



---

## **Affordable Housing and Sustainable Communities (AHSC) Program FY15-16 Guidelines Update**

March 24, 2016

---

### **Overview of Funding**

The Affordable Housing and Sustainable Communities (AHSC) program, administered by the Strategic Growth Council (SGC) and the Department of Housing and Community Development (HCD), provided \$121 million in funds for FY14-15 to 28 projects across the State. No funding was programmed in San Mateo County. Of the \$121 million, \$92 million was allocated to Disadvantaged Communities, as mapped and identified under the program. The attached map shows designated Disadvantaged Communities in the Bay Area.

Funding for FY15-16 and FY16-17 (see SB 862) has been increased to \$400 million per year for the AHSC, with 50% designated for affordable housing and 50% for Disadvantaged Communities. Individual project funding can range from \$1 million to \$20 million.

### **Funding Guidelines**

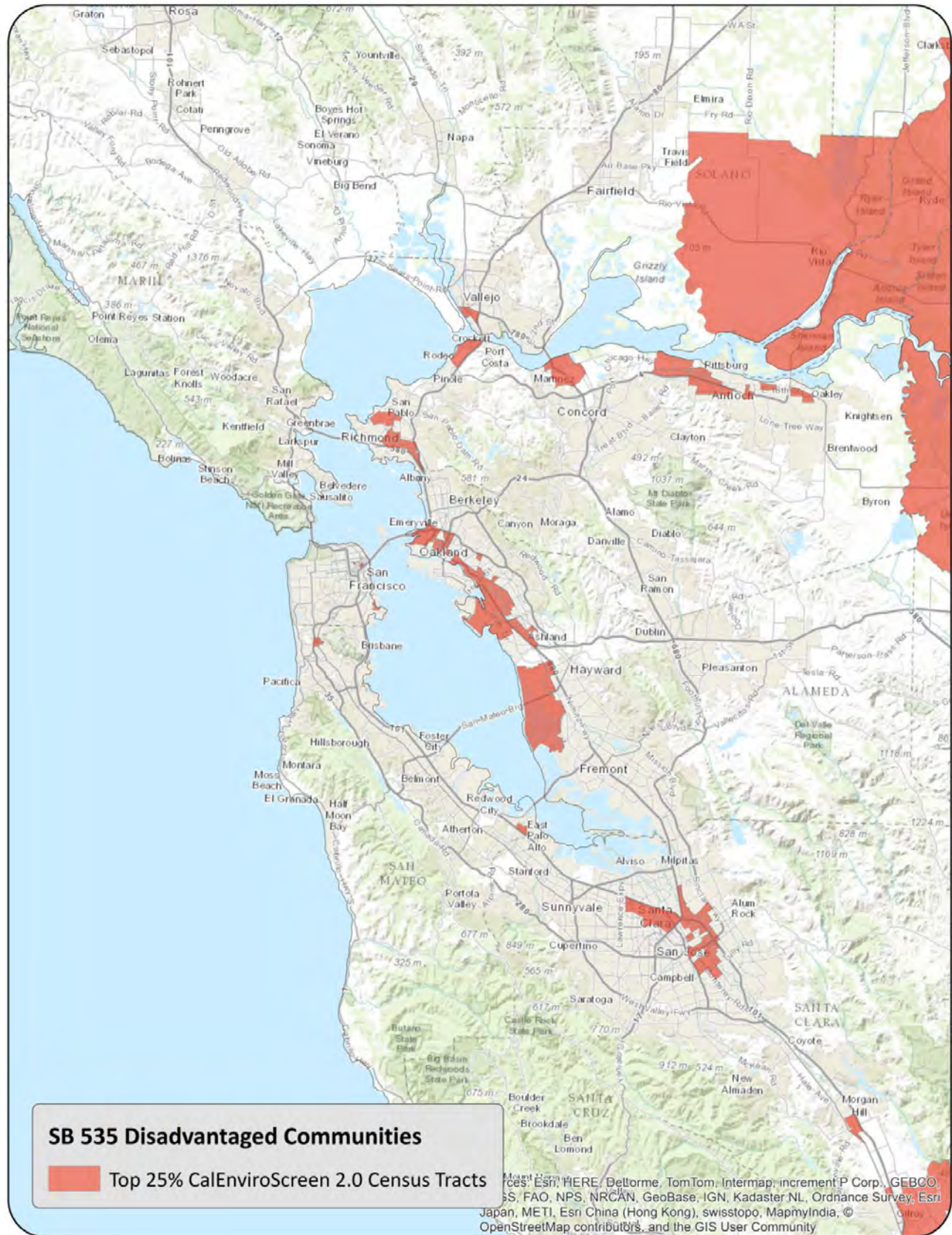
The SGC has issued revised Program Guidelines that were adopted at the December 17th SGC Board meeting. Key changes to the FY15-16 Program Guidelines include revised scoring criteria for transit, density, community engagement, and anti-displacement; greenhouse gas emission quantification methodology; and application processes, with an initial screening for project readiness, which includes site control, permits, environmental clearance, etc.

