

# 2023-24 Super-NOFA Application for Affordable Housing Funds

Marin County Housing & Federal Grants Division

This application is for affordable housing developers in Marin County, California who would like to apply for multiple state, local, and federal funding sources simultaneously. Please refer to the Notice of Funding Availability (NOFA) released on February 6, 2023 for detailed information about qualifications and application requirements.

The following grant sources and amounts are available through this application:

1. **Marin County Affordable Housing Fund (HTF) and State Permanent Local Housing Allocation (PLHA)** - \$2.3 million
2. **Federal HOME-ARP** - \$2.4 million
3. **Federal CDBG Housing** - \$600 thousand

## Applicant Information

### Organization Name

Habitat for Humanity Greater San Francisco

### Website URL

<https://habitatgsf.org>

### DUNS #

79-418-2329

### Mailing Address

300 Montgomery Street, Suite 450  
San Francisco, California, 94104

### Project Contact Name

Ashley Spooner-Choi

### Title

Public Funding & DRE Manager

### Email Address

aspoonerchoi@habitatgsf.org

### Phone Number

(415) 625-1015

### Executive Director Name

Maureen Sedonaen

### Executive Director Email Address

msedonaen@habitatgsf.org

## Is there a co-applicant organization?

No

### **Briefly describe your organization, including mission, programs, staff experience, and number of clients served. Describe the co-applicant organization, if applicable.**

Habitat for Humanity Greater San Francisco (HGSF) builds homes and sustains affordable homeownership opportunities for families in Marin, San Francisco, and San Mateo counties. Our values focus on building partnerships, equity, stability, and legacy. A 501(c)(3) organization and one of 1,000+ registered U.S. affiliates of Habitat for Humanity International, HGSF has provided homeownership opportunities for over 260 local families in the past 30+ years. We remain one of the only affordable homeownership providers in our area serving households earning below 80% of the Area Median Income (AMI). While we focus on 40%-80% AMI, we retain the flexibility to serve up to 120% AMI if project economics and market demographics demand.

We take a multi-disciplinary approach to homeownership, acting not only as homebuilder and mortgage company, but also educator and long-term partner. For our new construction program, HGSF serves as the general contractor building new, deed-restricted, affordable ownership housing. We also practice a repurchase program where local Habitat homeowners sell their home back to the affiliate. We remodel the home and sell to another qualified homebuyer. HGSF holds an active contractor's license and our construction team consists of experienced trade professionals and apprentices. HGSF is committed to training the next generation of construction experts. Homeownership Services staff shepherd candidate homebuyers through the homebuying process and manage all home purchases. In the past ten years we have completed 100 new affordable ownership units and resold over a dozen additional homes.

With the support of community, philanthropic, corporate, and public investment, we provide a rare opportunity for local families: to own a home with zero down payment, 0% interest, and a 15-40 year mortgage, with monthly housing payments set at no more than 30% of household income. First-time homebuyers contribute 500 hours of "sweat equity" to build their future homes and those of their neighbors.

Habitat Redwood Blvd will be managed by a team of industry professionals with decades of experience in homebuilding and affordable housing. CEO Maureen Sedonaen brings over 30 years leadership experience in the Bay Area and holds strong connections across Marin County. Sedonaen was named one of San Francisco Business Times, "Most Influential Women in Bay Area Business" in 2015. VP of Real Estate Development Constanza Asfura-Heim brings over 20 years experience to help HGSF execute the organization's ambitious growth plans to double homebuilding efforts by 2025. She has several years experience in affordable housing, community-oriented development, and sustainable green building design. Sr. Project Manager Doug Fowler has over a dozen years of experience in the affordable housing field and has worked in various project management roles across the county, including work with multiple Habitat for Humanity affiliates. Throughout his career, Doug has developed an expertise in sustainable building practices and has certified projects through USGBC's LEED program, Energy Star, and National Green Building Standard. VP of Construction Jim Feely brings over 40 years of expertise in all facets of the industry. He has overseen the production of over 2,600 homes in the Bay Area.

### **Have there been any recent or upcoming leadership transitions?**

HGSF's Real Estate Development (RED) team looks to double the organization's production of affordable housing across Marin, San Francisco, and San Mateo counties in the coming years. To further support this objective, additional staff have been hired in all departments to increase capacity. Additional Fund Development staff and a new Public Funding Assistant have been brought on to support the additional cost of this growth in production. Our Operations and Homeownership Services teams have grown in anticipation of a large influx of new homebuyers. A new Real Estate Project Manager and Assistant Project Manager have joined the team as well. The Construction department has recently restructured to include a new Sr. Director of Construction.

