

**City of Visalia
Agenda Item Transmittal**

Meeting Date: 12/15/2014

Agenda Item Number (Assigned by City Clerk): 17.

Agenda Item Wording: Public Hearing on a Substantial Amendment to the Action Plan HOME funding for the cancellation of a commitment of \$1.62 million HOME dollars; and up to a \$600,000 reallocation to a HOME Community Housing Development Organization CHDO Acquisition, Rehabilitation Program and remainder to the City's existing HOME Foreclosure Acquisition Program.

Deadline for Action: 12/15/2014

Submitting Department: Community Development

Contact Name and Phone Number:

Chris Young, Community Development Director, 713-4392
Christopher Tavarez, Administrative Services Manager, 713-4540
Rhonda Haynes, Housing Specialist, 713-4460

Department Recommendation: That City Council approve a Substantial Action Plan Amendment to:

- 1) Authorize cancelation of \$1.62 million HOME dollar commitment toward the Self Help Enterprise (SHE) multi-family project, located at Highland Avenue, west of State Highway 63 (Dinuba Highway), between Ferguson Street and Riggan Avenue; and
- 2) Approve re-allocation of up to \$900,000 for a HOME Community Housing Development Organization (CHDO) Program
 - a) Authorize Reallocation of \$600,000 HOME-CHDO funds to a new Self Help Enterprise (SHE) HOME-CHDO Acquisition, Rehab Program for existing single and multi-family dwellings; and
 - b) Authorize the City Manager to approve an additional allocation of \$300,000 of HOME-CHDO funds (from the City's Foreclosure Acquisition Program), to SHE for additional purchases through the SHE-CHDO Acquisition, Rehab Program, if SHE is successful in acquiring properties and meeting expenditure goals by April 01, 2015; and
 - c) Approve Self Help Enterprise, Inc. (SHE) Community Housing Development Organization (CHDO) certification for a new SHE-CHDO Acquisition, Rehab Program; and
 - d) Authorize the City Manager and/or City Attorney to execute and make minor or technical changes to funding, SHE-CHDO Agreements, including individual CHDO-property agreements; and
- 3) Approve re-allocation of \$1,020,000 HOME dollars to the Foreclosure Acquisition Program to continue to acquire, rehab and resell foreclosed properties; and

COUNCIL ACTION: Approved as Recommended

-907- BL/AS 5-0

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4) Authorize staff to make appropriation adjustments of the \$1.62 million as outlined above.

Note: HOME funds can only be used toward affordable housing projects and programs.

Summary: HOME is authorized under Title II of the Cranston- Gonzales National Affordable Housing Act as amended, which follows 24 Code of Federal Regulations Part 92. The City received HOME dollars through the U. S. Department of Housing and Urban Development (HUD) so that it may provide activities that build, purchase, and/or rehabilitate affordable housing for rent or homeownership. HOME funds are designated exclusively to create affordable housing opportunities to low-income households.

In April of 2014, Staff presented to City Council, the Self Help Enterprise (SHE) 4.88 acre, 36-unit re-designed project, known as Visalia Village. The Project is located at Highland Avenue, west of State Highway 63 (Dinuba Highway), between Ferguson Street and Riggan Avenue, to City Council and community committees, as shown in Attachment "A", Visalia Village Site Map.

Council authorized the use of the HOME-CHDO funding, in the amount of \$1.8 million dollars, toward the redesigned project, including a seed money loan in the amount of \$180,000 for predevelopment costs. SHE submitted a tax credit application to the State of California for 9% tax credit funding to assist with the development costs, which did not receive an award during the 2013 round. SHE and the City Staff have discussed the HOME rules, which require releasing \$1.62 million HOME commitment, and allowing waiver of the \$180,000 seed money loan, as allowed by HUD due to the impediments to the project, deeming it infeasible to complete the project at this time. Self Help will continue to pursue tax credit funding for this property and anticipates submitting a new proposal at a future time.

This Action Plan Amendment also allows three transactions:

- 1) Re-allocation of \$600,000 in HOME-CHDO funds, toward a new CHDO Program by Self Help for acquisition and rehabilitation of existing single or multi-family units; and
- 2) If SHE is successful, authorization by City Manager to allocate an additional \$300,000 toward SHE Program for additional acquisition/rehabilitation of single family properties; and
- 3) Re-allocation of the remaining HOME funds to the City's existing Foreclosure Acquisition Program, as shown in Table 1, "Proposed Amendments HOME" below.

Staff is also preparing a Request for Proposal in relation to development of new or existing affordable rental housing. Staff will return to Council for authorization of funding and selection of Proposal. HOME Funds would be re-directed from the Foreclosure Acquisition Program toward the selected proposal(s).

Table 1: Proposed Amendments HOME

Table 1				
HOME Amendments				
PROJECT (Decrease)	Current Balance as of December 1-2014*	HOME-CHDO Amendment	HOME CHDO Fund Amendment- to be HOME- Regular funding	Final Project/Programs Balance after Amendments
Visalia Village	\$1,620,000.00	\$(1,620,000.00)		\$ -
PROJECT/Program (Increase)				
Self Help CHDO Acquisition/Rehab Program**	\$ -	\$ 600,000.00	-	\$ 600,000.00
City FAPII Program***	\$ 194,000.00	\$ -	\$ 1,020,000.00	\$ 1,214,000.00
		\$ -		
NET CHANGE HOME		\$(1,020,000.00)	\$ 1,020,000.00	

* Balance calculated as of December 01, 2014;
 ** CM authority to redirect up to an additional \$300k to SHE CHDO Program from FAPII
 *** Note: An RFP is currently being prepared for a multi family project (s). Any remaining funding will be directed from the FAPII program. Staff will return to council for authorization

Background Discussion: Self Help Enterprise, Inc. (SHE) has a successful history of affordable housing development throughout the State of California. SHE has been a designated Community Housing Development Organization (CHDO) with the City since 2008.

A CHDO is a specific type of private non-profit that has obtained staff with the capacity to develop affordable housing for the community it serves. CHDO's must meet certain requirements related to their legal status, organizational structure, capacity and experience. HUD mandates that a minimum of 15% of the annual HOME allocation be set aside for qualified/certified 501 C non-profit agencies, for the development of affordable housing projects and programs.

