AHSC Round 6 Program Question and Answers (Q&A)

This Questions and Answers (Q&A) document represents key information and inquiry responses provided to potential applicants for the upcoming sixth round of the AHSC Program. The questions and answers published below provide clarification and additional detail on the AHSC Program Guidelines and upcoming application process.

This is the first Q&A document published in preparation for the upcoming round of funding. Applicable and relevant questions and answers from previous rounds are included for convenience. Responses shall be updated regularly and posted on the SGC website, with new responses since the last Q&A document in red and other responses new to this round in purple.

For additional questions and inquiries regarding the AHSC Program, please email the Strategic Growth Council at ahsc@sgc.ca.gov. Answers to questions received in this inbox will be answered via email and posted in a subsequent Q&A document.

AHSC program staff will be accepting questions until Tuesday June 1st, 2021, one week before the application deadline. Unfortunately, AHSC staff will not be able to respond to questions received after June 1st, 5pm.

The California Air Resources Board, which develops the AHSC Program Quantification Methodology (QM), will publish a Q&A document on the QM, which you can find here: https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm.

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Additional Questions? Please email: AHSC@sgc.ca.gov

April 12, 2021
Eligible Projects

Project Area Type
For qualifying transit and high quality transit, is headway frequency during peak hours measured according to the same line? Must it be in the same direction?

For qualifying as high quality transit or qualifying transit, frequency is measured on the same line in the same direction.

To qualify as a TOD a project must have high quality transit with headway frequency of 15 minutes or less during peak hours, must it be the same line and must it be in the same direction? This is coming up as a question for Caltrain stations that have a train passing every 15 minutes but it’s not always the same line or in the same direction.

To qualify as High Quality Transit service, the 15 minute headways have to be on the same line. The definition for High Quality Transit specifically calls out a “Qualifying Transit Line” that has 15 minute headways and permanent infrastructure. Based on the intention of the definition, the line would need to be going in the same direction as well.

Due to pandemic related impacts to transit frequency, we are allowing the High Quality Transit and Qualifying Transit frequency to have occurred between January 1, 2020 and the time of application.
Can a jurisdiction use a qualifying transit corridor to expand the Project Area? For example, by making intersection improvements along a transit corridor?

STI improvements made along the transit corridor may count as part of the Project Area (with a half-mile buffer around all STI improvements). TRA components made along a transit corridor without a corresponding STI component would not expand the Project Area, however. There are additional resources to determine Project Area at http://sgc.ca.gov/Grant-Programs/AHSC-Program.html

If a project is implementing new commuter bus service (round trip = 164 miles) should it include a 1/2 mile buffer around the length of this service and associated amenity centers?

The project area will include a 1/2 mile buffer around expanded transit service routes. The project area map should include the area around the AHD in detail and clearly display relevant scoring components identified on the Project Area Map Guidance memo. Considering the project area size, the project area map does not need to display the region beyond this.

How is the distance from the Transit Station/stop to the Affordable Housing Development determined?

It's a measurement of how far a person living in the part of the development that is farthest from the transit stop would have to walk to get to the transit stop. The half mile is measured from the nearest boarding point of the Transit Station/Stop to the entrance of the residential structure in the Affordable Housing Development furthest from the Transit Station/Stop along a walkable route (as described on page 10 of the Guidelines).

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?

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 AHD 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.

Does "peak period frequency of every 15 minutes or less" mean a) every departure is not more than 15 min. from the last, or b) average headway is 15 min. or less?

Option A is correct—every departure must not be more than 15 min. from the last. Transit systems that don’t meet this requirement would fall under the Integrated
Connectivity Project Area Type (ICP) rather than a Transit-Oriented Development (TOD) Project Area Type.

Due to pandemic related impacts to transit frequency, we are allowing the High Quality Transit and Qualifying Transit frequency to have occurred between January 1, 2020 and the time of application.

If you don’t have a High Quality Transit stop yet, but you will be upgrading an existing bus line to be a BRT line as part of your project scope, are you TOD or ICP?

This is an ICP project. In order to be considered TOD, there must be High Quality Transit at transit stop/station at the time of application submittal.

Should applicants use CalEnviroscreen 3.0 or the draft version of 4.0 when determining their Disadvantaged Community status?

Disadvantaged Community status will be determined only using CalEnviroscreen 3.0.

Affordable Housing Development (AHD)

Please confirm the distinction between “Acquisition and Substantial Rehab” and “Conversion of one or more nonresidential structures to residential dwelling units” and whether these two capital project types are subject to minimum density requirements and the "bonafide" transfer of ownership entity requirement.

“Conversion” means that the structure’s current use is not residential, “Acquisition and Substantial Rehabilitation” is a structure that is and will continue to have a residential use. Acquisition and Substantial Rehabilitation (including preservation of affordable housing at-risk of conversion to market rate housing) are exempt from the above minimum density requirements but shall not result in fewer units or lower percentage of total affordability than currently exists except where reductions in unit count are required to meet building code requirements.

A transfer of ownership is not required for a project that contemplates the conversion of a non-residential structure to a residential use.

For an apartment complex, are roads that are technically open (not gated) inside an apartment complex deducted out of Net Density?

No—even though they're not gated, these roads are private roads and therefore are not deductible under the Net Density calculation that is explained in Appendix A (nn).
Can a proposed AHSC Project be comprised of two AHDs adjacent to each other, assuming a combined AHSC funding request?

Per Guidelines Section 103 (a) (1) (E), an affordable housing project may only contain one (1) Affordable Housing Development (AHD).

A single AHD may contain scattered sites, as long as all requirements for scattered sites are met, as set forth in Section 8303(b) of the Uniform Multifamily Regulations (UMRs). 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 three years of the award.

**Sustainable Transportation Infrastructure (STI)**

Section 103, Figure 3 of the Guidelines lists traffic calming measures that are eligible costs for AHSC. However, the AHSC Program Quantification Methodology lists additional measures, including “marked crosswalks, count-down signal timers, speed tables, raised crosswalks, raised intersections, median islands, tight corner radii, roundabouts or mini-circles, on-street parking, planter strips with street trees and chicanes/chokers.”

When providing a list of proposed traffic calming measures, which measures can be included, one provided in AHSC Guidelines or Revised Quantification Methodology?

The Eligible Costs included in Section 103, Figure 3, are examples and not an exhaustive list. The traffic calming measures in the Quantification Methodology that are listed in the question may also be Eligible Costs, as long as they fall into the Eligible Cost descriptions under each Project Component type. Additionally, the Ineligible Costs in Section 103(c) include “All costs associated with automobile or motorcycle parking” so on-street parking would not be an eligible AHSC cost despite being a traffic calming measure.

For the definition of "flexible transit" - please confirm whether dial-a-ride with fixed timed routes, qualifies or is ineligible. The transit system in question operates shuttles at regular intervals throughout the day, but to ride a passenger needs to first confirm over the phone. There is no fixed pickup location, but - again - routes run on a regular timed schedule.

The AHSC definition of “flexible transit” does not typically include traditional forms of dial-a-ride services. The primary distinction here is that flexible transit must operate in “shared-ride mode” with at least two passengers like vanpool, shuttle, or feeder bus systems. However, given that this dial-a-ride service runs on a regular timed schedule, if...
you can demonstrate that it typically operates with multiple passengers, we may consider it “flexible transit.”