As HGSF's former VP of Construction, this individual provides years of experience overseeing Habitat construction sites and will be an integral part of the success of Habitat Redwood Blvd. This transition has allowed the organization to bring in a new VP of Construction with over 40 years of industry expertise to oversee the affiliate's deep construction pipeline. Additional Construction Project Managers and Engineers have joined as well. The team is currently re-strategizing in order to improve our efficiency and efficacy as we begin multiple new projects. When construction begins on Habitat Redwood Blvd, we plan to hire additional construction staff to focus solely on this project. The Board of Directors of HGSF continues to grow and represents a variety of backgrounds and industries. We have experts in the legal and real estate fields as well as finance and marketing professionals on our board. HGSF is committed to diversity, equity, and inclusion for staff, homeowners, and community. This DEI-focused mindset also applies to our board recruitment and training. We have started the process of evaluating our board composition, focus, and strategic thinking over the last few years. We have become more intentional in recruiting for board demographic diversity, welcome differing points of view into boardroom deliberation, and establishing racial equity as one of the guiding principles in our work. We continue to work hard to increase the gender and racial diversity of our board.

**Have there been any recent expansions or cutbacks in activities and/or budget? If so, please explain.**

HGSF's Real Estate Development team looks to double the organization's affordable housing production in the coming years and our organizational chart has expanded significantly, increasing the capacity of all departments. Of note, an additional Real Estate Project Manager and Assistant Project Manager, a Public Funding Assistant, and numerous new Construction Managers have joined the organization. The Fund Development, Homeowner Services, and Operations departments have all expanded to ensure we are able to maintain a steady development pipeline. The Construction department is currently re-strategizing in order to improve efficiency and efficacy as we begin multiple new projects. When construction begins on Habitat Redwood Blvd, we plan to hire additional construction staff to focus solely on this project.

Over the past several years, we have seen the projected budgets for most of our new developments rise dramatically. Inflation, supply chain disruptions, and labor scarcity in the local market have driven this price upward. However, HGSF has identified the required resources to fund the ambitious development of Habitat Redwood Blvd and we continually look for ways to improve.

**If applicable, what is the organization's standing with licensing or other accreditation authorities?**

HGSF holds a Certificate of Good Standing from the Secretary of State of the State of California and an Entity Status Letter confirming tax exempt status and good standing with the California Franchise Tax Board. Our construction leadership has over 60 years' combined experience in the industry. HGSF holds an active contractor's license and our construction team consists of experienced trade professionals and apprentices. HGSF is committed to training the next generation of construction experts. Homeownership Services staff shepherd candidate homebuyers through the homebuying process and process all home purchases in partnership with a title company. All homeownership staff are trained in the Fair Housing Act, Equal Credit Opportunity Act, Americans with Disability Act, Fair Credit Reporting Act, Truth in Lending Act, Secure and Fair Enforcement for Mortgage Licensing Act, and Unfair, Deceptive and Abusive Acts of Practices. Multiple employees on staff are Qualified Loan Officers, having successfully completed the rigorous certificate program of Habitat for Humanity International.

**How does your organization verify client income?**

Habitat Redwood Blvd applicant families must be first-time homebuyers earning 40-120% HUD adjusted area median income (AMI) and will be considered for ownership via a lottery. At least 40 of the 80 units in the project will be restricted to low-income households earning up to 80% AMI. HGSF includes all household income earners over the age of 18; if a household member does not earn income, they must provide an affidavit stating as such. HGSF requests income documents, including W2, 1099, and tax returns from the previous two years, as well as paystubs from the past three months. Additionally,

homebuyer applicants provide statements from the previous three months for all financial accounts, including checking, savings, and money market, as well as retirement accounts such as IRA, 401k, and 403(b) accounts. HGSF requests award letters for additional income, such as social security and pension, and compares them directly with bank statements. HGSF may require additional documentation depending on the income source. Employment, along with pay rate and YTD earnings, is verified by contacting previous and current employers. For applicants who have not filed tax returns, HGSF requires form 4506T be signed by the applicant and submitted to the IRS, who then provides tax return transcripts to the applicant for submittal to HGSF.

HGSF consults with a third-party lender who reviews all documentation in the applicant file and performs their own income qualification. Once the families are officially homeowners, HGSF no longer verifies income and changes will not affect homeownership status with HGSF so long as the family continues to make mortgage payments as agreed.

## General Project Information

### Project Name

Habitat Redwood Blvd.

### Project Address

8161 Redwood Blvd.  
Novato, California, 94945

### Assessor's Parcel Number (APN)

125-580-25

## Funding Requests

**Which funding source(s) are you seeking for this project? Please refer to the NOFA for a description of each funding source and eligible project types. Those applying for HOME-ARP funds are highly encouraged to apply for HTF/PLHA funds as well.**

HTF/PLHA

### HTF/PLHA Amount Requested

\$2,000,000

## Project Details

**Scope of Work: Describe the proposed project, including details such as property characteristics, proposed use of funds, and number of housing units involved. Explain how the project will benefit the community.**

Habitat Redwood Boulevard is the largest affordable homeownership opportunity in Marin and provides safe, sustainable housing to underserved communities. The project is characterized by 80 homes in 23 buildings with a proposed density of 10 Dwelling Units Per Acre (DUA). Anticipated to be developed in two major land development phases, the work will take several years to complete. Designs reflect the area's rural nature and feature an oval layout surrounding central open space. Amenities include play areas, dog park, and community gardens.

