**Application for Program Financing Form**

Multifamily Securities Program, City and County of San Francisco

This Application for Program Financing Form (the “Form”) and related attachments (collectively, the “City Application”) are intended to satisfy the requirements of **§3.2.2** of the Multifamily Securities Program Manual (the “Manual”) for the City and County of San Francisco (the “City”). The Manual describes the policies and procedures applicable to the Multifamily Securities Program (the “Program”) operated by the Mayor’s Office of Housing and Community Development (“MOHCD”) on behalf of the City. In the case of discrepancies between this Form and the Manual, the Manual will prevail. Unless otherwise indicated, all section references herein refer to sections in the Manual. Any capitalized terms not defined herein have the meanings given in the Manual.

Whether for new-money issues or for refundings, Borrowers seeking to issue Bonds or Notes (both “Securities”) under the Program must submit a City Application to MOHCD prior to the commencement of the Securities issuance process (including, without limitation, selection of Bond Counsel and a Municipal Advisor, commencement of TEFRA Notice and Approval processes, and creation of the CDLAC Online Application). As the issuance process can take 6 to 8 months from submission of the City Application to Closing, Borrowers should begin planning for the process well in advance of their intended Closing Date and should contact MOHCD as early in the planning stage as possible. Borrowers should also consult the term sheet (Exhibit D) and issuance timelines (Exhibit G and Exhibit H) in the Manual before completing this Form.

**Please complete Parts 1-8 below and email this Form and all attachments (other than the check for the City Deposit) to the Bond Program Manager and MOHCD Project Manager for the project.**

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| **Part 1. General Project Information** | | | |
| **Project Name**  *Use the name that will appear on the CDLAC Application* |  | | |
| **Project Address(es)**  *Include ALL addresses associated with the Block(s)/Lot(s) below* |  | | |
| **Project Block(s)/Lot(s)**  *From Assessor-Recorder’s Office maps* |  | | |
| **Scope of Construction** | New Construction | Acquisition/Rehabilitation  *See* **§3.2.4.A.3** *of the Manual regarding additional TEFRA noticing requirements* | |
| **Unit Count**  *Required for TEFRA Notice;*  *May be approximate* |  | | |
| **Size and Use of**  **Commercial Space**  *Use square feet; Describe all tenants* |  | | N/A |
| **Total Development Cost (“TDC”) Estimate** | $ | TDC Per Unit: $ | |
| **General Contractor** |  | Not yet selected - Proposed  selection date: | |
| **Architect of Record** |  | Not yet selected - Proposed  selection date: | |

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| **Part 2. Project Sponsor and Borrower** | | |
| Please identify the Project Sponsor and Borrower for the Project described in Part 1 of this Form. | | |
| **Project Sponsor(s)**  *List the non-profit completing the CDLAC Application and all partners/co-owners* |  | |
| **Borrower**  *List the entity name (typically an LP or LLC) exactly as it appears on the formation document (e.g., the LP-1 for California limited partnerships); Required for TEFRA Notice* |  | Not yet formed - Proposed  formation date: |
| Does/will the Borrower entity include a non-profit entity (“NPE”) with a significant presence and a positive track record of affordable housing development and management in San Francisco?  Yes - NPE Name and Date of agreement with NPE:    No - Review **§3.1.6** of the Manual and Explain: | |

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| **Part 3. Proposed Financing Terms** | | | | | | | |
| Please provide the following information related the proposed financing structure of the Program Issue. | | | | | | | |
| **Debt Structure**  *Choose one and identify the associated lender, purchaser, or underwriter* | Direct Loan  *Also known as a “back-to-back loan”*  *(See* **§3.1.3***of the Manual)* | | | Funding Lender: | | | Structure not yet selected - Proposed selection date: |
| Private Placement  *Bonds placed with a single investor or small group of investors in lieu of being offered for sale to the public (See* ***§3.1.3.C*** *of the Manual)* | | | Private Purchaser: | | |
| Public Issue  *Bonds offered for sale to the public*  *(See* **§3.1.3.D** *of the Manual)* | | | Underwriter: | | |
| **LIHTC Equity Investor**  *Provide name* |  | | Is this entity part of or affiliated with the Funding Lender or Private Purchaser? Yes No | | | Not yet selected - Proposed selection date: | |
| **Issue Amounts**  *Provide amounts for the City-issued debt* | Tax-Exempt Debt (i.e., the CDLAC Allocation Amount):  $ | | Taxable Debt (if applicable):  $ | | | Total Debt (Tax-Exempt + Taxable):  $ | |
| **Interest Rate**  *As set at Closing* | Fixed - Current rate estimate: | Variable - Hedge provider and credit rating, if applicable (*See* **§3.1.3.B** *of the Manual*): | | | | | Terms not yet selected - Proposed selection date: |
| **Credit/Liquidity Enhancement** | If structured as a Public Issue, provide Credit/Liquidity Enhancer name:  If structured as a Public Issue with no Credit/Liquidity Enhancement, review **§3.1.3.C** of the Manual and explain: | | | | | | Enhancer not yet selected - Proposed selection date: |
| **Drawdown Structures** | Is the Issue a Drawdown Structure? Yes No *See* **§3.1.3.B***of the Manual* | | | | Not yet determined - Proposed determination date: | | |

