

Notice of Funding Availability
For the Development or Acquisition of
Affordable Housing



RFP ISSUED: (02/08/2023)

RESPONSE DUE DATE: (03/17/2023)

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County of Marin
Notice of Funding Availability
For the Development or Acquisition of Affordable Housing

INTRODUCTION

The County of Marin hereby announces the availability of grant funding to spur the creation of affordable housing. These funds are being made available through a commitment by the Marin County Board of Supervisors to encourage the development and preservation of affordable housing in both unincorporated and incorporated areas of the County. Affordable housing funds are being made available through the Board of Supervisors and the U.S. Department of Housing and Urban Development.

Successful applicants will be responsible for all entitlements, construction, and long-term management of the housing. Community Development Agency staff in the Housing and Federal Grants Divisions will provide technical assistance on topics such as site analysis, assistance with fee waivers, and conducting public outreach.

Available Funding

The funding, made through a competitive process, will be available for one or more projects that meet the goals and selection criteria outlined in this Notice of Funding Availability (“NOFA”), subject to formal approval by the County. In addition to the funding described in this NOFA, the County and some of the cities and towns in Marin also have other affordable housing funds. A description of additional potential funding sources is provided below.

Through this NOFA, the County seeks to identify and engage prospective affordable housing partners to construct new affordable units, acquire market-rate housing for conversion to affordable housing, and/or rehabilitate existing affordable units.

- Marin Affordable Housing Fund and matching Permanent Local Housing Allocation (HTF/PLHA) provides funding for financial and technical assistance to help affordable housing developers produce and preserve affordable housing units in the County. **Funding available: \$2.3 million.**
- Home Investment Partnerships Program American Rescue Plan (HOME-ARP) provides funding for financial and technical assistance to help affordable housing developers produce and preserve affordable housing units in the County for qualifying populations. **Funding available: \$2.4 million.**
- Community Development Block Grant Housing funds provides financial support for acquisition and rehabilitation of affordable housing. **Funding available: \$600,000.**

Allocation Process

- Applications will be open on Wednesday, February 8, 2023.
- Bidders Conference: Wednesday, March 1, 2023 from 1 P.M. to 2:00 P.M. via Zoom.
 - **Registration is required:**
<https://us06web.zoom.us/meeting/register/tZUod-GrqDkrH9bZ4INwvAu55rOD7dJfqImj>
- Application Office Hours: Thursday, February 16, March 2, and March 16 from 1 P.M. to 2:00 P.M. via Zoom.
 - Join Zoom Meetings:
<https://us06web.zoom.us/j/82250574342?pwd=STIXUWdQK2xsa2lvenNTThkzTWcrZz09>
 - Meeting ID: 822 5057 4342
 - Passcode: 324253
 - Or dial by phone: (669) 444-9171
 - Meeting ID: 822 5057 4342 #
 - Attendee ID: #
 - Password: 324253 #
- Applications will be due on Friday, March 17, 2023, no later than 5:00 PM. Authorized hardcopy submissions must be in hand - POSTMARKS WILL NOT BE ACCEPTED.
- Staff will review applications between March and April.
- Public hearings to determine recommendations will be held April - May 2023.
- The Board of Supervisors will hold the final public hearing to approve final recommendations in June.
- County of Marin will submit approved recommendations to HUD in June.

Allowable Locations

Proposed projects can be located within unincorporated areas or within the boundaries of the eleven incorporated cities and towns. In order to receive funding through the HTF/PLHA program projects must be in jurisdictions with a certified housing element. CDBG and HOME-ARP funds are not restricted by certified housing element status. The County desires to focus the new affordable housing in high resource areas as defined by the California Tax Credit Commission's opportunity maps. Funding for affordable housing rehabilitation is not limited to high resources areas. The County and the cities do not own land identified for affordable housing purposes. Consequently, this NOFA does not identify specific development sites. In order to support developers with site identification, Attachment A shows the housing opportunity sites identified in the Housing Element of each Marin County jurisdiction. This list is intended as examples of possible sites, although funding for this NOFA is not limited to these sites.