Each new home provides ample storage space, multiple bathrooms, laundry facilities, and high-quality, durable finishes. The project will meet or exceed all state and federal accessibility requirements and make all reasonable accommodations as required by law for homebuyers with hearing, visual, or mobility impairments. Since project conception, we have striven to benefit the local community. Leveraging our reputation as a leader in affordable housing, we've secured a highly skilled team of dedicated consultants.

At least 50% of the homes will be sold to low-income households below 80% AMI, with 10% set aside

for below 65% AMI. The remaining 50% of the homes will be sold to moderate-income families earning 80-120% AMI, with 10% set aside for under 90% AMI. Prior to Final Map recordation, HGSF will execute an Affordable Housing Agreement with the City of Novato. Deed restrictions will ensure all homes remain affordable in perpetuity and the project will help the City meet RHNA obligations.

The project has secured multiple sources of funding and has targeted many others. Existing County sources have been or will be used primarily for predevelopment costs with our HOME award supporting early construction costs. A requested CalHome Development Project Loan will be used for permits, fees, and onsite improvements. This HTF/PLHA request will support horizontal construction while targeted FHLB AHP awards will help close the construction cost gap. Future CalHome Mortgage Assistance and other public funding will fill the gap between the affordable first mortgage and sales price.

Our team will pursue partnerships with local organizations and community groups to best market the project to potential buyers. Providing this rare opportunity to low-income families historically excluded from homeownership is the core mission of our organization. Nearly 90% of HGSF's partner homebuyers identify as Black, Indigenous, or People of Color (BIPOC).

HGSF strives to build homes that are healthy, feature low utility bills, and are durable for homeowners while reducing our impact on the environment. Habitat Redwood Blvd will be certified in the GreenPoint Rating system and the Department of Energy's Zero Energy Ready program. To achieve this certification, a 3rd party inspector will review our plans and confirm the homes are built to meet all aspects of these programs.

Sustainability features currently include rooftop solar panels, advanced insulation packages, an Energy Recovery Ventilation system, low-emitting finishes, durable materials, and low-use water fixtures. All exterior lighting will be dark sky compliant as required by entitlements. HGSF commits to build 100% electric communities generating a lower carbon footprint, and increased safety and public health.

**Describe the property's history leading up to this request. Include when the organization acquired/will acquire the property, any previous requests for County funding, attempts to secure other financing, etc.**

The property is a 13.6-acre parcel of undeveloped land to be donated to HGSF by the current landowner, with whom we have a Nondisclosure Agreement (NDA). We can share that we signed an enforceable Donation Agreement in August 2022 and are making final preparations for the property transfer to take place per that agreement. The site contains utility infrastructure and previously contained an auto repair facility which has since been removed and remediated. There are currently no existing structures on the parcel.

The team has worked diligently to ensure the smooth processing of our entitlement package with the City of Novato. The following milestones and approvals have been reached: Novato Planning Commission approval (October 2021), Novato City Council approval (January 2022), Mitigated Negative Declaration filed with Secretary of State (January 2022), Grading Permit submitted to Novato Engineering Department (March 2022), Encroachment Permit submitted to Novato Engineering Department (September 2022), Building Permit submitted to Novato Building Department (October 2022).

Over the next 12 months we anticipate processing required permits and agreements with City & Agencies. This includes receiving our Improvement & Encroachment Permits, Final Map approval, and Residential Building Permit. We will also receive required permits from local agencies, including the North Marin Water District, Novato Sanitary District, Novato Fire District, and Caltrans. Work with PG&E has begun for electrical power infrastructure. During these permit submittals, we will continue refining project plans with the design team, responding to comments from the City and Agencies, and developing final Construction Documents that are consistent and approved by all relevant parties. Our goal is to have all engineering permits secured in 2023, allowing us to take additional steps like receiving final pricing, signing a contract with a horizontal development contractor, and beginning pre-construction mobilization onsite.

HGSF's real estate team dedicated countless hours working with local and state agencies to secure required regulatory permits and meet all local design and development standards for the project. All discretionary and regulatory approvals have been received. During the zoning approval phase, our team worked alongside the Novato Sanitary District, the North Marin Water District, the Marin County Airport

Land Use Commission, and the Novato Fire District to ensure the project was approved by all required parties. During the discretionary approval period, HGSF received support from neighbors and community partners in Novato and Marin County, including several letters of approval. Partners and advocates include Novato community members, HGSF volunteers, Buck Institute for Research on Aging, Homeward Bound of Marin, and North Marin Community Services.

We have been awarded \$570k from the Housing Trust as well as \$235k in CDBG and \$300k in HOME funds from the County. This February we submitted another CalHome PDL application and are confident the request is competitive. To date, we have successfully secured over \$2.3 million in private funding, including assistance from the Tamalpais Pacific Foundation and \$1.9 million from the Marin Community Foundation.

