



DALY CITY HOUSING DEVELOPMENT FINANCE AGENCY

AGENDA

SPECIAL MEETING

COUNCIL CHAMBERS – 333 90TH STREET

MONDAY, JANUARY 14, 2019 – 7:00 PM

For those wishing to address the Agency Board on any Item on the Agenda or under Public Appearances/Oral Communications, please complete a Speaker Card located at the entrance to the Council Chambers and submit to a Staff Member as early in the meeting as possible.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the City Clerk at 991-8078 as soon as possible.

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

JUNE 11, 2018

CHANGE OF OFFICERS:

The Mayor of the City of Daly City is hereby designated as Chairperson and the Vice-Mayor is hereby designated as Vice Chairperson.

RESOLUTIONS

1. SB 341 Fund Spending Plan and 2018-19 Budget

PUBLIC APPEARANCE – ORAL COMMUNICATIONS

NOTE: Speakers are limited to two minutes, unless modified by the Chair. The Board cannot take action on any matter raised under this item.

ADJOURNMENT

DALY CITY HOUSING DEVELOPMENT FINANCE AGENCY
MEETING MINUTES
June 11, 2018

The meeting was called to order by Chairperson Manalo at 9:10 P.M.

ROLL CALL: Commissioners Present:
 Juslyn Manalo, Chairperson
 Ray Buenaventura, Vice Chairperson
 Glenn Sylvester

Commissioners Absent:
 Judith Christensen
 Michael Guingona

Staff Present:
 Rose Zimmerman, General Counsel
 Gail Intendencia, Assistant City Clerk

Staff Absent:
 Patricia Martel, Executive Secretary/Director
 K. Annette Hipona, Assistant Secretary

MINUTES:

Regular Meeting of May 14, 2018

It was moved by Vice Chairperson Buenaventura, seconded by Commissioner Sylvester and carried to approve the meeting minutes of May 14, 2018.

RESOLUTION:

Sand Hill Property Foundation Request for Housing Trust Funds for Acquisition and Rehabilitation of 115-131 E. Moltke Street Apartments

It was moved by Vice Chairperson Buenaventura, seconded by Commissioner Sylvester and carried by roll call vote to adopt the following resolution:

HFA-46, Authorizing Use of Funds in Daly City Housing Trust Fund for Acquisition and Rehabilitation 115-131 E. Moltke Street Apartments

ADJOURNMENT:

It was moved by Commissioner Sylvester, seconded by Vice Chairperson Buenaventura, and carried to adjourn the meeting of the Daly City Housing Development Finance Agency at 9:15 P.M.

Assistant Secretary

Approved this _____ 14th _____ day
of _____ January _____ 2019.

Chairperson



Meeting Date: January 14, 2019

Subject: SB 341 Fund Spending Plan and 2018-19 Budget

Recommended Action

Approve Guidelines for SB 341 Funds

Background

In 2017 the City prevailed in a final Court judgement with the State regarding the loan payable to the former Daly City Redevelopment Agency. A total of approximately \$34 million will be repaid to the City of Daly City over a 25-year term. Twenty percent of the paid amount must be set-aside into a Housing Asset Fund and may be used for affordable housing purposes described in Senate Bill 341. It is estimated that the Daly City Housing Development Finance Agency will receive \$168,600 and \$216,208 in SB 341 funds in FY 18-19 and FY 19-20 respectively.

Staff has prepared a draft Policy and Procedures Manual for anticipated SB 341 Housing Asset Funds. Housing Asset Fund expenditures are restricted to activities that assist households with incomes at or below 80 percent of the median income and will be subject to annual audit. On February 12 and 26 and October 31, 2018 staff discussed the draft AB 341 Policy and Procedures Manual with the Affordable Housing Committee comprised of Mayor Juslyn Manalo and Councilmember Glenn Sylvester. The Committee expressed an interest in the use of the SB 341 Housing Asset funds to provide assistance to renters facing displacement and/or homelessness. Section 4 of the draft manual defines these as eligible activities.