*Continue to Part 4 on the next page.*

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| **Part 4. Proposed Affordability Structure** | | | | | | | | |
| Please described the proposed maximum Tenant income limits by Unit type for the Project. Use percentage of City Median Income as the income standard (*See* **§3.1.5.A.1** *in the Manual for more information*). | | | | | | | | |
|  | **30%** | **50%** | **60%** | **80%** | **120%** | **Market Rate** | **Other - Specify:** | **Total (Row)** |
| **SRO** |  |  |  |  |  |  |  |  |
| **Studio** |  |  |  |  |  |  |  |  |
| **1-Bedroom** |  |  |  |  |  |  |  |  |
| **2-Bedroom** |  |  |  |  |  |  |  |  |
| **3-Bedroom** |  |  |  |  |  |  |  |  |
| **4-Bedroom** |  |  |  |  |  |  |  |  |
| **5-Bedroom +** |  |  |  |  |  |  |  |  |
| **Total (Column)** |  |  |  |  |  |  |  |  |
| Does the Project’s rent structure assume that (1) existing residential tenants will not be evicted due to the financing based solely on their failure to meet a financing-related income standard at the time of the Issuance or during the Qualified Project Period and (2) that annual rent increases for such tenants will be limited to the percentage change in City Median Income for such year? | | | | | | Yes  N/A - New construction  No - Review **§3.1.6** of the Manual and explain: | | |

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| **Part 5. Proposed Timeline** | | |
| After reviewing the timelines in Exhibit G and Exhibit H of the Manual, please provide the following dates. | | |
| **CDLAC Application Deadline** |  | Approximate Date or  Hard Deadline - Explain: |
| **CDLAC Allocation Meeting** |  | Approximate Date or  Hard Deadline - Explain: |
| **TCAC Application Deadline** |  | Approximate Date or  Hard Deadline - Explain: |
| **TCAC Allocation Meeting** |  | Approximate Date or  Hard Deadline - Explain: |
| **Closing Date** |  | Approximate Date or  Hard Deadline - Explain: |
| **Construction Start Date** |  | Approximate Date or  Hard Deadline - Explain: |
| **Construction Completion Date** |  | Approximate Date or  Hard Deadline - Explain: |