If there is an improvement that has been required as a condition of approval of the housing, but it is also an STI (example: sidewalk improvements in front of the housing, crosswalks nearby, etc.), can it be applied for as an STI and included in the STI budget, or must it remain as an HRI?

In this scenario, the applicant could include the Capital Project in either category.

**Transportation-Related Amenity (TRA)**

Can a lighting capital project be counted a stand-alone TRA?

Yes, provided the lighting is publicly accessible and supporting infrastructure for pedestrians, cyclists, and/or transit riders, a lighting capital project would be a stand-alone TRA.

Can the required urban greening features be stand-alone TRA components?

Urban greening improvements, including the 2 required Urban Greening features for the Project Area, can be eligible costs as components of a capital project or as stand-alone TRA projects. In order to be considered stand-alone TRA components, the improvements must meet the guidelines definition of a TRA.

**Eligible Costs**

**Affordable Housing Development (AHD)**

Does AHSC have a maximum loan amount?

AHSC projects are bound to a maximum loan amount of $20,000,000, the same as the MHP Program, as described in Section 104(b)(1) of the AHSC guidelines.

Could a rehab project that will include a transfer of ownership from one nonprofit to another that has overlapping but separate boards be an eligible Project?

The Guidelines [Section 103(a)(1)(A)(i)(b)] state that the acquisition must be made through a bona fide sale or transfer from the existing ownership entity to the new ownership entity comprised of a completely disparate ownership structure, which contains no common entity interest at any level of the organizational structure.

Since there may be no common entity interest at any level between the organizations, the details of the organizational structure as presented in the application will be analyzed to determine if a common entity interest exists.
Re-syndication is listed as an ineligible cost in the Guidelines. Are projects undergoing re-syndication as part of substantial rehabilitation eligible for funding?

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 definition on page 66 of the AHSC Guidelines.

Is mobile home construction eligible in the AHSC Program? Manufactured Housing?

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.

Can you add the $80,000 boost to the base loan limit for a residential manager’s unit in a 4% tax credit deal?

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). Please be sure to call out this scenario in applications for you are submitting a manager unit.

2020 loan limits are still the ones posted on HCD’s AHSC webpage, but they stated on the guideline webinar that they will be posting 2021 in April. Which ones are applicants allowed to use? Which one does the workbook currently use to calculate max loan?

AHSC loan limits are tied to the NOFA date. AHSC will use HCD’s 2020 loan limits even if 2021 loan limits are posted during the application period.

The AHSC application workbook has been updated to calculate using the 2021 loan limits. There is a link to the 2020 loan limits within the application workbook, but calculations for assistance amounts are being made using the 2021 loan limits.

How should an applicant treat a site area that is non-developable when calculating density? For example, if a portion is on a steep slope, or wetlands?

Non-developable areas can only be deductible from the net density calculation if they are publicly accessible, under a utility easement, or other allowed deductable space described in “net density” definition. We will not be able to deduct non-developable areas in the back of a parcel if there is no public access.

For a project sited in an existing subdivision with private, gated roads necessary for accessing the future affordable housing development but that are not a part of the
affordable housing parcel, would those roads somehow end up in the Net Density calculation?

The net density calculation refers only to the Affordable Housing Development, as defined in the guidelines. As such, this calculation will only take the parcel area into consideration.

What is the difference between Affordable Housing Development project (loan) and Housing Related Infrastructure Grant?

AHD Costs are typically associated with construction costs of the affordable housing development building HRI costs are generally those that are required as a condition of approval for the affordable housing development by a local entity. These descriptions are not all-inclusive of eligible costs. Please refer to Section 103 of the guidelines, eligible costs, for more detail.

Housing Related Infrastructure (HRI)
If an applicant is only applying for HRI funds, do they need to provide AHD milestones in addition to HRI milestones?

If an applicant is applying for HRI (but not AHD) funds, they must still provide AHD milestones, because the completion of the HRI is directly linked to the completion of the AHD.

Is building material clean-up (e.g. asbestos, lead, etc.) on a rehab project an eligible HRI cost?

Per Guidelines Section 103 Eligible Costs, required environmental remediation necessary for the capital project is an eligible HRI cost, though the cost of the remediation may not exceed 50 percent of HRI grant funds. These costs may include building material clean-up on a rehab project. Environmental remediation for a substantial rehab project may also be funded as part of the Affordable Housing Development Loan.

Can the AHSC grant be used for remediation? For example, there is an affordable housing project, but historical uses impacted the soil. Soil needs to be cleaned up before the construction can begin. Can the grant funds be used for the remediation?

The AHSC grant is eligible for remediation if said remediation is necessary for project completion.

Please be aware that the project must have all environmental clearances in hand within 30 days of the application due date.

Will the grant allow for the purchase of property or does the applicant already need to own the land?
Applicants must have site control at time of application. However, funds may be used for the following expenses as part of a Housing Related Infrastructure (HRI) Capital Project:

- Soft costs such as those incidentally but directly related to construction or other pre-development components including, but not limited to, planning, engineering, construction management, architectural, and other design work, required mitigation expenses, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 10 percent of total AHSC Program award.

- Real property acquisition of the Housing-Related Infrastructure project site and associated fees and costs (not to exceed 10 percent of the total AHSC Program award). Real estate commissions for purchase or acquisition are not an eligible expenditure.

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?

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)(ii) 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.

Can housing infrastructure include the extension of basic infrastructure (i.e. electrical service, sewer and water) to the property line from its current position?

Electrical, sewer, and water infrastructure are eligible HRI costs so long as they are required by a Locality, transit agency, or special district as a condition to the approval of the Affordable Housing Development.

**Sustainable Transportation Infrastructure (STI)**

Can electrical charging infrastructure, including PV panels to offset the electricity used to charge the buses being purchased with AHSC funds, be included as an STI?

Electrical charging infrastructure may be an eligible cost. The table of Eligible Cost Examples in Section 103 of the Guidelines displays renewable energy as an eligible cost. Such costs would include charging infrastructure and any renewable energy components (such as PV panels) that are a part of it, and so may be included in an STI budget.

If you are buying PV panels to offset the energy use of the bus and it is not attached to the charging infrastructure, it would need to be included as part of another AHSC funded capital project in order to be an eligible cost. So you could put PV panels on the AHD, or
on a bus shelter being built with AHSC funds, and the PV panels would be eligible as an AHD/HRI cost or a TRA cost respectively.

Do the cost of transit passes count towards the $500,000 cap on program costs?

The cost of transit passes required to fulfill the threshold requirement described in Section 106(a)(4) does not count towards the cap on Program Costs. Transit passes bought in excess of this requirement will contribute towards the $500,000 cap on program (PGM) costs.

Can you confirm that even if a bike lane is not Context Sensitive, it is still an Eligible Cost and can request AHSC funding and be included in the GHG quantification methodology?

Yes, even if a bike lane does not meet the definition of Context Sensitive it may be an eligible cost as an STI component, and can be included in the GHG quantification methodology.

Are housing developers eligible to use the Activity Delivery Costs towards their cost of building out STI/TRA improvements, where the housing developer is responsible for STI/TRA construction?