**Describe any nearby amenities, such as parks, public transportation, grocery stores, health care facilities, schools, childcare, libraries, parks/open space, etc. that residents of the project are/would be able to use.**

The Habitat Redwood Blvd property is bordered to the east by the Novato Days Inn, Redwood Blvd, and Highway 101; to the south by the Buck Center for Research on Aging; to the north by the old Birkenstock facility; and immediately to the west by Buck Center open space with homes and Olompali State Park beyond. The property is within half of a mile of multiple transit lines at the Novato San Marin SMART Station. This station provides service north to the Sonoma County Airport and south to Larkspur which connects to the Golden Gate Ferry. Golden Gate Transit and Marin Transit also serve stops located near the San Marin Station. Future expansion efforts will extend the SMART system to Cloverdale in northern Sonoma County. There are several other new construction projects in various stages of development within one mile of the project site, including market-rate residential, commercial, and mixed-use developments.

The project's design aims to reflect the rural farming nature of the surrounding area, set around common greens and courtyards. The site itself is laid out in an oval pattern around a central open space, crossed by pathways and gathering areas. The design team has worked to provide many amenities to this new community, including multiple play areas, a small amphitheater for events, a dog park, community gardens, trails and pathways, seating areas, benches and tables, and neighborhood meeting areas. HGSF will provide future families every opportunity to create and grow a thriving community at Habitat Redwood Blvd.

The development is located less than two miles from downtown Novato and provides access to many transit options and community amenities. The following amenities are located within three miles of the property.

- Trader Joe's
- Whole Foods Market
- Safeway
- Downtown Novato Community Farmer's Market
- Novato Unified School District
- St Francis Preschool
- Olive Elementary School
- Novato Library
- Marion Park
- Stafford Grove Park
- Novato Family Dental Care

**Select the known environmental issues of the proposed project site, and/or adjacent properties if relevant.**

Flood zone

No known environmental issues

**Notes or clarifying information on environmental issues:**

Habitat has completed extensive environmental review of the project and concluded that no severe

adverse conditions are present at the jobsite. Our team completed a Phase I Environmental Assessment plus two subsequent limited soiling sampling exercises. These three studies concluded that the site is acceptable for residential development and were provided to the City of Novato during the CEQA and zoning approval process. Aspects of the property are in a flood zone, but no residential structures are in identified flood zones.

The project completed the CEQA process with the City of Novato acting as the lead agency. An Initial Study/Mitigated Negative Declaration was approved by the Novato City Council in January of 2022 and a Notice of Determination was filed. The appeals window has since closed. The County of Marin has begun the NEPA process as required for a previous HOME funding award for the project.

**Have you begun any state or federal environmental review procedures for the proposed project?**

Yes

**Who is the staff member that will supervise and manage the proposed project? Describe their past experience with project management.**

Doug Fowler, Senior Project Manager, has over 12 years of experience in the affordable housing field and has worked in various project management roles around the country. A former AmeriCorps VISTA, Fowler joined HGSF in 2018 after working with Habitat for Humanity on the Mississippi Gulf Coast and in Durham, North Carolina. Most recently, Fowler was with Mission First Housing Group, an affordable housing developer based in Philadelphia, PA. He has been involved with the design, development, and construction of over 600 affordable housing units, including new construction, rehabilitation, and preservation projects. Throughout his career, Fowler has developed an expertise in sustainable building practices; he holds a LEED AP Homes designation and has certified projects through USGBC's LEED program, Energy Star, Enterprise Green Communities, National Green Building Standard, and Passive House Institute US. Fowler is currently working on the Habitat Redwood Blvd project and will remain the Project Manager throughout.

**Will the project involve hiring an external property management company?**

Yes

**Describe the property management company. Include the company name and the number of affordable housing sites and units that it currently manages.**

As the developer, HGSF will establish the HOA, draft and record CC&R's, Articles of Incorporation and Association Bylaws, develop a preliminary HOA budget, and train new homebuyers as to the requirements and responsibilities of being a part of a homeowners' association. Once unit construction is underway and prior to home sales, HGSF will hire a management company to properly maintain and manage the development after occupancy. The property management company will provide education to homeowners throughout their home ownership journeys. HGSF has developed relationships with numerous management companies over the years and will select one with strong experience and reputation to guide Habitat Redwood Blvd.

*If awarded funding, you will need to draft and submit an Affirmative Marketing Plan for this project. The plan would describe how you will market the project to different groups of people based on protected characteristics such as race, color, national origin, religion, sex (including sexual orientation and gender identity), familial status, and disability. Please refer to the Affirmative Marketing tab of the [Federal Grants website](#) for more information.*

**Describe any prior experience with affirmative marketing or similar initiatives.**

To market each new homeownership opportunity, HGSF takes a diverse approach. Working with local partners, including public agencies, community-based organizations, community leaders, and faith institutions, HGSF conducts an affirmative marketing needs assessment, including demographic data collection about race/ethnicity and language(s) spoken, as defined and required by HUD. This allows us

to identify the target population most in need of, and least likely to apply to, affordable housing opportunities in the jurisdiction's expanded housing market area. HGSF has a dedicated Outreach & Engagement Manager who is tasked with deepening these relationships within the communities we serve to help spread the word about our work, impact, and services. Postcards, in both English and identified, predominant language(s), are mailed to a radius around the project and flyers are shared in many community locations, including libraries and community centers. Additionally, HGSF advertises on social media, the HGSF website, and in newspapers to reach a varied and widespread audience of potential homebuyers.