Attached is a summary of the AHSC program and a Q&A document with questions posed by jurisdictions about program funding. Additional information about the AHSC program can be found at [https://www.sgc.ca.gov/s\\_ahscprogram.php](https://www.sgc.ca.gov/s_ahscprogram.php)

### **Local Projects**

With the changes to the Program Guidelines, affordable housing projects that incorporate transportation infrastructure improvements have the ability to score the highest. However, project readiness, as a first qualifier, should be considered well in advance of funding applications. For those jurisdictions and entities interested, C/CAG has offered to assist in the application process by providing consultant help in the preparation and strategizing for funding requests. If anyone is interested in this assistance, please let 21 Elements know. Knowledge of possible projects and early coordination and/or partnerships would also be an effective approach.

# San Francisco Area



October 2014



The Strategic Growth Council's Affordable Housing and Sustainable Communities Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces greenhouse gas ("GHG") emissions. These projects facilitate the reduction of GHGs by improving mobility options and accessibility to affordable housing, employment centers, and key destinations via low-carbon transportation options (walking, biking and transit), resulting in fewer vehicle miles traveled (VMT).

The Department of Housing and Community Development (HCD) has released a Notice of Funding Availability (NOFA) announcing \$320 million in the 2015-2016 funding round: [http://www.hcd.ca.gov/financial-assistance/affordable-housing-and-sustainable-communities/docs/fy1516ahsc\\_nofa\\_final.pdf](http://www.hcd.ca.gov/financial-assistance/affordable-housing-and-sustainable-communities/docs/fy1516ahsc_nofa_final.pdf)

Fiscal Year	Statutory Requirements
2015-2016	<ul style="list-style-type: none"> <li>At least 50% of funds to Disadvantaged Communities as identified by the California Environmental Protection Agency (CalEPA).</li> <li>At least 50% of funds for Affordable Housing, including preserving and developing affordable housing for lower income households.</li> </ul>

## ELIGIBLE PROJECT AREAS

<u>Transit Oriented Development (TOD)</u> Target 35% of Funds	<u>Integrated Connectivity Project (ICP)</u> Target 35% of Funds	<u>Rural Innovation Project Area (RIPA)</u> Target 10% of Funds
<ul style="list-style-type: none"> <li>Must be located within a ½ mile of High Quality Transit (HQT)</li> </ul> <p><b>REQUIRED COMPONENTS</b></p> <p>Affordable Housing Development (AHD) or Housing-Related Infrastructure (HRI)</p> <p>AND</p> <p>At least <u>one</u> of the following</p> <ul style="list-style-type: none"> <li>AHD or HRI</li> <li>Transportation Related Amenities (TRA) or Sustainable Transportation Infrastructure (STI)</li> <li>Programs</li> </ul>	<ul style="list-style-type: none"> <li>Cannot be served by HQT</li> <li>Must have Qualifying Transit (QT)</li> </ul> <p><b>REQUIRED COMPONENTS</b></p> <p>Sustainable Transportation Infrastructure (STI)</p> <p>AND</p> <p>At least <u>one</u> of the following</p> <ul style="list-style-type: none"> <li>AHD or HRI</li> <li>Transportation Related Amenities (TRA) or additional Sustainable Transportation Infrastructure (STI)</li> <li>Programs</li> </ul>	<ul style="list-style-type: none"> <li>Cannot be served by HQT</li> <li>Must have Qualifying Transit (QT)</li> <li>Must be located in a Rural Area</li> </ul> <p><b>REQUIRED COMPONENTS</b></p> <p>Sustainable Transportation Infrastructure (STI)</p> <p>AND</p> <p>At least <u>one</u> of the following</p> <ul style="list-style-type: none"> <li>AHD or HRI</li> <li>Transportation Related Amenities (TRA) or additional Sustainable Transportation Infrastructure (STI)</li> <li>Programs</li> </ul>





## PROJECT AWARDS

Minimum	Maximum
\$1 Million for TOD Project Areas \$500,000 for ICP Areas and RIPA	\$ 20 Million for ALL Projects

## SCORING

### At concept

Proposals will be reviewed based on

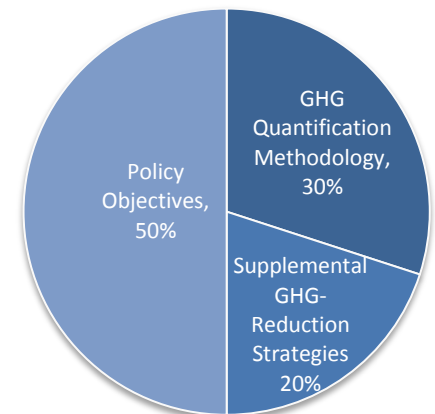
- the information detailed in Figure 5 of the AHSC Program Guidelines , section 105 (c) (pp.21), including,
  - satisfaction of threshold requirements; and
  - demonstration of the level of Enforceable Funding Commitments (EFCs) calculated as follows:

$$\frac{\text{AHSC Funds Requested} + \text{EFCs} - \text{Deferred Costs}}{\text{Total Development Costs} - \text{Deferred Costs}}$$