Appendix A defines Activity Delivery Costs as "staff costs incurred by the Public Agency that are directly related to implementing specific Capital Project and Program Costs." In the example given, the housing developer would have to be a Public Agency, and would not cover any other costs related to implementing the Capital Projects (such as financing fees). Activity Delivery costs are only eligible costs for STI and TRA components.

What is the definition of 'Traffic Control devices'? And can existing traffic control devices for bicycle infrastructure that are seeking funds for improvements count as an STI?

The Guidelines use the term “traffic control devices” in the same way that the GHG QM uses “traffic calming measures.” These can include marked crosswalks, count-down signal timers, curb extensions, speed tables, raised crosswalks, raised intersections, median islands, tight corner radii, roundabouts or mini-circles, on-street parking, planter strips with street trees and chicanes/chokers. An existing component must be improved as part of the Project to receive points.

Can AHSC funds pay for paving an entire street if it is required as part of creating or improving a new bike lane?

Only if the repaving can be fairly interpreted as a traffic calming project (e.g., it involves a road diet, lane narrowing, median islands, etc.) or necessary for the addition of capital projects that encourage mode-shift (e.g., bike lane striping, BRT lane additions, etc.). If there is no change to driving conditions other than pavement quality, the active transportation infrastructure is the only eligible cost.
Can upgrades to existing bike lanes or pedestrian walkways be funded?

Yes, as long as they "improve mobility and access" of the bikeway or pedestrian walkway, they may be considered eligible costs.

Can AHSC funds be used to buy a new, more energy efficient bus for an existing route with no increase in service?

The transit related equipment must increase service or reliability in some tangible way. If you can demonstrate that the new bus does one of these things, it is an eligible cost.

How is a transit station improvement as an STI different from a transit station improvement as a Transportation-Related Amenity (TRA)?

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.

Does our Sustainable Transportation Infrastructure have to connect to the proposed Affordable Housing Development, or can it connect to other points?

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.

The GHG credits claimed by the Transit project for ridership and zero emission buses can’t be duplicated if quantified and claimed for the Transit project GGRF funding (must be prorated), so scoring and funding for the transit component is eligible, but the GHG benefits for the transit are already claimed and only increases due to the AHSC project would be eligible under GHG benefit quantification?

Eligible, quantifiable projects that have received, requested, or expect to receive GGRF funding from another California Climate Investments program will have GHG emission reduction estimates prorated according to the share of GGRF funding from AHSC and other programs.

Transportation Related Amenity (TRA)

Do urban greening costs count towards the budget of the applicable project component that the greening is a part of, for purposes of calculating the fraction of the total award amount that is STI/TRA?
Urban greening costs count towards the budget of the applicable project component that the greening is a part of. However, if the urban greening components are standalone components along a public right-of-way, please include the costs in the TRA budget.

**Program (PGM)**

**Can applicants receive credit for electric vehicle car share programs?**

EV car sharing programming is an eligible PGM expense that is potentially eligible for points detailed in Section 107(i) of the AHSC Round 6 Guidelines. Car share programs are only eligible if the vehicles are zero emission vehicles. Zero emission vehicles include battery electric vehicles, plug-in hybrid electric vehicles, and hydrogen fuel cell vehicles. Program costs could include staff, marketing, and/or car share wallet provisions that benefit low-income community residents. This could mean a targeted marketing campaign or a car share wallet for low-income residents. Ineligible costs include, but are not limited to, cars and car operation and maintenance.

EV charging infrastructure is eligible under AHD, HRI, STI, and TRA as follows. All EV charging infrastructure must be open-network:

- AHD= located at the AHD for public use, located at the AHD just for residents, or located at the AHD for use by a car share program
- HRI= if a condition of approval (e.g. building code requires)
- STI= EV charging for public transit fleet vehicles
- TRA= publicly accessible EV charging at parking for transit station/stop

**Must programs be publicly accessible?**

No, programs have the option of being available only to residents of the AHSC-funded Housing Development.

**Can transit pass costs be included in the Program (PGM) budget for units that are within the AHD building envelope but which are not seeking AHSC funding?**

Transit passes that are provided for other residents of the housing development or the Project Area are an eligible Program cost and may be included in the Program budget.

**Other**

**Are maintenance costs for urban greening/street trees an eligible cost?**

As the eligible costs for STI, TRA, and HRI focus on capital costs or soft costs, and AHD eligible costs additionally include costs for a housing development, as specified in 25 CCR Section 7304 (a) and (b); maintenance costs for urban greening are not an eligible cost unless they can somehow be considered a cost for a housing development (for AHD components only).
Does the entire award count towards the $60 million developer cap or just the portion that is the responsibility of the developer? For example, a $20 million application might have $14 million of housing ask that is the responsibility of the developer applicant; The $6 million remainder is earmarked for STI/TRA and controlled by the city. In this example, does the $14 million or the $20 million count towards the developer's $40 million cap?

The entire award counts towards the cap, not just the amount for which the developer would “receive”. As stated in the guidelines, this limitation may be waived in certain circumstances.

Does the $60 million developer limit apply strictly to housing developers? What if a transit/public partner is part of multiple applications that run the risk of exceeding $40 million in total?

This limit applies to the housing developer only.

Is EV charging infrastructure an eligible cost?

EV charging infrastructure is eligible under AHD, HRI, STI, and TRA as follows. All EV charging infrastructure must be open-network:

- AHD= located at the AHD for public use, located at the AHD just for residents, or located at the AHD for use by a car share program
- HRI= if a condition of approval (e.g. building code requires)
- STI= EV charging for public transit fleet vehicles
- TRA= publicly accessible EV charging at parking for transit station/stop

Is new installation the only eligible cost for EV charging infrastructure or can applicants include upgrades to existing infrastructure (e.g. additional charging ports)?

Upgrades to existing EV charging stations is an eligible cost so long as those upgrades improve the service ability of the EV chargers beyond their previous, fully functioning state (e.g. not repairs). This could include additional charging ports or upgrading to DC fast charging capabilities.

EV charging stations are an eligible cost under the AHD, HRI, STI, and TRA categories. Which category they fall under will depend upon their use.

- AHD= located at the AHD for public use, located at the AHD just for residents, or located at the AHD for use by a car share program exclusive to residents of the AHD
- HRI= if a condition of approval (e.g. building code requires)
- STI= EV charging for public transit fleet vehicles
• TRA= publicly accessible EV charging at parking for transit station/stop

If an applicant can secure third party funds to subsidize transit passes beyond the 3-year minimum, is this allowable? How would an applicant document this?

This is allowable and could potentially count as leverage. This would be documented the same way as other enforceable funding commitments.

Is speed feedback signage an eligible cost?

Speed feedback signage can be considered an eligible cost, provided it is a part of a larger traffic calming strategy with other physical improvements.

Does adaptive reuse qualified for an AHSC grant, (instead of a new development) - conversion from underused commercial building into residential?

"Conversion of one or more nonresidential structures to residential dwelling units" is an eligible AHD component. AHD funds are disbursed via a loan while HRI, STI, TRA, and PGM funds are disbursed via grant.

**Eligible Applicants**

Are LP’s/LLC’s only ineligible applicants if a project has an AHD request? The guidelines state these entities are ineligible when making an AHD loan request. Are they otherwise eligible?

