



2020-2021 CDBG/HOME FUNDING APPLICATION AND INSTRUCTIONS

The City of Santa Clara invites applications for Community Development Block Grant (CDBG) funding for public service activities and/or capital improvement projects, and HOME Investment Partnerships Program (HOME) funding for creating and/or maintaining affordable housing options.

The attached packet contains the Application Form and Instructions for submitting a request to the City for FY 2020-2021 funding. Funds provided under this application are expected to be available on July 1, 2020.

CONTACT FOR INFORMATION

Contact: Eric L. Calleja, Senior Development Officer, at ecalleja@santaclaraca.gov or (408) 615-2296, or Jonathan Veach, Housing Division Manager, at jveach@santaclaraca.gov or (408) 615-2297

SCHEDULE OF SIGNIFICANT DATES

This schedule is the only notice that will be issued regarding hearing dates unless a change occurs.

Application Review Process: Applications will be reviewed by City staff against priorities and criteria described in more detail in the specific category of project type. Recommendations will be presented to the City Council in the form of the 2020-2021 DRAFT Annual Action Plan during a public hearing. The public hearing is also the appropriate forum for applicants to make their oral presentations to the City Council.

- January 13, 2020 NOFA START. Public Service and Capital Improvement Project applications will be available from the Housing & Community Services Division office, 1500 Warburton Avenue, Santa Clara, CA. and on the City's website at <http://santaclaraca.gov/our-city/departments-a-f/community-development/housing-community-services-division/public-service-agencies/application-for-public-services-funding>
- January 21, 2020 Application Workshop will be held at 2:00 PM at the Central Park Library (Margie Edinger Room), 2635 Homestead Road. Workshop will cover the application, invoicing, and reporting. It is **mandatory for new applicants; optional for agencies funded within the last two years.**
- January 31, 2020 Questions related to the application and submission process must be submitted in writing to ecalleja@santaclaraca.gov by January 31, 2020. Answers will be made available online.
- February 24, 2020 Applications are due at the Housing & Community Services office no later than 5:00 P.M. **Applications will not be accepted after the deadline.**
- March 4, 2020 Notifications to agencies whether project/activity will be recommended for funding. A 10-day appeal period will begin on March 5, 2020
- March 15, 2020 End of appeal period.
- March 31, 2020 Public Hearing on the 2020-2021 DRAFT Annual Action Plan at the City Council Meeting located at, 1500 Warburton Avenue, Santa Clara, CA, at 7:00 P.M. Final version of the Annual Action Plan will be submitted to HUD on or before May 15, 2020.

TABLE OF CONTENTS

TABLE OF CONTENTS		2
APPLICATION SUBMISSION PROCESS		3
FUNDING AVAILABILITY		4
ELIGIBILITY CRITERIA		5
EVALUATION PROCESS		7
ATTACHMENTS		
Attachment I	General Funding Requirements	8
Attachment II	Income Guidelines	12
Attachment III	Insurance Requirements	13
Attachment IV	Low-Moderate Income Census Tracts	16
APPLICATION FORM <u>(all applicants must submit all parts)</u>		
Section 1	Applicant Summary	I
Section 2	Activity/Project Summary	II
Section 3	Goals, Objectives, and Outcome Measurements	V
Section 4	Authorization and Certification	VII
Section 5	Checklist of Required Documents	VIII
ADDENDA <u>(submit only one Addendum based on the type of project being proposed)</u>		
Addendum A	CDBG Public Service Activities	A1
Addendum B	CDBG Affordable Housing or Capital Improvement Projects	B1
Addendum C	HOME CHDO Funding	C1
Addendum D	HOME CHDO Funding Certification Application (information only)	D1

APPLICATION SUBMISSION PROCESS

SUBMITTING THE APPLICATION FORM

Applications that do not use the City's Application Form will not be considered for funding; organizations may copy the blank application form. Digital copies of the Application form and the Instructions can be downloaded from the City's website <https://www.santaclaraca.gov/housing>. To have the Application Form and Instructions emailed, contact Eric Calleja ecalleja@santaclaraca.gov.

Submission of the application and all required documents must be on or before:
February 24, 2020 by 5:00 pm. **Applications will not be accepted after the deadline.**

Applicants are encouraged to submit their application electronically to ecalleja@santaclaraca.gov. *Please send a separate email after submitting the application to notify staff that the application has been submitted.*

Hard copies can be submitted to:

City of Santa Clara
Housing & Community Services Division
ATTN.: Eric L. Calleja
1500 Warburton Avenue
Santa Clara, CA 95050

In addition to the documents listed on the Required Documents Checklist, applicants may submit letters of support, agency publications relevant to the proposed project, or other relevant materials as attachments to the application form.

No additional information will be accepted after the submission deadline unless: (a) It is requested by City staff; or (b) It was not available at that deadline and is significant for determining the eligibility or viability of the project (e.g., additional funds, site control). City staff shall make the final determination whether information submitted after the deadline will be accepted.

FUNDING AVAILABILITY

There are three “pots” of funding available. Applicant must determine which funds are most applicable for their activity/project. If an applicant is unsure, please contact City staff.

All funding amounts stated are estimates and “up to” amounts. The City reserves the right to change the available funding amounts. The City, at its sole discretion, selects the source of funds for approved projects and activities, and may elect to fund projects with other sources and/or multiple sources of funding.

<p>Public Services (CDBG) \$240,000 (Minimum request must be \$15,000)</p> <p style="text-align: center;"><i>Examples:</i></p> <p>Senior Services Transportation Services Disabled Services Child Care Services Legal Services Food Banks Youth Services DV Survivor Services</p>	<p>Capital Improvements (CDBG) \$500,000</p> <p style="text-align: center;"><i>Examples:</i></p> <p>Non-profit facility improvements Multi-family housing rehabilitation Single-family housing rehabilitation Land acquisition for housing Tree planting</p>
<p>CHDO Housing Development (HOME) \$500,000</p> <p style="text-align: center;"><i>Examples:</i></p> <p>Multi-family rental (new and/or rehab, acquisition) Single-family rental (new and/or rehab, acquisition) Homebuyer down payment assistance.</p>	<p style="text-align: center;"><i>If you have any questions as to which category your proposed project would best fit, please contact Eric Calleja at ecalleja@santaclaraca.gov or at (408) 615-2296.</i></p>

ELIGIBILITY CRITERIA

1. Proposed projects must address a Priority Need (see below) identified in the City’s DRAFT Consolidated Plan, 2020-2024 (ConPlan) for the low-income population of Santa Clara. Low-income is defined as households at or below 80% of Area Median Income (AMI). The goals/objectives of the ConPlan include:
 - a. **GOAL 1 – Increase Affordable Housing** of affordable rental housing for extremely low (30% AMI), very-low (50% AMI), and low (80% AMI) income households. High priority populations/types of housing are:
 - i. Seniors
 - ii. Homeless Families
 - iii. Permanent Supportive Housing
 - iv. Affordable Homeownership Development
 - b. **GOAL 2 – Maintain and rehabilitate existing housing** can include:
 - i. Rehabilitation of existing owner-occupied housing
 - ii. Rehabilitation of multi-family housing that is restricted for low-income residents
 - c. **GOAL 3 – Provide Essential Services (Public Services)** such as:
 - i. Senior Services
 - ii. Homeless Services
 - iii. Mental Health Services
 - iv. Health Services
 - v. Emergency Housing Assistance
 - vi. Youth Services
 - d. **GOAL 4 – Improve Community Facilities** may include:
 - i. Non-profit facility improvements that serve low-income households
 - ii. Traffic Calming measures in low-income census tracts
 - iii. Sidewalk Improvements in low-income census tracts
 - iv. Improvements to City-run public facilities such as senior centers, libraries, and community centers
2. **Eligible Organizations** are public agencies, religious organizations, or tax exempt, non-profit corporations. Organizations must demonstrate managerial and financial capability to receive and expend grant funds, and assure compliance with all applicable Local, State, and Federal laws.
3. **CDBG activities or projects** must meet one of the three national objectives of the CDBG Program set forth below. For further details, see: Federal Regulations 24 CFR Part 570:
 - a. Benefit lower income persons ([defined in Attachment I](#));
 - b. Address slums or blight; or,
 - c. Meet a particularly urgent community development need.

Capital Projects such as acquisition, rehabilitation, nonprofit office improvements, must demonstrate to be “shovel-ready” (i.e., must have other funding available), and be able to be completed within 18 months.

Public Service Activities are funded for a three-year period, with the second and third years conditional upon funding availability and agency performance. Activities not previously funded by the City must demonstrate that they are a new project to be undertaken by the Applicant or expansion of an existing project currently provided by the Applicant. Funding for Public Service Activities must qualify under one of the criteria below:

- a. **Existing, Funded Project**: Proposed projects funded by the City in the current fiscal year, which are satisfactorily meeting their program goals. Requests for increased funding above a minimal allowance for inflationary cost increases must demonstrate an expanded level of service, or a new service, or a loss of previously provided funds from a major source of project funding. Such agencies must make good faith efforts to secure funding from other sources and must develop a long-range plan of independence from City funding.
 - b. **Seed Projects**: Projects addressing a community need that is being met by a new service. Such projects must demonstrate a high probability that they have developed, or are likely to develop, future, non-City commitments for on-going funding. City funding for such projects is a maximum of three years.
 - c. **Emerging Community Need Project**: Projects that will serve an identified community need not currently funded by the City. Projects addressing unmet, significant needs identified in the City's Consolidated Plan are eligible for funding consideration under this criterion.
4. **HOME Investment Partnerships Act (HOME)** Projects must expand or maintain the City's supply of decent, safe, sanitary, and affordable housing for lower income residents ([defined in Attachment I](#)). Funds may be used for Housing Rehabilitation, New Construction, Acquisition, Site Improvements, Tenant Based Rental Assistance. For further details, see Federal Regulations 24 CFR Part 92.

Community Housing Development Organizations (CHDOs) and nonprofits wishing to become a CHDO are eligible for additional CHDO funding; funding that is annually set aside for such agencies. CHDO projects can include rehabilitation, new rental or homebuyer construction, and land acquisition with the intent of creating affordable housing.

EVALUATION PROCESS

City staff will review applications and formulate recommendations to the City Council. Applicants may be required to provide additional or clarifying information regarding their Application Form. In evaluating project proposals, the City will consider:

- Consistency with the City’s ConPlan objectives and priorities.
- Priorities and requirements of the primary funding sources.
- Organization’s demonstrated managerial and financial capability to receive and expend grant funds.
- Cost-effectiveness of the proposed project.