As a HUD HOME Rule, in order for the City to commit funding to a project it must be site specific, have a financial stable (strong) developer with experience, be underwritten and have conducted and /or reviewed a market analysis. Staff completed this process prior to the commitment of funding for both the 48-unit proposed project and the redesigned 36-unit proposed project. As part of the project development costs, the California Tax Credit Allocation Committee (TCAC) administers low-income housing tax credit programs, which encourages investment in affordable rental housing. "It allows the developer to raise project equity through the sale of tax benefits to investors" (Treasurer). Unfortunately, SHE was unsuccessful in the 2012 and 2013, tax credit application rounds therefore, the City is cancelling the HOME-CHDO commitment of \$1.62 million and reallocating to two programs to meet HUD deadlines to spend the money. Staff is also preparing a Request for Proposal for use of some of this funding and anticipates publishing in December 2014 and return to City Council in early 2015 with results.

History of the Visalia Village project:

The Visalia Village project was first presented to City Council in April of 2013, along with the Annual Action Plan. SHE completed two rounds of the 9% tax credit application process that

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year for a project consisting of 48-units, with an estimated cost of \$10 million, including the City's contribution of HOME and HOME CHDO funding in the amount of \$1.2 million. The Tax Credit Allocation Committee (TCAC) evaluates a project utilizing a calculation system, which includes several factors, including project costs, a point system for ranking and scoring applications. It is a very detailed application process. In California, noted by the California Tax Credit Allocation Committee letter, described the process prior to the 2012 application cycle, and indicated "demand exceeds supply", and also noted that there are "many good, worthwhile projects unable to be awarded credit". Since SHE's application was unsuccessful, the project funding was cancelled November 18, 2013.

Self Help Enterprise, Inc. went back to the drawing board, redesigned the project, with 36-units, reduced overall cost to \$7.9 million, increased SHE deferred contributions, and increased local (City) contribution to \$1.8 Million. This improved upon increased tie-breaker points over the previous year, for their new-competitive 9% Tax Credit Application submitted in 2013/14 cycle. SHE submitted a strong application and met the required points, however, within the tiebreaker point process, SHE's project was not the highest tiebreaker scored project within the Central Valley. Unfortunately, again, SHE's proposed Tax Credit Application was not successful.

Therefore, City Staff and Self Help subsequently met to discuss the project and HOME funding requirement. This transaction would release \$1.62 million in HOME dollars, cancelling the Visalia Village project.

SHE is a successful developer and has been the City's CHDO since the 2008. SHE wishes to continue its relationship with the City by providing home ownership and rental housing opportunities to the Visalia population through a new CHDO program.

New Uses (SHE CHDO Acquisition/Rehab/Resell). SHE has presented a separate proposal (Attachment "B-1", Program Summary and Attachment "B-2" Visalia 2014 Proposal-SHE-Acq-Rehab) as a Certified CHDO with two scenarios. First scenario, SHE will acquire, rehabilitate and resell at least two (2) single family units. Second scenario SHE will acquire, rehabilitate and rent a minimum of five (5) multi-family units. SHE is requesting \$600,000 and if successful, will request an additional \$300,000 (for an overall total up to \$900,000). Specifically, SHE is initially requesting \$355,000 toward a multi-family project, with \$245,000 set aside for 2 single family homes. If SHE is successful, an additional \$300,000 may be used for additional single family homes. SHE is requesting a reasonable developer fee up to 15% be included as part of the project costs. The expectation of the program is that proceeds will be returned to the City for future affordable housing projects and programs.

The two program scenarios will provide future HOME funding, which will be directed towards affordable housing opportunities through new projects and/or new or existing programs. Staff recommends allowing flexibility by allowing both scenarios.

SHE has been successful in implementing similar programs, providing affordable housing in surrounding cities with the use of similar funding. SHE has also been successful in administering Visalia's HOME and CDBG rehabilitation programs, by providing low interest loans to owner occupied homeowners who were in need of a new roof, flooring, plumbing and/or other rehabilitation needs.

Single Family Properties: SHE proposes to acquire at least two (2) either foreclosed or voluntary sale of a single-family dwelling in need of rehabilitation. SHE, as a Visalia Certified CHDO, will acquire, rehabilitate and resell the property to an income qualifying household up to 80% of the

area median income (i.e. Household of 4 = \$43,750 Annual Income). The new homeowner(s) would obtain a first mortgage loan. The borrower may also qualify for a 2nd mortgage, not to exceed 10% of the total cost of acquisition and rehabilitation. The new homeowner 2nd mortgage terms would be for a 30 year period at two percent (2%) interest. An affordability covenant for a minimum of 15 years would be placed on the property. Once the home was sold, SHE would return proceeds to the City to recycle as program income. This proposal meets the City's goals in providing affordable homeownership opportunities, increased life expectancy of the home and improved neighborhoods. This Program assists the city in meeting its expenditure deadline as well as recycling funds for future affordable housing programs/projects.

Multi-Family Properties: The second scenario, SHE requests the opportunity to utilize CHDO funds to acquire existing multi-family units. SHE would acquire either foreclosed or voluntary sale properties in need of rehabilitation. SHE has proposed to invest their development funding up to \$100,000 in a small existing multi-family project, then rent to low income tenants up to 50% of the area median income (i.e. household of 4 = \$27,350 annual income). Each property would be evaluated, including but not limited to: the per unit investment, feasibility, need in the community, and meet all HOME regulations as required by HUD. Project construction monitoring, ongoing tenant eligibility monitoring will occur as well as a 30-year affordability covenant will be recorded against the property. The HOME-CHDO funds would be provided as a long-term, two percent (2%) interest, deferred payment residual receipt loan, which will return funding to the City through positive cash flow from the project over a 30-year period. This scenario would increase life expectancy of existing rental units, improve neighborhoods, provide much needed affordable rental housing and assists the City in meeting its expenditure deadline of July 2015.

SHE's Potential First Property: Self Help Enterprise recently located an existing 7-unit multi-family property, located at 601 North Bridge Street (Attachment "C-1"), Visalia, which they propose to acquire and rehabilitate through the new SHE-CHDO Program. Currently they prepared an option to acquire the property, with a 45- day feasibility period. The option allows them to conduct inspections, finalize their review of project costs, and obtain the City's confirmation that the project underwriting review meets HOME and the City's requirements. Staff supports SHE's efforts in acquiring this property. Attachment "C-2" provides an overview of the costs associated with acquisition and rehabilitation. The HOME-CHDO funding, up to \$355,000 would allow them to acquire and rehabilitate the property, investing approximately \$50,000 in HOME dollars per unit. Self Help's proposal also includes \$100,000 in SHE funding toward the acquisition and rehabilitation of the units. SHE as the sole owner of their Limited Liability Partnership would own and operate the multi-family unit project. The units would be made available to very low-income tenants. SHE proposes to work with Community Service Employment Training (CSET) and Family Services through their Permanent Supportive Housing Program to house individuals and families.

