

# INFILL INFRASTRUCTURE GRANT PROGRAM (Round 5)

## Frequently Asked Questions and Answers

Updated 12/14/17

Category	Question	Answer
	<b>Key terms: Capital Improvement Project (CIP), Qualifying Infill Project (QIP)</b>	
General Information	Where is the new HCD office location, and where should applications be mailed?	Mail carrier services may deliver the application to 2020 W. El Camino, MS 650, Sacramento, CA 95833. No walk-in application submissions will be accepted.
General Information	What is the application deadline?	January 16, 2018 no later than 5pm.
General Information	When do you anticipate making the awards?	We estimate making awards in June.
General Information	How can I contact the Infill Program?	You can contact the IIG Program and speak to a representative by emailing <a href="mailto:infill@hcd.ca.gov">infill@hcd.ca.gov</a> .
General Information	Is there another TOD NOFA being released	No.
General Information	What is an acceptable licensed professional to certify distances in application exhibits?	A California State-licensed professional such as an engineer, surveyor, or architect.
General Information	Do you anticipate future annual IIG NOFAs?	Not at this time.
Affordability	How do I use the TCAC or MHP method for affordability as described in 309(b)?	Complete the unit mix on the Eligible Units & Max Funds tab in the IIG Application. Place all necessary documentation to support the score that the TCAC or MHP scoring method generates behind the Eligible Units & Max Funds divider. Then just cross out the score that populates on the Scoring tab and mark the new score.
Amenities	How are amenities documented in the application?	Applicants must use the amenity detail form and scaled site maps with explicit narratives explaining the amenities on the maps. Aerial photographs are also helpful if they provide additional clarity to the site maps regarding the amenity types. A licensed professional (e.g. land surveyor, engineer, or architect) must validate the scaled distances.
Amenities	Do the amenity distances from the QIP in section 309(e) have to be walkable routes or as the crow flies?	Walkable routes certified by a California State-licensed professional
Amenities	Does a charter school count as a public school for infill?	Yes.
Amenities	If the QIP is close to a regional outlet mall with many stores, can you use this mall for both proximity to a retail center and proximity to concentration of employment? Also how do we document 50 full-time employees for such a mall made up of many retail stores that probably employ less than 10 employees each?	You cannot double count a mall as both a retail and employment center, and must choose one or the other. To document the employment at a mall, consider contacting the property management company or individual shop owners to provide third party verification about employment figures.
Amenities	May the retail center requirement be satisfied if a single tenant has at least 50 full time employees? Are there any requirements on the type of retailer?	Yes, a retail center that satisfies the guidelines for a QIP as listed below: The Qualifying Infill Project is within one (1) mile of a locally recognized retail center with a minimum of fifty (50) full-time employees (two (2) miles for Rural Area projects), seven (7) points, or within two (2) miles (four (4) miles for Rural Area projects), four (4) points. A retail center is a downtown area or recognized neighborhood or regional shopping mall.
Amenities	Can we use a map from mapping software to show proximity to amenities?	A map from a mapping software may be used if the map is evidenced by date and certified by a California State-licensed professional.
Amenities / Transit	Can we use internet maps (e.g. Google maps) to show distances in my application?	No. HCD cannot rely on the accuracy of this information. For example, Google does not make any representations or warranties regarding the accuracy or completeness of any content.

