



County of Santa Cruz

HUMAN SERVICES DEPARTMENT

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COUNTY OF SANTA CRUZ, CALIFORNIA

Human Services Department

Request for Proposals (RFP) #2023HSD01

FOR

2023 Homekey Grant Program Collaborative Applicants

Question Deadline	5:00 PM; Pacific Time, March 14, 2023 Submit questions by email to Contact Person
Submittal Deadline	5:00 PM; Pacific Time, March 24, 2023 Proposals must be submitted by this Deadline
Submittal Location	HSDCCUProposals@santacruzcounty.us
Contact Person	Melissa McCuiston, Sr. Administrative Analyst Email: HSDCCUProposals@santacruzcounty.us

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SECTION 1 – INVITATION

1.1 Overview

It is the intent of this Request for Proposal (RFP) to identify qualified entities to apply jointly with the County of Santa Cruz for the Homekey Round 3 Grant Program. The State of California Department of Housing and Community Development (the “State” or “HCD”) established the Homekey Program in 2020 to create an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, adult residential facilities and manufactured housing, and to convert commercial properties and other existing buildings to permanent or interim housing for the Homekey target population. The Homekey target population includes individuals and families experiencing homelessness or who are at risk of homelessness. Respondents to this RFP that are selected as Co-Applicants will be required to acquire or own, rehabilitate, operate, manage, maintain, and provide tenant and supportive services for the target population.

The State plans to release a Notice of Funding Availability (NOFA) for the Homekey Round 3 Grant in the spring of 2023. Because funds are expected to be allocated on a first-come, first-served basis, the County anticipates submitting two or more applications for funding as soon as is feasible after the State’s Homekey NOFA release and with the County Board of Supervisors’ approval. Applicants can find a link to the State Homekey program here: [Homekey California Department of Housing and Community Development¹](https://www.hcd.ca.gov/grants-and-funding/homekey).

The entities or teams selected through this RFP agree to be a joint applicant (“Co-Applicant”) with the County for one or more Homekey Round 3 Grant applications. The County is relying on the State of California Homekey NOFA and regulations from the 2021-2022 (2nd round) of Homekey (Attachment A) to inform this RFP.

Co-Applicants will be required to complete the SCZ County Homekey Workbook (Attachment B) as part of this application. Project teams selected through this RFP will work with the County to submit Homekey Round 3 Grant applications and associated materials as soon as possible after the Homekey Round 3 NOFA release by the State.

Entities or teams that are solely or jointly comprised of nonprofit organizations, for-profit corporations, limited liability companies, and/or limited partnerships are eligible to be “Co-Applicants” with the County on a Homekey application.

This RFP contains the information needed by all entities responding to this invitation (“Applicant[s]”) and sets forth the process, submission requirements, and criteria the County will use when selecting Co-Applicants.

¹ <https://www.hcd.ca.gov/grants-and-funding/homekey>

All submissions in response to this RFP will become the property of the County and may be subject to the California Public Records Act, with limited exceptions.

1.2 Additional Funding

The County has set aside at least \$2 million and up to \$4 million of Housing Disability Advocacy Program ([HDAP](#)²) Targeted Strategic Investment funding to commit as matching funds to selected Homekey development partners. HDAP funding can be committed to Homekey permanent supportive housing projects for capital expenses or a subsidized operating reserve. HDAP funding requires that applicants document how they will meet specific matching fund requirements as outlined in Attachment C.

HDAP funded housing units must target individuals or families experiencing homelessness with at least one individual in the household having a disability that has not already secured long-term disability income benefits. The County will prioritize HDAP funding for Homekey projects that create the largest number of HDAP units per dollar invested.

1.3 Program Guidelines

- A. If selected for Homekey funds, Co-Applicants, with supervision and oversight by the County, shall use grant funds for one or more Eligible Uses. The use of funds and scope of work for Eligible Uses, includes: Acquisition and/or rehabilitation of motels, hotels, hostels, or other sites, such as apartments, homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other building that could be converted to permanent supportive housing;
- B. Conversion of units from non-residential to residential;
- C. New construction of dwelling units;
- D. The purchase of affordability covenants and restrictions to units

Additionally, the applicant and/or Owner/Operator will be fully, actively, and monetarily responsible for all property development, acquisition, and construction as well as operations including maintaining a balanced budget and forward-looking projections; all property management activities including:

- A. Lease-up, Fair Housing and all other housing laws
- B. Project design, engineering, financing, construction, and processing,
- C. Federal, State, and local project permitting or approval, environmental review, and clearance,

² <https://www.cdss.ca.gov/inforesources/cdss-programs/housing-programs/housing-and-disability-advocacy-program>

- D. Working with County coordinated entry referral processes and agencies, collection of rent, enforcement of house rules and tenant lease requirements, accounting, bookkeeping, and reporting as applicable;
- E. All maintenance and upkeep of the property
- F. Programming and provision of robust resident and supportive services appropriate for those who have experienced homelessness which shall include coordination with residents, service agencies, and contracted nonprofit service providers to ensure residents are provided access to the services they need to live independently at the property with dignity and in compliance with tenant lease terms and the Owner/Operator's rules for residency.

In compliance with the requirements of the Homekey program, the County shall record a 55-year Regulatory Agreement, subject to the review and approval of HCD, on the property restricting its use, operation, and occupancy as affordable housing for homeless populations. Additionally, the Regulatory Agreement shall be recorded in the first position for the benefit of the County, names the State as a third-party beneficiary with the rights and privileges of enforcement. Co-Applicants will also be expected to obtain and provide insurance coverage satisfactory to the terms of both the State and the County.

Co-Applicants will also agree to the indemnification terms both to the benefit of the State and County.

Expected project timelines based on the Round 2 Homekey NOFA:

- A. All Homekey capital funds must be expended within eight months of the date of State Homekey award.
- B. Projects must complete all applicable construction and/or rehabilitation within 12 months of the date of State Homekey award.
- C. All projects must achieve a full occupancy (fully occupied with consideration for an average of 10% vacancy rate at any given time) within 90 days of construction or rehabilitation completion.

SECTION 2 – INSTRUCTIONS TO RESPONDENTS

2.1 Preparation of RFP Response

Respondents shall submit the completed Request for Proposals (RFP) response with required exhibits, attachments, and explanatory materials, as applicable, as specified herein. No oral, telegraph, telephone, or facsimile will be accepted.

2.2 RFP Process Schedule

The anticipated RFP Process Schedule follows. The County may change these dates and/or the RFP process if deemed necessary. If necessary, the County will publish such changes accordingly.

Activity	Date
Release RFP	March 1, 2023
Advertise RFP (2 dates, 1 week apart)	March 1, 2023, March 8, 2023
Deadline to submit questions	March 14, 2023
Dissemination of questions and answers	March 17, 2023
Deadline to submit RFP responses	March 24, 2023
Evaluation process	March 27-31, 2023
Vendor notification of RFP results	April 5, 2023

2.3 Submission of RFP Response

A. Submit one (1) electronic copy (email; no more than 35MB in size) of the completed RFP response as specified herein. All submissions will receive an email confirmation of receipt within one business day.

B. RFP Responses shall be delivered via email clearly marked as **RFP #2023HSD01** by **March 24, 2023, at 5:00 p.m., PDT** to HSDCCUProposals@santacruzcounty.us

2.4 Evaluation Process

The evaluation team may determine presentations are necessary to fully assess Respondents' qualifications. Respondents shall be required to participate in these presentations to qualify for consideration upon notification from County.

2.5 Late Responses

Respondents shall be responsible for the timely delivery of their RFQ responses. Responses received after **March 24, 2023, at 5:00 p.m., PDT** will be returned unopened.

2.6 Conflict of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, and member of their immediate family, partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

2.7 Point of Contact

All questions regarding this RFP shall be submitted in writing to the Contact Person or their authorized designee at HSDCCUProposals@santacruzcounty.us. No other individual has the authority to respond to any questions on behalf of the County. Failure to adhere to this process may disqualify the Respondent.

2.8 RFP Evaluation Criteria

A. It is the County's intent to select the most responsive and responsible respondent(s) that offer(s) the County the greatest value based on an analysis involving several criteria, including but not necessarily limited to the following:

Evaluation Criteria		Maximum Points
1.	Ability to expend funds timely and demonstration of operating leverage.	40
2.	Project team experience.	55
3.	Community engagement/input	10
4.	Community impact and site selection	92
5.	Negative displacement impacts	-20
6.	County of Santa Cruz Bonus Points	50

B. An evaluation team comprised of County and Community staff will evaluate the RFP responses and select the Respondent(s) who are the best qualified and best able to provide the requested services. The County reserves the right to reject any or all RFPs. Award of contract is contingent upon approval from the Santa Cruz County Board of Supervisors and funding availability.