In order to commit funding toward this program, the City and Self Help will execute Program Agreements, as well as individual property agreements, including a Deed of Trust, Note and restrictive covenant in order to maintain affordability. A Draft Self Help Enterprise Loan Program Agreement and, CHDO Certification is provided as Attachment "D".

(City Foreclosure Acquisition Program)

Staff will continue to search for opportunities to improve life expectancy of single-family homes by acquiring foreclosed homes, rehabilitating and then reselling to income, qualified homeowners with the use of the remaining HOME dollars. This also assists with recycling HOME funds and meeting expenditure requirements. Recycled funding would allow additional

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affordable housing opportunities, including re-allocating funding toward an affordable rental project through a "Request for Proposal (RFP) process as referenced below. Funding redirected to a new project, Staff would return to the Council for authorization of funding and RFP award.

(Future Uses)

Staff simultaneously is working on a Request for Proposal to engage developers for new construction or existing multi-family units requiring substantial rehabilitation. The City has both an expenditure deadline of July 2015 and a commitment deadline of September 2015 that this RFP will help to satisfy. Staff will return to City Council upon selecting one or more proposals at the time of the Consolidated Plan/Action Plan in by March 2015. If a selected proposal has all funding in place a request to commit the funds will be presented. However, if a selected proposal requires submission of tax credits, a request for approval of a conditional commitment of funding will first be presented, with a request for the City Manager to have authority to finalize the commitment by a designated date. This process will assist staff in streamlining the commitment process and meet the various expenditure and commitment deadlines.

Community Meetings and Input: Staff has presented the Action Plan Amendment to the Citizens Advisory Committee and Disability Advocacy Committee. One CAC member commented that they liked that the funding was being redirected to an infill project, rather than new construction.

A public member attended the DAC meeting and expressed the need for affordable rental housing for young disabled adults. Two DAC members agreed and expressed similar concerns with the lack of housing for the disabled population.

Staff's response: Most recent Census data, shown in Table 2 "Special Needs Population" below, indicates that ten percent of all households in the City have a member who is disabled. To assist in addressing the need, the Housing Authority of Tulare County (HACT) has assumed the role of the developer and property manager in collaboration with other local public and non-profit agencies, such as Tulare County Family Services (Family Services), Central Valley Regional Center, and Tulare County Health & Human Services. These agencies operate housing assistance programs with full case management and supportive services for mental and physically disabled individuals. In some instances,

Table 2: Special Needs Populations

Visalia	Total	% of Total
Disabled persons	12,721	10%

Source: 2007-2011 CHAS; 2008-2012 ACS Estimates

Additionally, the City partnered with Kaweah Management Company in the development of three projects with accessible units. The most recent project developed was Paradise and Court of which 4 of 20 units are accessible; East Kaweah 2 of 8 units and 3 units of the Encina Triplex.

Also noteworthy is that the proposed project with Self Help includes working with Family Services and Community Service Employment Training (CSET) through their Supportive Housing Program for tenant selection, which assists homeless individuals and families including those with disabilities.

Staff may also include additional scoring points with the RFP for developers who include additional accessible units beyond the HOME funding and Building Code requirements within their proposal.

Staff will be presenting the Amendment to the North Visalia Neighborhood Advisory Committee on December 11th, and will include any comments received.

Fiscal Impact: Release of \$1.62 million HOME-CHDO, cancelling the Visalia Village 36- unit project.

- o Reallocating \$600,000 HOME-CHDO dollars toward the SHE- Acquisition Rehabilitation Program
 - City Manager authorization to allocate an additional \$300,000 from the City's Foreclosure Acquisition Program if successful.
- o Reallocating remaining HOME dollars, up to \$1,020,000, to the City's Foreclosure Acquisition Program.

Prior Council Action: April 21, 2014

Other: None

Committee/Commission Review and Action: Citizens Advisory Committee- December 03, 2014; Disability Advocacy Committee-December 08, 2014; North Visalia Neighborhood Advisory Committee- December 11, 2014.

Alternatives: None.

Attachments:

Attachment "A" Visalia Village Site Map

Attachment "B-1", Self Help Enterprise Program Summary

Attachment "B-2". Visalia 2014 Proposal-SHE-Acq-Rehab

Attachment "C-1" 601 N Bridge St, Visalia

Attachment "C-2", Bridge Street 7- unit Property Acquisition Proposal

Attachment "D-1", SHE CHDO Affordable Housing Loan Agreement Draft

Attachment "D-2", SHE CHDO Cert Agreement Draft

Recommended Motion (and Alternative Motions if expected):

That City Council approve a Substantial Action Plan Amendment to:

- 1) Authorize cancelation of \$1.62 million HOME dollar commitment toward the Self Help Enterprise (SHE) multi-family project, located at Highland Avenue, west of State Highway 63 (Dinuba Highway), between Ferguson Street and Riggins Avenue; and

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- 2) Approve re-allocation of up to \$900,000 for a HOME Community Housing Development Organization (CHDO) Program
 - a) Authorize Reallocation of \$600,000 HOME-CHDO funds to a new Self Help Enterprise (SHE) HOME-CHDO Acquisition, Rehab Program for existing single and multi-family dwellings; and
 - b) Authorize the City Manager to approve an additional allocation of \$300,000 of HOME-CHDO funds (from the City's Foreclosure Acquisition Program), to SHE for additional purchases through the SHE-CHDO Acquisition, Rehab Program, if SHE is successful in acquiring properties and meeting expenditure goals by April 01, 2015; and
 - c) Approve Self Help Enterprise, Inc. (SHE) Community Housing Development Organization (CHDO) certification for a new SHE-CHDO Acquisition, Rehab Program; and
 - d) Authorize the City Manager and/or City Attorney to execute and make minor or technical changes to funding, SHE-CHDO Agreements, including individual CHDO-property agreements; and
- 3) Approve re-allocation of \$1,020,000 HOME dollars to the Foreclosure Acquisition Program to continue to acquire, rehab and resell foreclosed properties; and
- 4) Authorize staff to make appropriation adjustments of the \$1.62 million as outlined above.