EVALUATION CRITERIA

Targets Lower Income Residents

75%+ of the beneficiaries are at or below 30% of AMI	10 PTS
50%+ of the beneficiaries are at or below 30% of AMI	7 PTS
50%+ of the beneficiaries are at or below 50% of AMI	5 PTS
50%+ of the beneficiaries are at or below 80% of AMI	3 PTS

Consistency with City’s Five-Year Consolidated Plan (CP)

Proposed activity is considered a High Priority in the CP	10 PTS
Proposed activity is not identified in the CP as a High Priority, but it is still an important need	5 PTS

History of Providing Proposed Service

Has provided the proposed service for more than 6 years	10 PTS
Has provided the proposed service 3-5 years	7 PTS
Has provided the proposed service for less than 3 years	5 PTS
Has not previously provided the service	3 PTS

Leveraging of non-City funds

At least 50% of the funding comes from other sources	10 PTS
At least 25% of the funding comes from other sources	7 PTS
At least 10% of the funding comes from other sources	5 PTS
ALL funding comes from the City of Santa Clara	3 PTS

Ability to spend funds

Public Services: During the past three (3) years, has your agency failed to draw down at least 95% of awarded funds (*does NOT include projects/activities in their first year of inception*). **-8 PTS**

Capital/CHDO Project: Considering your last 3 projects, did your agency fail to draw down at least 95% of the funds that were awarded? **-8 PTS**

ATTACHMENT I

GENERAL FUNDING REQUIREMENTS

A. Environmental Review Process

Federal regulations require local jurisdictions to prepare a NEPA Environmental Review (ER) for federally funded activities. For complex projects, including capital improvement projects, this review may take 6-16 weeks. If environmentally significant conditions are found and/or mitigation measures are required, the time to complete the environmental review process will be extended.

For capital improvement projects involving any physical activity, this process can be time consuming and expensive. The cost of preparation of the NEPA ER will be charged to your project and netted out of the amount allocated to your project. This will include public notices and additional studies needed to document compliance. The City will incur these costs, with the actual total cost of the ER reimbursed to the City Housing Division from your allocation. Please include a project budget line item for ER.

B. Reporting Demographic Data on Project/Program Beneficiaries

If your project is funded, you will be required to provide City staff with a certain amount of demographic data depending on your particular type of project. The HUD-required data may include: client household income, client racial/ethnic background, and head of household information. The City will provide you with required reporting forms. File documentation is required as back-up to quarterly reports. The City also requires that the service provider verify the income of clients served, and that such information be reported on a quarterly basis.

In addition, if your project qualifies for funding under CDBG criteria limiting benefit to low-income individuals, you will be required to verify your clients' incomes by obtaining employment verification, and/or benefits income verification, and/or tax returns, or client self-certification.

C. Sub-recipient Agreement

Required agreement between sub-recipient and the City of Santa Clara: If you have been awarded CDBG/ HOME funds for your activity, you must not commit or obligate these funds in any way prior to the start date stated in the contract. If you commit or obligate the funds prior to this date, the City will not be able to reimburse you for the program costs. When planning your project schedule, please allow four weeks to three months for preparation and execution of the agreement. The City funding agreement with the service providers will be performance-based.

D. Religious Organizations

Funds provided under this NOFA cannot be used for religious activities. However, HUD will allow faith-based organizations to access funds for programs meeting City funding priorities described above without having to form secular affiliates. Organizations may not engage in inherently religious activities, such as worship or religious instruction, or proselytization, as a part of the program or services funded with CDBG/HOME funds. If the organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded with CDBG funds, and participation must be voluntary for the beneficiaries of the CDBG-funded programs or services. Faith-based organizations may use space in their facilities to provide CDBG-funded services without removing religious art, icons, scripture, or other religious symbols.

E. Program/Project Schedule

When preparing the program schedule, it is important to factor in sufficient time allowances for various administrative procedures. These include City staff preparation of the HUD-required Environmental Review under the National Environmental Policy Act (NEPA), and negotiation and execution of the funding agreement between your agency and the City.

F. Funding on Reimbursement Basis

The City has a strict policy of not providing funding advances before program costs are incurred and paid. Reimbursement is made only upon complete documentation of performance of program goals or completion and payment of incurred costs for capital improvement projects. Public Service sub-recipients should submit no more than one-fourth of the total amount funded on a quarterly basis.

G. Financial Audits

Program applicants are required to submit a copy of the most recent certified financial audit prepared by an independent CPA firm, including any management letters. Annual submission of financial audit reports will also be required during the term of the financing or funding agreement. If your agency has expended \$750,000 or more of federal funds from any source in any one year, the audit should include a “single audit” and be in compliance with Uniform Guidance 2 CFR Part 200, depending on if your entity is a nonprofit organization or public agency. If project applicants have not expended \$750,000 or more of federal funds from any source in any one year, they must attach a certification attesting to this fact.

H. Real Property Acquisition, and Displacement

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and found at 49 CFR Part 24, applies to:

- i. Displacement that results from acquisition, demolition, or rehabilitation for HUD-assisted projects; and
- ii. Real property acquisition for HUD-assisted projects, including acquisition of temporary and permanent easements.

Where possible, projects must be designed to prevent or minimize displacement of tenants. Because federal funds administered by the County are made available as part of this application, any temporary or permanent displacement of tenants must be handled in accordance with all applicable provisions that cover relocation and acquisition in HUD programs.

Section 104(d) Relocation Requirements (“Barney Frank Amendments” to Title I of the Housing and Community Development Act of 1974) protect persons who are displaced that are at or below 80% of area median income and is only triggered when project activities consist of demolition or conversion of low- and moderate-income housing.

The URA and Section 104(d) requires relocation assistance to be provided to any family, individual, or business that must move as a direct result of rehabilitation, demolition or acquisition for a project in which federal funds are used. Relocation requirements apply to any kind of project or program receiving any amount of federal financial assistance that involves action upon occupied real property (e.g. acquisition, clearance, rehabilitation, change in use, etc.). The relocation rules apply to the entire project undertaking, regardless of whether the federal funds are used to purchase the property or for other project costs.

No project involving displacement will be selected for funding without complete assurance of relocation compliance. The City does not have sufficient staff to either carry out or supervise required relocation for project developers. Consequently, developers must thoroughly demonstrate the capability, resources and preparations necessary to assure that any displacement and relocation is carried out in compliance with the law and regulations. The required resources include provision for experienced, qualified, city-approved relocation personnel. Past performance and compliance with the URA will be considered when evaluating project feasibility.

I. Wage Rate Requirements/Prevailing Wage

Use of federal funds may trigger Davis-Bacon and Related Acts (DBRA) wage requirements and State Prevailing Wage requirements. Projects with construction costs will require performance and payment bonds from the prime contractor.

J. Procurement

The use of CDBG funds requires compliance with the applicable procurement requirements in the Office of Management and Budget Uniform Guidance (OMB). Costs are expected to be competitively bid using the sealed bid process. The County and the organization must approve contractor qualifications for projects prior to the start of construction. Pre-qualification of contractors will be allowed for purposes of establishing a defined list of qualified contractors for competitive bidding. If an alternative bidding process is desired, a description and explanation should be included with this application. The process will be reviewed for compliance with the federal regulations.

Organizations using CDBG funds to pay for professional services must comply with federal procurement requirements (architects, engineers, etc.). Organizations that wish to select a professional firm through a negotiated bid or other process must obtain advance written approval from the City.

K. Minority and Women Business Enterprise Participation

Use of minority and women business enterprises (MBE/WBE) is encouraged. Projects awarded funds must comply with solicitation requirements to enhance MBE and WBE participation.

L. Equal Opportunity

Organizations funded with CDBG must comply with federal, state, and local laws that prohibit discrimination on the grounds of race, creed, color, national origin, sex, age, marital status, or the presence of a disability. Discrimination is prohibited in the provision of a service or within a facility funded with CDBG funds and in all other aspects of administering a CDBG proposal including contracting, procurement, and employment.

M. Section 3 of the Housing and Urban Development Act of 1968, as amended

Projects involving rehabilitation or construction must comply with the requirements of Section 3 of the Housing and Community Development Act of 1968, as amended. One of the purposes of Section 3 is to ensure that job training, employment, contracting and other economic opportunities generated by HUD assistance or HUD-assisted projects shall, to the greatest extent feasible, and consistent with existing federal, state, and local laws and regulations, be directed to low-income residents and Section 3 business concerns.

N. Background of Nonprofit Organizations

All nonprofit organizations applying for funds must meet the following requirements:

1. **Governing Body** – Governing body of the organization should be vested in a responsible and active voluntary board which meets at least quarterly and establishes and enforces policy. The governing body should be large enough and so structured to be representative of the community it serves.
2. **Personnel** - The organization must provide for adequate administration of the program to ensure delivery of services. At a minimum, one person should be designated the full time director of the organization.
3. **Staffing of Public Service Programs** - Agencies requesting funds for public service programs are encouraged to have staffing at all levels of responsibility that reflect the racial/ethnic composition of population served. It is highly desirable that the agency staff also possess the appropriate bi-cultural and bi-lingual capabilities.

