

NOTICE OF FUNDING AVAILABILITY (NOFA)

CADA R Street Affordable Housing Program

May 25, 2006



Introduction

The Capitol Area Development Authority (CADA) is pleased to announce that it is accepting applications for funds from its R Street Affordable Housing Fund. The amount available at the time of issue of this Notice of Funding Availability (NOFA) is approximately one hundred twenty-one thousand dollars (\$121,000) of tax-exempt bond proceeds. This NOFA will be in effect from May 25, 2006 through December 9, 2006 (unless funded earlier, amended or repealed by CADA), and will expire on that latter date.

The Authority

The Capitol Area Development Authority is a Joint Powers Authority between the State of California and City of Sacramento to implement the housing and neighborhood commercial components of the Capitol Area Plan. The Capitol Area Plan is a mixed-use plan for the management, development and disposition of state-owned property located directly south and east of the State Capitol and Capitol Park in the City of Sacramento. With the passage of Senate Bill 1460 in 2002 the section of the R Street Corridor between R and S Streets running east and west from 9th to 19th Streets was added to CADA's jurisdiction.

Purpose of Program

The purpose of this program is to provide a grant for affordable housing project. This program is intended to help CADA meet its affordable housing requirement for the R Street Area.

The NOFA is intended to attract the interest of developers including but not limited to those specifically responding to the Sacramento Housing and Redevelopment Agency's (SHRA) Request for Applications (RFA) for production of new very-low income efficiency units in the Central City that was issued on March 15. The RFA announced the availability of \$10,000,000 in housing funds for the construction of 200 new efficiency units. The RFA is in response to the City's goal of developing a no net loss Single Room Occupancy (SRO) policy requiring a minimum of 946 SRO units be preserved or replaced with new efficiency units within the City. Applications for the RFA may be obtained from the Agency's web site at: www.shra.org.

CADA may assist the selected Developer in following areas:

1. Assisting in attempting to achieve site control,
2. Working with neighborhood groups and the City of Sacramento to obtain their support of the proposed project,
3. Providing guidance and direction on the design and financing of the proposed project,
4. Providing assistance in arranging any site characterization and related remediation, and
5. Providing grant funds per the NOFA for designated uses in support of the proposed project.
6. Providing other assistance.

Eligible Projects

To be eligible a project must include residential units affordable to low income households (80% of median income) or to moderate income households (110% of median income), and to very low income households (50% of median income).

The project must be located in CADA's R Street Area, which lies between R and S Streets, and runs east-west from 9th to 19th Streets. A map of the R Street Area is enclosed as Exhibit A.

The Developer must identify the specifics of the amount of funds requested and the proposed use of the funds.

Selection Criteria

Developers will be evaluated by CADA for such factors as past achievements and relevant experience, prospects for obtaining construction financing or long-term financing for the proposed affordable housing project, identification of available sites or site control of a suitable site and extent to which the proposed project and CADA funding assistance provides maximum leverage of affordable housing financing.

Construction activities will require the payment of prevailing wages pursuant to California Labor Code Sections 1770 and 1773, unless otherwise exempt per such Labor Code.

Application Process and Schedule

Developers are to fill out the attached application that has been patterned after the application for the RFA issued by SHRA. Completed applications are to be mailed or delivered to: Tom Kigar, Development Services Director, CADA, at the address noted below.

The schedule is as follows:

Issuance of NOFA:	May 25, 2006
Award Funds:	Not later than December 9, 2006

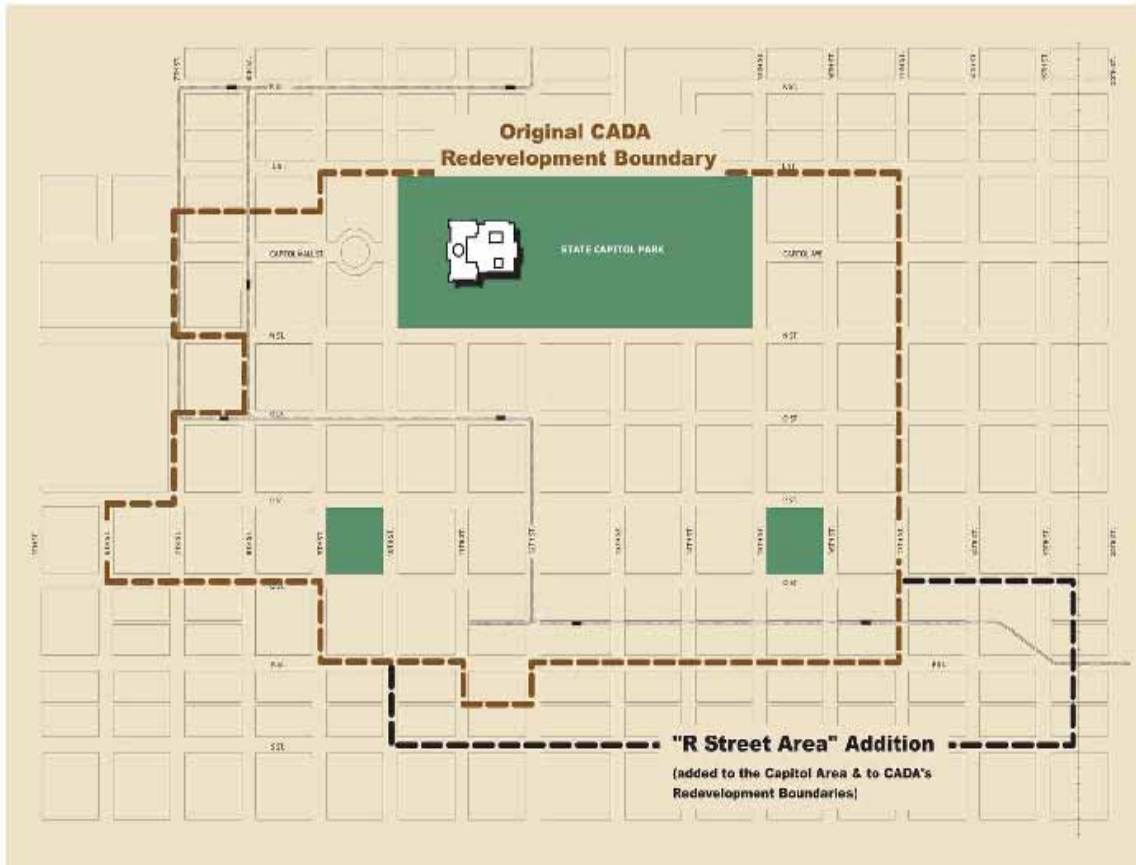
The above timeframe is consistent with the schedule for the RFA issued by SHRA. CADA reserves the right to reject any application and is not obligated to award all or a portion of the available funding. Those interested in working with CADA to secure site control and complete an application for the NOFA are to contact:

Tom Kigar
Development Services Director
Capitol Area Development Authority
1522 14th Street
Sacramento, CA 95814-5958
Phone: (916) 322-2114
Email: tkigar@cadanet.org

Attachments:

- A. Map of R Street Area
- B. NOFA Application

Map of R Street Area



Notice of Funding Availability Application

**NOTICE OF FUNDING AVAILABILITY
(NOFA)**

**APPLICATION
CADA R Street Affordable Housing Program**

Capitol Area Development Authority
1522 14th Street
Sacramento, CA 95814

MAY 2006

Application Requirements

The following items are required:

- I. Application Summary/Checklist
- II. Contact List
- III. Site Data
- IV. Sources and Uses of Funds
- V. Authorization to Release Information
- VI. Disclosure
- VII. Social Services Tenant Plan

I. Application Summary/Checklist

- _____ 1. Developer information – Proposed developer, including any limited partner, general partner, corporation shareholder proposed to own in excess of twenty percent, must provide a resume that:
- Shows qualifications to develop, own, and operate the proposed project, indicating any properties defaulted or foreclosed upon during the past 10-year ownership period;
 - Provides a list of currently owned/managed properties and properties managed within the past 5 years. This list must indicate if the project received governmental financial assistance (“subsidized”) properties. For these “subsidized” properties, include reference (i.e. Issuer, HUD contact, TCAC staff, etc.);
 - Provide the last three years tax returns/financial statements;
 - Disclosure regarding code enforcement, default or bankruptcy, criminal, civil and administrative convictions, judgments, and investigations (form enclosed); and
 - Authorization to release information (form enclosed).
- _____ 2. Applicant must provide the following information:
- Borrower name, address, telephone number, fax number, email address, contact person, and type of Borrower entity;
 - Complete description of ownership interests in the Borrower entity;
 - State or jurisdiction in which Borrowing entity was or is to be formed. If Borrower entity is formed in a state or jurisdiction outside of California, include a statement that states the Borrowing entity is authorized to do business in California (provide organizational status documentation);
 - If Borrower is a corporation, list all shareholders owning in excess of twenty percent of the corporation;
 - If Borrower is a partnership, list the names, addresses, and telephone numbers of all general and limited partners and describe the interest(s) of each partner in the partnership;
 - List all Borrower principles, including names, business addresses, and business telephone numbers;
 - Report whether the Borrower entity or any limited or general partner is a non-for-profit entity;
 - Provide 3 years financial statements for Borrowing entities, signed and dated;
 - Provide current personal and/or corporate/partnership financial statements and 3 years tax returns for each member with 20 percent or more interest in the Borrowing entity, including general partner and/or sponsor;
 - Disclosure regarding code enforcement, default or bankruptcy, criminal, civil and administrative convictions, judgments, and investigations (form enclosed); and
 - Authorization to Release Information (form enclosed).
- _____ 3. Evidence of site control;
- _____ 4. Current (within the last 6 months) preliminary title report;
- _____ 5. Location map;
- _____ 6. Soils, environmental, asbestos, and/or lead materials reports;