The draft SB 341 Housing Asset Fund Policy and Procedures Manual is attached to this memo (Attachment A) and comprised of the following sections:

- Housing Asset Fund Priorities – This Section stipulates how Housing Asset Fund expenditures will be distributed to various activities including new housing development, administration, and homeless assistance. This section also describes how funding will be targeted to various income levels, pursuant to SB 341 requirements.
 - Program Administrative Expenditures
 - Eligible Developers
 - Eligible Activities
- Eligible Homebuyers/Tenants – Describes income limits for SB 341 investments.
- Affordability – Describes definition of affordable rents, home prices, presumed occupancies and term of affordability
 - Loan Terms – Describes interest rates and repayment terms
 - Application Process
 - Underwriting
 - Closing and Funding
 - Requirements for Funding
 - Post Closing
 - Marketing, Sale and Lease-up of Trust Fund assisted properties
 - Compliance

Daly City
Subject:
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Housing Development Finance Agency Agenda Report
SB 341 Fund Spending Plan
January 14, 2019

Discussion

In response to direction from the Affordable Housing Committee on February 26, staff has evaluated several rental assistance programs provided by various non-profit and government agencies in San Mateo County. Based on this evaluation, staff is recommending that the Daly City Partnership is best qualified to administer a rental assistance program to Daly City households at risk of homelessness. Specifically, staff recommends provision of an allocation of \$80,000 in SB 341 funds to Daly City Partnership for fiscal year 2018-19. Attachment B provides an overview of the proposed program. This funding will be identified in the SB 341 FY 2019 and 2020 budget.

In addition, staff recommends that SB 341 funds be used to cover staff costs currently charged as administrative expenses to the Housing Trust Fund. These costs are estimated at \$151,469 and \$160,764 for FY 18.19 and FY 19.20 respectively. Administrative costs are an allowable use of SB 341 funds. A draft budget for the SB 341 funds for FY 2018.19 and FY 2019.20 is attached to this report as Attachment C.

Conclusion

Staff recommends approval of the SB 341 Housing Asset Fund Policy and Procedures Manual and approval of a 2018-19 budget reflecting allocations for administrative costs and a rental assistance program to be administered by the Daly City Partnership.

Staff is available to provide additional information desired by the Mayor or Councilmembers.

Respectfully submitted,



Betsy ZoBell
Housing and Community Development Supervisor



Tatum Mothershead
Director, Economic & Community Development

Attachments: SB 341 Housing Asset Fund Policy and Procedures Manual
SB 341 Budget for FY 18.19

**Daly City Housing Development Finance Agency
SB 341 Housing Asset Fund**

DRAFT
Policy and Procedures Manual



Daly Agency Housing Development Finance Agency

Contents

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1. Introduction

In 2017, the City of Daly City prevailed in a final Court judgement with the State regarding the loan payable to the former Daly City Redevelopment Agency. Pursuant to the settlement, the State will provide annual payments to the Daly City Housing Development Finance Agency in consideration of a \$34 million debt incurred by the former Daly City Redevelopment Agency. A total of 20 percent of these payments will be set-aside for the purpose of affordable housing pursuant to SB 341. The Daly City Housing Development Finance Agency, serving as Housing Successor, will be the recipient of these funds and have responsibility for policy and administrative issues associated with their expenditure.

The purpose of this document is to provide guidelines for the distribution and use of revenues paid to the Daly City Housing Development Finance Agency.

This document is intended to provide guidance on requirements for developments utilizing Housing Asset Fund revenues as well for affordable housing developed pursuant to zoning and regulatory concessions.

2. Housing Asset Fund Priorities

The following affordable housing priorities have been established for the fund:

- Housing Asset Funds will be directed to development (land acquisition, new construction or acquisition/rehab) of housing for households earning less than 80 percent of median income)
- At least 30 percent of the funds will be spent on extremely low income housing (affordable to households earning 30 percent of median income)
- Not more than 20 percent of the funds will be spent on housing for households earning between 60 and 80 percent of median income.
- Not more than \$200,000 per year will be used for program administration and to monitor and preserve the affordability of units with affordability covenants.
- No more than \$250,000 per fiscal year will be spent on homelessness prevention and rapid rehousing services.
- Developers seeking lower per-unit subsidies will be given a higher priority
- Projects with final planning and zoning approval will be given higher priority than projects with lower “readiness”
- The Housing Asset Fund will be used to finance affordable housing activities in Daly Agency.