ATTACHMENT II **INCOME GUIDELINES**

FEDERAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

2019 INCOME GUIDELINE SCHEDULE

GROSS ANNUAL INCOME

Household <u>Size</u>	Extremely Low Income <u>30%</u>	Very Low Income <u>50%</u>	Low Income <u>80%</u>
1	\$30,750	\$51,250	\$72,750
2	\$35,150	\$58,550	\$83,150
3	\$39,550	\$65,850	\$93,550
4	\$43,900	\$73,150	\$103,900
5	\$47,450	\$79,050	\$112,250
6	\$50,950	\$84,900	\$128,850
7	\$54,450	\$90,750	\$128,850
8	\$57,950	\$96,600	\$137,150

Effective: June 28, 2019

Income limits may be revised before July 1, 2020

When determining whether a household is income eligible, the City uses the following definition of “annual income”: “Adjusted gross income” as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

ATTACHMENT III

INSURANCE COVERAGE REQUIREMENTS

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

- \$1,000,000 each occurrence
- \$1,000,000 general aggregate
- \$1,000,000 products/completed operations aggregate
- \$1,000,000 personal injury

2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
 - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01, with minimum policy limits of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with the following limits: at least one million dollars (\$1,000,000) policy limit Illness/Injury by disease, and one million dollars (\$1,000,000) for each Accident/Bodily Injury.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.
 - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
 - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

E. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

F. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, purchase and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

G. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be emailed to:

EBIX Inc.
City of Santa Clara [Housing & Community Services]
Telephone number: 951-766-2280
Fax number: 770-325-0409
Email address: ctsantaclara@ebix.com

H. QUALIFYING INSURERS

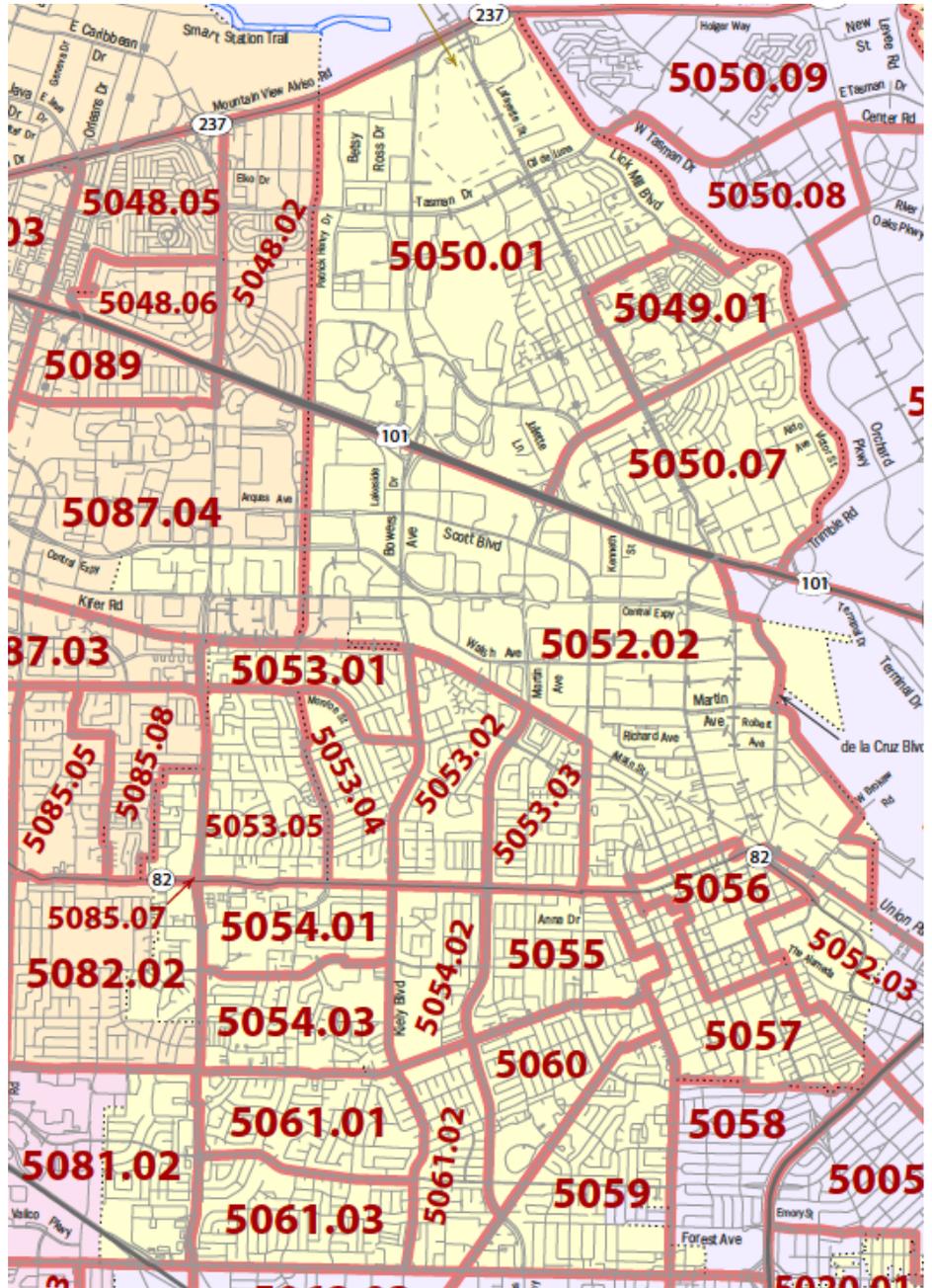
All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

ATTACHMENT IV LOW-MODERATE INCOME CENSUS TRACTS

Low-Moderate Income Tracts

If your project/activity is proposed to be in Low Moderate Area (LMA), it may include census tracts that are NOT low income **only** if the entire proposed area is 51% Low-Moderate Income as a whole.

Tract #	Block #
5050.01	4
5052.02	1
5052.02	3
5053.01	4
5053.03	4
5053.04	1
5054.01	1
5054.03	2
5056.00	1
5056.00	2
5056.00	3
5057.00	2
5057.00	3
5057.00	4



SECTION 1: APPLICANT SUMMARY

The application is separated into four (4) sections:

1. Main Body (Sections 1-5). **Every applicant must complete this part of the application.**
2. **Addendum A: CDBG Public Service Activity.** Complete **ONLY** if applying for a Public Service Grant.
3. **Addendum B: CDBG Affordable Housing or Public Improvement Project.** Complete **ONLY** if proposing a Capital Improvement Project or Housing Construction project.
4. **Addendum C/D – HOME CHDO Funding.** Complete **ONLY** if proposing an affordable housing project, and are willing to become a Community Housing Development Organization. Addendum D does NOT need to be completed at this time.

Legal name or organization (Do not use DBA)

DUNS Number (Click [HERE](#) if a DUNS number is needed)

Address

Tax ID

City

State

Zip

City Business License Number

Project Manager

Executive Officer Name

Project Manager email

Executive Officer Email

Project Manager Phone

Executive Officer Phone

1. In your organization's previous fiscal year, did your agency receive:
 - a. More than 80% of annual gross revenues from Federal government, **and** those revenues are greater than \$25,000,000 annually; **and**
 - b. Compensation information is not already available through reporting to the U.S. Securities and Exchange Commission. YES NO *If "YES", provide the compensation of your top 5 executives.*
2. Does your organization charge fees for services provided by the Project? YES NO
If yes, attach Fee Schedule.
3. Is your organization leveraging the requested City funds with other funds? YES NO
4. For FY18/19, has your organization completed an independent audit? YES NO
If yes, attach a copy of the audit. If no, attach a financial statement, certified by your organization's Board Treasurer or CEO.
5. Was your organization required to file a federal single audit in FY18/19? YES NO
If yes, attach a copy of the audit.
6. Has your organization ever had funds withdrawn or a contract terminated for cause, unsatisfactory performance, or questionable costs on any financial statement or audit? YES NO *Explain*

SECTION 2: ACTIVITY/PROJECT SUMMARY

FUNDING AMOUNT REQUESTED (*minimum amount of \$15,000*): *It is possible that the City may not be able to fund your agency to the amount requested. Please list optional funding scenarios.*

<i>Priority</i>	<i>Amount</i>	<i>Describe # of clients served, and how/what would change at different funding levels.</i>
1		____ # of clients served FULL FUNDING
2		____ # of clients served
3		____ # of clients served

ACTIVITY/PROJECT TITLE: _____

ACTIVITY/PROJECT STATEMENT: (Write a 1-4 sentence paragraph that describes the activity or project. How does the activity or project serve the target population and meet its purpose?)

6. *Describe leveraging/matching funds that will be used if any.*

7. *Describe collaborations that occurs between your agency and other agencies and/or municipalities.*

8. *Describe how your organization will address transportation or language barriers for clients.*

9. *Describe internal administrative controls to be used, including financial record keeping procedures and management controls. Attach copy of financial policies.*

10. *Describe record-keeping system to be used to maintain program data.*

SECTION 3: GOALS, OBJECTIVES, AND OUTCOME MEASUREMENTS

CONSISTENCY WITH CONSOLIDATED PLAN

Choose only one Consolidated Plan Goal that the activity/project will address.

- Goal 1 – Promote Fair Housing.** Collaborate with social service entities, surrounding cities and unincorporated areas to provide assistance for families and individuals seeking counselling and/or legal solutions to fair housing and discrimination problems. Funds may also be used for other planning initiatives to further fair housing.

- Goal 2 – Increase Affordable Housing.** Provide funding for new housing development and or programs that assist low and moderate income families with finding housing solutions including: programs that increase homeownership, development of housing for special needs populations, support integrated housing solutions and plans, rental subsidy assistance programs such as Tenant Based Rental Assistance, and reduce barriers to affordable housing consistent with the City’s Analysis for Impediment to Fair Housing Choice.

Projects identified as “highest need” include projects for: Seniors, Homeless Families, Permanent Supportive Housing, and Affordable Homeownership.

- Goal 3 – Maintain and rehabilitate existing housing.** Provide programs and funding for housing (**both owner-occupied housing and multi-family housing**) maintenance and rehabilitation including activities related to essential exterior and interior home repairs. Such activities may also include lead testing and clearance testing, remediation of lead /asbestos hazards of housing units constructed prior to 1978.

- Goal 4 – Provide Essential Services.** Provide needed public services that assist individuals and families in the following ways: crisis intervention, crime prevention, homeless prevention, services for at-risk families, shelter in-take services, senior and special needs services, mental and preventative health services, and job training and search assistance to those who are homeless or at -risk of homelessness, and other vital social services.

Activities identified as “highest need” include activities for: Seniors, Homeless Services, Mental Health Services, Health Services, Emergency Housing Assistance, and Youth Services.

- Goal 5 – Improve Community Facilities.** Support a higher quality of life through: enhancing recreational spaces, supporting community and social service facilities, improve and enhance existing infrastructure such as streets, sidewalks, curbing and other public facilities, safe routes to school infrastructure, and addressing public safety concerns.

Projects identified as “highest need” include projects for: Non-profit facility improvements, Traffic Calming, Sidewalk Improvements, and improvements to City-run facilities.

- Goal 6 – Planning and Administration.** Continue to provide planning and administration services required to manage and operate the City’s CDBG and HOME programs. Such funds will assist in managing community development, housing, and services, and economic development programs.

HUD OBJECTIVE AND OUTCOME PERFORMANCE MEASURES

OBJECTIVES Choose one Objective. When selecting an objective, ask: “What is the purpose of the activity? What is the larger community need that I am seeking to address?”

- Objective 1 – Create Suitable Living Environment.** *This objective relates to activities that are intended to address a range of issues faced by low-and moderate-income persons, from problems with their environment, such as poor-quality infrastructure to social issues such as crime prevention, literacy, or elderly health services.*
- Objective 2 – Provide Decent Housing.** *This objective focuses on housing activities such as new construction, acquisition, or rehabilitation whose purpose is to meet individual family or community housing needs.*
- Objective 3 – Creating Economic Opportunities.** *This objective applies to activities related to economic development, commercial revitalization, or job creation.*

OUTCOMES Choose one Outcome When selecting an outcome, ask: “What type of change or result am I seeking?”

