

## PERMANENT LOCAL HOUSING ALLOCATION PROGRAM (PLHA)

### NOTICE OF FUNDING AVAILABILITY

#### CITY OF PLACERVILLE

**Issue Date: February 26, 2025 – Due Date: March 12, 2025 at 4:00 PM**

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The City of Placerville is issuing this Notice of Funding Availability (NOFA) for the PLHA program for affordable housing developments.

The City has approximately \$400,000 available of Permanent Local Housing Allocation Program (PLHA) funds through the California Department of Housing and Community Development's (HCD). Applications will be considered for a portion of the funds.

The City reserves the right to request that Applicants submit additional information as requested by staff. The City also reserves the right to suspend, amend, or modify the provisions of this NOFA, to reject all proposals, to negotiate modifications of proposals, or to award less than the available funding.

### FUNDING

The form of assistance to Developers shall be a loan. Projects recommended for funding by City staff and approved by City Council to receive a funding award, will be funded to address a financial gap, not to exceed forty percent (40%) of the total Project cost, up to the amount of funding available. Sixty percent (60%) of the Project cost must be covered by other funding sources and recognized in the Sources and Uses Statement and Project Pro Forma as either identified or committed.

### LOAN TERMS, CONDITIONS, AND LEGAL DOCUMENTS

- Projects must target Low- to Moderate-Income households earning eighty percent (80%) of the Area Median Income level established by HUD, or less. Tenants may be families, seniors, veterans, special needs, or homeless (or at-risk), and/or other eligible groups.
- The borrower shall enter into loan documents with the City, including but not limited to: (1) Loan Agreement; (2) Promissory Note, secured by (3) Deed of Trust, (4) Regulatory Agreements, and (5) any other necessary documents.
- The borrower must accept the City's standard loan terms: three percent (3%) simple interest per annum, principal and interest deferred for the fifty-five (55) year loan term. Interest shall commence with the recordation of the deed of trust. The term of affordability will be fifty-five (55) years from the date of recording the Deed of Trust.
- Projects must have reasonable acquisition, construction and operating costs, as reviewed and determined by staff based on local recent comparable developments.
- Applicants must leverage other financing sources such as, but not limited to, state, federal and other local sources and private equity.
- Applicants must demonstrate readiness.

- Applicants must have site control demonstrated by fee title ownership, an executed long-term lease or option to execute a long-term lease, signed option or purchase agreement, or equivalent legally enforceable instrument.
- Applicants understands that under the California Public Records Act all documents that they submit in response to this NOFA are considered public records and will be made available to the public upon request.

The ability to satisfy these terms and conditions is not a guarantee of project funding.

## ELIGIBLE USE OF FUNDS

Eligible costs include:

- Architectural and engineering design;
- Permitting fees;
- Developer fees;
- Mobilization, site preparation, and clean up; and
- Construction, Reconstruction, or Rehabilitation costs.

## APPLICANT ELIGIBILITY

Qualified affordable housing developers/project sponsors (“Applicants”) that meet the NOFA requirements are encouraged to submit proposals. Eligible Applicants include for-profit or non-profit corporations, individuals, general or limited partnerships, or limited liability companies. Applicants without the necessary experience must enter into joint venture agreements with experienced developers in order to be considered.

## PROJECT ELIGIBILITY

Proposed Projects must be 100% affordable. The proposed Project must have a minimum of eight (8) total units.

The proposed project must meet one of the HCD Project types defined in the “2019 Multifamily Housing Program Guidelines” Article 2, Section 7302 (e) (1-5) including, 1) Large Family, 2) Special Needs, 3) Seniors, 4) Supportive Housing, and/or 5) At High Risk.

Proposed Projects must be located within Placerville City limits.

The proposed Project must meet the following affordable rent requirements and tenant income limits through the duration of the affordability period. At a minimum, the following thresholds must be adhered to in all Projects:

1. Maximum Affordable Rents (inclusive of all utility costs) shall not exceed the Tax Credit Allocation Committee (TCAC) rents as designated for the Project’s County. PLHA Assisted Units may only be leased to Households with an annual income that is less than 60% of the Area Median Income.
2. Multifamily developments must meet the following affordability requirement: a minimum affordability period of 55 years for the rehabilitation, reconstruction, or new construction of

multifamily rental Projects.

3. Sale of a Project during the affordability period is acceptable. However, affordability periods must still be adhered to and included as a deed restriction.

## PRIORITIZATION CRITERIA

Projects must meet one of the following criteria:

- Projects that are under construction and needing gap financing will have priority over proposed developments.
- Project accommodating “Deep Affordability” with at least ten percent (10%) of units targeted to households below thirty (30%) of Area Median Income levels established by HUD.
- Projects providing permanent Supportive Housing (PSH) units. The 2019 Multifamily Housing Program Guidelines define supportive housing as a housing type that meets the requirements of Article 2, Section 7302(e)(4).
- Projects which are providing residential units for Elderly Persons.