- _____ 7. Current (within the last 6 months) structural pest control report;
- _____ 8. Site, building, and floor plans;
- _____ 9. Land use entitlement documentation;
- _____ 10. Description of current improvements, including matrix of unit types;
- _____ 11. Rehabilitation Scope of Work including cost estimates (indicate unit quantities and cost per unit);
- _____ 12. Unit by unit replacement needs analysis;
- _____ 13. Description of proposed financing plan, including credit enhancement and loan terms;
- _____ 14. Proforma operating budget;
- _____ 15. Financial Feasibility – Developer will submit a detailed operating budget and 30-year cash flow proforma showing all debt service payments;
- _____ 16. Financial commitments and/or credit enhancement commitment (*Mortgage Revenue Bond Program only*);
- _____ 17. Market Analysis (Study) – Developer will submit a market study, which includes three rent comparables for each unit type;
- _____ 18. Appraisal – “As is” and post rehabilitation; or for new construction, a land valuation and completed value;
- _____ 19. Property management plan and agreement – Proposed property management firm must provide resume with qualifications to manage the proposed project;
- _____ 20. Social Services Plan (form enclosed);
- _____ 21. IRS Form 4506 (*Multi-Family Housing Lending Program Only*); and
- _____ 22. Proposed Development Schedule.
- _____ 23. Proposed amount of CADA funds requested, timing of allocation, reason the requested funds are needed, and proposed use of the requested funds to assist Developer’s project.

Project Name: _____ Address: _____

Borrower/Developer

Borrower Name: _____

Organizational Status (e.g. a California Corporation): _____

Developer's Name: _____

Address: _____

Contact Person: _____

Phone: _____ E-Mail: _____ Fax: _____

(Provide information for each ownership interest that is a non-profit organization or proposed to have a 20 percent or greater ownership interest on additional pages)

Bank References

Financial Institution: _____

Phone: _____ Contact: _____

Financial Institution: _____

Phone: _____ Contact: _____

Contractor

Name: _____ License #: _____

Address: _____

Contact Person: _____

Phone: _____ E-Mail: _____ Fax: _____

Borrower's Legal Counsel

Attorney: _____ Firm: _____

Address: _____

Phone: _____ E-Mail: _____ Fax: _____

III. Site Data

Project Address: _____

APNs: _____

Zoning: _____

Site Acreage: _____ Number of Buildings: _____

Square Footage of Buildings: _____ Number of Parking Spaces: _____

Amenities (current): _____

Amenities (proposed): _____

Surrounding Land Uses

North: _____

South: _____

East: _____

West: _____

Indicate the location of the following to the site

Name	Street Location	Distance from site
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Public Transportation

Elementary School: _____

Intermediate School: _____

High School: _____

Park: _____

Day Care: _____

Grocery Store: _____

Additional Information regarding site or neighborhood

IV. Sources and Uses of Funds

Total Project Costs: \$ _____

Construction Financing

Source	Rate/Term	Fees	Amount	Annual Debt Service
Bonds:				
Subordinate Bonds:				
Tax Credit Equity:				
Developer Equity:				
Developer Fee Loan:				
NOI during construction:				
CADA Tax Exempt Funding:				
Other:				
TOTAL				

Permanent Financing

Source	Rate/Term	Fees	Amount	Annual Debt Service
Bonds:				
Subordinate Bonds:				
Tax Credit Equity:				
Developer Equity:				
Developer Fee Loan:				
NOI during construction:				
CADA Tax Exempt Funding:				
Other:				
TOTAL				

Uses	
Land	
Demo/Remediation	
Site Work	
Off-Ste Improvements	
Hard Costs	
Soft Costs	
Financing Costs	
Development Services	
TOTAL	

V. Authorization to Release Information

I hereby authorize the Capitol Area Development Authority (CADA) to make written inquiry relating to any information necessary to determine my eligibility for financing assistance.