- Outcome 1 – Availability/Accessibility.** *This applies to activities/projects that make services, infrastructure, public services, public facilities, housing or shelter available or accessible to low-and moderate-income people, including person with disabilities. Accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to low- and moderate-income people where they live.*
- Outcome 2 – Affordability.** *This applies to activities that provide affordability in a variety of ways to low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household.*
- Outcome 3 – Sustainability.** *This applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.*

SECTION 4: AUTHORIZATION AND CERTIFICATION

The applicant hereby assures and certifies that, if this request for funds is approved by the City of Santa Clara, it will comply with all applicable federal, state, and local laws, regulations, policies, and requirements (including, but not limited to, CFR 200), as they relate to the acceptance and use of federal and local funds by private or public organizations. Furthermore, the organization declares that it is capable of fulfilling the obligations as set forth in this application. Also the applicant assures and certifies the following information:

1. It possesses legal authority to make a grant submission and to execute the proposed project;
2. The agency's governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the corporation to submit this funding application and all associated information and assurances;
[Attach documentation of authorization by your organization's governing board to submit an application.](#)
3. The grant will be conducted and administered in compliance with:
 - a. Title VI of the Civil Rights Act of 1964 (Public Law 88-352; 42 U.S.C. 2000d *et seq.*), as amended, and implementing regulations issued at 24 CFR Part 1;
 - b. Title VIII of the Civil Rights Act of 1968 (Public Law 90-284; 42 U.S.C. 3601 *et seq.*), as amended, implementing regulations issued at 24 CFR Part 107, and Executive Order 11063 ;
 - c. Titles I & II of the Housing and Community Development Act of 1974 (Public Law 93-383; U.S.C. 5301 *et seq.*), as amended;
 - d. Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112; 29 U.S.C. 794), as amended; and
 - e. Executive Order 11246, the implementing regulations issued at 41 CFR Chapter 60, and the Housing & Urban Development Act of 1968 (12 U.S.C. 1701u), as amended;
 - f. The Age Discrimination Act of 1975 (Public Law 94-135; U.S.C. 6101), as amended;
 - g. Presidential Executive Order 13166 ("Improving Access to Services for Persons with Limited English Proficiency"); and
 - h. Executive Orders 11625, 12432 and 12138, encouraging the use of minority and women-owned business enterprises in connection with activities funded under this grant.
4. It will affirmatively further fair housing.
5. It will implement the requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) and implementing regulations at 24 CFR Part 35.
6. It will comply with Uniform Federal Accessibility Standards at 24 CFR Part 40, Appendix A, as they related to major rehabilitation or conversion of housing and public facilities.

As a duly authorized representative of the Agency, I submit this application to the City of Santa Clara and certify, under penalty of perjury under the laws of the State of California or other jurisdiction of authority, that the information contained herein is, to the best of my knowledge, true, correct and complete.

[Attach documentation verifying person\(s\) with authority to submit application and execute the contract.](#)

AUTHORIZED SIGNATURE: _____ DATE _____

NAME (Please Print): _____

TITLE: _____

SECTION 5: CHECKLIST OF REQUIRED DOCUMENTS

Below is a list of supporting documents that the applicant Agency is required to furnish either with the application or after notice of award. Submit one copy of each required document together with the completed application for funding. The references to the various sections of the application where you can find descriptive details of the required document. Please check the items below to indicate that copies are attached. **Submit this checklist completed with the application.**

PROGRAM INFORMATION

- | | |
|--|---|
| <input type="checkbox"/> Fee Schedule Policy (if applicable) | <input type="checkbox"/> Limited English Proficiency Policy |
| <input type="checkbox"/> Promotional Materials (e.g., brochure, flyer) | <input type="checkbox"/> Accessibility to services and activities for persons with disabilities |
| <input type="checkbox"/> Client Intake Form | |

AGENCY INFORMATION

- | | |
|---|--|
| <input type="checkbox"/> Articles of Incorporation | <input type="checkbox"/> By-Laws |
| <input type="checkbox"/> Federal 501(c) Tax Exemption Status | <input type="checkbox"/> State 23701d Tax Exempt Status |
| <input type="checkbox"/> 2018-2019 Federal Single Audit (if applicable) | <input type="checkbox"/> Board Authorization to Submit Application |
| <input type="checkbox"/> 2018-2019 Agency Audit or Financial Statement and Letter of Auditability | |

DOCUMENTS REQUIRED IF AWARDED FUNDING

- | | |
|---|--|
| <input type="checkbox"/> List of Board of Directors | <input type="checkbox"/> Policies & Procedures Manual |
| <input type="checkbox"/> Organization Chart | <input type="checkbox"/> Proof of Liability Insurance |
| <input type="checkbox"/> Resume of Chief Fiscal Officer | <input type="checkbox"/> Conflict of Interest Questionnaire |
| <input type="checkbox"/> Resume of Chief Executive Officer | <input type="checkbox"/> Non-Profit Status Determination |
| <input type="checkbox"/> Job Description & Salary Detail (including benefits) of CDBG- funded positions | <input type="checkbox"/> Board Authorization to sign an agreement. |
| <input type="checkbox"/> Client Intake Form & Data Collection Tools to Verify Eligibility & Accomplishments | |

ADDENDUM A
CDBG PUBLIC SERVICE ACTIVITY ONLY

UP TO \$240,000 AVAILABLE

SECTION A1: TARGET POPULATION AND BENEFICIARIES

CATEGORY OF SERVICE TO BE PROVIDED

For descriptions of eligible services, refer to the information provided by HUD at: [Guide to National Objectives and Eligible Activities](#).

PUBLIC SERVICES

- | | |
|---|--|
| <input type="checkbox"/> Senior Services (05A) | <input type="checkbox"/> Child Care Services (05L) |
| <input type="checkbox"/> Services for the Disabled (05B) | <input type="checkbox"/> Health Services (05M) |
| <input type="checkbox"/> Legal Services (05C) | <input type="checkbox"/> Abused & Neglected Children (05N) |
| <input type="checkbox"/> Youth Services (05D) | <input type="checkbox"/> Mental Health Services (05O) |
| <input type="checkbox"/> Transportation Services (05E) | <input type="checkbox"/> Screening for Lead (05P) |
| <input type="checkbox"/> Substance Abuse Services (05F) | <input type="checkbox"/> Subsistence Payments (05Q) |
| <input type="checkbox"/> Battered & Abused Spouses (05G) | <input type="checkbox"/> Security Deposits (05T) |
| <input type="checkbox"/> Employment Training (05H) | <input type="checkbox"/> Housing Counseling (5U) |
| <input type="checkbox"/> Crime Awareness (05I) | <input type="checkbox"/> Food Banks (05W) |
| <input type="checkbox"/> Fair Housing (05J) | <input type="checkbox"/> Other Public Services (05) |
| <input type="checkbox"/> Operating Costs for Homeless/AIDS Programs (03T) | |

LOCATION OF SERVICES

Choose "CITYWIDE" if the service is available to all residents in Santa Clara and in different sites. Choose "CENSUS TRACTS" if activity/project is only for a certain area of the City. Choose "SPECIFIC SITE" if the service will be held at one location.

- CITYWIDE
- CENSUS TRACT(S) _____
- SPECIFIC SITE: Address _____ ZIP _____

Is the location ADA compliant? YES NO N/A

NATIONAL OBJECTIVE: Choose one. If choosing “Limited Clientele”, also choose either Direct Benefit or Presumed Benefit. If choosing “Presumed Benefit”, choose which Presumed Benefit population.

Limited Clientele

Limited clientele activities benefit low and moderate-income **persons** without regard to the area being served. At least 51% of the persons participating in the activity must be low and moderate-income and the activity must meet **one** of the following criteria:

Direct Benefit Activity: An activity that serves low and moderate-income persons. The organization must verify and maintain documentation regarding the family size and income of each person/household served. At least 51% of the clientele served must be low- and moderate-income persons/households; or the activity funded must be limited exclusively to low- and moderate-income persons/households.

Presumed Benefit Activity: The activity may serve persons that are **presumed** to be low and moderate-income (choose 1):

- Elderly 62+ Homeless
- Battered Spouses Illiterate Adults
- Abused Children Individuals w/AIDS
- Severely Disabled Adults
- Migrant Farmworkers
- Persons living w/AIDS

Area Benefit

Area-wide activities benefit all residents in a particular area, where at least 51% of the people are low and moderate-income. Provide Census Tracts and map of the area that will be serviced. Request assistance from City staff to determine correct service area/census tracts and map.

Housing Benefit

An activity carried out for the purpose of providing or improving permanent residential structures, which, upon completion, will be occupied by low and moderate-income households.

UNDUPLICATED PARTICIPANTS OR HOUSEHOLDS PROPOSED TO BE SERVED:

“Unduplicated” means a household or individual that is assisted at least once during the program year; they are only counted once. This section asks how many beneficiaries, as a whole, are expected to be served, and what portion of those beneficiaries are expected to be Santa Clara residents. In the case of housing projects to be located in Santa Clara, City Beneficiaries and Total Project Beneficiaries will be the same.

	Above 81% AMI	51% - 80% AMI	31% - 50% AMI	Below 30% AMI	Total Served
TOTAL # OF CLIENTS SERVED PROGRAM-WIDE					
TOTAL SANTA CLARA CLIENTS SERVED					
PERCENTAGE OF CLIENTS FROM SANTA CLARA					

SECTION A2: ACTIVITY/PROJECT BUDGET

Budget includes revenues and expenses related to the City of Santa Clara project for which funding is requested, plus non-City revenues. All figures should be annualized. **It is NOT necessary to provide a budget for option funding scenarios. If needed, those can be requested at a later date.**

If your agency budget structure makes it impossible to determine the City portion of the Project's cost, please indicate that the budget reflects all Project costs, not just those assigned to the City. If such is the case, please provide a methodology to how your agency will determine the portion of Project costs to be charged to City.