Per the Guidelines, a special purpose entity formed and controlled by the Developer (such as an LP or LLC), and which will serve as the ultimate borrower of AHSC loan funds, is not an Eligible Applicant. A special purpose entity ultimate borrower may be listed on the AHSC Program application in the appropriate, designated fields for listing such a borrower entity.

If the ultimate borrower LP isn’t created yet do we have to submit a loan authorization form? And all the other documentation under the LP Checklist? Or can that happen close to closing?

If the ultimate borrower LP is not yet formed, the applicant would not be able to complete the Loan Authorization (LP Resolution) and therefore cannot submit it with the application. It will, however, need to submit it later in the process, preferably prior to the execution of the Loan Standard Agreement.

Can there be two housing developer Applicants (or “co-developers”), i.e., can two nonprofit housing development partners be Applicants? Where does the application workbook account for two housing developer Applicants in the overview tab?
There can only be one Developer Applicant responsible for the AHD and/or HRI components of the application. The AHD/HRI Developer applicant is a single entity that can demonstrate control, capacity, and experience. This responsibility cannot be shared by a co-developer. [Please refer to the definition of "Developer" in the AHSC Round 6 Guidelines, Appendix A.(r).]

Rows 89, 104, 119, 134, and 149 of the application workbook reflect this emphasis on there being only a single entity developer. Therefore, none of those rows feature a selection option for a second developer (within the Eligibility dropdown menu).

The land the project is proposed on is owned by our transit agency. Does this mean that they will have to submit as a joint applicant with the housing developer vs. side agreement?

The transit agency does not have to submit as a joint applicant. If an entity other than the agency is developing transportation on agency land, an agreement is needed that displays this entity has the right to build on the land. If this is a housing development, the entity responsible for the development must meet the AHSC Program's definition of "Developer" and display "Site Control".

Can a developer use the experience of a General Contractor (if the GC is an applicant) to meet the AHD experience requirement?

According to the AHSC Guidelines (Appendix A), a developer is an entity relied upon for experience, as well as site control and capacity. Please refer to the guidelines for all requirements of a developer within the AHSC Program.

Can Program Operator with some developer experience qualify for the program?

Applicants must demonstrate experience by providing evidence of at least two projects that are similar to the proposed AHSC Project in scope and size, which have been completed by the applicant, or joint applicant, during the ten years preceding the application due date. Please also see the definition of "developer" in the AHSC guidelines for more information.

**Program Threshold Requirements**

(a)(4) If a supportive housing project is housing residents that qualify for free passes (based on a program the local transit authority already administers) does a funding request still need to be made? How would an applicant demonstrate these passes would be provided?

These transit passes must be made available to residents of the AHD. This does not need to be done through an AHSC funding request, but the applicant must keep on file...
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documentation from the local transit authority showing that transit passes were provided to the residents.

(a)(4) An AHD is located within 1/2 mile of a Transit Stop served by High Quality Transit. However, a Qualifying Transit line would be more relevant to the residents. Can the applicant provide Transit passes for the Qualifying Transit instead of the High Quality Transit?

Transit passes may be provided for any form of Qualifying Transit in order to meet the threshold, as long as there is a stop for that Transit service within ½ mile of the Affordable Housing Development along a walkable route.

(a)(4) If you have flexible transit service that is free to the housing residents, do you still need transit passes?

Yes— the intent of the guidelines is to ensure that residents of the development have access to the full range of resources and services that local transit provides access to, and not just the locations that the flexible transit service provides access to.

(a)(4) Do partially subsidized transit passes count for the threshold requirement? The guidelines imply that 50% subsidized is acceptable.

Yes, transit passes must be discounted at least 50 percent for residents.

(a)(6) If we want to plant trees for the urban greening component, do the trees have to be planted along the same corridors where we are installing the active transportation improvements?

Urban Greening features must be located in a publicly accessible part of the Project Area, but not necessarily as part of the Active Transportation route.

(a)(6) For urban greening threshold requirement, can you do improvements? Or does it have to be a new urban greening feature?

Urban Greening improvements that build upon existing Urban Greening infrastructure qualify as part of the Project. The Guidelines provide the Applicant with flexibility to design Urban Greening components that are appropriate for the context of their Project. New Urban Greening features, or improvements to existing Urban Greening infrastructure must be substantial enough to make an impact on Active Transportation experience.

(a)(6) For Urban Greening projects that are street trees in the public right of way where the jurisdiction historically relies on residents to water and care for trees, will this satisfy the 2 years of required dedicated maintenance?

Where homeowners and other adjacent property owners will maintain urban greening components, provide copies of relevant pages of the adopted municipal ordinance that indicates maintenance of urban forestry will be the responsibility of the adjacent property owners.

Additional Questions? Please email: AHSC@sgc.ca.gov
April 12, 2021
owner. The AHSC grantee is ultimately responsible for the health of street trees and other urban greening components, and must monitor the health of urban greening components for the life of the contract.

(a)(6) Can urban greening be located on the AHD parcel?

Urban greening must be located on public open spaces, as per the Urban Greening definition in the guidelines. Therefore, this would only be possible if the urban greening on the AHD parcel is publicly accessible.

(a)(7) Do operating subsidies count towards the EFC?

Operating subsidies do not count towards the EFC; they are taken into account when assessing financial feasibility.

(a)(7) If your funding source for the operating subsidy (not construction) will trigger NEPA, do you need the NEPA clearance at the time of application?

If NEPA will be triggered by any funding source at any point in the process, NEPA clearance is needed by due date (with appeals period lapsing within 30 days)

(a)(7) If a funding source for operations won't be committed at time of application, how will this work in assessing financial feasibility? Is the same level of commitment needed as meeting the EFC threshold?

A letter from the relevant authority would be needed stating that vouchers will be provided to the Project by the due date to show that those funds are committed, in order to properly assess financial feasibility.

(a)(7) What documentation is required when a project is utilizing project based vouchers?

AHSC NOFA Round 6, VII.C: Project-based rental assistance does not need to be committed at time of application, but a full executed contract will be required prior to loan closing. Projects having or proposing project-based rental assistance must provide documentation of current contract rents. Projects having or proposing project-based rental assistance shall fund a Transition Reserve in accordance with MHP Guidelines Section 7312(f)(2)

Project-based rental assistance is not considered an enforceable funding commitment.

(a)(7) Can ongoing maintenance costs for an STI or TRA be counted as leverage?

Only eligible costs capitalized in the STI & TRA development budgets will count as leverage. Section 103(c)(2) states ineligible costs includes routine maintenance of transportation infrastructure (including transit fleet).
(a)(7) Can a private foundation count as an EFC?

Private foundation funds may be counted as Enforceable Funding Commitments provided they meet the definition of Enforceable Funding Commitment (appearing in Appendix A of the Guidelines) and are accompanied with a commitment letter from the funding entity. The AHSC Application also lists the requirements of an EFC.

(a)(7) What type of EFC documentation is needed for funding from a local jurisdiction? If they are funding multiple project components, will one letter addressing all components be sufficient?

A letter clearly delineating the amount of funding provided to each component will be sufficient for documenting a local government Enforceable Funding Commitment assuming it meets the requirements listed in the application. Required EFC documentation from a Local Jurisdiction is no different than any other funding entity.