## APPLICATION PROCESS

Application: Complete, sign, and date the attached loan application. Submit the completed Loan Application Form, including its attachments.

Due Date: Applications are due no later than **March 12, 2025**, at 4:00 PM. Applications will be reviewed on a continuous basis until all funds are committed to eligible projects. Please send one (1) binder including a hard copy and thumb drive of the application and attachments by US Mail or hand deliver and one (1) electronic version by Dropbox to [khunter@cityofplacerville.org](mailto:khunter@cityofplacerville.org). The hard copy must be tabbed, and the electronic files must be individually named.

Hard Copy by US Mail or Hand Delivery to:

Attn: Kristen Hunter  
City of Placerville  
Development Services Department  
Second Floor  
3101 Center Street  
Placerville, CA 95667

## SELECTION CRITERIA AND PROCESS

Project Applications will be reviewed by staff for application completeness, eligibility, long-term Project viability, verification of financial feasibility, and cost reasonableness, Project timeliness and schedule, and Developer capacity. Other factors for evaluation include competitiveness in the State funding programs and secured financial commitments; project readiness; qualifications, capability and expertise of the development team to finance, design, build/rehabilitate and manage affordable housing; affordability levels; number of units; unit mix (number of bedrooms); any information requested in the Loan Application; and completeness, accuracy, and quality of the proposal/application. The City reserves the right to weigh certain selection criteria over others.

Complete Project Applications will be reviewed by Development Services staff. The staff will provide funding recommendations to the City Council who will make final approval.

## RECAPTURE OF FUNDS

A Developer may be required to repay all, or a portion of the funds received. The reasons for recapture include, but are not limited to the following:

- A Developer withdraws from the Program prior to completion of the Project and fails to meet a national objective;
- A Developer does not meet the affordability requirements for the term of affordability;
- A Developer is found to have used program funds for an ineligible activity or cost; and/or,
- Funds remaining after the Project is completed.

The method of recapturing funds and the timeframe for doing so are determined on an individual Project basis. Complete recapture provisions will be included in the agreements between the City and Developer.

For additional information: Please contact Kristen Hunter at [khunter@cityofplacerville.org](mailto:khunter@cityofplacerville.org)

**City of Placerville  
PLHA Application**

**1. APPLICANT INFORMATION**

Application Date		
Applicant	Name	
	Address	
	Contact Person & Title	
	Contact's Email	
	Contact's Phone #	
Type of Organization		
Tax ID#		
Legal Name of Borrower to be Used on Loan Documents (if known)		
Names of All Entities in Partnership (if applicable), including DUNS # for each Entity		
Does Applicant, any entity within the Partnership, or the proposed Management Company have any projects out of compliance with local, state, or federal programs?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If Yes, include with the Project Narrative the name and location of any projects out of compliance, and a description of the non-compliance.	

## 2. PROJECT INFORMATION

Project Name	
Project Address(es)	
Project APN(s)	
Loan Amount Requested	
Project Type <i>Check all that apply</i>	<input type="checkbox"/> New construction <input type="checkbox"/> Rehabilitation <input type="checkbox"/> Acquisition <input type="checkbox"/> Conversion from market rate to affordable housing <input type="checkbox"/> Preservation of affordable housing <input type="checkbox"/> Multifamily rental <input type="checkbox"/> Ownership
Targeted Demographic <i>Check all that apply</i>	<input type="checkbox"/> Seniors <input type="checkbox"/> Families <input type="checkbox"/> Veterans <input type="checkbox"/> Special needs <input type="checkbox"/> Homeless <input type="checkbox"/> None <input type="checkbox"/> Other (Please specify in the space below):

Total Number of Units	
Number of Affordable Units	
Number of Unrestricted Units Excluding Managers unit(s)	
Number of Onsite Manager(s) Units	
Affordability Mix	___ units @ 30% AMI  ___ units @ 50% AMI  ___ units @ 60% AMI  ___ units @ 80% AMI  ___ units @ 120% AMI
Unit Size Mix	___ 0-bedroom units  ___ 1-bedroom units  ___ 2-bedroom units  ___ 3-bedroom units  ___ 4-bedroom units

Gross Rent Table							
(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)	(e) Monthly Utility Allowance	(f) Monthly Rent Plus Utilities (c + e)	(g) % of Targeted Area Median Income	(h) % of Actual AMI
Total # Units		Total:					
Total Development Cost							
Cost per Unit (use Total Number of Units)							
A. Acquisition Costs							
B. Hard Costs (including hard cost contingency)							