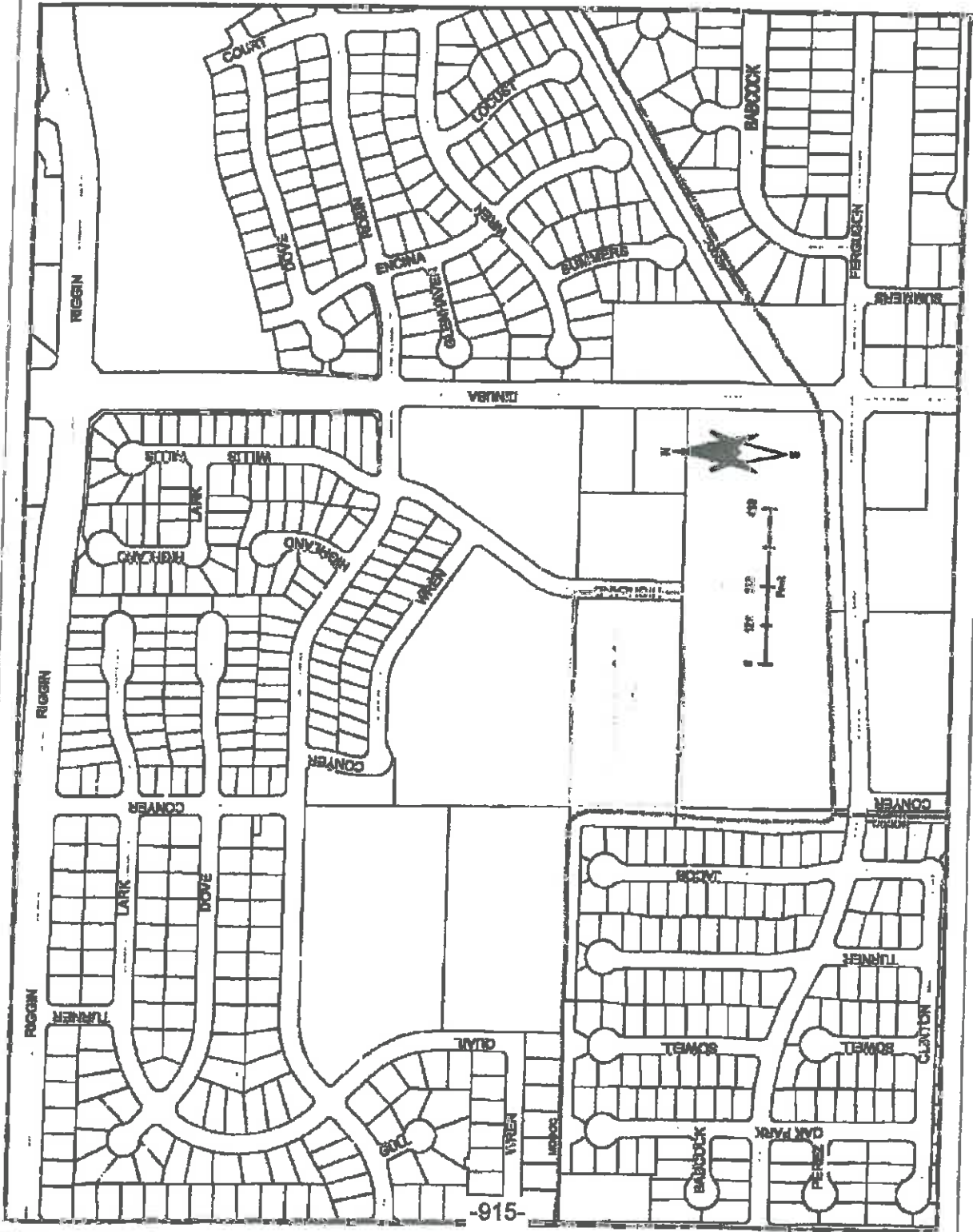
Copies of this report have been provided to:

Environmental Assessment Status

CEQA Review: NEPA Required for individual properties and Program NEPA is underway.



- MAPS CITY LIMITS
- STREETS
- ROADS
- TRACTS
- PARCELS



-915-



A Nonprofit Housing and Community Development Organization

December 4, 2014

Mike Olmos
City Manager, City of Visalia
425 E. Oak Avenue
Visalia, CA 93291

RE: Summary of Proposed CHDO Affordable Housing Program

Mr. Olmos:

Thank you for the opportunity to collaborate with the City of Visalia on an acquisition/rehabilitation affordable housing program. Self-Help Enterprises (SHE) qualifies as a Community Housing Development Organization (CHDO) so the program will assist the City of Visalia in efforts to expend CHDO set-aside funding within the HOME program. SHE has been actively looking for projects in Visalia with the goal of assisting the City in achieving commitment and expenditure deadlines within the HOME program. One multi-family property was identified at 601 N. Bridge Street. The site includes a total of seven (7) units and an offer was submitted on 12/4/14. In the event acquisition negotiations for this site are not successful, SHE will identify alternate sites and present them to the City for consideration. In addition to the multi-family site referenced, SHE will also be seeking single-family sites for potential acq/rehab.

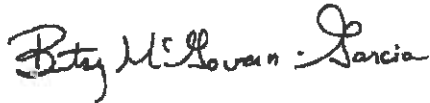
This letter intends to supplement and further clarify the details of the proposed program. The following programmatic terms shall be incorporated into the program if it is approved by the City Council:

- The initial program commitment would be up to \$900,000, with \$600,000 available upon program approval and an additional \$300,000 available at the discretion of the City Manager.
- There are two activities proposed under the program:
 1. Purchase a minimum of two (2) single-family dwellings.
 - The units will be owned by Self-Help Enterprises until they are sold to a qualified household.
 - SHE will acquire, rehab, and resell the units to households at or below 80% Area Median Income (AMI).
 - As a CHDO, SHE may provide secondary financing up to 10% of the total acq/rehab cost for 30 years @ 2% interest.