For each new homeownership opportunity, we typically hold informational sessions (in-person and virtual; often dual language) about HGSF and the application process. Several staff members support potential applicants and help answer specific questions pertaining to eligibility and completing the application/gathering and obtaining the required documentation. All advertising will display the Equal Opportunity and Equal Access logos; and all our programs comply with all nondiscrimination and fair housing laws. Our Homeownership Services team has received extensive anti-discrimination education, including training in the Fair Housing Act, Equal Credit Opportunity Act, Truth in Lending Act, and others.

*All projects funded by HUD programs must Affirmatively Further Fair Housing. This is defined as combating housing discrimination and taking meaningful actions to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to housing opportunities based on protected characteristics: race, color, national origin, religion, sex (including sexual orientation and gender identity), familial status, and disability.*

### **Describe any past community engagement activities for this project, and future plans for community engagement.**

Since project conception, our team has strived to make partners in the area and design and develop a project that will truly benefit the local community. We have leveraged our reputation as a leader in affordable housing to help make the project possible by securing a highly skilled team of dedicated designers and consultants, including local leaders in the field of architecture, engineering, sustainability, environmental topics, and landscaping. Nearly all designers have committed to support HGSF, and the project, by providing discounted fees or donated time to help keep the project affordable and feasible. HGSF has worked tirelessly to ensure the proposed project exceeded all expectation of the City of Novato staff and leadership. Our entitlement package included several public hearings, including with the Design Review Committee, Planning Commission, and City Council. The Novato City Council unanimously approved the project in January of 2022, with vocal support from all members.

HGSF's real estate team dedicated countless hours working with local and state agencies to secure required regulatory permits and meet all local design and development standards for the project. During the discretionary approval period, HGSF received support from neighbors and community partners in Novato and Marin County. The project received several letters of support for both the Novato Planning Commission and City Council Meetings. Partners and supporters include Novato community members, HGSF volunteers from Marin County, Buck Institute for Research on Aging, Marin Open Space Trust, Marin Humane Society, Marin Community Foundation, Homeward Bound of Marin, North Marin Community Services, Marin Conservation League, and more.

Sweat equity and volunteerism are core tenants of our organization. HGSF will continue to make long term partners in the community to help achieve our mission. We have begun building relationships and developing a robust volunteer pipeline in Novato and Marin County to ensure our volunteer crews will be able to support our work onsite. Our Construction staff will also work to make partners in the trade and builder industry to ensure our team can meet the project's needs.

## **Demographics and Unit Information**

In the table below, enter the existing or anticipated number of units based on income level and bedroom count. Refer to the [Current Marin County Income Limits](#) to determine income level.



## Anticipated Unit Count by Bedrooms and Income Level

	Extremely Low	Very Low	Low	Moderate	Market Rate	TOTAL UNITS
Studio						0
1 bed						0
2 bed			10	9		19
3 bed			18	19		37
4 bed			12	12		24
Other						0
<b>TOTAL UNITS</b>	0	0	40	40	0	80

In the table below, enter the demographics of the people who live (or will live) in the proposed housing project. If unknown, use the demographics of households within similar existing Marin complexes as the proposed project, within the organization's purview. Specify the number of Hispanic/Latino residents in its stand-alone column. The "Total" column must include the number of Hispanic/Latino residents as part of the sum.

### Are these numbers specific to the proposed project, or to a similar existing Marin complex?

Proposed project

### Demographic Information

	Total Number of Persons	Persons Identifying as Hispanic/Latino
White	136	93
Black/African American	51	2
Asian	132	0
American Indian/Alaskan Native	4	0
Native Hawaiian/Other Pacific Islander	19	0
American Indian/Alaskan Native & White	0	0
Asian & White	8	2
Black/African American & White	8	2
American Indian/Alaskan Native & Black/African American	0	0
Other Multi-Racial	51	43
Other/Not Disclosed	0	0
<b>TOTAL (Unduplicated)</b>	409	142

Fill in a number for each of the fields below. For new construction, or if you are unsure, please put 0.

**Families**

80

**Female-headed households**

27

**Households that include person(s) with a disability**

5

**Notes or clarifying information on demographics:**

The demographic breakdown included in this application is a prediction as HGSF does not begin accepting applications and qualifying potential homebuyers until around the time construction begins. All demographic information collected is self-reported and our categories do not directly match those in this application. The information presented in the demographics table is based on current Habitat homeowners and past applicants in Marin County. We expect the applicant pool for the Habitat Redwood Blvd. project to follow similar trends.

## Project Planning

**Select the current phase of the proposed project.**

Predevelopment

Describe the project timeline and specify a real or estimated completion date for each milestone below. Add/explain any additional milestones as needed.