Housing Asset Fund spending priorities will be reviewed and if necessary, revised on an annual basis.

2. Use of Program Administrative Expenditures

Administrative Expenditures from the Housing Asset Fund will be reviewed and adopted as part of the Daly City Housing Development Finance Agency budget. Administrative Expenditures may be used for the following activities to support Housing Asset Fund assisted activities:

- Salaries and benefits for staff directly involved in the administration of activities assisted with Housing Asset Funds.
- Advertising, marketing and outreach associated with affordable housing activities
- Professional services (e.g. Title Reports, Environmental Studies, underwriting services, etc.)
- Travel, meetings, education and training

3. Eligible Developers

The following persons and organizations may apply for financing:

- i. Private incorporated non-profit agencies with IRS 501(c) designation
- ii. Public Housing Agencies
- iii. State and Local Governments

The Agency will only provide Housing Asset Funds to projects where effective project control is held by mission-driven non-profit developers with a track record of building attractive, well-built housing and compassionate, professional management of properties serving lower income households. For developments financed with tax credits, 51 percent of the General Partnership must be held by a bona fide mission-driven non-profit organization.

The Agency will complete a developer capacity assessment prior to formal allocation of Asset Funds. The capacity assessment will examine such factors as developer team experience, sufficiency of financial resources and development track record.

4. Eligible Activities

The following type of projects will be eligible for assistance:

- Construction of new housing for rental or ownership, including land acquisition and hard costs.
- Rehabilitation or conversion of market rate multifamily developments to affordable housing
- Homeless prevention and rapid rehousing services

- Housing Asset Funds are not available for individuals seeking to build or renovate their own home.
- Not less than 100 percent of housing units receiving Daly City Housing Asset fund assistance must be affordable to households with incomes at or below 80 percent of the median income. At least 30 percent of the funds will be spent on extremely low income housing (affordable to households earning 30 percent of median income). Not more than 20 percent will be spent on housing for households earning between 60 and 80 percent of median income.
- These income targets will be met over a five-year period. Preference will be given to funding requests that provide deeper income targeting
- Down payment assistance for first time homebuyers for households with incomes that do not exceed 120 percent of the area median.
- Affordable units that have been pledged to the Agency in exchange for a density bonus will be ineligible for financing.
- No more than 50 percent of the total deed restricted affordability units located in the former redevelopment project area or the City will be reserved for seniors.
- Rental housing developments with over 40 units must have a resident services plan funded at a minimum of \$500 per unit per year. Preference will be given to proposed developments with higher resident services budgets.

5. Eligible Homebuyers/ Tenants

A. Rental units - rental developments assisted with Daly City Housing Asset Fund must have incomes at or below 80 percent of area median, adjusted for household size and annually by HUD. (See Appendix 1 for most recent income limits). Applicants for affordable units must meet the program income limits in effect at the time they apply. See Appendix 1 for description of income inclusions and exclusions.

Applicants for rental housing units assisted with Daly City Housing Asset funds must show all household members and income on their application. Changes in household composition may be grounds for lease termination

B. Homeownership Units - Ownership developments assisted with Daly City Housing Asset funds must have incomes at or below 80 percent of area median, adjusted for household size and annually by HUD. For homeownership units without age restrictions, applicants must be first-time homebuyers who have not owned a home within the last three years unless they qualify under a number of exceptions including

Household members must be living together as a household for a period of six months prior to application for the BMR units and will be required to provide evidence such as tax returns, driver's license, or other documentation requested by the Agency.

6. Affordability

A. Affordability Definitions - To be considered “affordable”, housing must meet the following criteria:

- i. Homes for rent – Rental housing is considered affordable when total housing costs, including rent and utilities and any other mandatory costs (e.g. parking, facility use, etc.) does not exceed 30 percent of household income. Rents will be calculated at what is affordable to a household assuming they pay no more than 30% of their income on housing. Housing costs include rent and payments for heat, hot water, cooking fuel and electric. If there is no municipal trash collection, a trash removal allowance should be included. If utilities are separately metered and payed by the tenant, the contract rent will be reduced based on a reasonable utility allowance.
- ii. Homes for Sale – must be sold at a price such that buyers’ total housing cost (principal and interest repayments, taxes, hazard insurance, mortgage insurance, homeowner’s association dues) does not exceed 30 percent of the buyer’s household income.