- Funds will be recycled back to City from borrower's 1st mortgage proceeds.
 - SHE will create a Deed of Trust, Note, and Resale Restriction for all costs and an assumption agreement prepared for the new homebuyer.
2. Purchase and rehab up to ten (10) existing multifamily units.
- The units would be owned by an LLC controlled by SHE (same as Visalia Village was initially structured)
 - SHE will facilitate the acquisition, rehabilitation, and lease-up of the units.
 - SHE would retain long-term ownership (through the LLC) and management of the units.
 - HOME funds would be structured as a deferred payment residual receipt loan with payments from the positive cash flow of the project (exactly like the HOME loan for Visalia Village) at 2% for 30 years.
 - The City and SHE would split any residual receipt income available through the operation of the project and any residual receipts payments made to the City would be applied against the HOME loan.
 - SHE will abide by HOME rent requirements.
 - SHE will abide by HOME multifamily project requirements
 - The developer fee will not exceed 15% of total acquisition/rehab cost.

Thank you for the opportunity to partner on this program. Feel free to contact me at (559) 802-1653 or betsyg@selfhelpenterprises.org if you have any questions or comments.

Sincerely,



Betsy McGovern-Garcia
Director of Real Estate Development



**CITY OF VISALIA PROPOSAL
Acquisition/Rehabilitation Program
Self-Help Enterprises (SHE)**



September 30, 2014

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Attachments:

- A. Statement of Values
- B. Contractor Certification
- C. Sample Reports
- D. Project Approval Request Form
- E. Sample Multi-Family Project Feasibility Analysis

A PROPOSAL SUBMITTED TO THE CITY OF VISALIA

The qualifications recounted in this proposal ensure that selection of Self-Help Enterprises (SHE) as the City's CHDO contractor to administer an acquisition/rehabilitation affordable housing program in Visalia will enable the timely, cost-effective and successful implementation of the proposed program. The program is being proposed for funding from the HOME Investment Partnerships (HOME) Program, and SHE qualifies as a Community Housing Development Organization (CHDO) so the program will assist the City of Visalia in efforts to expend CHDO set-aside funding within the HOME program. SHE proposes that an amount not to exceed \$900,000 be allocated to the CHDO acquisition/rehabilitation program and understands that the commitment is subject to the availability of HOME funding. SHE requests that \$600,000 be made available upon approval of the program, with an additional \$300,000 available upon request by SHE based on demonstration of feasible acquisition/rehabilitation project(s) and a documented need for the funds. SHE understands that each property acquired through the program will require approval by the City. SHE proposes two scenarios for the Visalia acquisition/rehabilitation affordable housing program:

- 1) **Scenario A:** Acquire and rehabilitate a minimum of two (2) single-family homes with the initial funding allocation, with the intention of revolving funds into future projects. The affordability of each unit will provide housing for low-income homebuyers at or below 80% of area median income (AMI).
- 2) **Scenario B:** Acquire and rehabilitate a minimum of five (5) multi-family units with the HOME CHDO funding. The affordability of each unit will provide housing for very low-income renters at or below 50% of area median income (AMI). SHE would invest up to \$100,000 of organizational equity to keep the project affordable for a minimum of 30 years, and would request that the City provide soft secondary HOME financing not to exceed \$60,000/unit with a maximum subsidy of up to \$600,000. The permanent loans will be structured as 30-year residual receipts notes with an interest rate of 2%. Any funds remaining from the initial allocation of \$600,000 would be returned to the City to revolve into a future project. SHE understands that each site must be approved by the City and that a project-based financial proforma will be submitted with the request for approval. A sample summary proforma is attached as Attachment E and an expanded proforma, including a 30-year cash flow analysis, would be submitted for review and approval once a site is identified.

The scenarios summarized above provide the opportunity for SHE to work with the City to identify feasible projects within the City of Visalia, and be responsive to a variety of real estate opportunities as they arise. It is SHE's goal to implement a cost-effective and efficient project, or series of projects, that maximize Visalia's HOME funding and further advance the goal of providing affordable housing opportunities for the residents of Visalia. SHE will be responsive to the needs of the City, and understands that the availability of HOME CHDO funding may be limited and that any project implementation is subject to the availability of funds and pre-approval of the City on site specific activities.

I. QUALIFICATIONS**A. HISTORY AND PURPOSE**

Self-Help Enterprises (SHE) is a nationally recognized community development organization whose mission is to improve the living conditions and communities of families in the San Joaquin Valley. The pioneer and leading provider of mutual self-help housing in the United States, SHE's efforts today encompass a range of efforts to build better homes and communities for farmworkers and other hard working families. In the past 50 years, SHE has helped more than 6,000 families to build their own homes, rehabilitated over 6,000 unsafe homes, developed over 1,300 units of affordable rental housing and has provided technical assistance for reliable access to safe drinking water and sanitary sewer infrastructures to more than 100 small communities. SHE's commitment to providing resources and training for individuals builds capacity of highly effective leaders in communities that also promote collaborative solutions for improving communities. These combined efforts have touched the lives of over 50,000 families, providing security and stability for families and building strong, healthy and sustainable communities.

In 2001, SHE became a member of the NeighborWorks® network, a national collaboration of 235 community-based organizations in 50 states creating healthy communities through the work of thousands of residents, business people, government officials and other partners. In 2012, this network generated \$4.68 billion in public and private investments, and assisted 300,000 low- and moderate-income families with their housing needs. Led by neighborhood residents, the NeighborWorks® network works tirelessly to revitalize communities, reclaim abandoned and distressed properties, and promote home ownership.

In 2006, the Fresno-Bee awarded SHE with an Excellence in Business Award. In 2006, the Tulare County Hispanic Roundtable named SHE Business of the Year. Further, in 2009 SHE was named Homebuilder of the Year by the Home Builders Association of Tulare and Kings County. SHE has earned an excellent reputation throughout California and with housing organizations nationwide and has demonstrated the capacity to implement economical and effective housing rehabilitation and homebuyer assistance programs.

Self-Help Enterprises is committed to dealing responsibly, cooperatively and ethically with participants, communities, and funding agencies (see Attachment A, SHE's Statement of Values). The dedication of SHE staff is evidenced by the fact that the average SHE staff person has been with the organization 13 years.

B. AFFIRMATIVE ACTION

Self-Help Enterprises is in compliance with Executive Order 11246 and will ensure compliance with Federal and State statutes and regulations, and all existing and future program requirements. The Board of Directors of SHE is committed to Affirmative Action and Equal Opportunity, and has established a positive goal-oriented program to achieve these objectives for staff and participants in all of SHE's programs. SHE is committed to the operation of all of its programs on a basis of nondiscrimination and equal opportunity regardless of race, color, creed, disability, national origin, age, religious or political affiliation, gender, marital status, medical condition, or ancestry.

