

Appendix C: AHSC Application Review Process

The Round 6 AHSC application review process began following the June 8, 2021, application due date and concluded with the public posting of staff award recommendations on January 10, 2022. The phases of the application review process were as follows:

1. **Threshold Review (June – August):** Ensure compliance with program threshold requirements, including eligible costs, minimum density requirements, minimum levels of affordability, application materials, and leveraged funding among others. Applicants are allowed 10 days to dispute staff findings.
2. **Scoring Review (August – October):** Each proposal that passes threshold review advances to scoring, which is distributed across a variety of teams who work in various departments.
 - a. **GHG Quantification Methodology (QM) Review:** CARB staff review and verify inputs for the AHSC Benefits Calculator Tool, which produces estimates on each application's GHG, VMT, and criteria air pollutant reductions. All applications were then assigned a GHG score as outlined in the Guidelines Section 107(a). Together, GHG scoring categories were worth a total of 30 possible points. Applicants were allowed 7 calendar days (5 workdays) to dispute staff findings
 - b. **Quantitative Policy Scoring:** HCD and SGC staff reviewed and verified applicants' scores for the Program's Quantitative Policy Scoring criteria section. Scoring categories focus on the Program's policy objectives. Scoring categories include Sustainable Transportation Improvements, Transportation Related Amenities, Green Building and Renewable Energy, Project Location and Collaboration, Funds Leveraged, Anti-Displacement Strategies, Workforce Policies, Housing Affordability, and Programs. Fifty-five (55) points were possible across these categories. Applicants were allowed 7 days to dispute staff findings.
 - c. **Interagency Narrative Review:** Four small teams of subject-matter experts conducted the Interagency Narrative Review, evaluating applications within the categories of local government collaboration and planning, community benefits and engagement, climate resiliency, and air pollution exposure mitigation. Narrative review teams were comprised of staff from the Governor's Office of Planning and Research, CARB, HCD, California Department of Public Health, and California Department of Transportation. These qualitative assessments were based on the publicly posted AHSC Narrative Scoring Rubric. Fifteen (15) points were possible in this category and applicants were not allowed to appeal these scores.



- 3. HCD Financial Feasibility Review (Continuous):** HCD staff conducted a preliminary review of each proposal's cash flows and funding commitments, assessing each of the recommended project's ability to remain solvent through occupancy and financial feasibility of each project to ensure the housing components of the application are sustainable over the life of the investment.

AHSC received 54 proposals by the June 8, 2021, deadline, requesting a total of \$1,140,995,291 in funds. Of the 54 proposals reviewed, all passed this threshold review. One project voluntarily withdrew their application, and AHSC staff reviewed the eligibility and application materials of the 53 remaining proposals in accordance with Round 6 AHSC Program Guidelines, resulting in the scores and recommendations found in this staff report. During Phase 3 of Scoring Review, HCD had disqualified one project (1880 Walnut in Pasadena), but after initial publication of staff recommendations, HCD determined this project was, in fact, eligible for funding. To maintain our publicly stated commitments to other projects, HCD has identified unused funds from previous rounds of AHSC to fund this project along with the other 36 projects.