### At full application

The scoring criteria will be based upon the following three elements

1. Policy Objectives
2. GHG Quantification Methodology
3. Supplemental GHG-Reduction Strategies



For more details see section 105 (d) of the AHSC Program Guidelines (pp.22-23)

## THRESHOLD REQUIREMENTS

By statute, projects must:

- Demonstrate how the project will reduce GHG emissions, subject to methodology and reporting requirements established by CalEPA/ARB;
- Demonstrate consistency with the state planning priorities pursuant to Govt Code 65041.1;
- Implement a Sustainable Communities Strategy (SCS) or other regional plan to reduce GHGs.
- Support co-benefits in addition to the reduction of GHG emissions



**As directed in the 2015-2016 AHSC Guidelines, Projects must meet the following thresholds:**

- Demonstrate sufficient Enforceable Funding Commitments
- Applicant must have Site Control at full application
- All necessary NEPA and CEQA clearances at full application
- All discretionary land use approvals excluding design review at full application
- Self- certification that Project construction has not commenced

**Required Components outlined above must:**

- Transportation elements must assure consistency with public works departments or other responsible local agency requirements
- Affordable Housing Developments must be:
  - New construction
  - Acquisition and Substantial Rehabilitation including preservation of affordable housing at risk
  - Conversion of one or more nonresidential structures to residential dwelling units

Guidelines for the AHSC Program can be found here: [https://www.sgc.ca.gov/docs/ADOPTED\\_FINAL\\_15-16\\_AHSC\\_Guidelines\\_with\\_QM.pdf](https://www.sgc.ca.gov/docs/ADOPTED_FINAL_15-16_AHSC_Guidelines_with_QM.pdf)

**2015-2016 PROGRAM TIMELINE**

Final Guidelines presented to Council for Approval	December 2015
Release of 2015-2016 Notice of Funding Availability	Friday, January 29, 2016
Release of 2015-2016 AHSC Full Application	Mid-March 2016
Concept Applications Due	Wednesday, March 16, 2016
Notification of Invite to Submit Full Application	Week of April 25, 2016
Full Applications Due	Monday, June 20, 2016
Awards Announced	September 2016

**Visit our website for updates**

[https://www.sgc.ca.gov/s\\_ahscprogram.php](https://www.sgc.ca.gov/s_ahscprogram.php)

**Additional Questions? Please contact:**

AHSC Program Staff  
(916) 263-2771  
[ahsc@hcd.ca.gov](mailto:ahsc@hcd.ca.gov)



Responses to AHSC Frequently Asked Questions are provided for clarification and detail on AHSC Guideline and Application materials. Responses shall be updated regularly, with responses noted by date and edits in **red**. (Last update: **March 14, 2016**)

Click on the hyperlinks below to see questions and responses for the respective section.

[GENERAL](#)

[CLARIFICATION ON APPLICATION REQUIREMENTS AND ATTACHMENTS \(3/14/16\)](#)

[AHSC PROGRAM REQUIREMENTS](#)

[ELIGIBLE PROJECTS](#)

[PROJECT AREA TYPE STRUCTURE](#)

[MULTI-PHASED PROJECTS](#)

[ELIGIBLE COSTS \(3/14/16\)](#)

[TRANSPORTATION](#)

[QUALIFYING TRANSIT AND HIGH QUALITY TRANSIT](#)

[BICYCLE PARKING](#)

[ASSISTANCE TERMS AND LIMITS](#)

[MINIMUM AWARD AMOUNT](#)

[APPLICATION PROCEDURES](#)

[ELIGIBLE APPLICANTS](#)

[JOINT APPLICANTS](#)

[JOINT AND SEVERAL LIABILITY](#)

[THRESHOLDS](#)

[ENVIRONMENTAL CLEARANCES AND READINESS](#)

[APPLICANT SELECTION CRITERIA](#)

[MPO ROLE](#)

[ENFORCEABLE FUNDING COMMITMENTS](#)

[TAX CREDITS](#)

[GREENHOUSE GAS REDUCTION QUANTIFICATION AND SUPPLEMENTAL STRATEGIES](#)

[SUPPLEMENTAL STRATEGIES](#)

[AHSC PROGRAM OPERATIONS](#)



## General

### Is there a more specific timeline with dates available for Round 2 of AHSC? (3/7/16)

The following is the most updated timeline available.

#### 2016 AHSC Program Schedule as of 3/7/16

Release of 2015-2016 AHSC Notice of Funding Availability	Friday, January 29, 2016
Release of 2015-2016 AHSC Concept Proposal Application	Wednesday, February 3, 2016
Release of 2015-2016 AHSC Full Application	Mid-April, 2016
Concept Proposals Due	Wednesday, March 16, 2016
Notification of Invite to Submit Full Application	Week of April 25, 2016
Full Applications Due	Monday, June 20, 2016
Recommended Awards Released	September 2016
Staff Recommendations to Strategic Growth Council	October 11, 2016

### How much can a project change between Concept Proposal and Full Application? (3/7/16)

In terms of funding commitments, a proposed project's Enforceable Funding Commitment ratio (as demonstrated in Section 105 (c) (3) (B) of the 2015-16 AHSC Program Guidelines, p 20) cannot decrease from Concept to Full Application. The total AHSC funds requested can be reduced, but not increased from Concept to Full Application. In addition, the Project scope or funded components cannot change.