(a)(8) Does the developer need NEPA clearance for uncommitted public agency funds?

If the Project budget includes Federal funds, NEPA clearance is required.

(a)(8) There are a number of other HCD programs that have similar awards timelines to AHSC. If our project is also applying to these programs, can we count them as an EFC once they are awarded?

If the applicant cannot show they have been awarded other HCD funds by the AHSC application due date, they will be considered non-committed and will not count towards the 90 percent or greater funding commitment per Section 106(a)(7) of the AHSC guidelines.

(a)(8) I can’t tell from the application or regulations if entitlements/CEQA/NEPA are needed at application or before we disburse funds?

For AHD or HRI components of a project, all environmental clearances, including CEQA and NEPA, must be completed and approved at the time of application. There is a 30 day grace period following the application deadline for any outstanding lawsuits or appeals to lapse. Please see the Round 5 AHSC Guidelines Section 106(A)(8) for this requirement.

(a)(8) Can a project count EFC’s that go toward its housing project as part of its leverage calculation if it not requesting AHD funds from the program? What if it is requesting HRI but not AHD?

A Project cannot count EFC’s towards a project that is not requesting AHSC funding. For example, if a housing development isn’t requesting AHD or HRI funds, its EFC’s will not contribute to the leverage calculation and it will not be eligible for scoring criteria. If a housing development is requesting either HRI or AHD funds, then its EFC’s will count towards the leverage calculation. In this case, total development costs for the affordable housing development will be considered in the calculation of the EFCS. Request of
funding subjects project components to the AHSC guidelines and all related requirements.

(a)(11) How recent do title documents need to be in order to demonstrate site control?

Preliminary title report must be no more than 6 months old. Any preliminary title reports within this time frame will be accepted.

(a)(11) If an AHSC applicant has fee title for the AHD site, sufficient to satisfy Site Control, but the title report has some encumbrances on it, will this be a problem with the AHSC application? They will show up on the title report that they use to demonstrate Site Control. The applicant is working to clear the encumbrances and anticipates that will happen well in advance of closing.

The AHSC note shall be secured by the AHD property in the form of a deed of trust in senior lien position. Any unapproved encumbrances on title will need to be removed.

(a)(11) If an applicant has a conditional use approved by the municipality at the time of application and the municipality has a conditional use permit administrative appeal process that extends 30 or 60 days beyond the application date, will this still meet threshold requirements?

The possibility of another entity later contesting an approved permit does not invalidate the existing permit. The timing and scope of the Conditional Use Permit must align with the Project schedule.

(a)(12) The application workbook in the STI tab lists a required FAAST upload as follows: "Where the party making improvements funded by AHSC is not a public entity, an executed agreement from a public agency certifying the satisfactory completion of similar infrastructure improvements." However, the guidelines state that the Program requires "an executed agreement with that specific Locality or Transportation Agency for the completion of the STI components of the AHSC Project for which funding is sought." Can you clarify what is required as an upload for this section?

Per the workbook instruction in cell A76, “… provide an executed agreement with that specific Locality or Transportation Agency for the completion of the STI components of the AHSC Project for which funding is sought.” This executed document must indicate the project components (as part of this Application) that will be completed by the non-applicant Locality or Transportation Agency. It does NOT need to provide documentation or certification of prior experience for the applicant or non-applicant Public Agency that is completing the improvements.

(a)(12) If an applicant is satisfying the STI/TRA experience by signing an agreement with their transportation partners(s), is this agreement needed at time of application, or at time of standard agreement? Does the transportation agency need their board to approve the agreement?
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Unless otherwise noted, all Application Threshold Requirements described in Section 106 of the Guidelines must be demonstrated at time of Application. An executed agreement between the parties must be uploaded as part of the Application package.

(a)(12) How should applicants address situations where a non-public partner will be constructing the STI and TRA infrastructure development? For example, what if the Housing Developer builds the bike lane? What if a private Master Developer builds the bus stop? What if a sub-contractor to the City builds the crosswalk? How will the new experience requirements be satisfied where a city outsources the actual construction of a STI or TRA to a private contractor?

There is nothing preventing a non-public partner from constructing the STI/TRA other than the experience requirement. The exception detailed in Section 106(12)(A) is optional and is only intended to provide additional flexibility. Applicants can use Cities, Counties, or Transit Agencies as a proxy for demonstrating the required experience. These public entities can still fulfill this requirement even if they then contract with a third-party for the actual construction.

(a)(14) If the developer of a project clears their site of vacant structures for safety purposes but does not do any grading or any type of earth work, would that still be considered starting construction?

As stated in the threshold requirements, construction of the project may not have commenced as of the Application deadline. Demolition of structures or buildings that have been severely damaged as a result of an earthquake, fire or other disaster, and which requires immediate demolition because of an imminent threat to public safety, are exempt from this requirement. Certification by the Local Building Official to demolish a building on such grounds must be submitted. An emergency demolition permit does not include grading or excavation of a site, or the commencement of construction activities associated with proposed improvements to the site.

(a)(14) If a site has commenced grading, does this disqualify them from applying?

Site preparation work, including grading, would be considered as having commenced construction.

(a)(16) If a site is currently a homeless shelter, does relocation law apply?

State Relocation Law applies to every AHSC funded project. Applicants are encouraged to engage an expert in California State Relocation Law.

(a)(19) Is infill something AHSC evaluates as a threshold? How are projects screened to make sure they are infill?

There is no infill threshold, but threshold 19 states that projects can't result in a loss of "agricultural or other working lands, or natural resource lands for other uses." Agricultural land is defined in the Farmland Mapping and Monitoring Program tool and our exception is clear in the appendix definition of "infill site. There is no such tool to
identify "other working lands" or "natural resource lands for other uses," and as such, sites will need to be evaluated on a case by case basis.

(a)(20) In regards to not replacing already committed funds - if a public agency had an existing streetscape plan with funding but agrees to change their scope so that a portion of that plan could be funded with AHSC dollars, does this violate that specific guideline section?

If the agency expands their existing scope, and would need AHSC funds to fund the newly added components, this would not violate the threshold requirement. For example, if an agency had planned and had funding for a Class II bike path but realized that with additional funding from AHSC, they could install a Class IV bike facility, this would be considered an eligible project.

(b) Please clarify the intent for the current funding round in terms of funding targets, Disadvantaged Communities, Low-Income Communities, Low-Income Households, and whether targets are for projects benefitting and located in these communities?

The AHSC Program has a statutory requirement to award at least 50% of funds to projects that benefit disadvantaged communities. AB 1550, requires that the California Climate Investment (CCI) Programs award an additional 10% of Cap-and-Trade revenues in low-income communities. While AHSC does not have a statutory requirement to fund projects in low-income communities, Program staff have made a good faith effort to incorporate requirements set forth in the Air Resources’ Board Funding Guidelines on funding projects in low-income communities, into the application. The Funding Guidelines provide criteria to evaluate whether a project provides a benefit to a Disadvantaged Community, Low-Income Community, or Low-Income Household.

Scoring Criteria

Active Transportation Improvements

Can a bike lane for which only TRA costs are requested from AHSC be included in the linear miles for Context Sensitive Bikeways points? Must STI funding be included to count linear miles?