Salary & Wages Detail:

Identify personnel involved in the operation of your program by position title, Full Time Equivalent (FTE) for program only, total hours worked per week, and rate per hour (indicate range where applicable). *Example: If a staff works 40 hours per week and only twenty of those hours are for the program, this represents .5 (or 50%) of one FTE. Indicate the fund which pays for each staff's salary. The form is to be completed based on the accrual method and figures rounded to the nearest dollar. The Grand Total line on this form should match the Salaries and Wages line.*

OVERALL PROJECT/ACTIVITY BUDGET

Program Services	CDBG Funds Requested	In-Kind Donations	General Fund	Other Cities	Total Project Cost
Personnel					
Benefits					
Subtotal Personnel Costs:					
Office supplies					
Occupancy					
Utilities					
Mileage/Vehicle Maintenance					
Postage/Printing/Outreach					
Insurance					
Materials					
Direct Services					
Audit					
Communication					
Training					
Equipment Rental/Maintenance					
Volunteer Program					
Other					
Subtotal Non-Personnel:					
TOTAL PROGRAM BUDGET:					

ADDENDUM B
CDBG AFFORDABLE HOUSING OR CAPITAL IMPROVEMENT PROJECTS

UP TO \$500,000 AVAILABLE

SECTION B1: TARGET POPULATION AND BENEFICIARIES

CATEGORY OF SERVICE TO BE PROVIDED

For descriptions of eligible services, refer to the [Guide to National Objectives and Eligible Activities](#).

PUBLIC FACILITY IMPROVEMENTS

- Senior Centers (03A)
- Handicap Centers (03B)
- Homeless Facilities (not operating costs) (03C)
- Youth Centers (03D)
- Neighborhood Facilities (03E)
- Child Care Centers (03M)
- Child Care Centers (03M)
- Tree Planting (03N)
- Health Facilities (03P)
- Facilities for AIDS Patients (not operating costs) (03S)
- Abused & Neglected Children (03Q)
- Other Public Facilities/Improvements (03)

HOUSING (CAPITAL IMPROVEMENTS)

- Construction of Housing (12)
- Rehab: Single-Unit Residential (14A)
- Rehab: Multi-Unit Residential (14B)
- Rehab: Energy Efficiency Imp. (14F)
- Rehab: Acquisition (14G)

LOCATION OF SERVICES

- CITYWIDE
- CENSUS TRACT(S) _____
- SPECIFIC SITE: Address _____ ZIP _____

Is the location ADA compliant? YES NO N/A

If the project is Housing or Public Facility Improvement, does the Applicant have:

- Site control or a long-term lease? YES NO
- Purchase Agreement? YES NO
- Can acquisition be completed within 3 months of funding? YES NO N/A

NATIONAL OBJECTIVE: *Each activity/project must meet one of the three broad National Objectives – 1) to benefit low and moderate-income persons; 2) to aid in the prevention or elimination of slums or blight; 3) to meet other community development needs having a particular urgency. Choose one of the boxes below and sub-boxes as appropriate that describes the National Objective the proposed activity/project intends to meet.*

Limited Clientele

Limited clientele activities benefit low and moderate-income **persons** without regard to the area being served. At least 51% of the persons participating in the activity must be low and moderate-income and the activity must meet **one** of the following criteria:

Direct Benefit Activity: An activity that serves low and moderate-income persons. The organization must verify and maintain documentation regarding the family size and income of each person/household served. At least 51% of the clientele served must be low- and moderate-income persons/households; or the activity funded must be limited exclusively to low- and moderate-income persons/households.

Presumed Benefit Activity: The activity may serve persons that are **presumed** to be low and moderate-income (choose 1):

- Elderly 62+
- Battered Spouses
- Homeless
- Severely Disabled Adults
- Abused Children
- Individuals w/AIDS
- Migrant Farmworkers
- Illiterate Adults
- Persons living w/AIDS

Area Benefit

Area-wide activities benefit all residents in a particular area, where at least 51% of the people are low and moderate-income. Provide Census Tracts and map of the area that will be serviced. Request assistance from City staff to determine correct service area/census tracts and map.

Housing Benefit

An activity carried out for the purpose of providing or improving permanent residential structures, which, upon completion, will be occupied by low and moderate-income households.

AFFORDABLE HOUSING: Total number of units developed and/or rehabilitated: _____

CAPITAL IMPROVEMENT PROJECT: Total number of clients benefiting from project: _____

SECTION B2: ACTIVITY/PROJECT BUDGET

Loan Terms: Funding for Housing and Capital Improvement Projects are typically done in the form of a loan. Loan terms are negotiable, but typically it is a 3% simple interest loan with the deferred payments for 30 years.

A. If you would like to request a grant for your project, explain the reasons why a loan is not feasible and whether the project would not be possible through a loan: _____

B. Who is the project Developer?

1. Agency Staff: (Attach resume(s) of key personnel with experience in similar projects).
2. Outside Staff: (Attach resume(s) of key personnel with experience in similar projects).

C. RELOCATION: Will the project require the relocation of any tenants, including businesses:

1. Permanently? YES NO
2. Temporarily? YES NO

D. DOES YOUR AGENCY QUALIFY AS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) UNDER THE HOME PROGRAM? YES NO NOT SURE

If “no “or “not sure”, are you willing and able to meet the qualifications as set forth in 24 CFR Part 92?
 YES NO (See Addendum C for a description of CHDO qualifications)

E. PRO FORMA: For rental properties, attach an operating statement and cash flow analysis detailing:

1. Number of Units by Size (Bedrooms, Baths, Square Footage)
2. Proposed rent Schedule
3. Operating expenses by category
4. Provide at least a three year projection of anticipated sources of operating funds
5. Mortgage and other on-going loan costs
6. Provide a 30-Year cash flow analysis, assuming annual rent increases of 3% and annual operating expenses increases of 4%

F. PROJECT BUDGET

This budget should include only those revenues and expenses related to the Project for which funding is requested in this application. All figures should be for the Total Project.

		Total Project Costs	CDBG Funds Requested	Other Funds and/or In-kind Contributions	Sources of Other Funds and In-kind Contributions
I.	Environmental Review (ER), Reports or Studies				
	<i>Subtotal ER Costs</i>				
II.	Property Acquisition Costs				
	Purchase Price				
	Closing Costs				
	Other Acquisition Costs				
	<i>Subtotal Property Acq. Costs</i>				
III.	Construction Costs				
	Site Improvements				
	Construction				
	Construction Contingency				
	Sales Tax (if applicable)				
	Permits				
	Other Construction Costs				
	<i>Subtotal Construction Costs</i>				
IV.	Professional Fees				
	Architect/Engineer/Surveyor				
	Hazardous Materials Survey				
	Appraisal				
	Legal				
	Other Professional Fees				
	<i>Subtotal Professional Fees</i>				
V.	Other Development Costs				
	Relocation Costs				
	Financing Costs				
	Other				
	<i>Subtotal Other Dev. Costs</i>				
I.	Environmental Review Costs				
II.	Property Acquisition Costs				
III.	Construction Costs				
IV.	Professional Fees				
V.	Other Development Costs				
	TOTAL COSTS:				

ADDENDUM C
HOME CHDO FUNDING

UP TO \$500,000 AVAILABLE

SECTION C1: CHDO FUNDING – GENERAL PROVISIONS

Applicants requesting CHDO funds must be willing and able to become a Certified CHDO (see Addendum D). **It is NOT necessary to complete Addendum D; this can be completed later if awarded. It is NOT necessary to become certified in order to apply for the funding.** Projects that assist special-needs populations are most desirable. Priority populations include but are not limited to:

Seniors	Unaccompanied youth	Domestic Violence Survivors	Persons w/developmental disabilities
Veterans	Chronically Homeless	Homeless families with children	Extremely low-income households

A. Funding Availability

\$300,000 in CHDO funding. The City encourages applicants to consult HOME regulations (CFR 24 Part 92).

B. Project Location

Preference is given to projects within the City of Santa Clara city limits. Projects outside the city limits will only be considered if they are in a city that borders Santa Clara and City residents can benefit.

C. Eligible Projects and Types

Funding is available for a variety of affordable housing developments. Mixed use developments are acceptable; however, the commercial costs of the development must be separated out in the pro forma from the costs of the residential portion. **HOME funds may not be used for non-housing related expenses.**

Funds may be used for hard and soft costs associated with New Construction or Acquisition with Substantial Rehabilitation. At the City’s discretion, funds may be used to reimburse acquisition and predevelopment costs previously paid by the applicant for the proposed project if incurred within 24 months of the agreement signing; however, the City prefers to disburse the majority of its funds at construction loan closing and/or during the construction period.

Funds awarded may be used for the following expenses:

1. New Affordable Rental Construction. Funds provided for the development of multi-family affordable rental project with or without acquisition as part of the project.
2. Rental Rehabilitation. Funds provided for rehabilitation of affordable housing. Projects involving rehabilitation must do sufficient rehabilitation to ensure long-term viability.
3. Acquisition. Acquisition of land is only allowed if construction or rehabilitation will begin within twelve (12) months of acquisition.

D. Ineligible Activities.

Funds may not be used for the following expenses or activities (list is not meant to be comprehensive):

1. Refinancing permanent debt on existing developments without substantial rehabilitation;
2. Services and Capital Reserves;
3. Costs associated with commercial space.

E. Environmental Review

The National Environmental Policy Act (NEPA) was established in 1969 to give environmental values appropriate consideration in decision-making with regard to federally-funded projects. Projects requesting HOME funds require that the environmental review process and clearance be met prior to any agreement signing. The applicant shall not undertake or commit any funds to physical or choice-limiting actions, including further property acquisition, demolition, movement, rehabilitation, repair or construction prior to receiving a NEPA environmental clearance from the City.

An option agreement on a proposed site or property is allowed prior to completion of the environmental review if the option agreement is subject to a determination by the City on the desirability of the property for the project as a result of the completion of the environmental review in accordance with 24 CFR Part 58, and the cost of the option is a nominal portion of the purchase price.

In addition, projects must meet the requirements of the California Environmental Quality Act (CEQA) and obtain CEQA clearance by the local jurisdiction.

Note: To encourage early NEPA environmental compliance, HOME funds may be used to reimburse NEPA expenses incurred by a successful applicant prior to the effective date of the Standard Agreement at the sole discretion of the City. These expenses must be reasonably necessary for the proposed project and will be paid only after the Standard Agreement is fully executed. NEPA consultants may be chosen using the “small purchase” procurement method (i.e., by use of informal price quotations).

F. Funding Terms

It is the City’s intention to invest in opportunities that enable the long-term affordability of rental housing. The following table summarizes funding terms. The City reserves the right to negotiate terms.