## Application Requirements and Attachments

### *Clarification on GIS Files Required (3/14/16)*

In addition to the Project Area Map, for Transportation and Transit Improvements proposed to be funded, AHSC Program staff are hoping to receive the following at Concept, as applicable:

- Increased Transit Service/Routes (required): separate shapefiles of the proposed and existing route



- Bicycle and Pedestrian STIs: separate shapefile or line files of the proposed and existing route. In the absence of such files, please provide a clear indication of the existing network, phase proposed through AHSC funding (even if partially funded), represented in a map, with location of segments
- TRAs: Location of amenity. As appropriate, separate shapefile or line files of the proposed improvements. Alternatively, this can be depicted in the Project Area map and does not require a GIS file. Additional description of location (with latitude and longitude coordinates) is also sufficient.

**Preferred File Formats:**

- KML file, which can be created in Google Earth and other geo-based software
- Shapefile, which can be made with ESRI (e.g., ArcGIS) and other GIS-based software
- Other digital map-based files
- Comma-delimited (.csv) file with a basic description (such as “bus stop” or “transit station”) and the latitude and longitude coordinates.

NOTE: Because of the late timing of this clarification, if applicants are not able to provide this information at Concept, please provide a description of technical need. AHSC Program staff will work with applicants to obtain this information.

*Certification Form (3/14/16)*

- All parties to a joint application must submit a separate signed form at Concept.
- If prompts in the Certification Form do not apply to a particular applicant (e.g. a question about affirmatively furthering fair housing, when the respondent is a transportation agency), please select “NO” and provide a brief explanation in the text boxes on the bottom of pages 1 or 2.  
*For example: “This applicant is not responsible for housing development, therefore, items noted “NO” above are not required.”*

*Detailed STI/TRA Budgets in Workbook (3/14/16)*

If applying for capital projects with more than one STI or TRA element, please use the primary STI/TRA Budget tab to note the total STI/TRA improvement costs and funding. In addition, please provide supplemental Concept workbooks with specific detail on each STI/TRA component cost and funding source. The remainder of the workbook can be left blank.

*Character Limitations on FAAST (3/14/16)*

Please try to restrict your answer to the character count limits. However, if additional information is absolutely required, please upload as a supplemental document and label appropriately.





## **Project Area Type Structure**

### **Does the project have to include an affordable housing development to apply for AHSC funding? (2/3/16)**

No. As stated in the guidelines, the Projects are broken down into three Project Area Types: Transit-Oriented Development (TOD), Integrated Connectivity Project (ICP), and Rural Innovation Project Area (RIPA).

Of these three Project Area Types, only TOD Projects are required to include an Affordable Housing Development (AHD) or Housing-Related Infrastructure (HRI) associated with an AHD as one of the Capital Projects. However, all Project Area Types may include AHD or HRI.

Please keep in mind that by law, 50% of AHSC funds must set aside for Affordable Housing Developments or Housing-Related Infrastructure. While AHD is only required for TOD projects, projects across all three Project Area Types can count towards this 50% statutory set-aside.

### **For Transit Oriented Development project areas, the AHSC guidelines [102(c)(2)] state that the TOD project area must include an Affordable Housing Development, but note that it may be funded from sources other than the AHSC program but must meet the requirements of Section 103(a)(1)(A) through (C). May the affordable housing be already constructed? (2/3/16)**

No. To be considered as part of an AHSC project application, and to be eligible for AHD or HRI consideration, the affordable housing project cannot have already been constructed, or be under construction. The "may be funded from sources other than AHSC" allows for the fact that the AH may be fully funded by other sources, but Housing-Related Infrastructure is being requested as part of the project application. That affordable housing project cannot have started construction prior to the full application deadline (June 2016).

### **Can a proposed AHSC Project be comprised of two development projects adjacent to each other, assuming a combined AHSC funding request? (3/7/16)**

Yes, they can be submitted as one application, with more than one Limited Liability Corporation (LLC) or other eligible entity proposing a scattered site development, or one LLC proposing development over multiple sites. However, it must meet the criteria outlined on page 11 of the Guidelines, which states that the two sites must be "developed together as part of a common development scheme adopted, approved, or required by a Public Agency." For example, the city would need to approve both of them together as a pair. Applicants must provide evidence that the proposed projects meet these requirements.

In addition, please keep in mind the following:

- Each AHD will be evaluated to meet the program requirements. If one is ineligible, they both fail. Everything would be aggregated (EFCs, GHG reductions, total number of units,



- etc.) If it is determined that one project is ineligible, then the AHSC application in its totality would be disqualified.
- All AHD capital projects must begin construction within two years of the award.