### For acquisition projects:

### For new construction and/or rehabilitation projects:

**Define scope of work/finish design**

Wednesday, April 1, 2020

**Complete planning and environmental review**

Tuesday, January 11, 2022

**Release bid package**

Sunday, October 1, 2023

**Select contractor**

Monday, January 1, 2024

**Finalize contract**

Monday, April 1, 2024

**Obtain building permits**

Friday, December 1, 2023

**Start construction**

Monday, April 15, 2024

## Complete construction

Thursday, December 31, 2026

### Additional Milestones for New Construction and/or Rehabilitation Projects

Milestone	Estimated Completion Date
Design Review Application Submitted to City of Novato	08-01-2019
Formal Planning Application submitted to Novato	10-16-2020
Notice of Intent to adopt a Mitigated Negative Declaration (CEQA)	09-03-2021
Novato Planning Commission unanimously approved project	10-11-2021
Mitigated Negative Declaration filed with Secretary of State	01-12-2022
Grading Permit submitted to Novato Engineering Department	03-03-2022
Encroachment Permit Submitted to Novato Engineering Department	09-15-2022
Building Permit Submitted to Novato Building Department	10-07-2022
Grading Permit Approved by City of Novato	11-22-2022
CalHome Application (\$7.5 million) and BUILD program application (\$850k)	02-28-2023
Apply for State Infrastructure Funds (IIG) & other funding sources	07-01-2023
Secure all necessary permits from Novato & Other Agencies	12-01-2023
Horizontal Construction Begins	04-01-2024
Begin Vertical Construction	01-01-2025
Complete Construction Phase I	04-01-2026
Complete Construction Phase II	11-01-2026
Home Sales Begin	07-01-2026
Home Sales Completed	07-01-2027

### Explain any additional milestones for New and/or Rehabilitation Projects below:

This timeline includes estimated dates for future milestones. Habitat Redwood Blvd is an incredibly long and complicated project and is one of the largest affordable homeownership developments in the state. This project involves complex site work, including new roads and infrastructure that will need to be in place before vertical construction can begin. We have built buffers into our project schedule to allow for unforeseen delays. HGSF self-performs much of the work with our in-house construction team and volunteer labor. However, we do retain the ability to sub out certain work in the interest of time. Homes will be completed and sold in phases, allowing us to not only get families into their homes more quickly but providing flexibility in our work.

### Will you be seeking Project Based Section 8 Vouchers for this project?

No

*Please be aware that if Project Based Section 8 Vouchers (PBV) are committed to the project, the environmental review process and subsidy layering must be completed before the acquisition is complete or construction commences. Actions taken prior to PBV being committed are not subject to*

*this requirement.*

**Describe the type of site control that your organization has for the proposed property. If this request includes funds for acquisition, summarize the acquisition terms, price, contingencies, and conditions.**

Habitat for Humanity Greater San Francisco has executed a non-disclosure agreement (NDA) and donation agreement with the current landowner of the property at 8161 Redwood Blvd. The Donation Agreement was executed on August 12, 2022. HGSF has been working together with the current landowner to ensure that title transfers to HGSF in 2023 to allow construction to commence as soon as feasible.

**Please describe in detail the entitlements and permits that will be required, and those already obtained. For example, Design Review, Master Plan, Zone Change, General Plan Change, Coastal Permit, etc.**

Discretionary Project Approvals for the Habitat Redwood Blvd Include:

- General Plan Amendment
- Master Plan
- Precise Development Plan
- Vesting Tentative Map
- Environmental Review (CEQA Initial Study / Mitigated Negative Declaration)

These approvals were granted, unanimously, by the following bodies:

- Novato Planning Commission, October 2021
- Marin County Airport Land Use Commission, November 2021
- Novato City Council, January 2021

The project also required two regulatory permits from state agencies prior to breaking ground. These permits have been processed in parallel with the entitlement package and have been issued by relevant agencies.

A Discharge Permit was issued by the Regional Water Quality Control Board in August of 2022 and a 1602 Lake and Stream Bed Alteration Permit was issued by the CDFW in July of 2022.

**Describe any contact with the planning staff at the relevant government jurisdiction, and any specific feedback they provided.**

The project's design, environmental review, and full entitlement package was unanimously approved by the Novato City Council in January 2022. Throughout the process our team worked closely with Brett Walker, Senior Planner with the City of Novato planning department. We have worked with all associated departments and agencies, including the Novato Fire District, Department of Public Works, Novato Sanitary District, and North Marin Water District, to ensure our project can and will meet all requirements of these entities.

**Identify all applicable accessibility laws and specific accessibility requirements that must be met in the design of the proposed project.**

Habitat Redwood Blvd will contain 80 homes across 23 buildings and nine designated ADA parking spaces. The project will also be designed to make all reasonable accommodations as required by law for qualified homebuyers with hearing, visual, or mobility impairments. The development will meet or exceed all state and, if necessary, federal accessibility requirements. In anticipation of receiving federal funding for the construction of the homes, HGSF has also engaged an ADA consultant to ensure compliance with applicable codes.