2.9 Reservations

The County reserves the right to do any of the following at any time:

- A. Reject any or all responses from applicants that could in any way restrict or give preference to, or which could be perceived to restrict or give preference to, the submissions of any other vendors;
- B. Reject any or all responses without indicating any reasons for such rejection;
- C. Waive or correct any minor or inadvertent defect, irregularity, or technical error in the RFP or any RFP procedure or any subsequent negotiation process;
- D. Terminate this RFP and issue a new RFP or Request for Information anytime thereafter;
- E. Extend any or all deadlines specified in the RFP by issuance of an addendum at any time prior to the deadline to submit RFP responses;
- F. Disqualify, at the sole discretion of the County, any Respondent on the basis of any real or perceived conflict of interest or evidence of collusion that is disclosed by the RFP response or by other data or means available to the County;
- G. Reject the response of any Respondent that is in breach of or in default under any other agreement with the County;
- H. Reject any Respondent deemed by the County to be non-responsive, unreliable, or unqualified or who submits false information.

2.10 Notification of Withdrawals of RFP Responses

Respondents or authorized representatives may, by formal written notice to the Contact Person (email is preferred), modify or withdraw responses prior to the deadline to submit RFP responses. All responses not withdrawn prior to this deadline will become the property of County.

2.11 Interpretation

Should any discrepancies or omissions be found in the RFP, or doubt as to its meaning, the respondent shall notify the Contact Person in writing at once (e-mail is preferred). The County may issue written instructions or addenda to all participants in this RFP process. No oral statement of interpretation by County staff shall be binding. Questions must be received no later than the Question Deadline. All addenda issued shall be incorporated into the Contract.

2.12 Compliance

- A. It is the responsibility of Respondent to read ALL sections of this RFP prior to submitting a response.
- B. Failure to comply with the RFP requirements provided herein could result in disqualification.

2.13 Qualifications

The Homekey NOFA will include minimum experience requirements as thresholds. Teams will need to demonstrate that they have the ability to meet the following requirements.

1. Permanent Housing Requirements:
 - a. The proposed project developer/owner must have experience with acquisition, development/rehabilitation, ownership, and operation of a project similar in scope and size to the proposed project, completed on time and within budget; OR acquisition, development/rehabilitation, ownership, and operation of at least two affordable rental housing projects in the last ten years, with at least one of those projects containing at least one unit of housing for the proposed target population. Projects must have been completed on time and within budget
 - b. The developer/owner must acquire, own, develop, and oversee management of the proposed property.
 - c. The proposed site property manager must have three or more years of property management experience serving the proposed target population

- d. The proposed service provider must have three or more years of experiencing providing services to the proposed target population.

2. Interim Housing Requirements:

- a. Successful development, ownership, or operation of an Interim Housing project, such as an emergency shelter or transitional Housing for at least three of the last ten years for individuals who qualify as members of the Target Population;
- b. Experience in linking Interim Housing program participants to Permanent Housing to ensure long-term housing stability.

3. All project partners must:

- a. Have no non-compliance actions from a local government entity, TCAC, CDLAC, or other State agencies, lenders, or tax credit investors in the last five years;
- b. Not be presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by HUD or any other Federal department or agency;
- c. Agree to maintain the proposed development as affordable rental housing with rent levels restricted at or below 30% of Area Median Income (AMI) in compliance with all regulatory agreements;
- d. Not have had any unfavorable judgments or bankruptcies in the last seven years and is not currently involved in any pending or threatened lawsuits or judgment or bankruptcy involving itself or any entity in which it has been or is now involved OR provides a complete description of all known bankruptcies, unfavorable judgments and/or pending lawsuits involving itself or any entity in which they have been or is now involved. Please note that all entities are required to disclose pending disputes with the County when bids, proposals or applications are submitted for a County contract or transaction;
- e. Commit to using the Coordinated Entry System (CES) for all tenant referrals;
- f. Commit to implementing Housing First standards for the project as outlined in California law and regulations;
- g. Have documented site control of the property as outlined on page 16-17 of the attached - Homekey Round 2 NOFA;
- h. Have written commitments of operating subsidy funding for the proposed project;
- i. Have a written plan for obtaining a California Environmental Quality Act (CEQA) exemption for the proposed project as outlined in State Homekey materials; and

- j. Have a written plan for obtaining National Environmental Policy Act (NEPA) approvals for the project if federal funds are anticipated or already committed.