**How do I identify a Project Area boundary if an applicant proposes improvements to a Transit Corridor? What if a Project also has an Affordable Housing Development? (3/7/16)**

If a Project includes improvements to a Transit Corridor, the defined Project Area can be the phase of the corridor proposed to be constructed, and a reasonable buffer surrounding that phase (using the definition in Section 102 (a) (3) (C) only). If a Project proposes both improvements to a Transit Corridor and an affordable housing project, the Project Area would include both the ½ mile radius around the AHD, as well as the identified Transit Corridor (using the combined Project Area definitions in Section 102 (a) (3) (A) and (C)).

**Multi-Phased Projects**

**If the Project is larger in size than the AHSC funds requested (i.e. a multi-phased project in which AHSC funds only one phase), can an applicant apply the GHG reductions associated to the Project as a whole, including all phases? (3/7/16)**

No. GHG reductions will only be counted for the phase of the Project for which an application is requesting AHSC funding. Previously funded or future phases are not included in the GHG calculation. However, if the phase an applicant requests AHSC funding for a project which includes components that have been funded with other programs, the GHG reductions associated with that whole phase can be counted.

**For multi-phased projects, if one phase has started construction but an applicant is applying for funds for a different phase, does that conflict with AHSC Program requirements limiting the start of Project construction? (3/7/16)**

No. Construction cannot have commenced before the date of Full Application (June 20, 2016) for the Phase of the Project for which an applicant is requesting funding. A completely separate phase that is not part of the AHSC application can have commenced construction.

**Eligible Costs**

**Affordable Housing Development (AHD)**

Please note new Multifamily Income Limits, posted February 17, 2016: <http://tinyurl.com/h9lw24o>

**Re-syndication is listed as an ineligible cost in the Guidelines. Are projects undergoing re-syndication as part of substantial rehabilitation eligible for funding? (2/3/16)**



AHSC funding cannot be used for re-syndication for the sole purpose of refinancing debt. However, acquisition and rehabilitation of an existing project is allowed, assuming it involves an ownership transfer and substantial rehabilitation as per the AHSC Guidelines definition.

**Is transitional housing an eligible use under AHSC? (2/3/16)**

Yes, however, the following must be considered when including transitional housing units in an AHSC-funded project:

- Transitional housing cannot be used towards the 20% affordable housing requirement (as defined on pg A-1 (d) of the Guidelines), but can be included as units supported by HRI, if the project's 20% AH requirement is met by other units.
- Transitional units can be a component of a mixed tenure project, but cannot be funded by an AHSC loan.
- Transitional units are not included in the net density calculation for purposes of this program.

**Is student housing eligible in the AHSC Program? (3/7/16)**

The affordable housing component of the AHSC project requires an affordable housing covenant, which would exclude typical student housing projects from eligibility. Please consult the Uniform Multifamily Regulations (UMR) for additional information to verify eligibility as a multifamily product for the purposes of AHSC funding.

**Is mobile home construction eligible in the AHSC Program? Manufactured Housing? (3/7/16)**

No, AHSC is not able to provide funds towards the purchase, rehabilitation, or construction of mobile homes. An Affordable Housing Development that proposes to utilize manufactured housing **is eligible** under AHSC, as long as the home is on a permanent foundation.

**Is adaptive reuse of an old building (i.e. a hotel) and with new construction eligible? (3/7/16)**

Adaptive reuse from nonresidential uses to affordable housing is an eligible use, but the project must include the acquisition of the building as well. If the project includes acquisition and conversion into Affordable Housing, then it is eligible as an AHD.

**Manager Units**

**Can you add the \$60,000 boost to the base loan limit for a residential manager's unit in a 4% tax credit deal? (3/14/16)**

An unrestricted manager's unit is eligible only for \$30,000 and not the boost when funded by the 4% tax credit program. If that manager's unit is a restricted unit, please include it in the loan limit calculation (and it will be eligible for the boost). AHSC Program staff note that the current Funds Request Worksheet does not provide for proper calculation in this scenario. We will adjust to account for this



error during Concept review. Please be sure to call out this scenario in applications for you are submitting a manager unit.

### **Housing-Related Infrastructure (HRI)**

**Are the various soft costs and impact fees listed in the HRI section supposed to be just the costs associated with the HRI infrastructure project, as opposed to those costs associated with the Housing project? (2/3/16)**

HRI costs are defined as capital infrastructure improvements required as a condition of approval of an associated affordable housing development (e.g. sewer improvements). Section 103(a)(2)(A)(iii) refers to soft costs directly related to the HRI capital project and in the case of the example of sewer improvements, could cover construction management costs related to the sewer improvements required as a condition of approval to an affordable housing development.

Soft costs related to the actual housing development itself would be covered as part of the AHD eligible use. However, please remember that funds for soft costs – whether for HRI, AHD or both - cannot exceed 10 percent of the total AHSC award.

### **Sustainable Transportation Infrastructure (STI)**

**How is a transit station improvement as an STI different from a transit station improvement as a Transportation-Related Amenity (TRA)? (3/7/16)**

Transit station/stop improvements as an STI would represent an infrastructure change directly resulting in mode shift or increased transit service, such as platform boarding. Transit station/stop improvements as a TRA would not represent such a change, but would encourage the use of the transit or active transportation activity. For example, while a bus shelter would be a transit stop improvement, it would represent a TRA, not an STI.

