

**Q&A for Questions of general applicability received outside of the NOFA pre-application meeting.**

**Scoring Criteria:**

**Q: In the Scoring tab, Section III. Target Population and Project Attributes B. New Units for people with special needs, what do you mean by “new” units in a rehab project?**

A: If an existing unit is already designated as a special needs unit, this unit will not receive points. Instead, if a unit is currently a non-special needs unit and you intend to convert this unit into a special needs unit through the NOFA, this unit will receive points. Thus, it is those units not currently designated as special needs that are being converted into a special needs unit that are considered “new” units for people with special needs.

**Q: For the Income Targeting, if we have 28% of the total units targeting 20 and 30% AMI, 13.33% of which is targeting 20% AMI and 14.67% is targeting 30% AMI. Is it correct to say that the total points we would receive for income targeting would be 10 points – 6 pts from the additional 3% and 4 pts from the additional 4%?**

A: For new construction projects, 20% of units must be set aside serving extremely low income households with rents no more than 30% of 30% AMI as a threshold requirement. Points are only awarded for exceeding the threshold. The example posed in the original question would receive a maximum of 10 points by first providing 20% of units at or below 30% AMI to meet the threshold requirement ( $14.67\% \leq 30\% \text{ AMI}$  and  $5.33\% \leq 20\% \text{ AMI}$ ). Points would then be awarded for the additional 8% of units at or below 20% AMI, with 2 points for each additional full one percent of affordable units: e.g. ( $8\% \times 2 = .16 = 16$  points resulting in a maximum of 10 points). Consider 3 hypothetical scenarios:

Hypothetical 1:

- 20% of units  $\leq$  30% AMI = meeting the threshold therefore 0 points.
- 10% of units  $\leq$  20% AMI = above the threshold therefore 2 points x 10% = 20 points
- The combined percentages exceed the threshold by 10%. With a maximum of 10 points available, 10 points are awarded.

Hypothetical 2:

- 15% of units  $\leq$  30% AMI
- 5% of units  $\leq$  20% AMI
- Since the combined percentages represent 20% of units at or below 30% AMI, meeting the threshold requirement and not exceeding, no points are awarded.

Hypothetical 3:

- 25%  $\leq$  30% AMI = above the threshold therefore 1 point x 5% = 5 points
- 2%  $\leq$  20% AMI = above the threshold therefore 2 points x 2% = 4 points
- The combined percentages exceed the threshold by 7%. With a maximum of 10 points available, 9 points are awarded.

**City of Oakland, Housing & Community Development  
Notice of Funding Availability (2019) – Question & Answering, Response #3 (rev 1) (9/25/19)**

**Minimum Requirements:**

**Clarification and Amendment to 2019-2020 New Construction and Acquisition, Rehabilitation, & Preservation NOFA, Application Form and Instructions for Housing Development Financing - New Construction Exhibits 10, 21, & 23 and Acquisition, Rehabilitation, & Preservation Exhibits 10, 24, & 26:**

**New Construction & Rehabilitation Exhibit 10, Replacement Unit Analysis**

Due to a formula glitch that occurs when adding in new rows, the check boxes and the summary table do not tabulate correctly. Staff is currently seeking a remedy to this problem. If your project involves adding in new rows to the Replacement Unit Analysis tab and you encounter this problem, in the interest of time, please complete the Replacement Unit Analysis on a separate excel worksheet in roughly the same format and submit with your application for Exhibit 10, both hard and electronic copy. Please do not copy and paste the check boxes because the glitch will reappear.

**New Construction Exhibit 21, Development Budget**

For the City Loan Fee please use 2.5%.

**New Construction Exhibit 23 & Rehabilitation Exhibit 26, 30-Year Proforma**

The 30-year proforma analysis shows two erroneous inputs: 1) New Construction - Real Estate Taxes and 2) New Construction & Rehabilitation - Partnership/Asset Management Fees above the Cash Flow line.

The New Construction workbook includes Real Estate Taxes in the Operating Budget (line 42). The tax, therefore, should not be calculated in addition to the Operating Expense budget in the 30-year proforma analysis (line 24). Otherwise the 30-year analysis is double counting. Please do not include an additional Real Estate Tax expense in the 30-year proforma analysis.

Additionally, Partnership/Asset Management fees should be below the Cash Flow line. In the interest of time and if your project includes a Partnership/Asset Management Fee, please submit your 30-year analysis as is, showing the Partnership/Asset Management Fee above the line. Upon review, staff will adjust the Cash Flow line item as necessary to exclude Partnership/Asset Management Fees from the calculation of Cash Flow after Net Operating Income.

Lastly, for showing a separate 30-year proforma assuming operating subsidies will expire after the initial term, you may add a new tab to the workbook, copy the 30-year proforma from the existing tab, and paste on to the new tab. The new tab will be un-protected for adjusting the analysis.

**Clarification and Amendment to 2019-2020 Acquisition, Rehabilitation, & Preservation NOFA, Application Form and Instructions for Housing Development Financing, Exhibits 13-14, pp. 15-16, Phase 1 & II Environmental Site Assessment, Lead Abatement and Asbestos Report:**

EPA's Lead Renovation, Repair and Painting Rule (RRP Rule) requires that firms performing renovation, repair, and painting projects that disturb lead-based paint in homes, child care facilities and pre-schools **built before 1978** have their firm certified by EPA or use certified renovators who are trained by EPA-approved training providers and follow lead-safe work practices. As the property owner preparing to do work on a Pre-1978 building, please be aware of the RRP Rule and ensure that any paint disturbing work will be done by or supervised by an RRP certified individual(s). Failure to follow this rule may result in enforcement action by the EPA. For additional information on complying with lead safety requirements, contact the Alameda County Healthy Homes Department at (510) 567-8280 or 1-800-253-2372 or visit <http://www.achhd.org>.

