

July 1, 2024

NOTICE OF FUNDING AVAILABILITY Factory-Built Housing Pre-Development Pilot Program FY 2024 - 26 FUNDING ROUND

TO: All Potential Applicants

FROM: Factory-Built Housing Pre-Development Pilot Program Staff, Strategic Growth Council

SUBJECT: NOTICE OF FUNDING AVAILABLITY – A TOTAL OF \$12 MILLION FOR THE FACTORY-BUILT HOUSING PRE-DEVELOPMENT PILOT PROGRAM

The California Strategic Growth Council (SGC) is pleased to announce the availability of funding for the Factory-Built Housing (FBH) Pre-Development Pilot Program through this Notice of Funding Availability (NOFA). SGC anticipates \$12 million will be available for competitive grant awards. Awarded applicants may receive funding between \$1,000,000 to \$4,000,000 for the two-year grant term.

The Factory-Built Housing Pre-Development Pilot Program is funded through the Affordable Housing and Sustainable Communities continuously appropriated funds that the Strategic Growth Council allocated for technical assistance to local communities. As such, it is part of <u>California Climate Investments</u> and furthers the purposes of <u>AB 32</u> (Chapter 488, Statutes of 2006) and <u>SB 32</u> (Chapter 249, Statutes of 2016) by investing in projects related to capacity building, affordable housing, climate resilience, and energy efficiency that reduce greenhouse gas emissions.

The Factory-Built Housing Pre-Development Pilot Program will utilize the free application platform, Submittable, to administer the pilot program's application. All applicants are required to submit their application through <u>Submittable</u>. Following the release of the NOFA, applications will be received on a rolling basis until March 2026 or funds are obligated. Application deadlines will be set approximately every two months, and applications will be reviewed following the deadline. Application timelines, resources, and materials will be posted on <u>FBH Pre-Development Pilot Program page</u> on SGC's website at least 30 days prior to the application deadline for each cycle.

Information about the Factory-Built Housing Pre-Development Pilot Program, including the Grant Guidelines, application support, and other resources can be found on the SGC website: <u>sgc.ca.gov/grant-programs/factory-built-housing</u>. Questions may be directed to Factory-Built Housing Pre-Development Pilot Program staff by email at factorybuilthousing@sgc.ca.gov

PROGRAM SUMMARY

The Factory-Built Housing Pre-Development Pilot Program is a new grant program that funds funding to FBH manufacturers applying to the US Department of Energy Loan Program's Office for federal financing to retrofit and/or build one or more energy-efficient factories in California that advance the production of energy-efficient housing. Administered by SGC, the Pre-Development Program will provide

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meaningful financial support to projects that prioritize energy efficiency and resiliency, the production of affordable housing, and the development of meaningful Community Benefit Plans to accelerate progress towards the State's housing, equity, and climate goals.

Program Objectives

Proposed activities and narrative responses should provide additional detail about the applicant's approach to achieve desired outcomes. The SGC FBH Pre-Development Pilot Program's key objectives are to:

- 1. Leverage SGC's State Energy Financing Institution (SEFI) status to advance the development of energy-efficient factory-built housing factories by providing capacity building and meaningful financial support to Applicants of the LPO Title 17 Program.
- 2. Prioritize the production of factory-built, energy-efficient, affordable housing for rental or homeownership to accelerate progress towards the State's housing, equity, and climate goals.

For all other information on eligible applicants, eligible activities, eligible costs, and other program details, please see the <u>Factory-Built Housing Pre-Development Pilot Program Guidelines</u>.

APPLICATION PROCESS

Application Phase

All FBH Pre-Development Pilot Program applicants must submit application materials to SGC via <u>Submittable</u>, a free application platform available to all applicants. No late applications or application revisions will be accepted after the application submittal deadline. No hard copies, facsimiles, electronic transmissions via email, hand-delivered copies, or any other method of submitting complete applications will be accepted.

All applications will be reviewed by FBH Pre-Development Pilot Program staff and consultants to ensure all required documentation is submitted and the application is complete. Applicants that may be missing application information will be notified by FBH Pre-Development Pilot Program staff. If applicants are contacted because of missing information, the application will be deemed incomplete if the applicant does not provide the missing information within two (2) business days.

Applications will be received on a rolling basis until March 2026 or until all funds are obligated. To batch application review and award processes, applications will be due on a specific date every other month. Application deadlines will be set approximately every two months, and applications will be reviewed following the deadline. Application timelines, resources, and materials will be posted on FBH Pre-Development Pilot Program Page on SGC's website at least 30 days prior to the application deadline for each cycle.

