will be the actual score that will be achieved.*

**Existing Funded ACAH Projects:** The scoring criteria and documentation requirements for projects that have an existing ACAH funding award and are seeking additional ACAH funding are described in **Exhibit A** of this NOFA. Applicant must provide a completed **Self-Score Worksheet** based on the Existing Project Scoring Points and provide **Back-Up Documentation** as described in Exhibit A. The Self-Score Worksheet is available for download on the CDS Application and from the City's website. *Applicants should not assume that their self-score estimate will be the actual score that will be achieved.*

### 3. Developer Experience - *Not required for existing ACAH projects*

Applicant must complete the **Developer Experience Worksheet** available for download on the CDS Application and from the City's website.

**Development Entity Experience:** The development entity applying for funding must have successfully acquired at least one (1) residential development project. If rehabilitation work is proposed for the project, the development entity applying for funding must have completed at least one (1) rehabilitation of similar size and scope. Alternative experience that demonstrates developer capacity may be submitted with the application and is subject to staff review and approval.

**Project Manager Experience:** The project manager assigned to the project must have completed at least one (1) comparable project as evidenced through the project manager's resume and the completed Developer Experience Worksheet. If project manager has not completed at least one (1) comparable project, the project manager must be assisted by a housing development consultant or other staff person within the development entity with greater experience and adequate time to commit to the project. When using a consultant, the consultant's resume should demonstrate that the consultant has successfully completed managing all aspects of at least two comparable development projects in the recent past. Submit resumes as part of Section 6 below.

**Construction Management Experience:** If rehabilitation is proposed, the development entity applying for funding must identify staff or consultants who will provide construction management functions and submit the resume of the identified staff person or consultant demonstrating experience in completing at least two comparable rehabilitation projects in the recent past. Construction management fees may not exceed \$30,000 per project; developer is expected to negotiate the most competitive fee possible with the construction manager. Submit resumes as part of Section 6 below.

**Note on Limited Partnerships or LLCs** - For development entities proposed as limited partnerships or limited liability companies, the City reserves the right to approve the limited partnership agreement or operating agreement.

#### 4. Emerging Developers Program - *Not required for existing ACAH projects*

**Emerging Developers Program:** Applicant is considered an “emerging developer” by meeting the following criteria: applicant has less than five (5) years of experience as a developer and/or five (5) or fewer acquisition, rehabilitation or new construction projects completed in the last 10 years. Emerging Developers qualify for priority points in the ACAH NOFA. An applicant that does not meet the NOFA Developer Experience Requirements may be considered for ACAH funding if they meet one of the following requirements, subject to City review and approval:

- 1) Entering a joint venture agreement or a Memorandum of Understanding (MOU) with an organization that does meet the Developer Experience requirements (MOU is acceptable at time of application; joint venture agreement is required prior to loan closing). Prior to funding commitment, the City must review and approve all joint venture agreements and MOUs. An MOU may be submitted at time of application; however, an executed joint venture agreement is required as a condition to loan closing. A majority interest and control must be held by the development entity meeting the City requirements for experience as described above. If a joint venture is proposed, provide organizational history information for all proposed partner organizations;
- 2) Entering a contractual agreement with an experienced housing development consultant with experience with at least three (3) acquisition or rehabilitation residential projects for the predevelopment and rehabilitation phases; **OR**
- 3) Providing an actionable and budgeted staffing plan demonstrating that qualified staffing will be added to the developer’s organization during the predevelopment and rehabilitation phases.

**Submit relevant requested documentation for Emerging Developers in this Section.**

#### 5. Developer Capacity - *Not required for existing ACAH projects*

Applicant must complete the **Developer Capacity Worksheet** available for download on the CDS Application and from the City’s website. Provide the requested developer capacity information for project staff of the proposed project on this Worksheet.

#### 6. Resumes of the Developer’s Key Staff and Development Team

Applicant must provide resumes and/or Statement of Qualifications for key staff of the development entity as well as all development team members identified on the Developer Capacity Worksheet who will assigned to the proposed project.

- Executive Director or Chief Executive Officer of the applicant organization
- Other key staff of the applicant organization

- Project Manager assigned to project
- Project Manager Supervisor (if applicable)
- Construction Manager (if applicable)
- Development Consultants (if applicable)
- Architect(s)/Engineer(s) (if applicable)
- Attorney(s)
- Property Management Agent
- Financial and other Consultant(s)
- General Contractor (if applicable)
- Resumes of Key Staff from a cooperative organization, if known, and proposed to partner with the applicant organization

**7. Organizational Documents - *Not required for existing ACAH projects***

Submit copies of organizational documents as listed below:

- Articles of Incorporation
- Articles of Organization
- Bylaws
- Tax-Exempt Determination from the I.R.S
- List of Current Board Members
- Corporate Borrowing Resolution, if applicable

**Cooperative Projects:** If a cooperative project is proposed, and the cooperative organization is already formed, provide the organizational documents as listed above for the cooperative organization.