SELECTION CRITERIA

Projects will be evaluated using a standard set of basic eligibility criteria as well as specific criteria addressing each funding source's goals and requirements. Submissions will be ranked based on selected criteria, including, but not limited to:

- Site control, which may be in the form of: executed deed; a contract of sale; an option to purchase; a local Land Disposition Agreement; or a letter from a public agency or other entity agreeing to convey the property, including the terms and conditions of such a transfer.
- Expertise and experience of the development entity and team in designing and constructing high-quality, affordable housing projects.
- Financial and organizational capacity of the team to successfully complete the project, including the ability to secure financing and leverage other funding sources.
- Successful record of long-term management of affordable housing.
- Capacity to provide the greatest return on the County's investment by maximizing the number of affordable bedrooms/units created through the creative use of building designs, materials, construction techniques, etc.
- Per unit subsidy requested will be compared with current and past County-assisted housing developments.
- Ability to leverage other funding sources, including Low-Income Housing Tax Credits. Marin County is located in the California Tax Credit Allocation Committee (TCAC) Northern California Region.
- Support projects that Affirmatively Furthering Fair Housing and have the commitment and capacity to engage in Affirmative Marketing.
- Prioritize projects that serve members of the protected classes as defined by HUD (race, color, religion, national origin, sex, disability, and familial status).

Universal Project Requirements:

- Applicants must either be a nonprofit, government entity, or have a fiscal sponsor that is a nonprofit or government entity. Individuals are not eligible for funding.
- Units serving households at 60% of the Area Median Income or below.
- Deed restriction in perpetuity or the maximum allowed by other public funding.
- Construction costs in line with, or below, similar development projects in Marin County.
- Ability to meet the Marin County Green Building Code requirements for new construction, rehabilitation, and additions to multifamily residential properties.
- Accessibility requirements of the Fair Housing Act.
- Uniform Federal Accessibility Standards (UFAS).
- Title III of the Americans with Disabilities Act of 1990.

CDBG & HOME-ARP Project Requirements:

Projects funded through CDBG and HOME-ARP may be subject to the following:

- County procurement policies for contractors and/or materials depending on the funding purpose and amount.

- Federal Davis-Bacon prevailing wages for construction workers depending on the number of units. (Davis Bacon often has standards that differ from California prevailing wage standards.)
- Section 3 - employment and economic opportunity for low- and very low-income persons compliance, depending on the funding purpose and amount.
 - Section 3 is not triggered by land acquisition nor material supply contracts.
- Lead testing, risk assessment, and potential abatement on housing projects built before 1978 in accordance with the [Lead Safe Housing Rule](#).
- CDBG projects receiving over \$200,000 are subject to Build America, Buy America Act (BABA), requiring domestic content procurement preference for all iron, steel, manufactured products, and construction materials used in covered infrastructure projects.

HTF/PLHA Additional Criteria:

- Eligible projects:
 - Rental Housing – Acquisition, New Construction, Rehabilitation.
 - Homeowner Housing – Acquisition, New Construction, Rehabilitation.
 - Special Needs Housing – Acquisition, New Construction, Rehabilitation.
- Priority for family housing projects and/or land trust in eastern Marin that provides homeownership opportunities, with specific inclusion for African Americans.
- Project readiness: applicant must have site control for development projects, land use entitlements, environmental review, and commitments of other required funding and resources.

HOME-ARP Additional Criteria:

- It is anticipated that HOME-ARP funds will leverage HTF/PLHA funding.
- Eligible projects:
 - Rental Housing – New Construction or Acquisition for preservation and Rehabilitation.
- Project must restrict a subset of units at 30-50% AMI for 20 years.
- Priority for family housing for families who are experiencing homelessness, at risk of homelessness, and families that are domestic violence victims and experiencing homelessness or at risk of homelessness. However, HOME-ARP funds must be used to primarily benefit individuals or families from the following qualifying populations:
 - Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
 - At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));
 - Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary;
 - In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability;

- Veterans and families that include a veteran family member that meet one of the preceding criteria.
- Projects sponsors will be required to comply with The Violence Against Women Act (VAWA).