2.14 Addenda

- A. These documents may not be changed by any oral statement. Changes to these documents will be by written addenda issued by the Contact Person or designee.
- B. Addenda will be posted on the Human Services Department's website. If/when necessary, the Contact Person will email written addenda to all known Respondents of record.
- C. Respondents shall be responsible for ensuring that their responses reflect any and all addenda issued by the Contact Person or designee prior to the deadline to submit RFP responses regardless of when the responses are submitted.
- D. All addenda issued shall be incorporated into the contract awarded as a result of this RFP.

2.15 Proprietary Information

Responses will be subject to public inspection in accordance with the California Public Records Act (CPRA). To protect proprietary information, if any, Respondent must clearly mark proprietary information as such, submit it as a separate attachment titled "proprietary" and only reference it within the body of the email response. Respondent should not include in the response any material that Respondent considers confidential but that does not meet CPRA disclosure exemption requirements.

2.16 Cost Liability

Respondent is solely responsible for all costs incurred in the preparation and submission of an RFP response.

SECTION 3 – SCOPE

3.1 Overview

The County intends to apply jointly with eligible entities or Teams as Co-Applicants for projects selected through this RFP. For the purposes of this RFP, a team is defined as one or more entities that together have the capacity to develop, manage, and provide services for a proposed Homekey project. *Past and existing Homekey projects awarded by the State under prior rounds are ineligible for this RFP.*

The County will consider a variety of innovative housing solutions. Awarded funds must be used to provide interim, semi-permanent (minimum of 15 years) or permanent housing for individuals and families experiencing homelessness.

The County intends to support at least one Homekey project focused on serving eligible transition age youth (TAY) between the ages of 18 and 24 years of age.

Based on the Round 2 Homekey guidelines the County will consider the following proposed Homekey uses:

- a. Acquisition or Rehabilitation, or acquisition and Rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing.
- b. Master leasing of properties for non-congregate housing.
- c. Conversion of units from nonresidential to residential.
- d. New construction of dwelling units.
- e. The purchase of affordability covenants and restrictions for units.
- f. Capitalized operating subsidies for units purchased, converted, constructed, or altered with funds provided pursuant to California Health Safety Code section 50675.1.3

3.2 Statement of Work

3.2.1 Project Description:

The County and one or more Teams selected through this local RFP will be Co-Applicants to the State for Homekey funding. The selected Team(s) will prepare all application materials for County review, and when approved, the County will upload and submit the application through the Homekey portal. The 2021-2022 Homekey Round 2 application is included for reference as Attachment D.

If awarded, the State will execute a Standard Agreement with any and all selected Co-Applicants. Selected Co-Applicants will be expected to execute a separate project agreement with the County.

The County's Human Services Department Housing for Health Division will serve as the main point of contact for selected projects and development partner entities. The County will record a regulatory agreement against the project property that will restrict rents and occupancy and enforce other Homekey and County operational requirements. Please note that the County will not subordinate the priority of its regulatory agreement to private financing. The term of the regulatory agreement must be at least 55 years for permanent affordable housing projects and 15 years for interim housing projects.

The State requires that Homekey funds be provided as grants. Under this structure, the County will accept the Homekey grant capital and operating funds,

combine those funds with any local matching subsidy, and enter into a single recoverable project grant agreement with the developer/owner member of the development partner entity. For-profit partners will likely require a nonprofit partner in the ownership structure to feasibly accept the grant. Project Teams are responsible for determining the tax implications of receiving grant funds. The County, in accordance with State requirements, will ensure the recording of a regulatory agreement on the property that meets Homekey project expectations including, but not limited to, long-term affordability restrictions.

3.2.2 Environmental Requirements:

Homekey projects must meet and satisfy all federal and state environmental requirements and clearances, if necessary, prior to construction. Additionally, any submitted development budgets should include customary costs for state and/or federal environmental review, at the level applicable to the project, including consultant costs, fees for special studies and due diligence, noticing, etc., as well as County fees for permitting, Planning consultation or design review group (optional, but recommended for major construction projects) and report reviews.