**8. Financial Statements**

Submit borrower's financial statements for the two most recent years. If possible, financial statements should be audited by an independent or certified public accountant.

**Cooperative Projects:** If a cooperative project is proposed, and the cooperative organization is already formed, provide financial statements for the two most recent years for the cooperative organization.

**9. Location Map of Proposed Site - *Not required for existing ACAH projects***

Provide a map clearly identifying the location of the project in the City of Oakland.

## 10. Proposed Rehabilitation Scope of Work

**New Proposed ACAH Projects:** Provide a narrative description of the proposed scope of rehabilitation work (please limit to no more than one page in length), and upload to the CDS application an estimate of the proposed scope of rehabilitation work prepared by a 3<sup>rd</sup> party general contractor or construction estimator.

**Existing Funded ACAH Projects:** Provide a narrative description of the proposed scope of rehabilitation work (please limit to no more than one page in length), and upload to the CDS application documentation as follows:

- o For projects with 1-4 units, an updated rehabilitation estimate by a 3<sup>rd</sup> party construction estimator, general contractor, with estimate no older than 90 days prior to the date of submission of this ACAH application; or
- o For projects with 5+ units, a PNA or CNA and an updated schedule of values and/or construction estimate that is no older than 90 days prior to the date of submission of this ACAH application.

## 11. Schedule

Complete a detailed project schedule using the **Project Schedule Worksheet** available for download on the CDS Application and from the City's website. Schedule shall include timing of acquisition (if project has not yet been acquired), tenant engagement schedule, building permits application submittal (if needed) and expected approval date, dates of funding applications and expected approval timeframes for any other proposed funding sources, ACAH loan closing, start and completion dates for rehabilitation (if included in project scope), marketing, lease-up (if vacant), conversion to homeownership (in rent-to-own projects), or conversion to resident cooperative ownership (in rent-to-cooperative projects), and move-ins.

## 12. Financial Pro Forma and Analysis

Applicant must complete and submit the **Excel-based ACAH Financial Proforma Worksheets**, available for download on the CDS online application and from the City's website.

**Affordable Rental Projects:** Applicants must complete all required tabs in the Excel-based ACAH Financial Model for affordable rental projects.

**Affordable rental-to-ownership (lease-to-own) projects:** Applicants must complete all tabs ACAH Financial Model for the rental phase of the project and submit a separate financial modeling of the homeownership project and calculation of the maximum affordable sales prices. The City's requirements for maximum affordable housing costs and sales prices are found in **Exhibit G** to this NOFA.

**Affordable rental-to-cooperative projects:** Applicants must complete all tabs ACAH Financial Model for the rental phase of the project, and submit a separate financial modeling of the cooperative phase of the project including the operating budget, the operating cash flow including property income derived from the resident shareholders, payment assumptions for shared- or limited-equity upon a resident’s leaving the property, and the assumptions for the pricing of initial limited equity shares in the property.

**Affordable homeownership projects:** Applicants must complete the Project Info, Thresholds, Uses of Funds, and Stabilized Ops & Debt tabs of the Excel-based ACAH Financial Proforma Model and submit a separate financial modeling of the homeownership project and calculation of the maximum affordable sales prices.

### **13. Property Management Plan**

Include a detailed draft property management plan that provides, at a minimum, procedures for the following:

- Staffing arrangements and personnel policy;
- Monitoring and publicizing vacancies and achieving occupancy;
- Determining tenant eligibility, selecting tenants, initially certifying and annually recertifying household income and size;
- Maintaining and repairing the property;
- Maintaining adequate accounting records;
- Handling tenant grievances and appeals;
- Processing reasonable accommodation requests; and
- Collecting damages and processing evictions and terminations.

The Property Management Plan must also include the name and contact information of the Management Company and the role and responsibility of the Applicant and its delegation of authority, if any, to the management agent.

### **14. Asset Management Plan**

Include a detailed draft asset management plan that provides, at a minimum, procedures for the following:

- Analyzing the financial health of the property and ensuring that the property is breaking even or positively cash flowing;
- Monitoring occupancy rates and duration of vacancies;
- Establishing replacement and operating amounts to start operations and ongoing contributions to these funds;



- Monitoring reserve balances;
- Analyzing physical needs to ensure property maintenance is being carried out and to prepare for addressing larger capital needs as they arise; and
- Performing an annual review of insurance coverage and assessment of risks, and how to manage them.
- The Asset Management Plan must also include the name and contact information of the asset manager and a list of projects (address, number of units, type of property, length of time the asset manager has been managing the property/properties) that are the responsibility of the asset manager.
- To the extent units may, or will convert to homeownership, provide a description of how the sales transactions will be carried out, including who will be responsible for ensuring Regulatory Agreement terms are complied with.
- To the extent units may, or will convert to cooperative homeownership, provide a description of how the sales transactions will be carried out, including who will be responsible for ensuring Regulatory Agreement terms are complied with.