A down payment of 5 percent will be assumed for calculating initial sales price of ownership units.

The mortgage interest rate used to calculate initial sales price shall be the higher of 1) the ten-year rolling average of interest rates, as calculated by the Agency (or its successor) based on data provided by Fannie Mae, Freddie Mac, or an equivalent , nationally recognized mortgage lending institution, or 2) the current, commercially reasonable rate available through an Agency-approved lender.

The following occupancy assumptions will be used for determining affordable rents and home prices:

Bedroom Count	0	1	2	3
Presumed Household Size for Pricing Purposes	1	2	3	4

Generally, units of more than 3 bedrooms are not recommended for Asset Fund Investments in ownership housing.

- B. Affordability Period - The required period of affordability for all Asset Fund Financing will be 45 years for ownership housing and 55 years for rental housing.
- C. Deed Restriction - An Affordability Restriction will be signed by the Developer and recorded against the property as a condition of receiving Daly City Housing Asset Funds. The Deed Restriction will be recorded at the time of closing. For rental housing the affordability restriction will specify various terms including resident eligibility, maximum rents, marketing and lease-up procedures, annual compliance requirements, etc. For ownership housing, the affordability restriction will specify eligibility, maximum sales price, sales procedures as well as procedures for resale of the property including methodology for calculating the maximum resale price.

7. Loan Terms

8. Loan Terms

- A. Maximum Loan Amount - Specific award amounts will depend on a variety of factors including income targeting, site features, project amenities, other financing resources. The City will complete underwriting for all Trust Fund loans and will not provide funding in excess of what is required for development feasibility.
- B. Interest Rate and Repayment
 - i. All financing for rental housing will be in the form of secured loans for a term up to 55 years. The Housing Trust Fund will not make grants, forgivable loans, or indefinitely deferred loans.
 - ii. Interest on loans for rental housing developments will be 3% (simple) and will be reviewed from time to time as warranted
 - iii. Repayment on all loans will be based on 50 percent of total residual receipts. Borrower shall pay to Agency a proportional share of fifty percent (50%) of all Surplus Cash generated by the Project during the previous calendar year to reduce the indebtedness owed.. The respective shares of Surplus Cash that Agency, and other soft lenders shall be entitled to receive shall be based on the proportional share of financing that each such entity has provided for acquisition of the Property and development of the Project.

9. Application Process

The Daly City Housing Development Finance Agency will maintain an open application process for the Housing Asset Fund. Applications are accepted at any time throughout the fiscal year; however, loan approvals remain subject to the availability of funds and projects must

demonstrate support of the Agency's strategic housing goals. The Agency reserves the right to reject any proposal.

From time to time the Agency may circulate a request for proposals for high priority housing development opportunities.

- A \$500 non-refundable application fee must accompany each loan application
- All financing sources must be identified (not necessarily secured) within three months of application.
- All projects with projected costs greater than \$7,500,000 or with more than 30 units must submit a third party cost analysis or cost estimate.
- All projects with projected costs greater than \$7,500,000 or with more than 30 units must submit an independent market study
- The following values should be used when completing the Operating Pro Forma
 - 5% Vacancy Factor for all years
 - 3% Annual operating expense increase
 - 3% Annual operating income increase
 - Replacement cost reserves equal to \$250 per unit per year.
- Project site plan and elevations must be included in the application. Staff will make these available for review to residents of neighborhood near the proposed development, in cooperation with City Planning Staff and neighborhood organizations where they exist.
- The following criteria will be used to evaluate proposed housing developments submitted to the HTF:
 - The number of affordable housing units to be provided
 - Proposal provides a range of affordability within the permissible income ceilings
 - Proposal provides justification for the requested financial assistance
 - Total project cost; cash flow statements document the economic feasibility of the project
 - The relative amount of Housing Asset Fund dollars per affordable unit
 - The proposal leverages funding from other funding sources
 - The applicant and/or applicant team has the experience and administrative capacity to successfully implement the proposal
 - The applicant and/or applicant team has the experience in providing affordable housing
 - The applicant demonstrates the ability to fiscally manage and monitor the requested funds
 - In the case of homeownership proposals, the proposal provides support services such as pre-purchase counseling for applicants of affordable units
 - The proposal does not result in permanent displacement of low-or moderate-income residents from the community

- The proposal provides affordable housing opportunities for persons with physical, mental or emotional disabilities
- The time frame for development, construction and completion clearly identifies milestones and is realistic
- Project will be completed within 18 months of execution of a grant agreement
- Project is designed and constructed to be energy efficient
-
- Applications will be reviewed by staff and presented to the Agency Board for consideration. It can be anticipated that the time from application to Agency consideration may take 30 to 90 days. Agency Board approval by resolution is required prior to execution of funding agreements.