The programs implemented by SHE will fully meet requirements of Section 504 of the Rehabilitation Act of 1973. No otherwise qualified individual shall be excluded from participation, denied program benefits, or subjected to discrimination under any program, solely by reason of his or her disability. Special activities will be directed to the removal of material and architectural barriers that restrict the mobility of elderly and handicapped persons. Work

write-ups will include retrofitting the unit to improve accessibility by installing ramps and handrails, widening doorways, lowering cupboards and counters, etc.

All outreach activities will include a statement that the program is made fully accessible to disabled individuals. A list of local agencies that work with the elderly and disabled will be compiled and used for program outreach and marketing. SHE staff will work with disabled individuals with limited mobility at their place of residence and will provide transcription and interpretation services for visually- and hearing-impaired individuals through such organizations as the California Relay Service, Sequola Transcribers and the Valley Advocacy and Communication Center.

C. *SMALL BUSINESS, MINORITY- OR WOMAN-OWNED BUSINESS, SECTION 3 BUSINESS*

Self-Help Enterprises is a non-profit corporation and is governed by a Board of Directors, one-third of whom are low-income or live in a low-income census tract. Although SHE does not have a small business, minority- or woman-owned business, or Section 3 designation, the organization's Affirmative Action policy has been successful in attracting staff balanced by gender and race (52.5 percent Hispanic, 2.5 percent African-American, 1 percent Native American, and 44 percent Caucasian). Women comprise 50 percent of SHE's workforce.

D. *GRANT MANAGEMENT EXPERIENCE (CDBG, HOME, CALHOME, ETC.)*

Self-Help Enterprises (SHE) is currently administering over 40 CDBG, BEGIN, CalHome, NSP, and HOME funded Rehabilitation and/or Homebuyer Assistance programs throughout communities in Fresno, Kern, Kings, Madera, Merced, and Tulare Counties. SHE also currently operates an acquisition/rehab program focused on the communities of Delano, Dinuba, Farmersville and Woodlake. SHE has completed four (4) homes to date, and is actively seeking additional units. SHE hopes to continue expanding this program to have 5-7 units in the pipeline at a time, which would include revolving the funds back into the program as units are sold.

Self-Help Enterprises staff is extremely knowledgeable about cost-effective management methods, has considerable fiscal experience, and has worked with many different types of financing programs including:

- BEGIN
- CalHome
- Community Development Block Grant
- HOME Investment Partnerships Program
- Neighborhood Stabilization Program
- HELP Program (Housing Enabled by Local Partnerships)
- USDA Housing Preservation Grants
- USDA 502, 504, 514, 516 and 525 funds
- USDA Household Water Well Systems Grant
- CalHFA financing
- Bank financing
- Low Income Housing Tax Credit Program

E. INCOME AND PROPERTY ELIGIBILITY DETERMINATION/LOAN PROCESSING EXPERIENCE

Self-Help Enterprises has considerable loan experience, with a history of providing services that meet Federal, State and local requirements including such tasks as determining income and property eligibility, and all phases of loan processing. This experience is evidenced by the thousands of San Joaquin Valley residents SHE has assisted. See detail provide in F. below.

F. CONSTRUCTION & ASSET MANAGEMENT EXPERIENCE

Self-Help Enterprises' construction experience includes the following construction completions from 1965 through August 31, 2014:

- SHE has repaired and rehabilitated 6,250 homes;
- SHE has built 6,061 single family homes;
- SHE has developed 1,306 multifamily units;
- SHE has aided community utility districts in providing 28,900 sewer and water connections throughout the Valley; and
- SHE has assisted 1,636 families to purchase homes through down payment assistance programs.

Self-Help Enterprises is a Licensed Contractor (license number 258724; classification B, C-2, D65) in good standing with the State of California (see Attachment B, SHE's Contractor Certification). For additional information regarding our Construction Experience, see Section G. Overall Qualifications, Duties and Program Staff.

In addition to the construction experience noted above, SHE successfully manages a portfolio of 1,306 multifamily units. The goal of Self-Help Enterprises Multi-Family Housing Program is to provide safe, decent and affordable housing to qualified lower-income residents. Use of a comprehensive business strategy and effective Asset Management Plan directs asset management decisions that result in successfully providing the highest possible service to residents.

SHE recognizes the need for and contracts with a professional property management firm that has extensive experience in the affordable housing management industry and works closely with them to ensure the goals and objectives of SHE are met. Any multi-family units developed in Visalia would be managed by the same professional property management firm that SHE utilizes for the other existing projects which is currently Always with Integrity (AWI).

A Property Management Agreement and Plan defines the responsibility of the management company and SHE. SHE oversight responsibilities and duties include:

Project Inspections: For larger multi-family projects with an on-site resident manager, a minimum of one monthly site visit is performed by a SHE staff member who reviews overall condition and curb appeal of the project. Required improvements are listed on a Project Inspection Report which is forwarded to the management company for action to be taken. For smaller multi-family projects that do not require an on-site resident manager, SHE and/or the property management firm (AWI) would conduct weekly (or more frequent as required) site visits.

Maintenance: Typically during the monthly site visits SHE staff will inspect the quality of work being done in vacant units by maintenance personnel to ensure work meets SHE standards, with units properly cleaned, painted and all elements of the units in proper working condition. In addition, SHE works with the management company on any expenses outside the normal operating budget that would require use of reserve funds.

Budget Oversight: Review the budget progress on all properties on a monthly basis and discuss areas of concern with management agent. SHE maintains a comparative budget spread sheet for all portfolio projects for analysis of operating cost across the portfolio.

Capital Projects: Identify both exterior and interior major capital needs at projects and update the need on the individual Capital Need Plan for the project. All capital needs work will be determined by SHE in concert with the management company. SHE will produce all scope of work documents with plans and specifications on capital need work, secure competitive bids, monitor the work and ensure payment upon acceptance of work performed.

Landscape & Pest Control Oversight: SHE will retain the responsibility for all solicitation of landscape & pest control bids, negotiate terms, and serve as a contact for all related issues in regard to these items.

Resident Services: Self-Help Enterprises is responsible for delivery of all resident service programs either through direct delivery of programs or linking existing community programs and activities for resident access.