CDBG Additional Criteria:

- Eligible projects:
 - Rental Housing – Acquisition, Rehabilitation.
 - Homeowner Housing – Acquisition, Rehabilitation.
 - Special Needs Housing – Acquisition, Rehabilitation.
- Priority for family housing projects and/or land trust in eastern Marin that provides homeownership opportunities, with specific inclusion for African Americans.

Additional consideration will be given to proposals that exceed the minimum qualifications.

The following applications will **not** be accepted:

- Applications from for-profit developers;
- Applications for emergency shelters or temporary housing.

PROCUREMENT AND FUNDING APPROVAL PROCESS

PROPOSAL DEADLINE: March 17, 2023 at 5 P.M. PDT

Submissions are due **via the online application** (<https://marincounty.jotform.com/230235392968059>) no later than March 17, 2023 at 5 P.M. PDT.

Incomplete submissions or submissions that do not meet the minimum qualifications or otherwise do not conform to the requirements specified herein will not be considered.

It is recommended that applicants complete the long-answer application questions in a document saved to a local computer prior to completing the online form for submission. Community Development staff have provided an Application Prep Tool in the NOFA packet for this purpose, which is posted on the County's [Federal Grants webpage](#).

Applicants are encouraged to contact Community Development staff with questions regarding this NOFA. All questions or clarifications should be submitted via email to Molly Kron, Senior Planner, Marin County Community Development Agency at federalgrants@marincounty.org or (415) 473-6279.

Written responses to questions will be provided within 5 days of receipt and published periodically on <https://www.marincounty.org/main/bids-and-proposals> as an addendum.

Timing

County staff anticipates that the NOFA process will take approximately four months. Staff will provide recommendations of which projects to fund to the Countywide Priority Setting Committee and Board of Supervisors and request Board approval to negotiate the appropriate funding agreement.

Disclaimers

The County reserves the right to suspend, amend or modify the provisions of this NOFA, to extend the submission deadline, reject all proposals, to negotiate modifications of proposals, or to award less than the full amount of funding available.

While the dates and schedule stated in this NOFA represent the County's preferred timetable, it shall not be considered binding on the County. The submission of a response to this NOFA shall not be binding upon the County nor construed as a contract with or a commitment by the County. The County will not pay any costs incurred in preparing a response to this request. The County reserves the right to make decisions on which proposal it deems in the County's best interest, including rejecting all applicants or canceling the process at any time prior to entering into a formal funding agreement.

All submissions shall be public records subject to public disclosure pursuant to the provisions of the Public Records Act (Government Code Section 6250 et seq.).

Minimum County Contracting Requirements

The County of Marin will enter into the appropriate funding agreement with the successful applicants. The funding agreement will require the organization to maintain insurance coverage for the organization and its employees and for the property funded by the County, as specified below. The County of Marin will require each organization to carry the following minimum insurance:

1. Commercial general liability insurance policy in the amount of \$1,000,000 (\$2,000,000 aggregate). The County of Marin shall be named as an additional insured on the commercial general liability policy;
2. Commercial automobile liability policy, including non-owned and hired automobiles, in the amount of \$1,000,000; and
3. Workers Compensation.

All of the above policies shall be payable on a per-occurrence basis.

The contractor may also be required to carry errors & omissions, professional liability, or malpractice insurance.

Environmental review and assessment

Before the final funding commitment, projects must be assessed in accordance with the California Environmental Quality Act (CEQA). If Federal funding through CDBG, HOME, HOME-ARP are committed to a project an environmental review must be assessed in accordance with the National Environmental Policy Act (NEPA), prior to the acquisition or construction commencing. If Project Based Vouchers (PBV) are committed to a project a NEPA review and subsidy layering review must be complete prior to acquisition or construction commencing.