Federal Requirements

For any project receiving federal funds, the award is conditioned on compliance with the requirements of the National Environmental Policy Act ([NEPA](https://www.epa.gov/nepa)³).

Applicants contemplating requesting and/or utilizing federal funds (such as project-based vouchers or CDBG) for their projects should review the federal awarding agency's (e.g., HUD) guidance for complying with applicable NEPA requirements for their projects.

Teams contemplating federal funding must refrain from undertaking activities that could have an adverse environmental impact or would otherwise limit the choice of reasonable alternatives between the time of application submittal and when the federal agency has approved the environmental review of the project. This is referred to as "choice-limiting actions".

The prohibition against these choice-limiting actions begins on the date that the application is submitted to the County, or when federal funds are sought for the project, whichever occurs first.

The below choice-limiting actions are prohibited until NEPA Review is completed and when the federal agency issues the Authority to Use Grant Funds:

- a. activities such as acquiring, demolishing, disposing of, rehabilitating, converting, leasing, repairing, or constructing property
- b. any kind of site preparation or construction work

³ <https://www.epa.gov/nepa>

- c. committing or expending HUD or non-Federal funds for program activities with respect to any eligible project.

Teams proposing development of four or more new units, and/or conversion of non-residential property to residential uses, and/or other types of projects that require higher levels of NEPA review, such as an Environmental Assessment or Environmental Impact Statement (EA or EIS), will be required to hire a qualified NEPA consultant to prepare draft NEPA documents for County staff review, with any necessary studies, appendices or analysis, and following County approval, prepare the Environmental Review Record and notices for publication, as well as any monitoring reports, mailings, and responses to comments, etc. that may be required.

Completing the NEPA review for projects requiring an EA or EIS, including local and federal noticing periods, takes a minimum of 8-14 weeks after receipt of all necessary information including the entire draft NEPA document, attachments and analysis and is dictated by the project description and type of NEPA document required. If an EA or EIS is required, it can take several months to hire a qualified consultant and allow them time to conduct necessary studies and complete a draft EA.

State Requirements

The County supports Teams reviewing the California Environmental Quality Act (CEQA) and land use streamlining tools provided by the State Homekey NOFA and expects Teams to seek their own legal counsel experienced in both CEQA and applicable California labor laws to analyze the available CEQA exemptions and related labor obligations applicable to their projects. Teams will also be responsible for compliance with the Prevailing Wage requirements, and Skilled and Trained Workforce, if applicable, of the Homekey program.

3.2.3 Federal Statutes and Law

The following federal statutes and laws may apply to proposed projects:

- a. [Section 3 of the U.S. Housing Act of 1968, as amended](#)⁴;
- b. [Equal Opportunity and related requirements in 24 CFR Section 982.53](#)⁵
- c. [Section 504 of the Rehabilitation Act of 1973](#)⁶;
- d. [Americans with Disabilities Act of 1990](#)⁷;
- e. [Architectural Barriers Act of 1968](#)⁸;
- f. [Fair Housing Act of 1988](#)⁹;

⁴ https://www.hud.gov/program_offices/field_policy_mgt/section3

⁵ <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982/subpart-B/section-982.53>

⁶ <https://www.dol.gov/agencies/oasam/centers-offices/civil-rights-center/statutes/section-504-rehabilitation-act-of-1973>

⁷ <https://www.ada.gov/law-and-regs/ada/>

⁸ <https://www.dol.gov/agencies/oasam/centers-offices/civil-rights-center/dlms2-0600>

⁹ https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_act_overview

[g. National Environmental Protection Act \(NEPA\) Federal prevailing wage requirements \(please note that projects will be required to meet the higher of Federal or State prevailing wage requirements¹⁰\).](#)

SECTION 4– SUBMISSION REQUIREMENTS

Respondents shall provide the following information and/or documentation in attachment form as indicated, please include reference to the corresponding paragraph number.