Underwriting

- A. Projects must be scheduled to break ground or spend at least 10% of total projects costs within twelve months of application.
- B. All financing commitments must be secured prior to closing
- C. With the exception of Low Income Housing Tax Credit projects and non-profit agencies, credit reports, personal tax returns, and financial statements will be required for all principals, partnerships, and majority members holding more than 19.9% ownership in the organization
- D. A property appraisal dated no later than six (6) months prior to closing will be required. If the appraisal reflects a total loan-to-value (TLTV) of more than 95%, the City may require a pledge of additional equity or other assets prior to closing.
- E. Applications will be reviewed by City staff. Staff will underwrite applications. Outside underwriting assistance may be sought by City staff at the request of the Economic and Community Development Director.
- F. Income/expense escalation rates: income will be trended 1% below the amount of trending on expenses, generally, 2% on income and 3% on expenses.
- G. Reserve for Replacement – Developers will assume \$250 PUA for new construction project and \$350 PUS- for a rehabilitation project.
- H. Construction Contingency – The Agency anticipates a standard of 5% for new construction and minimum of 10% and maximum of 15% for rehabilitation projects
- I. Property Management Fee – The Agency anticipates property management expenses based on 3-5% of gross income.
- J.
- K. Public comment on proposed site plans and elevations will be considered as part of the underwriting process
- L. If the risk of loss appears high, a loan may be denied despite the proposed project meeting other goals and objectives of the City.

M. Developer Fee The Daly City Housing Trust Fund will not be used to finance excessive developer fees or profit. The following guidelines will determine maximum allowable developer fee:

- a. Projects using 9% LIHTC - maximum developer fee as allowed by CTCAC regulations
- b. Projects using 4% LIHTC - maximum developer fee of 5% of acquisition basis and 15% of rehabilitation basis not to exceed \$3.5 million
- c. Projects not utilizing LIHTC as follows:
 - Acquisition and rehabilitation projects
 - projects with per unit rehab of less than \$10,500 fee equal to \$2000 per unit
 - projects with per unit rehab of \$10,501 to \$35,000 fee equal to \$12,000 per unit
 - projects with per unit rehab over \$35,000 fee equal to \$26,000 per unit
 - New Construction projects without LIHTC
 - projects of 30 units or less maximum fee of 5% of construction costs or \$750,000
 - projects of greater than 30 units maximum fee of 5% of construction costs or \$1,250,000

10. Closing and Funding

- A. Closing can occur only after Daly City Housing Development Finance Agency Board Approval
- B. If funds are needed at closing (e.g. land acquisition), the Agency require a minimum of fourteen (14) days advance notice to allow time for check processing
- C. All closing will be scheduled by the developer at a closing attorney's office of their choice.
- D. Personal loan guarantees will be required from all persons holding more than 19.9 percent interest in the organizations (Does not apply to non-profit organizations and Low Income Housing Tax Credit Projects).
- E. The Agency will require a final survey, title commitment and satisfactory Phase I environmental review five (5) days prior to closing. (NOTE: if the Phase I Environmental suggests that Phase II review is necessary, closing will be delayed until the Phase II has been completed>)
- F. The Agency will require evidence of property insurance five (5) days prior to closing- including a General Liability policy with employee dishonesty/crime coverage (showing the Agency of Daly Agency) as an additional insured).
- G. The developer must provide a projected draw schedule five (5) days prior to closing.