Any information obtained by CADA will be used solely for the purpose of assisting me in obtaining financing offered by CADA.

I understand that the information provided will be kept strictly confidential and that this authorization will be in effect for 12 months from the following date.

Date

Signature of Applicant

Name of Application (Printed)

Social Security Number or TIN

Date of Birth

Residence Address

Street

City, State, Zip

Name of Business or Corporation

Business Address

Street

City, State, Zip

Previous Residence Address

Street

City, State, Zip

INSTRUCTIONS

Please respond to each question individually. If any of the responses to any of the questions is “yes”, a complete written description of the matter must be included with the application. All responses must be signed by all responding persons and entities (signatures by counsel or other persons will not be accepted).

A separate disclosure must be completed by any member of the Borrower entity with 20 percent or more interest in the corporation (if a corporation is a Borrower or a partner in the Borrower), or any partnership entity, including all limited and general partners and all principals including officers, if a corporation of the Borrowing entity.

QUESTIONS:

	YES	NO
Have you ever been convicted of criminal fraud, forgery, theft, perjury, or any similar crime or have you ever been under indictment, or to your knowledge, have you ever been under investigation for any matter involving fraud, forgery, theft, perjury, or similar crime?		
Has any state or federal civil court or administrative body found or determined that you have committed a crime? Is any civil case or is there any administrative proceeding currently pending or, to your knowledge, threatened, that alleges fraud, forgery, theft, perjury or similar civil action?		
Are you the subject or any cease and desist order, injunction (temporary or permanent), or other order from any federal or state regulatory body regarding any matter related to securities transactions?		
Has any action been brought against you or to your knowledge are you, or any entity to which you are or have been a principal, under investigation by any state or federal regulatory agency with respect to any matters addressed in the questions above?		
Have you, or any entity to which you are or have been a principal of, filed for bankruptcy protection or have been adjudicated bankrupt in the last 10 years?		
Have you, or any entity for which you are or have been a principal, defaulted on any apartment or other loan or financing in the last ten years?		
Has any apartment owned by you been in foreclosure?		
Has any property owned by you been the subject of a code enforcement action?		
Have you had any professional license revoked or suspended over the last ten years?		

Signature: _____ Date: _____

Title: _____ Phone: _____

Project Name

Name of General Partner:

Required Services per Regulatory Agreement:

Required reporting periods per Regulatory Agreement:

For each Social Service Program, complete the following

Name of Service Provider:

Number of staff:

Program Description:

Goal:

Objectives:

Days of week class conducted:

Hours classes held:

Location(s) at the project where the class will be held:

Social Service Program Categories/Classes

The general categories listed below are appropriate for social service programs and classes to be implemented by the General Partners when providing services to tenants in agency assisted projects.

Additional categories and programs will be added. The following is to give an overview of what can be offered:

Computer Services

- Access to the Internet
- Computer Classes

Life & Job Skills Training

- Reading and Writing Programs
- Literacy Programs
- English as a Second Language
- Foreign Language Classes
- Parenting Classes
- Job Interviewing, Job skills, and Job Retention

After and Pre-School Programs

- After School Educational Programs
Homework Help
Sports & Game Activity
- Pre-School Co-Op
“Mommy and Me” Classes

Health and Nutrition Programs

- Exercise Programs
- Dispute Resolution Training
- Parenting Skills
- Anti-Drug and Self-Esteem Programs

Volunteer Programs

- Dance, Sports, and Game Programs
- Outside Experts Providing Services to Residents
- Residents Helping Residents
- Community Building
- Mentor Program
- Support Groups
- Resume Writing
- Neighborhood Watch

Enrichment

- Music, Arts, and Crafts

Health and Nutrition

- Meals on Wheels or Lunch Program
- Cooking and Nutrition Classes
- Support Groups for Health and Wellness Issues
- Exercise

Transportation

- Shopping
- Appointments

Social Activities

Computer Room

- Internet Training