ADDITIONAL INFORMATION

Marin County

Marin County is located north of San Francisco, across the Golden Gate Bridge. The County encompasses 520 square miles of land and has a population of about 261,000 people.

Most of the development in the County is located along the 101 Highway corridor and within the incorporated cities and towns:

Belvedere	Corte Madera	Fairfax
Larkspur	Mill Valley	Novato
Ross	San Anselmo	San Rafael
Sausalito	Tiburon	

The remainder of the County is under the jurisdiction of the County of Marin and is commonly referred to as the “unincorporated County.”

The County has about 6,125 affordable rental housing units owned by nonprofits and 296 units of public housing managed by the Marin Housing Authority. The majority of these units were built prior to 1990. Apart from the reuse of the Hamilton field military base in Novato, the County has seen minimal large-scale housing developments over the past 20 years.

The County and the 11 cities and towns in Marin are in the process of certification for their Housing Elements as part of each jurisdiction’s general plan. The 2023-2031 Regional Housing Needs Assessment (RHNA) for the County, including both incorporated and unincorporated areas, is shown below:

Table 2: 2023-2031 Regional Housing Needs Assessment (RHNA) Marin County

	Very Low Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	Total Units
Belvedere	49	28	23	60	160
Corte Madera	213	123	108	281	725

Fairfax	149	86	71	184	490
Larkspur	291	168	145	375	979
Mill Valley	262	151	126	326	865
Novato	570	328	332	860	2,090
Ross	34	20	16	41	111
San Anselmo	253	145	121	314	833
San Rafael	857	492	521	1,350	3,220
Sausalito	200	115	114	295	724
Tiburon	193	110	93	243	639
Unincorporated	1,100	634	512	1,323	3,569

Additional Funding Sources

In addition to the funds set forth in this NOFA, the following funding may be available:

California Low-Income Housing Tax Credits (LIHTC)

Marin County is in the Northern California Region with Butte, Napa, Shasta, Solano, and Sonoma Counties.

City Housing Funds

In addition to the Countywide funding sources discussed above, the cities of Novato, San Rafael, and Tiburon are housing successor agencies and may have affordable housing funds available from their former redevelopment agencies.

Several cities have also adopted in-lieu fees to fund affordable housing. Each city has different requirements and may include fees on new commercial development and/or on new residential development.

The City Council allocates these funds in each jurisdiction based on recommendations from their Community Development staff.

Fee waivers from local jurisdictions may also be available.

Foundations

The [Marin Community Foundation](#) (“MCF”) provides loans and grants to projects that enhance the community’s quality of life, including the development, rehabilitation, or preservation of affordable housing. MCF staff works closely with the Marin County CDA staff to ensure cohesive affordable housing strategies and programs.

Funding opportunities may also be available through [The West Marin Fund](#) and [The Tamalpais-Pacific Foundation](#).

Golden State Acquisition Fund

The [Golden State Acquisition Fund](#) (GSAF) is a \$93 million flexible, low-cost financing program aimed at supporting the creation and preservation of affordable housing

throughout the State of California. Financing is available through lending partners for rental housing and homeownership opportunities in urban and rural communities.

Housing Accelerator Fund

The [Preservation Acquisition and Rehabilitation Bridge Loan](#) product is expanding geography and now serves the broader San Francisco Bay Area. Eligible projects include existing residential or mixed-use buildings with a minimum of 3 units. Eligible uses include acquisition, predevelopment, rehabilitation and, as applicable, construction of accessory dwelling units (ADUs). Rehabilitation of ground floor commercial space may also be considered an eligible use.

Kaiser Housing for Health Fund

Acquisition and preservation of existing affordable rental housing, and prevention of residents' displacement. Administered by the [Enterprise Community Loan Fund](#), one of the largest nonprofit community development financial institutions in the country.

Priority Development Area funding Sources

The [Bay Area Preservation Pilot Fund](#) (BAPP) is one of Metropolitan Transportation Commission's two regional housing finance programs focused on the preservation of affordable housing.