Appendix A (n) defines Context Sensitive Bikeways as “on-street infrastructure for bicycle riding that is appropriately applied based on the traffic volumes and speeds on a specific street…” Because the definition is specific to on-street infrastructure, applicants must request STI funds for improvement or creation of new Bikeways in order to count linear miles for Context Sensitive Bikeways.

Are points associated with Key Destinations applicable to Key Destinations that are not existing but will be in place by the time the corresponding infrastructure is built count?

Key Destinations must be operational at the time of application. Applicants are not able to sufficiently prove that Key Destinations will be operational by the time infrastructure is built, so scoring relies upon existing resources.
Does a farmers market that accepts EBT/SNAP benefits qualify as a "grocery store" for Key Destination scoring?

Farmers markets that accept EBT/SNAP will qualify as a grocery store for Key Destination scoring.

For purposes of Amenity Scoring - what is the formal definition of an "office park?" (This also has GHG implications as it overlaps with Key Destinations which must be mapped out).

For the purposes of AHSC, an office park is a group of two or more office buildings.

A Safe and Accessible walkway is defined by three categories, one of which is “Attributes which contribute to comfort and safety including, but not limited to, adequate lighting or shade canopy.” Can applicants include attributes not listed but which are critically needed to provide comfort and safety to pedestrians utilizing an oversubscribed urban intersection, such as bulb-outs and pedestrian countdown signals?

The test for providing points for a “Safe and Accessible Walkway” is whether the improvements are contextually designed and substantial enough that a person who might not have walked that distance would be inclined to do so with the improvements in place. The elements described in the question appear to be valuable components of a Safe and Accessible Walkway, as long as they are designed and implemented in such a manner that the corridor is noticeably improved.

If a City is electively planning to install a bike treatment that exceeds the definition of Context Sensitive Bikeways (i.e. a class IV where only a class II or III would otherwise be required per the definition) would this be an eligible cost, and would it count towards the points for Active Transportation?

Yes and Yes. Projects that go above and beyond the requirements for Context Sensitive Bikeways will count towards linear miles.

Are safe and accessible sidewalks counted for both sides of a street for determining linear miles?

Each block face of safe and accessible sidewalks will be counted toward linear miles. For example, sidewalks on each side of a quarter mile block will count as a half mile. However, a single stretch of sidewalk on one side of the road will only count in one direction.

How do you count points for bikeways and sidewalks that are on both sides of the street? And different classes of lane?

Two way cycle tracks can be counted as double (once for each direction). Sidewalk improvements must be made on both sides of a road in order to be counted in both directions. In order to be counted as linear miles in the scoring section, the upgrades...
must meet the definition provided in the appendix for "context sensitive bikeway" or "safe and accessible walkway."

Can a given improvement count as both a bikeway and a walkway? For example, would a rail trail used for both walking and biking count for both?

Even though facilities like rail trails are functionally accessible to both pedestrians and bikers, they can only be counted once in the linear mile calculation and the QM. The only exception to this would be if there was a "separate" pedestrian facility immediately parallel to the bike facility.

Do upgrades to existing bike lanes or pedestrian walkways count towards the linear miles for points?

In order to be counted as linear miles in the Quantitative Policy scoring section, the upgrades must meet the definition provided in the appendix for "context sensitive bikeway" or "safe and accessible walkway." Furthermore, the improvement must be significant enough to change whether or not the bikeway/walkway meets that definition. For example, if a street had a class III bicycle facility, but for it to be considered a context sensitive bikeway it needed to be a class II facility, an upgrade from class III to class II could count as linear miles in the scoring section. In the QM, upgrades to existing bike lanes will only be considered in the TAC if they change class.

Do bike lane and pedestrian improvements have to be contiguous to achieve points? Do all four sides of the block have to be on the same block?

No, the improvements do not need to be contiguous to be counted towards the linear miles calculation.

If an applicant is proposing traffic calming measures that will reduce Average Daily Traffic (ADT), can the projections of the Transportation Department for the resultant ADT be used to qualify for the appropriate bikeway class for context sensitive bikeways?

Yes, applicants should use projections of the resulting ADT after the traffic calming measures are implemented to determine the appropriate bikeway class for points received under “Context Sensitive Bikeways”.

How far away can amenities or existing and operational services be from an AHSC project in order to receive points for them?

In order to receive points for “Location Efficiency and Access to Destinations” points, you must demonstrate on a map that the listed amenities are within the Project Area.

Where can we see successful scores from the previous award rounds?

Scores from previous rounds are available on SGC's AHSC Resources page: https://www.sgc.ca.gov/programs/ahsc/resources/awards-applications.html Please reference the scoring data from previous rounds.

Additional Questions? Please email: AHSC@sgc.ca.gov
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Green Buildings and Renewable Energy
Can commercial kitchen stoves in mixed use buildings be excluded if the rest of the building (i.e., the residential units) are fully powered by electricity? This is regarding the new 7 points for all the electric buildings.

Seven points will be awarded to all-electric projects, with no connections to natural gas infrastructure (this includes commercial stoves). However, three points will be awarded to projects that utilize all-electric appliances for at least two of the following three categories: water heating, space heating, cook stoves. The project also must be all-electric ready (wired so there are 240-volt outlets near any gas appliances).

Housing and Transportation Collaboration
Can prior AHSC awards be counted for the GGRF leverage point?

The language in the AHSC guidelines states “other” GGRF programs, meaning a previous AHSC award does not qualify for this point.

Please provide a list of "environmentally cleared California high speed rail station planning areas."

Currently, the list of environmentally cleared HSR stations include:
- Merced
- Fresno
- Kings/Tulare
- Bakersfield

If a Project has received a grant from California ReLeaf, which received GGRF funding from CalFIRE to provide sub-grants for Urban Forestry, will this count as receiving GGRF Program funding? Does SGC see this as match since it is not directly from a state agency, but provided by one (CalFIRE) to ReLeaf?

In the Housing and Transportation Collaboration section of the Quantitative Policy Scoring, applicants may receive one point for Projects which have received funding from other Greenhouse Gas Reduction Fund (GGRF). California ReLeaf is funded through the GGRF so an AHSC proposal that includes a ReLeaf component will receive the point as long as that component directly benefits or contributes to the development of the proposed Project.
The guidelines state one point will be given to Projects leveraging other Greenhouse Gas Reduction Fund (GGRF) Program funds. How can applicants prove that they are leveraging other GGRF funds?

A listing of GGRF funded programs is available on the California Climate Investments website at: http://www.caclimateinvestments.ca.gov/about-cci. Applicants should submit an award letter from the CCI Program in question to show proof of funding.

**Location Efficiency and Access to Destinations**

Can a full service bank-operated ATM with the ability to process withdrawals and deposits be used as a Bank for the purpose of Key Destination scoring for both Quantitative and GHG purposes?

ATMs are not considered Key Destinations for either GHG quantification or Quantitative Policy scoring purposes.

What should applicants do in the case that the AHD straddles two different walkability scores?

Applicants should use the address of the AHD to determine the walkability score. If the address for the AHD is not available, applicants should use the center point of the Project to determine the walkability score.

For Rural projects, are the distances for site amenities increased?