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CIP	If the CIP is not a condition to build the QIP, would the CIP project qualify for funding?	No. To be eligible for Infill Program funding, the capital assets included in the CIP must be required to develop a QIP. Local building codes, ordinances, project conditions approved by local jurisdiction or approved plans can document such requirements.
Density	Can a California licensed architect certify the net density calculation? What should the calculation show?	Yes. California licensed professionals such as surveyors and engineers are also acceptable. Precisely document your calculation of net density with detailed site maps and scaled distances showing all uses of the site. Clearly show the subtraction of specific uses that must be excluded in the net density definition in Section 302(o). Explain the specific uses in the application.
Eligible Costs	Would an at-grade podium parking structure (i.e., not subterranean) be considered an eligible cost for IIG funds. The proposed parking structure would not be subterranean.	Yes. Section 304(a)(5) would permit an at-grade parking structure to be funded by IIG. Please read the other limitations stated in that provision and also in (d)(2) which do not allow site acquisition.
Eligible Costs	Can funds be used to assist and only rehabilitate an existing housing project?	No. The IIG Program provides financial assistance for infrastructure improvements necessary to facilitate new infill housing development.
Eligible Costs	Can you use IIG funds to refinance other outstanding debt from HCD?	No.
Eligible Costs	I am proposing a housing development with the parking structure below the housing. Are the site acquisition costs under parking structure eligible?	No.
Eligible Costs	My project consists of subterranean parking with housing on top. How do you determine which part of the parking structure is an eligible expense?	The site work, grading, and construction of the parking structure is eligible. Residential and mixed use structures, acquisition, grading, and foundations are not eligible. See Section 303.
Feasibility	How current should my market study be?	Acceptable market studies should be dated no older than July 16, 2017. Market study updates will be accepted with a copy of the original market study in your application. Market studies will be used for feasibility evaluation purposes, not point scores.
Funding Commitments	How do I document enforceable funding commitments?	The IIG Program has posted information explaining enforceable commitment letters on the IIG website at <a href="http://www.hcd.ca.gov/fa/iig/resources.html">http://www.hcd.ca.gov/fa/iig/resources.html</a> . Additionally, executed project-specific resolutions and loan documents from public entities may be acceptable.
Funding Commitments	Can tax exempt bonds be considered committed without a tax credit reservation letter?	Yes.
Funding Commitments	If my project consists of rehabilitation and new construction costs, how do I represent the funding commitments?	Provide evidence of the funding sources related to the new construction phase.
Funding Commitments	If my project has applied for 9% Tax Credits, can I consider the equity that would be generated from the Tax Credits as committed?	No, because 9% Tax Credits are so competitive, no equity is considered committed unless you can provide a tax credit reservation letter.
General Eligibility	Is it sufficient to submit an aerial photograph to document the requirement if the QIP is infill per Section 303(a)(6)?	No. Photographs can be very helpful, but can also be incomplete in providing sufficient information. Submit site map information that is explicit in the scaled distances by a California licensed professional (e.g. surveyor, engineer, or architect), and describe in a narrative the land uses to validate if the land is previously improved and developed with Urban Uses as defined in Section 302(z).

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General Eligibility	Do joint applicants need to each pass and submit their own resolution for the application?	Yes, every applicant and joint applicant will need to provide their own resolution with the application.
General Eligibility	Can a public entity submit a resolution after the application deadline?	Yes. If a public entity cannot adopt the resolution by the application deadline, the entity should submit a copy of the proposed resolution in the application and submit the official resolution adopted by the public entity to the IIG Program by March 1, 2018.
General Eligibility	How do I find out if my housing element is in compliance?	The current Housing Compliance and status can be found on the Department's website at: <a href="http://www.hcd.ca.gov/community-development/housing-element/docs/status.pdf">http://www.hcd.ca.gov/community-development/housing-element/docs/status.pdf</a> Housing element compliance letters can be found at: <a href="http://www.hcd.ca.gov/community-development/housing-element/index.shtml">http://www.hcd.ca.gov/community-development/housing-element/index.shtml</a> . Contact the Division of Housing Policy Development if you have any questions. Please contact Robin Huntley at (916) 263-7422.
General Eligibility	Is there a minimum score needed to qualify for funding?	Yes, a minimum score of 210 points is required to submit an application.
General Eligibility	Can a public entity such as a city, county, public housing authority, solely submit a QIP application without a developer as a joint applicant?	No.
General Eligibility	Is there a competitive advantage to submitting a QIP application solely from the developer versus submitting one jointly with a public entity such as a city?	No. However, it may be desirable if it is your intention that funds be disbursed to the city and not the developer.
General Eligibility	Do projects have to be in urban areas only?	The QIP must be located in an Urbanized Area, as defined in the Program Guidelines (Rev. 10/2/17), which requires, among other things, being in an incorporated city.
General Eligibility	Must the QIP be a multifamily rental project?	No, the QIP must be a residential or mixed-use residential development (302(s)). The QIP must include no less than 15 percent Affordable Units (303(3)).
General Eligibility	How do I define what is the project?	The QIP must meet the definition of all the requirements in Section 303 of the Program Guidelines (Rev. 10/2/17). It includes, but is not limited to, the housing site.
General Eligibility	Is a Qualifying Infill Area application eligible under this NOFA?	No.
General Eligibility	I am self-scoring below 210. Should I apply?	No, it is not recommended because the minimum eligibility score is 210.
Limits	What income limits should I use?	Use the 2017 MTSP Regular Income, Rent and Loan Limits at the link below: <a href="http://www.hcd.ca.gov/policy-research/docs/2017MTSPRegularLimits.pdf">http://www.hcd.ca.gov/policy-research/docs/2017MTSPRegularLimits.pdf</a>
Local Support	Can funds spent by a city count as local support?	Yes, if the funds are documented by an enforceable funding commitment to the QIP or the CIP.
Local Support	What is a "local public agency"?	It is typically a <u>local</u> government agency, not a private organization or corporation.
Local Support	Can local support funding contributions be conditioned on the award of Infill Infrastructure Grant funding?	Yes
Local Support	Can the value of a land donation be considered as local support if it is leased for a \$1 a year?	Yes. The value of the land donation will be the greater of either the original purchase price or the current appraised value as supported by an independent third party appraiser conducted no older than January 16, 2017.