Terms	Predevelopment	Acquisition	Construction	Permanent
Loan Amount	Negotiable depending on the project and location.			
Security	Promissory note secured by deed of trust			
Interest Rate	0%	2%	2% simple interest	2% simple interest
Term	3 years	3 years	3 year conditional; converts to perm at project completion.	55 years
Recourse and Guarantees	Non-recourse	Non-recourse	Non-recourse	Non-recourse OR Full recourse
Repayment	Principal & interest deferred during predevelopment and construction; repaid at construction closing	Principal deferred during predevelopment / construction; repaid at construction closing	Interest deferred during construction; converts to permanent	Annual payments based on the availability of residual receipts

G. Affordability Covenant/Regulatory Agreement

For all proposed projects, the required term of the affordability covenants will be fifty-five (55) years from the completion of construction, or the maximum required by other funding sources, whichever is longer. The affordability covenant remains in effect for no less than the agreed-upon term regardless of the date upon which the City’s loan is fully repaid.

H. Equity Share

For any loan funded by the City, if the borrower fails to perform within a specific period of time and the property is ultimately sold, the City will be entitled to a share in any appreciation that has occurred between

the price paid at acquisition and the time of sale. The City's share in the appreciation will be equal to the proportion of the City's loan amount to the original purchase price of the property. The City will recapture the principal balance of the loan.

I. Lien Priority and Subordination

The City may, at its discretion, subordinate repayment and security positions under special circumstances. However, it is the City's intention not to subordinate its affordability covenants to the deeds of trust securing other lender's financing, with some exceptions (subject to staff approval and to the ratio of loan to total development cost). The affordability covenants control, among other things, the maximum income of tenants, and the maximum rents allowed.

J. Reservations

The City reserves the following rights:

1. Right to not award. The City reserves the right not to award, withhold or delay awarding funds to any project even if the project meets the threshold eligibility under the guidelines and the NOFA's requirements.
2. Right to retain proposals. The City reserves the right to retain all proposals submitted and not permit their withdrawal, unless authorized in writing by the City, for a period of ninety (90) days following the proposal submission.
3. Right to Reject Any Proposal. City reserves the right to reject any proposal, in whole or in part, that does not meet the requirements of this NOFA, including but not limited to, incomplete proposals and proposals offering conflicting or non-requested services.
4. Right to Negotiate. The City reserves the right to negotiate the terms of agreement.
5. No obligation to Compensate. The City shall have no obligation to compensate Applicant for any costs incurred in responding to this solicitation.
6. Proposals as Public Records. All proposals in response to this NOFA are public records and available for inspection and copying upon request only after such time as the proposal is recommended for award. Proposers wishing to keep discrete portions of their proposal confidential under applicable provisions of the California Public Records Act and/or related law should indicate with specificity such confidential information in their proposal. If, in the City's sole discretion, the City withholds the confidential information consistent with applicable law in response to a California Public Records Act Request, and, in the event the requester sues the City or threatens to sue the City seeking release of the confidential information, the City may require and the proposer agrees that the proposer requesting non-disclosure shall indemnify, defend, and hold harmless the City from and against all liability and costs relating to the lawsuit or threat of a lawsuit.
7. Equal Opportunity. The City is an Equal Opportunity Business Enterprises which promote competitive solicitations and does not discriminate on the basis of race, color, religion, creed, national origin, sex, disability, age or perceived or actual gender identity, sexual orientation. The City strongly encourages minority-owned and women-owned businesses, socially and economically disadvantaged business enterprises, and small businesses to submit proposals, to participate as partners, or to participate in other business activity in response to this NOFA.
8. Equitable Distribution. The City reserves the right to take additional factors into consideration to ensure that federal, State, and local guidance on fair housing and related equity issues is followed.

K. Misrepresentations or Material Changes to the Project

Any changes regarding the borrowing entity or changes to the project's design, including but not limited to unit count, unit configuration, and/or financial structure of either the applicant or the project subsequent to the submittal of an application under this NOFA must receive approval from the City. In the event misrepresentations are made regarding either the borrowing entity or the project, City's commitment will be cancelled.

L. Other Special Terms and Conditions

1. Ground Lease. Applicants must include the opportunity for the City (and/or another public entity) to own the land as ground lessor under a long-term ground lease structure or some other land dedication/subdivision mechanism that will ensure long-term affordable housing as the primary use of the land.
2. Wages. Wage rates for workers performing work related to the development of the awarded projects shall be paid not less than the general prevailing rate of per diem wages, as defined in Section 1773 of the California Labor Code and Subchapter 3 of Chapter 8, Division 1, Title 8 of the California Code of Regulations (Section 16000 et seq.), and as established by the Director of the California Department of Industrial Relations (“DIR”); or Davis-Bacon wage rates, whichever is higher.
3. Insurance. During development, sponsors/developers must obtain comprehensive general liability and property (hazard) insurance coverages of at least \$2 million. The City will also require property damage or builder’s risk insurance in the amount equal to 100% of the replacement costs of the structure, with a lender’s loss payable endorsement in favor of the City. Construction contractors will be required to obtain liability and builders risk insurance in an amount equal to \$2 million. Automobile insurance, professional liability, workers compensation, and employer’s liability coverage are also required.
4. Payment and Performance Bonds. General Contractors will be required to provide payment and performance bonds equal to 100% of the construction contract amount.

SECTION C2: CHDO FUNDING – ELIGIBILITY

A. Eligible Applicants

Eligible applicants include non-profit organizations, tax-credit limited partnerships or limited liability corporations, or mission aligned for-profit affordable housing developers with a successful development track record. **CHDO APPLICANTS SEE SEPARATE APPLICATION FOR CHDO CERTIFICATION REQUIREMENTS.**

The applicant must demonstrate technical capacity and experience to successfully develop, own, and manage affordable housing. Applicant may include in their proposal the contracting out the development piece to a reputable and experienced project development team.

- **Developer Criteria:** Developers (or project management team) that have successfully built and operated three to five restricted affordable rental housing developments, targeted to households with incomes at or below 80% AMI. Ownership by an affiliated limited partnership for tax credit purposes will qualify as ownership of the project.
- **Property Manager:** The applicant team must include a property management agent with experience managing affordable housing units. The property manager may be the applicant's own personnel, or a third-party contractor.

B. Proposals

1. **Site Control.** Applicant must submit evidence that it possesses full site control, meaning that the Applicant has obtained an enforceable right to use a parcel of land prior to the submission of the proposal. This right may consist of fee title, ground lease, an exclusive negotiating agreement, DDA, purchase & sale agreement or an enforceable option.
2. **Project Readiness.** Applicant must demonstrate the capacity to secure all necessary funding for the development within 12 months of the selection date for Program funds. The City, under certain circumstances, may prioritize the order of projects moving forward for tax credit purposes. Under these circumstances the project readiness criteria may be waived.
3. **Land Use and Zoning.** Applicant must either 1) Submit evidence that the proposed project is permitted under the current General Plan Land Use designation or Zoning Ordinance at the time of the proposal submission and that all appeal periods have concluded; or 2) Submit information as to why the project is appropriate to obtain zoning approval and demonstrate that it will receive the necessary approvals within 12 months of loan closing.
4. **Financial Feasibility of the Project.** In order to be considered, the applicant must submit evidence of project financial feasibility for at least a 20-year period; realistic development and operating budget projections. If the project is a new construction or rehabilitation, the project also must demonstrate that it is feasible per guidelines for the 9% and 4% LIHTC program.

Operating budgets and 20-year pro-forma must:

- Show positive cash flow inclusive of all fees within 18 months of initial rent-up and first year Debt Service Coverage ratio shall not be less than 1.10:1. Ideally, the budget should show sufficient cash flow to make a modest payment to residual receipt loans.
- Include operating and replacement reserves (See Replacement and Operating Reserve Requirements below).
- Include Asset Monitoring Fee of \$50 per unit per year.
- 5% annual vacancy/collection loss for family, senior, and preservation projects and 10% annual vacancy/collection loss for SRO or special needs projects.
- 3.5% annual increase for expenses (other than property taxes and replacement reserves deposits) and 2.5% annual increase for income.
- The operating budget will be reviewed to ensure it is sufficient for proper maintenance and management but is not excessive compared to other similar properties.
- Asset management fees may not exceed \$7,500 annually. Tax credit projects are allowed an additional partnership management fee of up to \$19,500 annually. Partnership/asset management fees may increase by 3% per year, and are only allowed to the extent cash flow is available after payment of operating expenses, debt service, and deposits to reserves.
- As applicable, projects must include any deferred developer fee amount and include repayment schedule as part of the 20 year cash- flow projections.

Projects with abnormally high costs – generally defined as being more than 15% above the median development cost per unit, per bedroom, or per square foot for similar projects – must provide justification for the costs. If City Staff does not approve the justification for higher costs or the revised budget, the application may be deemed incomplete or the City could require a reduction in the development budget.

5. Tenant Selection Criteria. The applicant must submit a property management plan that has or will adopt tenant selection criteria guidelines that: pose minimal barriers to entry, use a ‘screening in’ approach versus a ‘screening out’ approach; have clear mitigation steps that recognize the needs of homeless persons, chronically homeless persons and individuals with disabling conditions.

6. Cash Flow/Incentive Management Fee

For nonprofits, if a project has no monitoring findings or other violations of City or other agreements, and reserves are fully funded, excess cash flow (after payment of operating costs, reserves, senior debt, deferred developer fee, and current partnership/asset management fee) will be split between the developer/sponsor and the City, with 50% of excess cash flow paid to the City as a residual receipts loan payment and 50% for the developer/sponsor as an Incentive Management Fee.

If the project is owned by a partnership, the partnership agreement should clearly indicate that the Incentive Management Fee will be paid to the developer/sponsor. This fee shall be used for projects and activities contributing directly to the developer's (or its affiliate's) affordable housing programs and community development activities.

If other lenders also require residual receipts payments, the developer/sponsor’s proportion of the excess cash flow will be reduced to 25%. The lenders will receive distributions of the remaining 75% of the excess cash flow based on relative loan amounts. Staff should be included in any negotiations of residual receipts loan payments. Deferred partnership/asset management fee can only be paid from the developer sponsor’s portion of the Incentive Management

7. High-quality Design and Amenities. The project must incorporate high-quality design and amenities appropriate for the target population being proposed. All projects must include common space for residents. The applicant must also demonstrate the extent to which the proposed development meets or advances City policies related to health, transportation and sustainability (i.e. Safe and Healthy Communities initiatives through Public Health and the Office of Sustainability).
8. Leverage. Must propose the maximum use of available non-local funds to achieve the highest reasonable financial leverage of capital resources. Non-local funds include, but are not limited to, Affordable Housing Program (AHP), Affordable Housing and Sustainable Community (AHSC), and the Veterans Housing and Homelessness Prevention (VHHP) program.
9. Community Engagement Plan. Applicants are required to commit to the design and execution of a Community Engagement Plan in conjunction with the City that:
 - a. Engages and informs elected and other public officials;
 - b. Builds active community support;
 - c. Addresses community concerns and engages with people opposed to the development;
 - d. Incorporates a communications strategy to inform and engage community members beyond proximate residents and businesses; and,
 - e. Incorporates the feedback of potential residents.