#### 15. Rent Roll

For existing occupied buildings, provide rent and family size information for current tenant population.

#### 16. Preliminary Title Report

Provide a preliminary title report for the site dated not more than 60 days prior to the date of submission of the application. Include a narrative statement with this section describing applicant's plans for removal of all appropriate liens with a timetable for the removal.

#### 17. 3-R Report - *Not required for existing ACAH projects unless as required below*

**New ACAH Project Applicants:** Applicants are required to contact the Building Bureau and submit an "Application for Report of Building Record" (the "3-R Report") prior to submitting the ACAH NOFA application. 3-R Report applications can be found at the City of Oakland's Planning and Building Department website and must be submitted along with the required fee to: [Application for Report of Building Record \(3-R Report\) \(openforms.com\)](#). **Applicants for new projects must submit the 3-R Report application by no later than January 15, 2023.** For additional information or questions, please contact the Building Bureau Records Division at 510-238-3606 or [oakplancounter@oaklandca.gov](mailto:oakplancounter@oaklandca.gov).

**Projects with existing ACAH funding approvals are not required** to obtain a new 3-R Report unless there has been a significant change in the scope of work. Contact [oakplancounter@oaklandca.gov](mailto:oakplancounter@oaklandca.gov) or the Building Bureau Records Division at 510-238-3606 with questions.

**18. Evidence of Meeting with Planning Bureau - *Not required for existing ACAH projects unless as required below***

**New ACAH Project Applicants:** Applicants are required to contact Planning Bureau Staff to research all Planning Code requirements and to determine if additional code regulations may be triggered by the proposed scope of rehabilitation work. The meeting must be held prior to submitting the NOFA application and proof of the meeting must be included in the application. Applicants are required to contact Sandra Smith, Administrative Manager of the Planning Bureau, via email to [oakplancounter@oaklandca.gov](mailto:oakplancounter@oaklandca.gov). **Please include “ACAH NOFA Applicant” in the Subject Line of the email, to initiate the contact. Applicants are encouraged to contact the Planning Bureau by no later than February 1, 2023, to ensure that a meeting can be scheduled.**

*Note on CEQA Clearance:* Prior to the ACAH loan award, projects must be shown to have obtained CEQA clearance (certified EIR or negative declaration) and must have submitted their CEQA documentation to HCDD. If CEQA Clearance has been obtained already for project, please submit with application.

**Projects with existing ACAH funding approvals are not required** to contact the Planning Bureau unless there has been a significant change in the scope of work.

**19. Evidence of Meeting with Building Bureau - *Not required for existing ACAH projects unless as required below***

**New ACAH Project Applicants:** Applicants are required to contact Building Bureau Staff to research all Building Code requirements and to determine if additional code regulations may be triggered by the proposed scope of rehabilitation work. The meeting must be held prior to submitting the NOFA application and proof of the meeting must be included in the application. Applicants are required to contact the Building Bureau via email to [oakplancounter@oaklandca.gov](mailto:oakplancounter@oaklandca.gov). **Please include “ACAH NOFA Applicant” in the Subject Line of the email, to initiate the contact. Applicants are encouraged to contact the Building Bureau by no later than February 1, 2023, to ensure that a meeting can be scheduled.**

**Projects with existing ACAH funding approvals are not required** to contact the Building Bureau unless there has been a significant change in the scope of work.

## 20. Required City Certifications and Disclosure of Campaign Contributions

Applicant must complete and sign the **City Certifications Form** and the **Disclosure of Campaign Contributions Form**, both of which are available for download on the CDS online application and from the City's website.

## 21. Combined Contract Schedules

Applicants are required to complete the City of Oakland **Combined Contract Schedules**, available for download on the CDS online application and from the City's website. A fillable form for the Contract Schedules is available at the City's website at the link provided below. Borrower is required to update and re-submit the combined contract compliance prior to loan closing.

[https://na2.documents.adobe.com/public/esignWidget?wid=CBFCIBAA3AAABLblqZhD9hsm9pK\\_vk7MSs6dYHfLGm1TGKEdcDmYkZd4kolDJWuicA9xNfdEXO40OvC1R4oI](https://na2.documents.adobe.com/public/esignWidget?wid=CBFCIBAA3AAABLblqZhD9hsm9pK_vk7MSs6dYHfLGm1TGKEdcDmYkZd4kolDJWuicA9xNfdEXO40OvC1R4oI)