Per the City of Oakland Bureau of Building, Inspections & Code Enforcement regulations, a **Lead Abatement and Asbestos Report** is **only** required for buildings built **before** 1978. If the building was built in the year 1978 or after, please verify the year the building was constructed as a requirement of the NOFA submission. Per the Building Department, acceptable forms of verification include:

1. Assessor field notes as verified by the Alameda County Assessor's Records Office (1221 Oak Street, Room 145, Oakland, CA) - <https://www.acgov.org/assessor/resources/records.htm>.
2. A request for a Property Records Search, from the City of Oakland Bureau of Building (250 Frank H. Ogawa Plaza, 2<sup>nd</sup> Floor Room 2114 - Permit Center, Oakland CA).
3. Any ownership documentation verifying the subject property was not built before 1978.

If your application includes a lead abatement and asbestos report and the subject property was built in the year 1978 or after, you may submit the report and/or comply to the above criteria.

If your application has yet to include a lead abatement and asbestos report and your subject property was built in the year 1978 or after, you may provide evidence for when the building was initially constructed as summarized above instead of a lead abatement and asbestos report.

If your subject property was built before 1978, please submit a lead abatement and asbestos report.

**Q: May our workbook reflect the OHA Utility Allowances that we've been assuming up to this point – this project has already been awarded Project based Vouchers from the OHA?**

A: The City HCD is required to impose the HUD utility model on all new construction projects receiving HOME funds. Since we do not know yet which new construction projects applying for new funds will be awarded HOME dollars, the NOFA requires that all new construction projects

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underwrite to the HUD utility model, so that in the event HOME funds are awarded, the numbers comply.

If your project is awarded HOME dollars and a Project Based Section 8 commitment from the OHA, you may request a waiver from HUD to use the OHA utility model, given your OHA commitment for project based assistance. The City HCD will assist you in this effort. If your project is not awarded HOME dollars, you may use the OHA model without requesting a waiver from HUD. For the new construction NOFA however, the HUD utility model is required.

**Q: I'm working on a new CHDO certification for my organization. Are e-signatures sufficient or do you need wet signatures?**

A: Wet signatures are preferred however e-signatures will be accepted.

**Q: My organization is certified as a CHDO in Alameda County. I understand that at least one-third of all board members must qualify as a "low-income representative." Does this mean that at least one-third must qualify as a representative of the low-income community in Oakland specifically?**

~~A: Yes, at least one-third of all board members must qualify as a low-income representative in the City of Oakland.~~

A: Correction: No, it does not. At least one-third of all board members must qualify as a low-income representative but not specifically in the City of Oakland. A low-income representative must qualify as 1) a person who qualifies as low-income, 2) a person who resides in a low-income neighborhood, or 3) a person who is an elected representative of a low-income neighborhood organization.

**Q: The form required for #20, "Certifications and Campaign Contribution Limit Acknowledgement," appears to apply to Contractors. How would you like us to fill out this form?**

A: The named entity listed as the applicant(s) requesting funding through the City of Oakland HCD NOFA, for certifying the required Certifications and Campaign Contribution Limit Acknowledgement, shall be referred to as "Contractor". Each applicant must provide their acknowledgement with signature.

**Q: For item #34, it requests a separate form be submitted for each project completed in the past 10 years. For our 2017 NOFA submission, we submitted an Excel sheet with the Name, Location, Unit Count, TDC, Housing Type, Key Financing Sources, and Completion Date. Would this be acceptable to submit?**

A: Yes, on behalf of your developer experience you may submit a separate form in roughly the same format. Please be sure to list all information as requested in the NOFA.

**Q: We completed a PNA last November for A-1 and NPLH applications. The City's guidelines say it would be acceptable if completed within the last 12 months. However, we just noticed the consultant using TCAC's requirements, prepared a 15-year post rehab Replacement Reserve Analysis. Exhibit 16 requires a 20-year analysis. Would a 15-year analysis, already completed be acceptable?**

A: All applications must meet the threshold requirements to be considered for funding. The Physical Needs Assessment and the 20-year reserve analysis is a threshold requirement. The scoring criteria is not tied to threshold requirements, so there is no way to adjust points for them. Therefore, a 20-year analysis is required. However, staff will adjust the NOFA requirements for future rounds to ensure the replacement reserve analysis matches the TCAC requirement.

**Q: While my project "suffers" from private ownership of an otherwise rent restricted project, it does not fall within any of the five categories summarized on the Displacement Prevention Worksheet. Do we still need to fill out this form? If so, we do not have access to the tenant's household incomes. Please advise.**

A: If the item is not applicable to your project, please reference this fact in your application. If not applicable, points are not awarded. If on the other hand you have evidence the project prevents displacement relative to the 5 criteria noted on the Displacement Prevention tab, such as a regulatory agreement or the rent rolls for instance, we encourage you to provide this information.

**If as a non-owner** current annual incomes are not available at this time, you may leave the annual income column blank. However, please complete the table to the extent you can. Especially if all units are not regulated at affordable rents, that some units are subject to a rent increase, and thus some tenants are at risk of being displaced. Accordingly, a new non-profit ownership will help prevent displacement. Please complete the table with the information you have and include all information as corresponding back up.