ADDENDUM D
CHDO CERTIFICATION REQUIREMENTS



**City of
Santa Clara**
The Center of What's Possible

CHDO CERTIFICATION APPLICATION

Developer Name

**FOR CERTIFICATION AS A
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)**

**APPLICATION FOR THE CITY OF SANTA CLARA
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)**

Introduction

The National Affordable Housing Act of 1990 (the Act) created the HOME Investment Partnerships Program (HOME). The Act's objectives include promoting partnerships between states, local governments, and nonprofit organizations and increasing the capacity of nonprofit organizations to develop and manage affordable housing.

To help achieve these objectives, the Act requires that Participating Jurisdictions (PJs) set-aside at least 15 percent of their annual HOME allocation for housing that is developed, owned, or sponsored by Community Housing Development Organizations (CHDOs). CHDOs are a specific type of nonprofit organization defined in the HOME Final Rule (24 CFR Part 92).

CHDO Definition

A CHDO is a private, nonprofit, community-based service organization whose primary purpose is to provide and develop decent, affordable housing for the community it serves. CHDOs receive certification from a PJ indicating that they meet certain HOME requirements and are eligible for HOME funding. The City of Santa Clara is the PJ that certifies CHDOs in Santa Clara.

The federal HOME definition of a CHDO is found at 24 CFR 92.300. In general, the CHDO definition focuses on the legal status of the organization, its capacity and experience, the organizational structure, and the relationship of the CHDO to other governmental and non-governmental entities. The attached CHDO Applicant Checklist outlines these criteria in detail.

CHDO Set-aside

At least 15 percent of the Santa Clara's HOME allocation must be invested in housing, in which the CHDO will be the sole project developer, sole owner or sole general partner. Other nonprofit organizations not meeting CHDO requirements can receive HOME funding for projects, but these projects cannot be funded under CHDO set-aside.

CHDO Roles

To access CHDO set-aside funding, a certified CHDO must serve as the sole project developer, sole owner, or sole general partner of a HOME-eligible project. A CHDO may serve in one of these roles, or it may undertake projects in which it combines roles.

Process for CHDO Certification

CHDO certification is required prior to each HOME commitment. To apply for CHDO certification, complete the attached CHDO Applicant Submission Checklist, application, and include required Exhibits and Attachments. Submit application to the City of Santa Clara Housing & Community Services Division as directed on the first page of the CHDO Applicant Submission Checklist. After review, Housing staff will notify the CHDO of any deficiencies or issue the certification. When submitting documentation, use page numbers and headers/footers to identify the documents. Questions regarding the CHDO Certification Application can be directed to the Housing contact person on the attached CHDO Application Submission Checklist.

REQUIRED EXHIBITS

Applicant must address each of the following as an Exhibit to the application. Exhibit numbers should be clearly labeled in the application submission.

Exhibit 1 – Current IRS Exemption Ruling

Attach documentation that the nonprofit organization has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(C)(3) or (4) of the Internal Revenue Code of 1986. If organization is a subordinate organization under Section 905, provide a tax exemption ruling, including documentation of the superior organization's group 501(C)(3) tax exemption. The applicant organization must submit a tax exemption letter dated no more than 12 months prior to the date of the application for CHDO certification.

Exhibit 2 – Articles of Incorporation

A copy of the Articles of Incorporation and any amendments.

Exhibit 3 – By-Laws

A copy of the By-Laws. (*Highlight sections that correspond to requirements, below.*)

By-laws must include the governing board composition, the fulfillment and maintenance of the one-third representation requirement contained in 24CFR Section 92.2, a description of the manner in which board members are selected, evidence that the purposes of the organization comply with 24 CFR Section 92.2, the geographic areas served by the organization, and relationships to for-profit individuals or entities, if any, as they relate to the governance of the corporation. By-Laws must include a statement that no part of its net earnings inures to the benefit of any member, founder, contributor, or individual.

By-Laws must also include the following:

- No more than one-third of the board may be representatives (officials or employees) of the public sector, including any employees of the participating jurisdiction.
- At least one-third of the board must be representatives (a resident, or elected or appointed) of the low-income community served by the nonprofit.
- If the nonprofit is sponsored by a for-profit entity, the for-profit may not appoint the remaining two-thirds of the board members.
- Local governments may not appoint more than 1/3rd of the board, and the board members appointed by the local government may not appoint the remaining 2/3rd of the board members.

By-Laws should include organization's plan to solicit advice from low-income program beneficiaries in all decisions regarding the design, siting, development, and management of affordable housing projects. If not clearly stated in By-Laws, then submit a Plan for Solicitation of Advice from Tenants and Low-Income Beneficiaries as Exhibit 7. Refer to Exhibit 7 for more specifics.

Exhibit 4– Purpose Resolution

If not clearly documented in Exhibits 2 or 3 attach a resolution from the organizations board stating that, among its purposes, the organization has the provision of decent housing that is affordable to low- and moderate-income people.

Exhibit 5 – Franchise Tax Letter of Good Standing

Attach a current copy of a letter from the California Franchise Tax Board, stating that the organization is in good standing. The letter must be *dated no more than 12 months prior to the date of the application for certification.*

Exhibit 6 – Certificate of Status of Domestic Corporation

Attach a Certificate of Status of Domestic Corporation from the California Secretary of State that is *dated no more than 12 months prior to the date of application for certification.*

Exhibit 7 – Description of Formal Process to Solicit Advice from Low-Income Beneficiaries

Attach organization's description of formal process to solicit advice from low-income program beneficiaries in all decisions regarding the design, siting, development, and management of affordable housing projects, if not clearly identified in Exhibit 3. Evidence of compliance for this section must include:

- Formal statement of plan in By-Laws or in a Board Resolution.
- A written statement of operating procedures approved by the organization’s Board, which describes the formal “low-income community input” process, including copies of minutes from one or more meetings or other appropriate evidence documenting efforts to gather input from intended project or program beneficiaries and low-income residents of the community. (Note: Input from the low-income community is not met solely by having low-income community representatives on the organization’s board of directors).

Exhibit 8 – Tenant Participation Plan, Proposed Lease Agreement, and Proposed Grievance Procedures (Not applicable if seeking CHDO certification only for homeownership activities.)

- Attach plan for tenant participation in management decisions for rental projects.
- Attach proposed lease agreement pursuant to 24 CFR Section 92.253.
- Attach proposed grievance procedures pursuant to 24 CFR Section 92.303.

Exhibit 9 – Corporation Financial Statement

Attach corporation’s financial statement that is *dated no more than 12 months prior to the date of the application for certification*.

Exhibit 10 – Financial Accountability Standards

Complete and notarize Attachment 10.1, which is a certification by the organization’s President or Chief Financial Officer that the organization’s financial accountability standards conform to the requirements detailed in 24 CFR 84.21, “Standards for Financial Management Systems” and are in compliance with the submittal requirements of OMB A-133, Single Audit Report.

Exhibit 11 – Capacity of Organization

In addition, attach the following to demonstrate that the organization has capacity to carry out the anticipated HOME-assisted activities:

- Statements and resumes from key staff members describing their experience on successfully completed projects similar to the proposed HOME activities.
- Contract(s) with consulting firms, individuals or out-sourcing organizations that have relevant experience with similar projects to help plan and develop proposed projects as well as train the organization key staff.
- Complete Attachments 11.1, 11.2, 11.3, and 11.4.

Exhibit 12 – History of Serving the Community

- Complete Attachment 12.1.

Exhibit 13 – Geographic Area Served – n/a

Exhibit 14 – Business Plan

Attach a copy of the organization’s business or strategic plan adopted by the Board **if** any of the following applies to the organization:

1. This is the first certification request with the City of Santa Clara.
2. There has been 5 years or more since the last certification has expired.
3. The organization has been incorporated less than 10 years.

The business plan shall include:

1. Descriptions of the organization’s background, purpose, and who, what, where, when and how the organization plans to operate.
2. A market evaluation and strategy including customers, geographical area, competition, and environment in which the organization plans to operate.
3. An organizational plan covering the organization’s structure, status, staffing plan, policies and procedures for delivery of program, management controls, physical space and equipment needs.

4. A financial plan detailing projected capital budgets for equipment, construction, development projects or for loan funds; start-up and cash flow; and
5. A risk analysis of potential financial, political, regulatory, unknown and crucial threats.

Exhibit 15 – Federal List of Excluded, Debarred, or Suspended Contractors

- Provide copy of supporting print-out from [System for Award Management \(SAM\)](#) dated no more than 60 days prior to the date of the application, substantiating that organization is not on the federal list of excluded, debarred, or suspended contractors.
- Attach the self-certification. This must be signed by organization's chief executive.

Exhibit 16 – Board Member Certifications

Attach a completed Certification form (see Attachment 16.1) from each board member.

Exhibit 17 – Board Status and Compliance

Provide a list of the organization's board of directors using the provided Certification of Board Status form (Attachment 17.1) and complete the Board Compliance Certification (see Attachment 17.2).

Exhibit 18 – Relationship with For-Profit Entities

If the organization is sponsored or organized by a for-profit entity, or has a for-profit parent company, attach a copy of the for-profit organization's By-Laws.