C. Soft Costs (including soft cost contingency)			
D. Developer Fee			
Financial Structure: List all project funding sources	Amount	Committed Y/N?	Award Date
1.			
2.			
3.			
4.			
5.			
6.			
Site Acreage			
Density			
Anticipated Construction Start Date			
Anticipated Construction End Date			
Existing residential and/or commercial occupants on site?	Yes	No	
If Yes, Include Relocation Plan	<input type="checkbox"/>	<input type="checkbox"/>	
Form of Site Control			
Anticipated Purchase Date (if applicable)			

Census Tract Number	
Standard Loan Terms are Acceptable	<p data-bbox="899 485 951 512">Yes</p> <input data-bbox="906 516 954 562" type="checkbox"/> <p data-bbox="1154 485 1195 512">No</p> <input data-bbox="1149 516 1198 562" type="checkbox"/> <p data-bbox="753 613 1377 678">Standard loan terms are 3% interest per annum, deferred payments for the 55-year loan term.</p>

### 3. REQUIRED INFORMATION – Please attach the following:

- A. Project Narrative:
  - 1. Project Description (for rehabilitation projects, provide description of rehabilitation work to be accomplished and a copy of the physical needs assessment).
  - 2. Project Benefits
  - 3. Project Constraints and/or Issues
  - 4. Summary of Financing Status (i.e., schedule of secured and needed funding)
  - 5. Summary and Timeline of Required Planning Entitlements
- B. Detailed Experience and Qualifications of the Applicant and Development Team: Attach resume of prior experience by listing projects, including location, number of units, level of affordability, type of units and completion date. Please include name, email address and telephone number of references.
- C. NEPA Environmental Studies. Attach Completed Environmental Studies (short studies and summaries of large studies in paper form; all studies electronic). If none, provide a narrative and timeline for completing the proposed environmental permits, reports and/or exemptions.
- D. Status of Entitlements and CEQA Review from the Planning Division. Submit either approved discretionary approvals, a zoning clearance indicating that the proposed use and density is permitted, or a letter from the Planning Division stating the status of the application and the anticipated date(s) that the project will be reviewed by the decision-making body/bodies. If the project is utilizing a density bonus, provide a letter from the Planning Division stating that the project is eligible for the density bonus, the amount of the density, the number and types of concessions, and the minimum amount of affordable housing.
- E. Resolution from Applicant's governing body authorizing the borrowing of funds from the Housing Authority of the City of Placerville and authorizing execution of loan documents.
- F. Copy of applicant's Articles of Incorporation and Bylaws or Partnership Agreement, as applicable.
- G. Evidence of active business entity registration with the California Secretary of State for each entity in the ownership structure. This includes all entities within the partnership and the partnership itself.
- H. Evidence of site control.
- I. Evidence of land value. Provide appraisal, if available, or statement of value from other sources. If an appraisal is not available at this time, it will be required prior to close of escrow. The appraisal must support the stated land value.

- J. Area map of proposed site and site photos; site plans and renderings if available.
- K. List of committed and pending funding sources, with evidence of funding commitments and conditional commitments.
- L. Pro Forma which includes Sources and Uses and 30-Year Cash Flow Projections.
- M. Project timetable.
- N. Relocation Plan that complies with federal and state regulations, if applicable.
- O. Residential Services Plan, if residential services are to be provided, that describes services to be provided to tenants on-site or off-site and demonstrates how supportive services for the tenant population will be provided and funded. The plan should also show funding commitments for services.
- P. Market Study
- Q. Aerial map indicating distance between site and transit, grocery, retail, public parks, public library, and other affordable housing developments.

**4. CERTIFICATION**

The Applicant hereby certifies:

**1. Truth of Application**

That the information submitted in this Loan Application and any supporting materials is true, accurate, and complete to the best of its knowledge.

**2. Material Changes to Project**

That the Applicant acknowledges that any material changes to the project not disclosed to and approved by the Housing Authority may result in termination of funding for the project. Material changes include but are not limited to: changes in the project's design, amenities, and number and size of units; changes to the development budget; changes to the proposed sales prices, rents or operating expenses; changes to the sources, amounts or terms of financing; changes to the ownership entity or key staff and consultants identified in this Loan Application; or changes to other Loan Application items.

**3. Applications are Public Records**

That the Applicant acknowledges that the information submitted as part of this loan application, except material considered confidential, may be made available to the public.

**4.**

**No Conflict of Interest**

That the Applicant confirms that the Applicant nor any of its employees or other persons or entities affiliated with the Applicant have any financial relationship or position with the City of Placerville or any of their respective officers, agents, employees and volunteers that would present a conflict of interest issue.

<b>Authorized Signature</b>	<b>Date</b>	<b>Authorized Signature</b>	<b>Date</b>
   <b>Prin</b> _____		   _____	
<b>Title</b> _____		 _____	

**Please submit application with all required documents as set forth in the Notice of Funding Availability.**