Applications will be reviewed and evaluated by SGC staff, along with an interagency review panel of partnering state agencies. Eligible applications will be scored based on the threshold and scoring criteria in the <u>Factory-Built Housing Pre-Development Pilot Program Guidelines</u>. Following the initial application review, members of the review panel will conduct interviews with high-scoring applicants. Based on the interagency review of the applications and interviews, FBH Pre-Development Pilot Program staff will

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determine the scoring threshold to finalize and prepare grant award recommendations to present to SGC Council Members for consideration of final approval. SGC staff will contact applicants recommended for funding. Staff recommendations will be posted for ten (10) days prior to the SGC public meeting. The ultimate awarding of FBH Pre-Development Pilot Program funds is subject to the approval of the Council. The Council decision is final. The anticipated date of announcement for the selection of grant award recommendations will occur approximately two months after the application due date of each cycle.

Applications must meet all eligibility requirements upon submission. Applications having material inconsistencies will not be rated and ranked. Modification of the application by the applicant after submission is prohibited.

It is the applicant's responsibility to ensure that the application is clear, complete, and accurate. After the application deadline, staff from SGC or other partnering state agencies may request clarifying information or inquire as to where the application-specific information is located provided that such information does not affect the competitive rating of the application. No information, whether written or oral, will be solicited or accepted if this information would result in a competitive advantage to an applicant or a competitive disadvantage to other applicants.

Application Scoring

Applications will be evaluated according to the process and scoring criteria found in the <u>Factory-Built</u> <u>Housing Pre-Development Pilot Program Guidelines</u>. SGC maintains discretion to award applications based on their score and alignment with the program's objectives. During each round of application review, staff will determine the scoring threshold for award. Applicants that score above the scoring thresholds may be recommended to the Council for a FBH Pre-Development Pilot Program.

Basis of Appeals

- 1. Upon receipt of a notice that an application is determined ineligible, fails threshold review, or is not awarded based on final scores, FBH Pre-Development Pilot Program applicants may appeal such decision(s) to SGC pursuant to this section.
- 2. No applicant shall have the right to appeal a decision by SGC relating to another applicant's eligibility, point score, award, denial of award, or any other matter related thereto.
- 3. The appeal process provided herein applies solely to the decision by SGC pursuant to this NOFA and does not apply to any decisions made with respect to any previously issued NOFAs or decisions not-yet made pursuant to future program NOFAs.

Appeal Process and Deadlines

 Process: To file an appeal, FBH Pre-Development Pilot Program applicants must submit to SGC, by the filing deadline set forth below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the applicant must provide a detailed reference to the area(s) of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be considered if this information would result in a competitive advantage to an applicant. Once the written appeal is submitted to SGC, no information of materials will be accepted or considered thereafter. Appeals Notice of Funding Availability Factory-Built Housing Pre-Development Pilot Program July 1, 2024 Page **4** of **4**

must be submitted to SGC at <u>factorybuilthousing@sgc.ca.gov</u> according to the deadline set forth in SGC review letters.

2. **Filing deadline:** Appeals must be received by SGC no later than five (5) business days from the date of SGC's communication regarding the decision to be appealed.

Appeal Decision

Any request to appeal to SGC's decision regarding a FBH Pre-Development Pilot Program application shall be reviewed for compliance with the FBH Pre-Development Pilot Program Grant Guidelines and this NOFA. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of SGC.

APPLICATION SUPPORT

Applicants are highly encouraged to submit the Interest Form for the FBH Pre-Development Pilot Program. The Interest Form is linked here and available on the FBH Pre-Development Pilot Program webpage. Following a potential Applicant's response to the Interest Form, SGC staff may schedule a preapplication consultation call with the potential Applicant.

FBH Pre-Development Pilot Program staff will host an Application Workshop. Staff will guide prospective applicants through the different components of the FBH Pre-Development Pilot Program application and answer questions about the application.

OTHER TERMS AND CONDITIONS

Disclosure Application of Information

All submitted applications may be disclosed under a California Public Records Act request.

Right to Modify or Suspend

SGC reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including without limitation, the amount of funds available hereunder. If such an action occurs, FBH Pre-Development Pilot Program staff will notify all interested parties via email and will post the revisions to the <u>Factory-Built Housing Pre-Development Pilot Program website</u>.

Conflict

In the event of any conflict between the terms of this NOFA and either applicable state or federal law or regulation, the terms of the applicable state or federal law or regulation shall control.

RESOURCES AND QUESTIONS

Information about the FBH Pre-Development Pilot Program, including the Grant Guidelines, application support, and other resources can be found on the SGC website: sgc.ca.gov/grant-programs/factory-built-housing/. Questions may be directed to FBH Pre-Development Pilot Program staff by email at factorybuilthousing@sgc.ca.gov.