G. OVERALL QUALIFICATIONS, DUTIES AND PROGRAM STAFF

We believe the many years of experience detailed in this proposal are indicative of Self-Help Enterprises' overall qualifications and ability to administer an acquisition/rehabilitation program for the City of Visalia. Our many years of experience with CDBG, HOME, and CalHome program implementation and administration, and our familiarity with the low-income participants of these programs, show we are clearly experienced in developing affordable housing opportunities through the utilization of HOME CHDO funding.

One of the advantages of contracting with SHE is the availability of a very diverse and experienced staff, directly involved in housing rehabilitation and homebuyer programs. SHE also has a depth of experience with land development, including acquisition, escrow management and other aspects of the real estate development process. SHE's headquarters are in Visalia, and all services required will be performed by experienced members of the SHE staff with no need to contract out for any of the tasks necessary to complete this program.

Self-Help Enterprises is available and prepared to make presentations before the City Council and others as needed to meet public hearing and general information needs of the City.

Many of our program and support staff are bilingual in Spanish and English, and interpreters are enlisted to assist participants who speak languages other than English and Spanish. Fliers and public notices are printed in multiple languages as needed.

Key personnel who will perform program services are listed below:

Tom Collishaw, President and CEO

Mr. Collishaw has 32 years of service with Self-Help Enterprises. He has held a variety of positions within the organization, including director of development, new homes program manager and administrative analyst in the new homes and rehabilitation divisions. Since becoming Vice President in 1993, Collishaw has been directly responsible for all land and project development activity, including project financing for single-family housing, rental housing, and water and wastewater activities. Collishaw is also an advocate at the state and federal level for the unique needs of hardworking, low-income families in the Valley. He serves on the boards of the National Rural Housing Coalition and the preeminent legislative voice for federal programs that serve rural America.

Susan Atkins, Program Director for Partner Services

Ms. Atkins joined SHE in 1999 and has held a variety of positions within the organization. Starting as an Administrative Analyst in the Partner Services Division, she was responsible for grant writing, administration, program development and environmental reviews. As the Manager over the Homebuyer Assistance Program, she was responsible for implementation of the Affirmative Fair Marketing Plan, community outreach, final eligibility determinations, overseeing all activities related to loan approvals and office systems, as well as serving as the liaison between lenders, title companies, and other program partners. In addition, as Homebuyer Manager, Ms. Atkins developed and started SHE's Homeownership Counseling and Education Program.

In early 2006, Ms. Atkins became the Assistant Program Director of the Partner Services Division, taking on the responsibilities for all grant management oversight, partner relations, and budgets. During a brief absence between 2009 and 2011, Ms. Atkins worked as the Community Development Director for the City of Corcoran, where she had previously worked in grant management prior to coming to SHE. Ms. Atkins returned to SHE in early 2011 as the Director of Special Programs, working in multi-family development and asset management, as well as providing assistance in all other program areas of SHE.

As of January 1, 2013, Ms. Atkins became the Director of the Partner Services Division, taking on the responsibilities for all grant management oversight, partner relations, housing rehabilitation and homebuyer assistance programs implementation, homeownership counseling, loan portfolio management, production, and budgets.

Ms. Atkins holds a Master's Degree in Business Administration from University of Phoenix and an Urban and Environmental Planning Certificate from UC Davis, CA.

Betsy McGovern-Garcia, Program Director for Real Estate Development

Mrs. McGovern-Garcia has over 12 years of experience in affordable housing development, including extensive project management experience, grant compliance, grant writing/reporting, and affordable housing development. Mrs. McGovern-Garcia Leveraged \$6,000,000 of housing funds to assist developers in the construction/financing of \$60,000,000 of new housing units in Tulare and negotiated all Loan Agreements and Disposition & Development Agreements. New housing units developed on behalf of the City of Tulare included 4%/9% tax-credit developments, single-family units developed through a partnership with SHE, shelter plus care units funded through the McKinney-Vento Act, HOME and USDA funded projects.

As the Program Director for Real Estate Development for SHE Mrs. McGovern-Garcia is responsible for all aspects of real estate development, including site identification, acquisition, entitlements and financing.

Mrs. McGovern-Garcia holds a Master's Degree in Business Administration from St. Ambrose University and is a Leadership in Energy & Environmental Design (LEED) Accredited Professional.

Andrea Barnier, Manager, Housing Rehabilitation

Ms. Barnier joined Self-Help Enterprises in May of 2008. She holds a Bachelor's Degree in Psychology from Sonoma State University and is currently working toward a Master's Degree in Public Administration from University of Phoenix. Prior to her arrival at SHE, Ms. Barnier worked at Washington Mutual Bank for seven years; most recently as the Operations Supervisor. Ms. Barnier's responsibilities at SHE include: the supervision and coordination of all Housing Rehabilitation Loan Processors, CDBG, CalHome, and HOME fund requests, individual project set-ups, draws, and completion reports, borrower summaries, quarterly, semi-annual, and annual program income and reuse account reports, semi-annual financial reports, grantee performance reports, monitoring of grant expenditures and milestones, financial tracking, accounts receivables, account reconciliations, program and site-specific environmental reviews, participant and grant closeouts, marketing, grant writing, partner relations, communication with HCD staff, interpretation of regulations, and facilitation of required public hearings. In addition, Ms. Barnier is responsible for ensuring that all files meet qualification requirements and State standards, as well as, the supervision and recruitment of eligible households, determination of eligibility, preparation of loan and grant documents, and maintenance of participant files. Ms. Barnier is the lead analyst for guideline review and maintenance.

Patrick Isherwood, Fiscal Analyst

Mr. Isherwood joined Self-Help Enterprises in July, 2008 as an Administrative Analyst. He holds a Bachelor's Degree in Social Science from Chapman University and is currently working toward a Master's Degree in Corporate Finance from Brandman University. Prior to his arrival at SHE, Mr. Isherwood worked in criminal justice administration for the Tulare County Probation Department, in which he had extensive responsibility for project and program management, regulatory compliance, grants and statistics administration, along with policy development. In addition, Mr. Isherwood brings to the table community experience with his service on civic boards such as City Redevelopment Agency, County Transportation Board and County Association of Governments. His initial responsibilities with SHE included CDBG, CalHome, and HOME fund requests, quarterly and annual program income reports; semi-annual financial reports, monitoring of grant expenditures and milestones; financial tracking, accounts receivables, account reconciliations, and program and site-specific environmental reviews, participant and grant closeouts, marketing, grant writing, individual project set-ups, draws, and completions, borrower summaries, partner relations, communication with HCD staff, interpretation of regulations and guideline maintenance, GPRs, and public hearings. His extensive experience and knowledge of grant administration led to his promotion to Fiscal Analyst in 2011, where he is now responsible for processing contractor payments, preparation of project invoices and budget review. Other duties include systems development and fiscal training.