## **Financing Plan**

**What is the status of all proposed project funding sources as of the date of this application?**

The total project budget currently sits at \$93,900,000, including \$75 million in construction spending, plus an additional \$19.3 million in pre-development and HGFS costs. This budget includes anticipated inflation across the life of the project, construction contractor contingency of 11%, developer contingency of 10%, and a developer fee of 2% to cover HGFS staff and overhead costs.

Our Real Estate Development team has years of experience securing public subsidy for our affordable homeownership opportunities. HGFS has already secured \$1.26 million for Habitat Redwood Blvd from Marin County and its Housing Trust Fund across several sources. We anticipate over 27% of the project budget, or \$26 million to be funded by public subsidy from Marin County, the City of Novato, HCD, the Federal Home Loan Bank, the California Energy Commission's Building Initiative for Low-Emissions Development (BUILD) Program, and other sustainability geared programs.

Habitat's Fund Development team will also support the project by securing private donations from individual donors, corporate sponsors, or foundations. To date, we have raised over \$2.3 million dollars in private donations and funds, largely from our biggest supporter, the Marin Community Foundation. We anticipate at least 10% of the project budget, or \$9.4 million, to be funded through private donations.

The last piece of our funding stack will be mortgage revenue. As the lender, HGFS can use issued mortgages to help finance and fund our projects. After a home sale, HGFS collects monthly receipts from the affordable mortgage, or can monetize that mortgage through a bank purchase or financial transaction. Overall, we anticipate the final 52% of the project budget, or \$57 million, to be permanently financed through the project's mortgage revenue. As Habitat Redwood Blvd includes both low-income and moderate-income restricted units, we are confident in our ability to make use of mortgage revenue to properly capitalize the development.

Along with these permanent sources, HGFS also has access to temporary sources to finance projects throughout construction. For a project this large, we will use construction lending sources from traditional lenders or a corporate partner, plus temporary HGFS sources like mortgage revenue from other developments, a company line of credit, and a company construction line of credit.

Throughout the project, HGFS will monitor potential construction cost escalation and supply chain challenges for building materials and interior finishes. HGFS is conservative in estimating the construction costs, as evidenced by including a construction contingency of 10% in the project budget, providing for inflation of the costs for the multi-year construction period, and regularly conferring with HGFS Board Members (who are private sector housing developers) about market conditions. HGFS also plans to order materials in advance as needed to mitigate the supply chain challenges faced by many developers and take other necessary steps to keep costs reasonable.

### **What is the timing and likelihood for obtaining commitments of anticipated funding sources?**

HGFS has identified a diverse list of anticipated funding sources for Habitat Redwood Blvd. The Marin Community Foundation has been generous with \$2M already awarded to the project. We are targeting several other private funding sources including individuals, foundations, and corporate sponsors.

The Real Estate Development team submitted an application for a \$7.5M CalHome Development Project Loan to support 30 of the 40 low-income units. Our self-score was 94 out of a total possible 100. We are confident this application will be competitive. Award announcements are expected in Summer 2023. We anticipate applying for CalHome Mortgage Assistance in a future round to support the remaining 10 low-income units and expect the project to remain competitive.

Habitat Redwood Blvd is currently receiving technical assistance for the California Energy Commission's Building Initiative for Low-Emissions Development (BUILD) program. We expect to reserve our allocation based on project design later in 2023 and will then move into the construction phase of the program. Due to the large number of sustainability features and ability to adapt design elements to align with the BUILD program, the project has a high likelihood of receiving a large BUILD funding commitment. We are also targeting the Federal Home Loan Bank's Affordable Housing Program (AHP) for up to \$1M in gap financing. Past HGFS projects have been successful in securing AHP subsidy and we are confident Habitat Redwood Blvd will be successful as well. Our CEO has also been holding ongoing conversations with the City of Novato, which recently awarded the project \$350,000 in grant support and waived nearly \$600,000 in fees to support the project. We continue to research and pursue new funding sources, including possible future County subsidy like HOME or CDBG (for mortgage assistance or disposition), the State of California Housing and Community

Development's Infill Infrastructure Grant program, and others.

**In the event that any funding sources are not obtained or are committed at lower levels than requested, what alternatives will be pursued?**

The total project budget currently sits at \$93,900,000 and the team is continuously monitoring for any changes and ways to complete the project more efficiently and effectively. Although this budget has risen dramatically over the past several years, HGSF has identified the required resources to fund this ambitious development. The project was recently awarded approximately \$600,000 in fee waivers as well as \$350,000 in grant support from the City of Novato. Such City support will help diversify the funding sources and help our team confidently move forward with the development.

One way our team works to keep costs under control is by securing donated materials, labor, and professional services. To date, all major members of the current design team have provided in-kind services or a reduced billing rate for Habitat Redwood Blvd. We have secured over \$150,000 in Gift In-Kind services thus far. Our Real Estate Development and Construction teams, along with our Fund Development team, will continue to work hard to retain these kinds of partnerships and to find new opportunities for donated services. Our current budget anticipates \$850,000 in donated goods and services, and the land, valued at \$2.95 million, will also be donated to HGSF. These donations help guarantee we can keep our costs reasonable and in budget as the project progresses.