1. Proposal with information regarding your entity or team of entities and statement of qualifications to provide the required services. Proposals should provide a comprehensive narrative that demonstrates the following:
 - a. Complete legal entity name and Federal Employer Identification Number of the firm making the proposal.
 - b. Name, mailing address, telephone number and email address of person County should contact regarding the proposal.
 - c. Qualifications of the project team; Describe the proposed team organization and staffing plan for the project. Be sure to include roles and responsibilities of each team member. Teams must demonstrate the ability to meet the minimum experience requirements described in section 2.13 “Qualifications” listed above and in support of Team Experience tab in Attachment B.
 - d. Statement demonstrating that your organization has the ability to meet minimum requirements for one or more Permanent or Interim Housing projects as noted in Attachment A- Article III; Threshold and Scoring Criteria of the attached Homekey Round 2 NOFA.
2. Completed Attachment B – SCZ County Workbook Homekey Round 3 including all workbook tabs: Supplemental Questions; Financial Plan; Timeline; Team Experience; Homekey Self Score.
3. A copy of any and all applicable documents outlining evidence of site control as noted in Attachment A- Article III, Section vi, Threshold and Scoring Criteria of the attached Homekey Round 2 NOFA.
4. A copy of any MOU or joint venture agreement(s) between the developer/owner and project partners. If the team is a joint venture, an executed joint venture agreement is required, clearly describing the roles and responsibilities of each partner, and identifying who is the lead partner, or if the responsibilities are

¹⁰ <https://www.dir.ca.gov/public-works/prevailing-wage.html>

approximately equally split between the partners;

5. Organizational chart of partnership or joint venture that features ownership percentages and roles and responsibilities. Not applicable for single entity Teams.
6. Financial Statements: As requested in the Financial Plan tab in attachment B, attach a detailed budget projection that shows the sources and uses of funds for the proposed capital development costs and operating costs for the project. For your proposed operating budget include the anticipated Area Median Income (AMI) of tenants, assumptions for all sources of income, unit mix, and projected 15-year cash flow. Be sure to include detailed operating expenses, net operating income, reserves, debts, subsidies, relocation, and any financing costs. Please note if anticipated revenue sources will expire or require an extension of current funding commitments.

Please note: the maximum allowable developer fee for permanent affordable housing is the lesser of 10% of total development cost or \$1,000,000. Teams may request all or a portion of the developer fee at their discretion; developer fee is not a requirement. Higher limits may be considered by HCD for new construction project proposals on a case-by-case basis.

Developer fee may be further restricted for transitional housing proposals at the County's discretion.

The following materials are ***optional*** and will provide bonus points for the local RFP process. However, chosen Teams ***must commit*** to meeting the following requirements at the time of Homekey Grant application submittal:

1. Audited financial statements for all developer/owner organizations from the past two years. If these are consolidated financial statements, they must also include the standalone financial statements for the parent organization(s). If particular circumstances about an organization's financial position or capacity require explanation, include a narrative summary in addition to the financial statements;
2. Resolutions: County and Co-Applicants must submit authorizing resolutions that, in the State HCD's reasonable determination, materially comports with the program's requirements and is legally sufficient.
3. Appraisal: "As is" appraisal of the project property to determine fair market value. Appraisals must conform to the Uniform Standards of Professional Appraisal Practice (USPAP) standards 1 and 2. In addition, appraisals must comply with the appraisal requirements of the Appraisal Institute's Regulation 3. All appraisers must be California State Licensed/Certified. [Homekey 3.0 Appraisal](#)

[Guidelines.](#)¹¹

4. Physical Needs Assessment: Acquisition and/or rehabilitation projects must provide a copy of a Physical Needs Assessment (PNA) that describes the deficiencies to be addressed by the rehabilitation, emergency repairs, health and safety issues and lead abatement and asbestos report, if applicable. The PNA must also include preliminary cost estimates for the repairs.
5. Executed option to purchase, or Contingent Purchase Agreement (per HUD NEPA guidance).
6. Preliminary Title Report for the project property
7. Phase 1 Environmental Report for the project property and additional reports as deemed necessary in the Phase 1 Report
8. Description of Proposed CEQA Exemption and why the project qualifies for it
9. Description of proposed NEPA level of review; Team's experience with NEPA compliance on prior projects; and proposed NEPA review budget
10. An artist/architectural rendering or computer-generated depiction of an anticipated visual appearance upon project completion

TABLE OF ATTACHMENTS

1. Attachment A –Homekey Round 2 Notice of Funding (NOFA)
2. Attachment B – SCZ County Workbook – Homekey Round 3
3. Attachment C – HDAP Match funding requirements
4. Attachment D – Homekey Round 2 Sample Application

¹¹ <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/homekey/Homekey-3-0-Appraisal-Guidelines.pdf>