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Local Support	Would project-based rental assistance be considered a source of local support?	Yes. It is recommended that applicant obtain a firm commitment letter from the local agency that evidences the amount, type of assistance, project name, and term of the assistance. The key is that it is a project-based rental subsidy. Feel free to circulate the draft letter to program staff for comments before the application deadline.
Parking	Will the IIG Program pay for parking less than one space per one residential unit?	Yes, the 1:1 ratio is a ceiling, and we will pay for parking less than our maximum limits.
Parking	IIG will assist in paying for up to one parking space for one IIG unit in an eligible parking structure. Is there an adjustment to this ratio based on bedroom size?	No.
Prevailing Wage	Do IIG Program grants used to fund CIP's trigger prevailing wage on the QIP housing?	Unfortunately, there are no easy answers to this question. It is clear that program assistance does constitute public funding, for purposes of state prevailing wage law. Beyond this, it is difficult to generalize. The applicable law is complicated, and a complete analysis of individual facts and circumstances is often necessary before a determination can be made. HCD is not in a position to make project-specific determinations. Accordingly, applicants are strongly encouraged to seek advice on this subject from their own legal counsel. We recommend sharing the IIG Guidelines Section 314 with your counsel.
Regional Consistency	What should be included in the letter from the regional council of government, metropolitan planning organization, or regional transportation planning agency that is submitted with the application?	The letter must identify the adopted regional blueprint plan or other regional growth plan with the stated intent of fostering infill development and efficient land use. The letter must state whether the infill project is consistent with the adopted plan. Alternatively, a resolution executed by an officer of the adopting agency may be accepted.
Threshold	The application requests information regarding redevelopment agency-related information regarding replacement housing units. Is this required since redevelopment agencies are dissolved?	Yes. The statute prohibits counting replacement housing units required by redevelopment law towards meeting the number of required affordable units by the IIG Program. Applicants are required to evidence in the application if the proposed project is located in a redevelopment area and if replacement housing was required in the redevelopment plan prepared by the past redevelopment agency.
Regional Consistency	What is an example of an "other regional growth plan"?	Examples of a regional growth plan are a regional transportation plan or sustainable communities strategy.
Tie Breaker	Under what conditions will the tie breaker system be applied?	The tie breaker system will be used when the scores of two or more applications are tied for consideration as the last funded application. Bonus points will be awarded pursuant to Section 307(f) until there is no longer a tie between the competing applications. Refer to the NOFA Page 5 for the tie breaker criteria and how they will be applied.
Tie Breaker	How do I validate the date and time receipt of my application by HCD?	Acceptable evidence is a copy of the receipt by the carrier delivery service.
Tie Breaker	Are applications that request less grant funds competitively disadvantaged?	No, as long as the minimum grant amount stated in the NOFA is satisfied.
Tie Breaker	In reference to the tiebreaker measure based on prior IIG projects, is there a deadline when prior projects were completed with IIG?	Eligible completed IIG projects must have received its certificate of occupancy by January 16, 2018, the IIG application deadline.
Transit	Is it required that different bus routes stop at the same bus stop at an intersection as described in the definition of a "bus hub"?	No.

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Transit	How is access to transit documented in the application?	Applicants must submit scaled site maps with explicit narratives explaining the transit shown on the maps. Aerial photographs are also helpful if they provide additional clarity to the site maps regarding the transit routes and types. Submit detailed transit schedules for all routes proposed for earning points. A California licensed professional (e.g. land surveyor, engineer, or architect) must validate the scaled distances.
Transit	How do you measure the walkable distance from the project to a transit station or major transit stop?	The distance is measured from the walkable route, as defined in the Program Guidelines (Rev. 10/2/17), starting from the nearest boundary of the QIP to the outer boundary of the site of the transit station or major transit stop.