**What if an eligible STI cost is a condition of Affordable Housing development? Is it an STI or an HRI? (3/7/16)**

Based on the Capital Project definitions in Section 103, transportation or transit infrastructure costs required as a condition of affordable housing development is an HRI.

**Can an application have 2 STIs as part of an ICP? (3/7/16)**

Yes. For an ICP Project Area, eligible projects must have one STI and one additional Eligible Use. If the additional eligible use is an additional STI, that is fine. However, you must ensure that the two STIs are distinct projects. For example, a project cannot have one mile of a bike lane count as one STI and the



other mile count as a different STI. These must be two separate infrastructure projects, such as a bicycle lane as well as the purchase of an additional bus.

**Does our Sustainable Transportation Infrastructure have to connect to the proposed Affordable Housing Development, or can it connect to other points? (3/7/16)**

The STI does not have to directly or physically connect to the AHD, however, there must be a relationship between the various components of a project within a Project Area. Strong projects will show how the different components interact and impact each other in order to reduce GHG emissions.





## Programs

### **Would training on bike and flat tire repairs constitute an “Active Transportation” program? (3/7/16)**

Yes, education and training programs are a great example of part of an Active Transportation Program. As a note, these would be an eligible cost under “Programs” not as an STI or TRA.

## Qualifying Transit and High Quality Transit

### **There are several transit stops within a half mile of my Project. Do I have to pick the closest transit stop, or can I choose any transit stop within the half mile radius? (3/7/16)**

No, a project does not have to choose the closest transit station/stop. Applicants may choose any transit station/stop within the ½ mile radius of the Project. However, if there is High Quality Transit (HQT) within a ½ mile radius of Project, you must choose a transit station/stop that is served by HQT. In other words, you may not apply as an ICP if there is any HQT within ½ mile of the project.

### **What materials do we need to verify that the transit is HQT? (3/7/16)**

You will need to upload the following materials that demonstrate that the transit route is High Quality Transit:

- Bus/rail schedule demonstrating 1) 15 minute headways or less during Peak Hours (as defined by the local Transit Agency) and 2) service seven days a week.
- Map of Project Area with 1) the transit station/stop used to qualify as High Quality Transit shown on the map, and 2) the proposed Project capital improvements (AHD, HRI, STI, STA).
- Map of transit line that demonstrates where the transit line employs High Quality Transit features (i.e. railway or Bus Rapid Transit features)

### **If only a portion of the transit line has 15 minute headways with dedicated right of way, does that still qualify as High Quality Transit? (2/3/16) Does HQT have to exist on the line AND at the stop in my Project Area, or just anywhere on the line serving the stop? (3/7/16)**

The line serving the Transit Station/Stop in the Project Area must have HQT characteristics in order to meet the HQT definition. However, the 15 minute headways or less during Peak Hours requirement will be evaluated based on the Transit Station/Stop in the Project Area.

If only a portion of the route has a dedicated right of way, that still qualifies as High Quality Transit. However, the transit stop used to determine eligibility needs for the AHSC project must have 15-minute peak period headways to be considered High Quality Transit, and therefore a Transit Oriented Development Project under AHSC. The headways requirement refers to the route at that given stop. A portion of the route elsewhere having 15 minute headways wouldn't count.



**If our High Quality Transit is a dedicated bus-only lane, but becomes a regular lane on the weekend, is the entire line still considered HQT? (2/3/16)**

Since “partially dedicated” as referenced in the Guidelines doesn’t specify whether it is restricted to referring to time or distance, it applies to both. Therefore, a situation in which the route is on a lane that is dedicated for weekdays but not weekends would still qualify as HQT.

**What is the closest distance that an ICP project can be located near High Quality Transit? (2/3/16)**

ICP project areas are by definition greater than one-half mile from High Quality Transit.

**How is a ‘boarding point’ defined as stated in Sec 103(a)(1)(A)(ii) pg. 10 of the Guidelines? Could a ‘boarding point’ be defined as the entrance to the station, or the platform that lies adjacent to a train, etc.? (2/3/16)**

For a transit station, the main entrance of the station, or the closest pedestrian access point to an on-street platform or transit stop would be sufficient as a "boarding point."

**AHSC-Required Secure Overnight Bicycle Parking**

**What does Secure Overnight Bicycle Parking mean? (3/7/16)**

As stated on page A-7 of the Guidelines, Secure Overnight Bicycle Parking refers to: “bicycle parking that is not accessible to the general public, is completely enclosed and protects the bicycle from inclement weather, and allows for the bicycle frame to be secured to the bicycle rack at two points. Examples of Secure Overnight Bicycle Parking include bicycle rooms, bicycle lockers, and bicycle cages.”

**Do the AHSC bicycle parking requirements apply to substantial rehabilitation/acquisition and projects? Senior housing projects? (3/7/16)**

AHSC aims to incentivize “mode shift” from single occupancy vehicles to more sustainable modes of transportation for everyone. Therefore, there are no waivers for the bicycle parking requirement for substantial rehab/acquisition or senior projects.