All applications are scored across the same criteria. For purpose of fulfilling AHSC’s project area targets, including for RIPA projects, the top scoring projects within each project area types are selected.

**Anti-Displacement Strategies**

On Anti-displacement, if no policy currently exists and we want to ask the City to adopt an appropriate policy, does the policy need to be fully adopted before we can get the point? If the city has started the process to propose the policy but it has not yet been adopted, will we get the point?

If the policy is not in place and documented at the time of submission, no credit will be awarded.

For anti-displacement scoring, do strategies have to be new and funded by AHSC or can they be pre-existing?

Anti-displacement Strategies/Programs can be existing or implemented through the AHSC project.
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Would a rental mediation program limited to COVID-related disputes (funded through the CARES act) meet the requirements for a point in the residential anti-displacement section?

Rental mediation programs provided by the applicable locality, including that funded through the CARES act, are eligible for the "Rent review board and/or mediation, foreclosure assistance, or multilingual tenant legal counseling services" criteria within Anti-Displacement Strategies Scoring.

Local Workforce Development and Hiring Practices
Can an applicant claim a workforce strategy twice. ex. partnering with two workforce organizations and claiming 3 point under the first strategy. Or can each strategy only be used once?

Each workforce development strategy, listed by bullet points, may only be fulfilled once for AHSC scoring purposes.

Would Federal Section 3 provisions be sufficient to meet the Local Hire requirement outlined in the Workforce Development scoring section?

Section 3 documentation submitted will be reviewed on a case-by-case basis to assess conformity with AHSC guidelines requirements.

For workforce strategy A (partnership with a workforce organization), can the funds go to a community college that partners with a CBO for workforce development?

A community college is an eligible workforce development organization so long as they can fulfill all aspects of the workforce development scoring criteria, including demonstrating significant jobs placement rate of trainees.

Are "Local Workforce Development and Hiring Practices" intended to be implemented after project award or as part of project construction?

The available "Local Workforce Development and Hiring Practices" include several options, and while some are intended to be implemented during project construction, others may be targeted towards residents of the AHD once it is occupied. These strategies may be implemented during project construction or after completion of the project. However, they must be implemented within the contract reporting period (generally five years after completion of the Project).

Is there a distinction between a "workforce development organization" and a "workforce development board" as described in section (3) of the Local Workforce Development and Hiring Practices section of the guidelines?

In regards to AHSC’s Local Workforce Development & Hiring Practices scoring, a workforce development organization is a community based organization. A workforce
development board is a part of a local, state, and federal network for workforce development with defined service areas across California. While there may be multiple workforce development organizations operating within an area, there is only one workforce development board per area. These two types of organizations do not overlap.

**Programs**

**Can applicants receive credit for electric vehicle car share programs?**

EV car sharing programming is an eligible PGM expense that is potentially eligible for points detailed in Section 107(k) of the AHSC Round 5 Guidelines. Car share programs are only eligible if the vehicles are zero emission vehicles. Zero emission vehicles include battery electric vehicles, plug-in hybrid electric vehicles, and hydrogen fuel cell vehicles. Program costs could include staff, marketing, and/or car share wallet provisions that benefit low-income community residents. This could mean a targeted marketing campaign or a car share wallet for low-income residents. Ineligible costs include, but are not limited to, cars and car operation and maintenance.

EV charging infrastructure is eligible under AHD, HRI, STI, and TRA as follows:

- **AHD**= located at the AHD for public use, located at the AHD just for residents, or located at the AHD for use by a car share program
- **HRI**= if a condition of approval (e.g. building code requires)
- **STI**= EV charging for public transit fleet vehicles
- **TRA**= publicly accessible EV charging at parking for transit station/stop

**Community Benefits and Engagement**

**For the letter of support from local community-based, grassroots organization, what is meant by a grass roots organization? What kinds of organizations can qualify?**

The letter should reflect support from representatives of the area, e.g., neighborhood residents, businesses or organizations, where the proposed development will be located, and should describe opportunities that were available for their review and comment or other engagement for the proposed project, or of the public plan(s) or policies which the project will implement. If there is not a CBO in the immediate area, a support letter from an advocacy organization representing low-income or eligible disadvantaged populations in the community could be submitted.
Multi-Phased and Scattered Site Projects

How should a scattered site project treat the walkability scoring section 107(e)(1) when their multiple AHDs return multiple walkability scores?

A scattered site project that returns multiple walkability scores will receive an AHSC scored based upon the average of the walkability scores.

If two phases of a project are on a single parcel but the AHSC application only contains one phase, can the density be calculated using a pro-rated density?

With applicants that are applying with multiple AHD’s, do all of the AHD’s need to include AHSC funds? If AHD2 is part of the development but does not include AHSC funds, does it still need to meet AHSC underwriting requirements? Would the GHG reductions from those AHD2 units be included in the application?

Per Guidelines Section 103 (a) (1) (E), an affordable housing project may only contain one (1) Affordable Housing Development (AHD).

A single AHD may contain scattered sites, as long as all requirements for scattered sites are met, as set forth in Section 8303(b) of the Uniform Multifamily Regulations (UMRs).

For scattered site projects, does each parcel need to have a qualifying transit stop? If so, do the project areas overlap? Can one parcel "share" the same qualifying transit stop?

AHDs must be within 1/2 mile of a qualifying transit station/stop. The half mile is measured from the nearest boarding point of the transit station/stop to the entrance of each AHD measured along a walkable route (as described on page 11 of the guidelines).

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?

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?

No. Construction cannot have commenced before the application due date 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.
**Legal and Reporting Requirements**

Under what circumstances do AHSC projects trigger prevailing wage?

AHSC Program funds are subject to State prevailing wage law, as set forth in Labor Code Section 1720 et seq., and require the payment of prevailing wages unless the project meets one of the exceptions of Labor Code 1720 (c) as determined by the Department of Industrial Relations. Applicants are urged to seek professional advice as to how to comply with State prevailing wage law.

**AHSC Application Workbook and Uploads**

In row 80 of the STI and TRA tabs, and row 49 of the PGM tab, the workbook asks, “Which applicant demonstrates the prior experience noted below[?]”. The response cell features a drop-down menu populated from the named applicants on the Overview Tab (rows 89-163). However, the guidelines allow for a non-applicant partner (participating through an “agreement” with the applicant) to be the party demonstrating experience.

Is the omission of a selection option for non-applicant partners intentional? And if not intentional, how should the projects using a non-applicant partner (to complete the STI, TRA, or PGM components) address those rows in the application workbook?

Non-applicant partners are unintentionally omitted from these drop-down menus.

Projects that use a non-applicant partner to complete the STI, TRA, or PGM components can leave row 80 of the STI and TRA tabs, and row 49 of the PGM tab, blank. Projects should fill out rows 81-97 of the STI/TRA tabs, and rows 50-55 of the PGM tab, as they would if they could list the non-applicant partner in row 80 of the STI and TRA tabs, and row 49 of the PGM tab.

HCD will approve the experience of the non-applicant partner even if the cell is blank, so long as the applicable executed agreement is uploaded (STI/TRA tabs--row 86) and satisfactory to HCD.

Is the statement covering "eligible costs incurred" in row 38 of the STI tab of the application workbook, in conflict with the AHSC Round 6 Guidelines? And if so, how should applicants respond to the statement in the application workbook?