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| **Part 6. Deposits and Retainers; Waiver Requests** | | | |
| Is the Borrower prepared to submit the following deposits and retainers? | | | |
| **City Deposit: $10,000**  *N/A for projects with MOHCD gap financing.*  *See* **§3.1.10.A** *of the Manual* | | Yes No, waver requested - Explain: | |
| **CDLAC Performance Deposit: Up to $100,000**  *Due in accordance to the Performance Deposit requirements in the CDLAC regulations. N/A for projects with MOHCD gap financing with minimum balance of $100,000 remaining.*  *See* **§3.1.10.C.1** *of the Manual* | | Yes No, waver requested - Explain: | |
| **Municipal Advisor Retainer: $6,500**  *Due directly Municipal Advisor at least one month prior to CDLAC application due date.*  *See* **§3.1.10.D** *of the Manual* | | Yes No, waver requested - Explain: | |
| **Part 7. Attachments** | | | |
| Please attach the following files, except the check for the City Deposit, to the email in which this Form is submitted. Please submit the City Deposit check to the MOHCD Project Manager at the following address: Mayor’s Office of Housing and Community Development, 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103. | | | |
| **Project Description Template with Narrative Description of Sponsor Experience** | The Program Manager will provide a Word version of the template (an example of which is included in the Manual as Exhibit I) along with this Form. The finished template should be submitted to MOHCD as an editable Word document.  Project Sponsors must provide a written description of (i) the expected ownership and management structure of the Project after Closing and (ii) the experience of the Project Sponsor, as well as any joint venture partners, in managing similar affordable residential projects. | | Attached? Yes  No – Explain: |
| **Full pro forma in MOHCD Template AND Sponsor/Financial**  **Consultant’s Format** | MOHCD pro format template is available on MOHCD’s website:  <https://www.dropbox.com/sh/1z1qvens7bgvor3/AABcVGy_a4zzASQDZ3TM8Awza?dl=0&lst> | | Attached? Yes  No – Explain: |
| **Deposit and Indemnification Agreement** | The Program Manager will provide a Word version of the agreement along with this Form. A PDF of the executed document should be returned to MOHCD along with this Form. | | Attached? Yes  No – Explain: |
| **Borrower Organizational Chart**  **AND**  **List of Principals and Board** | This chart must include the hierarchical relationships, ownership percentages, official names, entity types, and state of formation for all entities that have ownership and/or control interests in the Borrower entity as of City Application submission or will have such interests as of Closing.  Principal/Board List must include full names and titles of (A) sponsor’s board of directors; (B) sponsor’s principal officers, including CEO, CFO, COO, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10% or more in the sponsor; and (D) any subcontractor listed in the bid or contract. | | Attached? Yes  No – Explain: |
| **Preliminary Distribution List** | This document should include the contact information (including physical address, phone number, email address, and role in the transaction) for all known transaction parties as of City Application submission.The document should be submitted to MOHCD as an editable Word document. | | Attached? Yes  No – Explain: |
| **City Deposit**  *N/A for projects with MOHCD gap financing.* | Has a check for $10,000 payable to the order of “City and County of San Francisco Mayor’s Office of Housing and Community Development” (and referencing both the Project name and the words “City Deposit”) been sent to the attention of the Program Manager pursuant to **§3.1.10.A** of the Manual?  *N/A for projects with MOHCD gap financing.* | | Yes  No. The Borrower is requesting a waiver of this requirement as described in Part 6 of this Application.  No – Explain: |
| **CDLAC Self-Score Worksheet** | Can be either in CDLAC or sponsor format. The document should include the Project’s anticipated self-score and tiebreaker calculation. | | Attached? Yes  No – Explain: |

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| **Part 8. Project Sponsor Certification** | |
| The party or parties\* executing this certification on behalf of the Borrower entity or (if such entity is not yet formed) the Project Sponsor described in Part 2 of this Form (the “Signatory”) hereby certifies that (1) the information provided in this Form is true and correct to the best of the Signatory’s knowledge and (2) the Borrower or Project Sponsor, as applicable, agrees to adhere to the policies, procedures, terms, and conditions related to Issuance under the Program as described in **§3** of the Manual and summarized in the term sheet included as Exhibit D thereto, including (without limitation) provisions regarding fees, other costs of issuance, and indemnification. |  |
| Name |
| Title |
| Date  *\*Attach a signature page for additional signatures if necessary.* |

**Application Review and Approval Process**

Following submission, the Program Manager will review the City Application and may grant preliminary approval (the “Preliminary Approval”), after which the Program Manager will select the Municipal Advisor and initiate Bond Counsel selection. Next, the Program Manager and Municipal Advisor will conduct a more in-depth review in consultation with the Director and, if necessary, various other parties such as the City Attorney’s Office and members of the City’s Bond Counsel Pool.

Upon request, the Municipal Advisor will prepare a feasibility study with respect to the financing, including an evaluation of: the financial structure of the Project, assumptions regarding income and expenses, sources of security for the proposed Securities (in addition to the Project), the Project Sponsor’s financial situation and experience in operating and managing rental projects, marketability of the proposed Securities, and rights and resources of parties to the transaction in the event of a default.

Following review and any further discussion with the Project Sponsor that may be required, MOHCD will either approve or deny the City Application (respectively, “Full Approval” or “Denial”). Full Approval is merely MOHCD’s preliminary finding that, based on the information provided in the City Application (in original form or as subsequently amended), the proposed financing (1) is generally feasible, (2) can be executed in a manner consistent with this Manual, and (3) is recommended for approval by the Board of Supervisors as describe in **§3.2.4.B** of the Manual.

Full Approval DOES NOT (1) represent any commitment by the City to proceed with the proposed financing; (2) authorize any Gap Financing by MOHCD, OCII, or the City; (3) signify that the Project complies with the planning, zoning, subdivision, or building, laws or ordinances of the City; or (4) suggest that MOHCD, the City, or any officer or agent of MOHCD or the City will grant any approval, consent, or permit that may be required in connection with a given Project.

Any Denials will be in writing and will state the basis for denial. Project Sponsors may appeal Denials to the Director; any such appeals must be submitted in writing and will be subject to de novo review.