Habitat's Fund Development team will also support the project by securing private donations from individual donors, corporate sponsors, or foundations. Should some of the targeted sources commit at lower levels than requested, we have the ability to pursue additional private funding, sell additional mortgage notes, or use our company and/or construction lines of credit. We are also weighing several different options, including public or private construction loans, to help further finance the project as needed.

**For each item in your project budget, to be attached to this application, please explain how the budgeted amount was derived, whether costs are estimated or bid, and any other relevant information that justifies the budgeted expense (e.g., cost per square foot, percentage of other costs, estimated number of work hours).**

HGSF takes a multi-disciplinary approach to homeownership, serving not only as the landowner and developer, but also the general contractor, by self-performing much of the work on site. The proposed costs below are based on our extensive experience building affordable housing in the Bay Area. As the project progresses, we continue to brainstorm cost-effectiveness strategies and determine future funding opportunities and needs.

The construction budget was updated in late 2022 and takes into account inflation and cost increases that have affected the construction industry over the past three years.

Horizontal construction costs are based off the results of an RFP issued in late 2022 to trusted land development contractors in Marin County. Hard bids were provided by four separate contractors through that RFP. HGSF has analyzed those bids to come to a realistic budget that aligns with trade partners for the extensive horizontal development work included in the project and is also accounting for future inflation.

Vertical construction costs have been estimated in a mix of three ways. Major trade budgets are set on bids by sub-contractors and based off current plans (framing, roofing, plumbing, drywall, electrical, mechanical, exterior enclosure, etc). The costs of lumber, building materials, and finishes are based off of historical HGSF costs on a per unit or square foot cost and take into account spending on recently completed and under construction Habitat projects. Lastly, general conditions have been estimated based off of the use of HGSF's volunteer labor program and the assumed length of the project. All budgeted items assume future inflation through the life of the project.

Pre-development costs have been estimated based off of current design contracts, historical averages for HGSF costs, fee estimates provided by cities and agencies, and quotes from consultants. The project's pre-development costs have increased only marginally over the past three years and future inflation is captured in this budget.

The project is also carrying adequate contingency for the current stage of pre-development. The budget

includes an 11% construction contractor contingency plus an additional developer contingency to safeguard against any unforeseen issues. As the project progresses through the permitting and final buy out stages, we are confident that our team can maintain or reduce this budget.

**Is your organization receiving any other Marin County funding for this project?**

Yes

**Please describe. Include a brief overview of the goals and accomplishments achieved through this funding.**

Habitat Redwood Blvd has already received four funding awards from Marin County: \$250 thousand and \$321 thousand from the County Housing Trust, plus \$235 thousand in CDBG and \$300 thousand in HOME funding from the County. Our first \$250,000 was fully disbursed in Fall 2021 and helped cover early project consultant costs, including environmental, architecture, and engineering consultants. Our \$321 thousand award, which includes approximately \$160 thousand from the County’s Housing Trust Fund and \$160 thousand in Permanent Local Housing Allocation (PLHA) funds, will support further predevelopment costs, such as construction drawings. The \$235 thousand CDBG award will help HGSF pay for a sewer fee which is a required component of the land donation and will be paid in Spring 2023. Finally, the current \$300,000 in HOME funds will support early construction costs.

Marin County remains the largest public subsidy provider on the Habitat Redwood Blvd project. Without this generous County funding the project would not be possible.

**Does your organization have unspent funds that were previously awarded by the County (for any project)?**

Yes

**What is your timeline for expending the fund balance?**

Habitat Redwood Blvd has three unspent County awards.

- CDBG, \$235,362, will be expended in Spring 2023
- HTF/PLHA, \$321,804, will be expended in Winter 2023
- HOME, \$300,000, will be expended in Spring 2024

Habitat for Humanity Greater San Francisco has also received County support for our Aspen-Overlook Project. Both the Measure W and the County Housing Trust awards will be used for property acquisition costs.

- Measure W, \$400,000, will be expended in Summer 2023
- HTF, \$400,000, will be expended in Winter 2023

## Attachments

**Please closely review the Notice of Funding Availability (NOFA) for instructions on which documents you must attach. The County requires specific attachments for each funding type (HTF/PLHA, HOME-ARP, CDBG Housing). Please label your attachments in this manner: “2023-24 [Document Name] for [Organization Name]- [Project Name].”**

 2023-24 501C(3) Approval fo... .pdf	 2023-24 Board fo Directors fo....pdf
 2023-24 FY23 Organization O....pdf	 2023-24 Financial Statement ... .pdf



2023-24 Financial Statement ....pdf



2023-24 Financial Statement ....pdf



2023-24 Pro Forma for Habit... .xlsx



2023-24 Site Control for Habi... .pdf



2023-24 Sources Uses for Ha... .xlsx

## Certification

Please review your responses above for accuracy.

### **Name of Person Completing this Application**

Ashley Spooner-Choi

### **Title of Person Completing this Application**

Public Funding & DRE Manager

### **By checking this box,**

I hereby certify that the information in this application is true and accurate to the best of my knowledge.