In the application workbook, row 38 of the STI tab contains the following inaccurate language: "...Costs incurred prior to execution of the Standard Agreement are not eligible for reimbursement.” Please disregard the quoted phrase above. Its inclusion was unintentional and inconsistent with the AHSC Round 6 Guidelines section 104.c.(3).
Where conflicting language exists between the application workbook and the AHSC Guidelines, the Guidelines prevail. Therefore, applicants should respond to the statement on row 38 of the STI tab, as if the following language were used:

“(2) We acknowledge that AHSC Program grant funds will be disbursed as reimbursed progress payments for eligible costs incurred after the execution of the Standard Agreement in the amount not to exceed the AHSC Program award of funds. Costs incurred prior to award are not eligible for reimbursement.”

Will scanned signatures or DocuSign be accepted in place of required “wet signatures”?

Applicants will be allowed to submit documents using DocuSign or scanned signatures this round.

What can applicants do if they are encountering an issue selecting the STI/TRA/PGM checkboxes in the Overview Tab of the Application Workbook?

To our knowledge, the only reason applicants might encounter issues checking the STI, TRA, or PGM boxes in the Overview tab would be that they have not enabled content in the Application Workbook. This should be easily remedied by clicking on the enable content ribbon at the top of the document.

In the “Development Team Contacts” section of the Overview Tab, the application asks for the full set of legal documents (resolution, certification, org chart, etc) for each entity. The upload checklist and FAAST portal do not include an attachment category for any of the Development Team Contacts entities.

Can you please confirm whether or not we need to submit the full set of documents (Owner Cert & Legal Disclosure, Owner Reso, Owner OrgDoc, etc) for the entities in the Development Team Contacts section?

You will need to submit contact information for anyone who will be a party to the signature block, as long as that organization exists at the time of application. All of the associated FAAST files for each organization will also need to be submitted.

When uploading the FAAST files, name the "Attachment Title" as the "File Name" listed in the AHSC Application Workbook. This will first require you to select an "Attachment Category". The "Attachment Category" you select does not matter. If there are multiple documents of the same name, please add numbers after the "Attachment Title". For example, MGP Org Doc 1, MGP Org Doc 2, MGP Org Doc 3, etc.

We're not seeing a few documents in the [FAAST] dropdown menu. Should we follow the same methodology you provided (e.g. picking any attachment category and entering the respective file name in the 'Attachment Title')?
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If an upload is missing from the FAAST “Attachment Category” dropdown list, please name the "Attachment Title" as the "File Name" listed in the AHSC Application Workbook. This will first require you to select an "Attachment Category". The "Attachment Category" you select does not matter. If there are multiple documents of the same name, please add numbers after the "Attachment Title". For example, MGP Org Doc 1, MGP Org Doc 2, MGP Org Doc 3, etc.

Can applicants use the sample resolution template from previous years (this is particularly relevant for re-applications)?

Applicants are strongly encouraged to use the latest Resolution templates that are posted on the HCD website. The checklist in the application workbook is an attempt to include everything from the template, though it doesn't contain the nuances related to the organizational structure and project. Please reference the resolution template for all requirements.

There appears to be a formatting issue with the AB 1550 document. The more text entered into the Step 2 description the smaller the text becomes. It believe illegible fairly quickly. Please provide direction as to how applicants should fill out the form.

Please keep text responses brief. Acceptable responses include listing a single CalEnviroscreen metric or common need as detailed in Approaches C and D and a sentence or two about how the AHSC project addresses this need.

For the Narrative-Based Policy section of the Application, would it be okay to upload a PDF that includes hyperlinks to the various regional and local plans we reference?

The Narrative-Based policy answers must be submitted as a PDF that does not exceed 6 pages in length. All additional required documentation must be submitted as a downloadable document, and not as a web link. Because we have no way to verify that online materials submitted at date of application will not change by the time they are reviewed, we cannot accept links.

If you are having issues with uploading documents, please contact the FAAST Help Desk at 1-866-434-1083 or FAAST_ADMIN@waterboards.ca.gov.

Both the Legal Disclosures and the Payee Data Record documents state they are required for all applicants - yet within the documents themselves they state the Public/Governmental entities do not need to complete them. What should applicants that are Public Partners do?

Whichever applicant is the designated payee must complete the Legal Disclosures and the Payee Data Record documents. If the Public Partner wishes to be a designated payee also, they must fill out this form.

Applicants should fill this out to the best of their ability. The critical sections are the Name & Address in Section 2. Public Partners will not have an EIN or SSN so they may leave section 3 blank. In Section 4, they should check the upper box. The Public
Partners’ Authorized Representative should be the one signing in Section 5. Section 6 they may leave blank.

**Where should Transit passes be added to the budget?**

Free and discounted transit pass programs for residents of the Affordable Housing Development may be funded as a Program Cost as identified in the AHSC Application Program Budget.

**If we change from 4% to 9% credits, will impact our application?**

Depending on how your project’s funding is structured, switching from 4% to 9% tax credit could potentially impact the max loan amount the project is eligible. This scenario would be reviewed on a case-by-case basis.

On the application workbook, STI and TRA tabs, what is meant by "select the primary transit mode supported by this STI/TRA?" I see the drop downs, but is it "N/A" if, for example, the STI is a bikeway?

STI and TRA projects that are not directly making improvements to transit should list N/A. A bikeway expansion project, for example, should list N/A.

To address issues with the application workbook that are not covered here, or have proven persistent despite attempts to use guidance provided in this document, please reach out to HCD for application support (AppSupport@hcd.ca.gov). Following the instructions in row 2 of the Application Support tab, please contact the application development team as soon as possible.

HCD staff would greatly appreciate it if applicants attached the full Application Workbook in any App Support email. That way, the HCD App Support team can make corrections directly in the applicant’s document and send an updated version back.

**Implementation**

If funds are requested to implement increased transit service, when must the transit service be operational (by AHD placed in service)?

This depends, in part, on what the grant funds are actually reimbursing. As a rule, however, transportation components must be operational within the period of time set forth in the Standard Agreement, but not more than five years from the date of the AHSC Program award.

Many STIs under consideration have already incurred soft costs (although construction of the STI has not commenced). Can those soft costs still be included in the AHSC budget/request?

Any costs incurred before the Standard Agreement is executed will not be eligible for reimbursement of grant funds.
For the 5 years of transit operations funding: do all 5 years of the funding have to be expended within the ~5 year period of performance?

The period of performance, or project milestones, described in Section 111 of the guidelines apply only to the affordable housing development. Periods of performance for grant funding will be described in the project's standard agreement, set in accordance with the project description and GHG reduction estimates.

**Tribal Projects**

Are Tribal applicants developing housing held to the same experience requirements as other developers? Many Tribes have not had the funding required to undertake projects and rely on development partners for experience with other programs.

AB1010 (Garcia, 2019) allows for the waiver of various state requirements. The AHSC Program approves the allowance of utilizing another entity’s experience for tribal applications as it is in our belief that Tribes are at a disadvantage in this category. To ensure better fair housing practices, we would like to further aid tribes in their potential developments. Our program must account for tribal organizational structures to be completely different from other applicants and thus take a unique approach to application review.