CHDO APPLICANT SUBMISSION CHECKLIST

Submit this checklist, completed application, and required documentation to:

Eric L. Calleja, Housing Development Officer
Housing & Community Services Division
1500 Warburton Avenue
Santa Clara, CA 95050
Phone: 408-615-2296
Email: ecalleja@santaclaraca.gov

For Housing Use Only
Date Received: _____
Certification Date: _____

Applicant to Complete

APPLICANT
(organization name):

SSN/TIN/EIN:

Chief Executive (name):
Title:

Address (physical):
City/State/Zip

Phone:
Fax:
Email:

Website:

Primary Contact for Applicant:
Title:

Contact Address
(if different than above):

Contact Phone:
Contact Fax:
Contact Email:

DEVELOPER NAME

Executive Director

CHECKLIST OF ITEMS INCLUDED

(Please check each item submitted in application package)

- Exhibit 1 – Current IRS Exemption Ruling
- Exhibit 2 – Articles of Incorporation
- Exhibit 3 – By-Laws
- Exhibit 4 – Purpose Resolution
 - Not included because already clearly documented in Exhibits 1 or 2
- Exhibit 5 – Franchise Tax Letter of Good Standing
- Exhibit 6 – Certificate of Status of Domestic Corporation
- Exhibit 7 – Description of Formal Process to Solicit Advice from Low-Income Beneficiaries
 - Specific Board Resolution or section of By-Laws
 - Board-Approved statement of operating procedures
- Exhibit 8 – Plan Describing Tenant Participation
 - Tenant Participant Plan
 - Proposed Lease Agreement
 - Proposed Grievance Procedures
- Exhibit 9 – Corporation Financial Statement
- Exhibit 10 – Financial Accountability Standards
 - Attachment 10.1, Affidavit of Standards for Financial Management Systems
- Exhibit 11 – Capacity of Organization
 - Statements and resumes from key staff
 - Contracts and out-sourcing of experience and training
 - Attachment 11.1, Organization Staffing Plan
 - Attachment 11.2, Staff Core Competencies
 - Attachment 11.3, Staff Training Plan
 - (Not applicable; no training required)
 - Attachment 11.4, Audit Findings
- Exhibit 12 – Experience of Organization
 - Attachment 12.1, History of Serving the Community
- Exhibit 13 – Geographic Area Served
 - Specific section(s) of Articles, By-Laws, and/or Board Resolution
- Exhibit 14 – Business Plan
 - Business Plan required if this is 1st certification request, 5+ years have elapsed since certification expired, or organization has been incorporated less than 10 years
 - Description of organization
 - Market evaluation and strategy
 - Organization plan
 - Financial plan
 - Risk analysis
 - Not submitted, because none of the 3 reasons, above, to include business plan apply

- Exhibit 15 – Federal List of Excluded, Debarred, or Suspended Contractors
 - Supporting print-out(s) from [System for Award Management \(SAM\)](#).
 - Self-certification signed by chief executive that not on federal list.

- Exhibit 16 – Board Member Certification
 - Exhibit 16.1, Board Member Certification (for each Board member)

- Exhibit 17 – Board Status and Compliance
 - Attachment 17.1, Certification of Board Status
 - Attachment 17.2, CHDO Board Compliance Certification

- Exhibit 18 – Relationship with For-Profit Entities
 - Not applicable if organization not sponsored/organized by for-profit organization, nor has for-profit parent company

Affidavit of Standards for Financial Management Systems

APPLICANT (exact legal name of organization):

Applicant certifies that the following statements are true:

1. Signor is the President and/or Chief Financial Officer of the organization that is applying for certification as a CHDO and is authorized to make this affidavit on behalf of the organization.
2. The organization's financial management systems conform to the financial accountability standards set forth in 24 CFR 84.21, by providing for and incorporating the following:
 - a. Accurate, current and complete disclosure of the financial results of each federally-sponsored project or program;
 - b. Records that identify adequately the source and application of funds for federally-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest;
 - c. Effective control over and accountability for all funds, property and other assets; adequate safeguards of all such assets shall be adopted to assure that all assets are used solely for authorized purposes;
 - d. Comparison of outlays with budget amounts for each award;
 - e. Written procedures to minimize the time elapsing between the receipt of funds and the issuance or redemption of checks for program purposes by the organization;
 - f. Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions Federal cost principles (Circular A-122) and the terms and conditions of an award;
 - g. Accounting records, including cost accounting records, which are supported by source documentation.

Signature: _____

Print Name:

Title:

Date:

Staff Core Competencies

Indicate the core competencies (knowledge, skill, ability) for each staff member by marking the appropriate competencies with an "x".

| Core Competencies | Staff Name &
Title |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Conduct market/needs analyses and conceptual project design | <input type="checkbox"/> |
| Choose and negotiate purchase of a site | <input type="checkbox"/> |
| Select & work w/architects and consultants | <input type="checkbox"/> |
| Understand and comply with local planning, zoning and building requirements | <input type="checkbox"/> |
| Create a development pro forma and operating budget | <input type="checkbox"/> |
| Set rents or sales prices | <input type="checkbox"/> |
| Identify and apply for financing sources | <input type="checkbox"/> |
| Comply w/other lender requirements | <input type="checkbox"/> |
| Deal with community concerns | <input type="checkbox"/> |
| Comply w/CEQA and NEPA regs. | <input type="checkbox"/> |
| Choose & work w/construction contractors | <input type="checkbox"/> |
| Manage the construction process | <input type="checkbox"/> |
| Choose and work with a management agent | <input type="checkbox"/> |
| Successfully market a project | <input type="checkbox"/> |
| Comply w/HOME requirements, construction close-out and long-term obligations | <input type="checkbox"/> |

Staff Training Plan

*If applicant has executed contract with a consultant experienced in housing development to train the applicant's staff in the core housing development competencies, please provide a copy of an executed contract with a consultant experienced in housing development to train **each staff member** in the core housing development competencies listed below. If applicant has not executed a contract for staff training, mark this document as "not applicable". [Note: Prior to project funding, the CHDO will be evaluated as to whether their current staff has experience developing projects of the same size, scope and level of complexity, i.e., staff will need to have received training and gained appropriate experience prior to the time of project funding.]*

The contract shall include a training timetable requiring the training to commence not later than six months of the date of certification or recertification and requiring the training to be completed not later than two years from the date of certification or recertification, and which shall identify the names and titles of persons being trained and the specific core competencies in which they are being trained.

*Indicate the core competencies **for each staff member** to be trained by marking the appropriate competencies for which they will receive training by which date they will receive the training. A CHDO certified with a staff training plan must submit a status report on the progress of such training on the first and second anniversaries of its certification.*

| Core Competencies | Staff Name & Title |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Conduct market/needs analyses and conceptual project design | <input type="checkbox"/> |
| Choose and negotiate purchase of a site | <input type="checkbox"/> |
| Select & work w/architects and consultants | <input type="checkbox"/> |
| Understand and comply with local planning, zoning and building requirements | <input type="checkbox"/> |
| Create a development pro forma and operating budget | <input type="checkbox"/> |
| Set rents or sales prices | <input type="checkbox"/> |
| Identify and apply for financing sources | <input type="checkbox"/> |
| Comply w/other lender requirements | <input type="checkbox"/> |
| Deal with community concerns | <input type="checkbox"/> |
| Comply w/CEQA and NEPA regs. | <input type="checkbox"/> |
| Choose & work w/construction contractors | <input type="checkbox"/> |
| Manage the construction process | <input type="checkbox"/> |
| Choose & work w/a management agent | <input type="checkbox"/> |
| Successfully market a project | <input type="checkbox"/> |
| Comply w/HOME requirements, construction close-out and long-term obligations | <input type="checkbox"/> |

Board Member Certification

There are four specific requirements related to an applicant organization’s board which must be evidenced in the organization’s by-laws, charter, or articles of incorporation. These are:

1. No more than 1/3 of the board may be representatives of the public sector.
2. At least 1/3 of the board must be representatives of the low-income community served by the CHDO.
3. If a CHDO is sponsored by a for-profit entity, the for-profit may not appoint more than 1/3 of the board. The board members appointed by the for-profit may not appoint the remaining 2/3 of the board members.
4. States or local governments who charter CHDOs may not appoint more than 1/3 of the board, and the board members appointed by the state or local government may not appoint the remaining 2/3.

Part A: Public Official Representation

A “public official” is defined as any person serving in any of the following capacities (check all that are applicable):

- An elected official such as but not limited to a city council member, county supervisor, state legislator, or school board representative.
- An appointed public official such as members of a planning or zoning commission or of any other regulatory and/or advisory commissions appointed by a public official.
- A public employee such as any employee of the city, county, or state of California.
- A person appointed by a public official to serve on the CHDO board.

Check one of the following:

- By signing and dating this statement, I hereby certify that I **do** serve in one of the “public official” capacities previously stated (you must check at least one line above). End of certification. Sign below.
- By signing and dating this statement, I hereby certify that I **do not** serve in any of the “public official” capacities previously stated. Proceed to Part B.

- I am a low-income resident of _____, a community in the CHDO’s geographic service area.
(To qualify under this criterion, the board member must a low-income resident of a community in the CHDO’s service area. “Low-income” is defined as having a gross annual household income at or below 80% of AMI.)
- I am a resident of a low-income neighborhood in _____, a community in the CHDO’s service area.
(To qualify under this criterion, the board member must live in a low-income neighborhood where 51 percent or more of the residents are low-income. The board member does not have to be low-income.)
- I am an elected representative of _____, a low-income neighborhood organization within _____, a community in the CHDO’s service area.
(To qualify under this criterion, the person must be elected by a low-income neighborhood organization to serve on the CHDO Board. The organization must be composed primarily of residents of a low-income neighborhood, and its primary purpose must be to serve the interest of the neighborhood residents. The group must be a neighborhood organization and may not be the CHDO itself. If the board member is representing a low-income neighborhood organization, please attach a copy of the signed resolution from the neighborhood organization naming the individual as it representative on the CHDO Board.)

I further certify that I am a current member in good standing of the CHDO’s governing board.

(Signature)

(Date)

(Print)

CHDO Board Compliance Certification

I, _____, (Chairperson of the Board) certify that _____ (the CHDO) will at all times maintain at least one-third of the membership of the Board of Directors for: 1) residents of the CHDO's geographic service area who are low-income; 2) residents of the CHDO's geographic service area who live in a low-income neighborhood; or 3) representatives elected by a low-income neighborhood organization as evidenced by some action by the low-income neighborhood organization's governing body.

I further certify that the Board of Directors regarding the investment of HOME funds shall take no action without one-third low-income representation on the Board.

I further certify that no more than one-third of the Board membership shall be public officials, including elected officials, appointed public officials, public employees, and board members appointed by a public official.

I further certify that a State or local government has not appointed more than one-third of the Board membership and that Board members appointed by a State or local government have not appointed the remaining two-thirds of the Board members.

I further certify that, if my organization is sponsored or created by a for-profit entity, (a) the for-profit entity has not appointed more than one-third of the membership of the Board membership and that Board members appointed by a for-profit entity have not appointed the remaining two-thirds of the Board members and (b) the for-profit entity is not an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.

I further certify that the CHDO is free to contract for goods and services from vendors of its own choosing.

This certification approval is evidenced by a resolution adopted by the Board of Directors, dated and signed by the Chairperson of the Board.

Board Chairperson Signature

Date