[Bay Area Transit-Oriented Affordable Housing \(TOAH\) Fund: Predevelopment Loan and Acquisition Loan](#). Funding to support Multifamily properties that are located within the nine-county Bay Area and a "Priority Development Area", as defined by the Bay Area Metropolitan Transportation Commission, or a "Transit Priority Area", as defined in the California Public Resources Code §21155(b)(3).

Additional Considerations

Limit on Public Hearings

Consistent with California Government Code Section 65905.5, if a proposed project that is subject to the Housing Accountability Act complies with the applicable objective Countywide Plan and zoning standards in effect at the time the application is deemed complete, then the County shall not conduct more than five public hearings in connection with the approval of the project subsequent to the application being deemed complete.

SUBMISSION REQUIREMENTS

All submissions must include specific information regarding the developer's experience with the development and management of affordable rental housing and clearly indicate the roles and responsibilities of each development team member.

All submissions shall be concise and relevant to the proposed scope of services and shall include the following information and documents:

CDBG Application Required Attachments

1. CDBG Housing Project Budget (available on County's [Federal Grants webpage](#))
2. [FEMA flood map](#)
3. Any additional supporting materials

HOME-ARP Application Required Attachments

1. [FEMA flood map](#)
2. Same materials required for HTF/PLHA

HTF/PLHA Application Required Attachments

- Applicant & Co-Applicant Organizational Attachments (as applicable)
 1. Current year's operating budget
 2. Financial statements for last three fiscal years (audited preferred)
 3. Board of Directors
 4. IRS Tax Exemption letter
- Project materials
 1. Excel Spreadsheet including each of the following tabs (sample available on County's [Federal Grants webpage](#)):
 - a. Rent Roll (if applicable)
 - b. Performance Schedule
 - c. Acquisition/Construction Sources and Uses
 - d. Permanent Sources and Uses
 - e. Completed 1-Year Operating Budget and (template provided) 20-Year Cash Flow
 2. Documentation of site control (e.g. Purchase Contract, Option to Purchase, Grant Deed)
 3. Memorandum of Understanding between co-applicants or borrower and development consultant (if applicable)

The following additional attachments may be requested after the application has been submitted.

- Supplemental Attachments (as applicable):
 - Board Resolution that authorizes site acquisition and application for HTF funds (if entity's governing body is a board)
 - Appraisal (including Fair Market Value and Value with Regard to Restrictions)
 - Preliminary Title Report
 - Capital Needs Assessment
 - Architectural Drawings
 - Property Inspection Reports
 - Survey and Analysis of Building Systems
 - Phase I Environmental Site Assessment
 - Phase II Environmental Site Assessment

- Copies of applications for other funding and commitment letters
- Affirmative Marketing Plan (County template available)
- Tenant Income Certification Forms for no less than 50% of the existing residents
- Proposed Temporary Relocation Plan

ATTACHMENT A

A. Housing Opportunity Site Analysis and Map from Local Housing Elements (DRAFTS – Housing Elements not yet certified)

- County of Marin
 - [Marin County Site Inventory - App. C](#)
- Belvedere
 - [Belvedere Site Inventory - App. D](#)
- Corte Madera
 - [Corte Madera Site Inventory \(pg. 68-77, Table 10\)](#)
- Fairfax
 - [Fairfax Site Inventory - App. A](#)
- Larkspur
 - [Larkspur Site Inventory - App. D](#)
- Mill Valley
 - [Mill Valley Site Inventory - App. C](#)
- Novato
 - [Novato Site Inventory - App. B \(pg. 113-125\)](#)
- Ross
 - [Ross Site Inventory - App. A \(pg. 3\)](#)
- San Anselmo
 - [San Anselmo Site Inventory - \(pg. 344-348\)](#)
- San Rafael
 - [San Rafael Site Inventory - App. B \(pg. 133-148\)](#)
- Sausalito
 - [Sausalito Site Inventory - App. D](#)
- Tiburon
 - [Tiburon Site Inventory \(pg. 68-69, Table 10\)](#)