**Can the bike parking requirement be met off-site? (2/3/16)**

No. Bike parking associated with an affordable housing development, per Section 103 (a)(1)(A)(v) of the Guidelines, must be on the AHD site to support resident bicycle parking needs.

**Minimum Award Amount**

**The minimum award amount for TOD projects is \$1 million. Does this mean that there must be at least \$1 million requested each for the housing and transportation components, meaning a minimum project size of \$2 million to qualify for the Housing and Transportation Collaboration points (Section 107(e))? (3/7/16)**



To get the 3 possible points for Housing and Transportation collaboration (Section 107(e)(2)), at least \$500,000 must be requested for Affordable Housing Development and/or Housing-Related Infrastructure, and at least \$500,000 must be requested for Sustainable Transportation Infrastructure.

## Joint Applicants

### Can a transit agency be a joint applicant? (3/7/16)

Yes, joint applicants can be any combination of the following:

- Developer
- Program Operator
- Locality
- Public housing authority
- Transit agency or transit operator
- Regional Transportation Planning Authority (RTPA)
- Local Transportation Commissions
- Congestion Management Agencies
- Joint Powers Authority
- Redevelopment Successor Agency
- School district
- Facilities district
- University or Community Colleges District

Joint and Several Liability: Please see guidance at  
[https://www.sgc.ca.gov/docs/AHSC\\_Joint\\_and\\_Several\\_03.07.16.pdf](https://www.sgc.ca.gov/docs/AHSC_Joint_and_Several_03.07.16.pdf) (3/7/16)

## AHSC Program Thresholds

### How can I determine if my project “does not result in loss or conversion of agricultural or other working lands, or natural resource lands for other uses” (Section 106 (a)(14), p 28). (2/3/16)

Please refer to the maps produced by the Farmland Mapping & Monitoring Program (FMMP) (link [here](#)). The FMMP updates these maps every two years. For environmental review purposes under CEQA, the categories of Prime Farmland, Farmland of Statewide Importance, Unique Farmland, Farmland of Local Importance, and Grazing Land constitute 'agricultural land' (Public Resources Code Section 21060.1). If your project is identified as located in any of the above categories, and if costs for any Project will result in a loss or conversion or agricultural or working lands, it is likely that your project would not meet threshold requirements.



**Do minimum housing density requirements apply to the acreage of the whole project area, or just the acreage of the affordable housing project? (3/7/16)**

The density is calculated on the subject parcel only. Only the land where the housing development is located will be used to calculate density. Please refer to the definition of Net Density in the Guidelines (p A-6). The calculation must clearly identify the density recognizing the required inclusions and exclusions.

**Environmental Clearances, Site Control, Discretionary Approvals**

**What is needed to demonstrate that an AHSC project would be exempt from CEQA/NEPA? (2/3/16)**

The applicant would need to provide proof that the project is by-right or categorically exempt, such as reference to zoning ordinances and/or documentation of categorical exemption.

**For the necessary environmental clearances such as NEPA and CEQA, do we need to have them updated within a specific time period prior to application? (3/7/16)**

If CEQA/NEPA has cleared, no additional studies need to be updated, unless predicated in environmental clearance. ~~However, a market study for the project must be no older than six months from the date of NOFA release for this applicable round.~~

**Does the requirement to have completed all necessary environmental clearances mean that all appeal periods must have lapsed by the concept application deadline? (2/3/16)**

All appeals periods must be lapsed by full application deadline in June.

**The "AHSC Concept Proposals Required Contents" table states that all necessary NEPA & CEQA clearances must be demonstrated. Can the applicant provide letters from the appropriate local agency(ies) stating that these clearances will be provided by the time of full application? (2/3/16)**

Yes, that is acceptable.



**Please clarify environmental clearance and readiness requirements for transportation and transit projects. (3/7/16)**

Per Section 106 (a)(4)(A) of the AHSC guidelines, applicants will not be required to submit evidence of completion, if evidence to demonstrate a Lead Agency has prepared or have the following:

- a Negative Declaration currently under review;
- a Mitigated Negative Declaration currently under review, or
- project eligibility for a categorical exemption, or
- by right authority

CEQA clearance should be obtained in order to begin construction, and based on the terms set in the AHSC standard agreement.

**Will a letter of intent from the current owner of the site meet the site control requirement at concept application? (2/3/16)**

At Concept, applicants will have to indicate what form of site control they have or expect to have. Documentation demonstrating site control will then be required at Full Application. At Concept, draft or pending actions would be sufficient; however, the site control must be in place by the Full Application deadline.

**Can you please confirm that the SGC and HCD deem recordation of the final map as a non-discretionary approval and therefore it is not required for the AHSC application? (2/3/16)**

If the project requires changes to an existing legal map, the applicant must comply with the local agency's land use and zoning laws concerning the recordation of final maps. If the local agency requires final maps to be recorded before the granting of discretionary permits, then a final recorded map should be submitted along with all land use entitlements at time of full application submission.