- H. The developer must demonstrate full site control at least five (5) days prior to closing.
- I. A W-9 Form will be required for each applicant
- J. A closing protection letter will be required from the closing attorney
- K. The Agency will consider subordinating to the construction lender only upon receipt of an appraisal and verification of the senior loan terms. Subordinations are neither routine nor automatic. The Agency will subordinate below second lien position only if our collateral provides adequate protection. IN no case will the Agency subordinate below third lien position.
- L. Funds will not be disbursed at closing except for land acquisition. All loans will be structured as a line of credit, and funds must be drawn down proportionately with other financing sources.

11. Requirements for Funding

Successful applicants will be required to enter into a regulatory agreement with the Daly City Housing Development Finance Agency, requiring among other things, the recording of appropriate covenants or deed restrictions that run with the property to ensure compliance with the Housing Asset Fund program requirements. Conditions on funding awards will require, among other things that

- The affordable units must be provided in the number, bedroom size, square footage, and distribution approved, pursuant to approved plans and specifications
- The affordable units must be provided to income qualified buyers and tenants as approved , in accordance with approved marketing and resident selection plans of a affordability in accordance with an approved mechanism for maintain such affordability
- Housing Asset funds must be used for the approved purpose
- If the proposed project will result in displacement, applicants must provide an approved relation plan and ,if applicable, notify tenants of their rights to relocation assistance in accordance with the federal Uniform Relocation Act, 42 U.S.C. 61, et. Seq.
- The applicant must provide evidence of ownership or site control
- The applicant must provide a copy of an audited financial statement current within the last 12 months or other acceptable evidence of financial position
- The applicant must comply with the applicable laws and regulations, including restrictions and contract requirements imposed by other funding sources; all applicable local , state, and federal housing and building codes, as well as any more restrictive standards identified in the application; and fair housing and equal opportunity laws.
- The applicant must report on a quarterly basis on a form to be provided to ensure compliance with the conditions relating to affordability , including

reporting on pricing of affordable units and income-qualifications of renters and initial buyers

- The applicant must comply with any other conditions the Daly Agency Housing Development Finance Agency may require

Payment requests must be submitted within 18 months of execution of a grant agreement. Any funds not requested by that date may be unavailable for that specific project, and may be made available for other affordable housing activities. Any request for an extension is subject to approval by the Agency Manager in his or her sole discretion.

12. Post Closing

- A. All disbursements are made on a reimbursement basis only and supporting documentation (i.e. paid invoices) must be provided with each draw request
- B. The Agency reserves the right to conduct an on-site inspection of the property with each draw request received.
- C. All materials included in the Draw Request must be installed
- D. Staff will periodically interview persons working on-site
- E. Failure to keep the property and improvements free from all liens for services, labor and materials will be a condition of default.

13. Marketing, Sale and Lease-up of Asset Fund assisted properties

- A. Initial Lease-up and Sale of units assisted with Asset Fund revenue will be carried out according to a Marketing Plan. The developer will prepare a marketing plan that will describe the following:
 - Description of specific marketing techniques and practices (media list, community based organization list)
 - Description of units to be sold, locations, prices
 - Pricing assumptions and indices
 - Description of buyer eligibility requirements (income limits, homebuyer education, down payment requirements, etc.)
 - Description of lead lenders
 - Application procedures (including offline resource for those without computer access)
 - Marketing and Notification to Prospective Buyers
 - Informational Workshop (location, date, time)
 - Lottery (location , date, time, eligibility, procedures, notification)
 - Application processing (events from screening to closing)
 - Schedule for marketing and sales, including timeframes for document review, deadlines for application submittal, timing of lottery and anticipated dates(s) of close for BMR units.
 - Sample Mailer/Flyer
 - Description of Application package contents (source documents, application form template, etc.)

A draft of the marketing plan must be submitted to the Agency no later than 90 days prior to completion of construction. The Agency will have 15 days to approve or deny the marketing plan. No marketing of units or acceptance of applications shall take place until the Agency approves the marketing plan

- B. A lottery must be held for all units unless the number of qualified applicants is less than the number of units available.
- C. Household income qualifications must be full documented and will be required prior to sale or lease-up for each potential buyer/tenant
- D. A copy of the settlement statement or lease agreement will be required for each initial occupant and must be provided to the Agency prior to tenant/buyer taking possession of the property

14. Compliance

The affordability restrictions for all units produced with Housing Asset Fund revenue will be monitored by the Agency.