**AHSC Process: Metropolitan Planning Agency (MPO) Role**

**Will MPOs be scoring projects? (3/7/16)**

Per the AHSC 2015-16 Guidelines (Section 105 (e)), MPOs may establish their own criteria to evaluate applications, but MPO evaluation does NOT result in points in the State's Full Application scoring process. MPO recommendation of award does not guarantee Council recommendation of award. It is an opportunity for MPOs to provide input on how applications relate to regional planning priorities and Sustainable Communities Strategies.

**Will MPOs be ranking urban and rural projects separately? (2/3/16)**

MPOs have the flexibility to establish their own ranking criteria across all of their different applications. They can choose to rank applications separately based on Project Area type, or simply provide an overall





ranking. MPO recommendations are advisory only. For additional information and contact information for each MPO, please see ([https://www.sgc.ca.gov/docs/AHSC\\_MPO\\_Contacts\\_03.07.2016.pdf](https://www.sgc.ca.gov/docs/AHSC_MPO_Contacts_03.07.2016.pdf))

### **Financial Leverage and Readiness: Enforceable Funding Commitments (EFCs)**

#### **What documentation is required for 4% tax credits and 9% tax credits to count as Enforceable Funding Commitments? (3/7/16)**

In order to accept 9% Tax Credits, an official tax credit reservation letter is required. For 4% Tax Credits, documentation examples include bank letters, investor letters or calculation of tax credit proceeds from a consultant.

#### **If I have committed funding sources for components of my Project, but I am not requesting AHSC funds for those components, can those still count as Enforceable Funding Commitments?**

In order for those funding sources to count as Enforceable Funding Commitments, you must be requesting AHSC funds for that component or phase of the project. If those components are entirely funded from other sources and there is no AHSC request, then those sources would not be counted as EFCs.

#### **Can an application use program operating subsidies (from veterans, homeless, transit operations funds) as an Enforceable Funding Commitment? How do applicants translate these operating subsidies into leverage calculations? (3/7/16)**

In this case, an application would list the operating subsidies in the capitalized reserves section of the AHD or STI budget tab in the Concept Application workbook. Commitment letters for the operating subsidy should be uploaded as an attachment and listed in the Enforceable Funding Commitment tab in the Concept Application workbook.

### **Financial Leverage and Readiness: Tax Credits**

#### **If the applicant has already applied for 4% tax credits, is the applicant excluded from applying for a 9% tax credit? (2/3/16)**

Applications submitted as 4% deals must stay as such because they would have received more favorable treatment than uncommitted 9% deals as far as leverage is concerned. There would also be potential supplantation of funding issues that could arise from submitting an application as a 4% then switching to a 9% later on after an award has been made.

#### **Would an affordable housing project without tax credits somehow be deemed to not meet thresholds because of the lack of tax credits? (2/3/16)**

No, tax credits are not required as part of the financing.



## **Greenhouse Gas (GHG) Reduction Quantification and Supplemental Strategies**

**If a Project proposes a renovation of an existing affordable housing development, which incorporates sustainability retrofits, does the reduction in electricity usage, and therefore GHG emissions, count towards the overall GHG reduction for the program? (3/7/16)**

While energy efficiency measures are not included in the GHG reduction quantification methodology (Section 107(a)), the Water, Energy and Greening criteria (Section 107(c)) have been included to incorporate supplemental GHG reducing strategies and provide points to applicants incorporating strategies related to energy efficiency, carbon sequestration and renewable energy.

**Are there any adjustments made in CalEEMod for new construction vs. rehabilitation projects? (3/7/16)**

No, acquisition and rehabilitation projects should be treated similar to new construction projects for the purposes of the CalEEMod quantification.

**How would an applicant calculate GHG reductions for scattered site projects? How would an applicant address multiple project sites when inputting the distance of the Projects to transit? (2/3/16)**

In order to evaluate the GHG reductions associated with a scattered sites project, the applicant would need to run the CalEEMod model for each individual site to account for variations in population and distance to transit.

## **Supplemental Strategies: Active Transportation**

**Would a Project containing an active transportation program be considered for Supplemental Strategy Active Transportation points? (3/7/16)**

No. The Active Transportation Improvements criterion (page 35 of the Guidelines) applies only to projects which include a request of funds for the installation, expansion or improvement of active transportation infrastructure. Program activities related to active transportation – i.e. outreach, safety, etc, would be scored in the Program Need and Readiness criteria.

## **Location Efficiency and Access to Destinations**

**Is there a mechanism to ensure that applicants are not penalized if the walkscore.com does not provide a BikeScore? (2/3/16)**

Projects that are located in areas where BikeScore is not available will not receive those points associated with that scoring criteria, and the maximum points associated with that criteria will still be applied to that project.



## **AHSC Program Operations**

### **How would prevailing wage requirements work with projects that combine housing and transportation capital projects? (3/7/16)**

AHSC funds invoke state prevailing wage on the funded activity regardless of housing or transportation. Applicants are further advised to consult with legal counsel.

### **What agency will be the administering State Agency for this grant funding? (2/3/16)**

The Department of Housing and Community Development (HCD) is the administering State Agency/Department for the AHSC program, however there is close coordination with the staff from the Strategic Growth Council (SGC) and member agencies, and all awards are subject to Council approval.