- A. Rental Projects – The Agency requires annual monitoring and income recertification to ensure that tenants continue to meet income and asset limits and that the project has been maintained and operated in a safe and sanitary conditions. The specific documents required for income recertification purposes will be identified in the affordability restriction. The developer will be required to pay an annual compliance fee of \$100 per unit. An invoice for compliance fees will be sent to the developer on January 1 of each year and payment will be due upon receipts. The Agency Council will review the compliance fee on an annual basis.
- B. Ownership Projects – The Agency requires annual monitoring and certification that homeowners to verify that units continue to serve as the initial purchasers' primary residences, that no refinancing or sales have taken place without proper notification as outlined and recorded in the deed rider and that the number of household members does not involve overcrowding.

Properties assisted with Daly City Housing Asset Funds are subject to on-site monitoring visits through the period of affordability.

- 15. An independent audit of Housing Asset Fund revenues and expenditures will be conducted each year. Detailed housing information will be posted on the Daly City Housing Development Finance Agency website and reported to HCD as part of the City's annual housing element report.

Attachment B

Potential Housing Assistance Pilot Program

Funding Source:	Daly City SB 341 Funds
Contractor:	Daly City Partnership
Initial Grant Amount:	\$80,000 (Up to 15%/\$12,000 for program delivery)
Primary Services Provided:	Case Management Security Deposits Rental Assistance Late Fees Utility payments/deposits Motel/Hotel Vouchers (Payments directly to providers)
Maximum Assistance Per Household:	\$3,000
Eligibility:	Daly City residents Income < 80% AMI (Only 20% can be for 60-80% AMI 30% of funds must be utilized to assist households with incomes below 30% AMI) Demonstrates critical household need Ability to Maintain/Potential to Maintain
Funding Frequency:	3 years
Number of Clients Served:	35

Attachment C

Attachment D

SB 341 Proposed Budget 19.20
12-996-416

	Prior Year		18-19 <u>Proposed</u>	19-20 <u>Proposed</u>	
	<u>Actual</u> 6/30/17	17.18 <u>yr end estimate</u>			
Revenue					
3860 Misc. Revenue	\$182,533	\$290,377	\$107,844	\$114,012	512,233
				0	
Total Revenue	<u>182,533</u>	<u>290,377</u>	<u>107,844</u>	<u>107,844</u>	
Expense					
4101 Salaries	0	0	98,379	101,898	
4104 pers retirement	0	0	36,357	41,421	
4105 group insurance	0	0	14,689	15,328	
4106 workers compensation	0	0	618	640	
4107 medicare	0	0	1,426	1,477	
4108 Unemployment Insurance	0	0			
4119 Social Security	0	0			
Salary & Benefit Subtotal	<u>0</u>	<u>0</u>	<u>151,469</u>	<u>160,764</u>	
4211 advertising	0	0	0	0	
4212 communications	0	0	0	0	
4219 professional services	0	0	20,000	20,000	
4220 other contractual services	0	0	80,000	80,000	
4230 office expense	0	0	0	0	
4470 Development Subsidy	0	0	0	0	
4303 trav & meetings	0	0	0	0	
4304 education/training	0	0	0	0	
Total Expense	<u>0</u>	<u>0</u>	<u>251,469</u>	<u>260,764</u>	512,233

Rehab Budget Detail

Advertising	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
		City Liesure Guide	City Liesure Guide	City Liesure Guide
		Other advertising	Other advertising	Other advertising
		Printing	Printing	Printing
Actual	0	250	500	1,200
		Year end estimate	Year end estimate	Total
		YTD	0	1,200
Budget	1,200	Budget	Budget Request	1,200
Professional Services	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
		AmeriNational	AmeriNational	
		Title	Title	
		energy audit	energy audit	
		Lab Testing	Lab Testing	
		Printing	Printing	
Actual	4,023	4,200	9,500	10,000
		Year end estimate	Year end estimate	
		YTD	1,903	
Budget	10,000	Budget	Budget Request	10,000
Other Contractual Services	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
		Credit Reports	Credit Reports	
		Termite	Termite	
		Tax Reporting	Tax Reporting	
Actual	1,521	800	800	
		Year end estimate	Year end estimate	
		YTD	3,255	
Budget	1,932	Budget	Budget Request	2000