Juan Jaime, Manager, Homebuyer Assistance & Homeownership Counseling Education

Mr. Jaime joined SHE in 1997 at which time he was responsible for determining eligibility and processing homebuyer loans. In late 2006, he was promoted to manager of the Homebuyer Assistance & Homeowner Counseling programs. Mr. Jaime started his career in real estate

finance with the Bank of America in 1991. He has worked for both banks and mortgage companies processing and funding primary and secondary mortgages. His primary responsibility now includes the supervision and coordination of the Homebuyer Program, as well as SHE's Homeownership Counseling and Education program staff. Mr. Jaime is responsible for ensuring that all files meet qualification requirements and State standards, as well as, the supervision and recruitment of eligible households, determination of eligibility, preparation of loan and grant documents, and maintenance of participant files. He is fluent in both English and Spanish.

Melissa Looney, Loan Processor and Counselor, Homebuyer Program

Ms. Looney became part of the SHE staff in 2006 as a Project Technician. A few months after beginning her employment, she became a Loan Processor. Ms. Looney has over seven years of loan processing experience. Prior to joining the SHE staff, she was employed as a loan processor for a local mortgage broker. Her duties at SHE include recruiting applicants, determining eligibility, the preparation of loan and grant documents, and the coordination of loan approvals and final loan closings. Ms. Looney also assists with Homeownership Counseling and Education. Her duties as a counselor include outreach/resource and referral services, facilitation of pre- and post-purchase and Financial Fitness informational workshops, preparing and conducting workshops, presentations, and conducting group and individual counseling. Ms. Looney is fluent in both English and Spanish.

Rich Aicklen, Manager, Housing Rehabilitation Construction

Mr. Aicklen began his tenure with SHE in 1999 as a New Homes construction supervisor. He was a general contractor for 11 years, and taught building trades at the Tulare County Office of Vocational Education (TCOVE). He also taught mathematics and building trades at Sequoia High School, the Visalia Unified School District continuation high school, and through the Job Training Partnership Act (JTPA) program. In 2002, Mr. Aicklen moved to the Partner Services Division where he is responsible for supervising and coordinating the activities of the Rehabilitation Specialists.

Steve Santana, Rehab Specialist

Mr. Santana has worked in construction since 1980 when he joined Self-Help Enterprises. He is responsible for the pre-inspection of dwellings, analysis of deficiencies, preparation of work write-ups, cost estimates and bid documents, and preparation of drawings as necessary. He schedules jobs, supervises construction, authorizes contractor payments, and coordinates with inspectors, contractors and subcontractors. He is fluent in both English and Spanish.

II. PROGRAM IMPLEMENTATION

Within Tulare County, SHE has provided CDBG, HOME, CalHome and BEGIN funded housing rehabilitation and emergency home repair for 3,066 households. SHE has also provided HOME, CDBG, CalHome, and BEGIN funded homebuyer assistance to 623 families within Tulare County communities. SHE has been the selected housing rehabilitation and homebuyer assistance provider for numerous CDBG, HOME, CalHome, and BEGIN rehabilitation and homebuyer assistance programs in the surrounding areas such as the City of Dinuba, City of Exeter, City of Farmersville, City of Woodlake and County of Tulare. SHE has also provided demolition assistance to the City of Delano in conjunction with active code enforcement activities, and is in the process of evaluating a second group of homes for potential acquisition/rehabilitation. SHE has worked with the USDA on foreclosed properties to acquire and rehab the units, which were then sold to qualified low-income buyers. SHE is a qualified CHDO organizations, and in addition to administering CHDO funds for local government agencies, applied directly to the State for allocations of CHDO funding.

The following is a summary of SHE's proposal to administer an acquisition/rehabilitation affordable housing program as a CHDO for the City of Visalia.

1) ACQUISITION/REHABILITATION PROGRAM – IMPLEMENTATION

Self-Help Enterprises will acquire and rehabilitate single-family homes or multi-family rental units in Visalia. SHE will identify eligible buyers for the single-family units and sell the units to qualified low-income buyers, in accordance with the program funding agreement and HOME funding regulations. In the event SHE implements Scenario B and acquires multi-family units, SHE will work to income-qualify the existing residents prior to acquisition. Each acquisition contemplated will include an analysis of the relocation requirements. SHE will work to identify projects with very low-income residents and/or projects that are vacant.

- a. Identify viable vacant homes and/or multi-family units in Visalia that are available for acquisition;
- b. Prepare and submit offers on the selected property(s);
- c. Coordinate all aspects of escrow and pre-acquisition due diligence;
- d. Prepare property specific requests to the City for approval in the format provided in Attachment D, including a complete proforma analysis for multi-family sites with the associated 30-year cash flow analysis;
- e. Inspect the homes, recommend type of work to be performed, and prepare work write-ups and necessary plans to accomplish the identified scope of work;
- f. Obtain bids from, and select, qualified contractors to perform the authorized work;
- g. Monitor the work of authorized General contractors and subcontractors;
- h. Identify qualified low-income buyers or very low-income renters;
- i. Perform an income analysis of prospective buyers to identify the need for an amount of any secondary financing to facilitate the transfer; income qualify all renters per the HOME regulations for maximum rent limitations and other programmatic requirements;
- j. Work with the City to execute any loan agreements and/or affordability covenants required for secondary financing (if applicable);

- k. Facilitate the transfer of the home to the final buyer (if applicable).

2) PROGRAM ADMINISTRATION – GENERAL

SHE has extensive experience with general administration of HOME and CDBG grants. General administration tasks are completed by the following staff positions: Director for Partner Services, Fiscal Analyst, Housing Specialist, Rehabilitation Manager, Administrative Analyst and the Project Technician. Program management tasks include project invoices, progress reports, Program-wide Environmental reviews (SHPOs, RERs), monitoring, marketing, financial reports, communication with City staff, monitor milestone progress and tracking the revolving funds generated through the proposed acquisition/rehabilitation program. Self-Help Enterprises will:

- a. Provide quarterly reports to the City on progress and performance of the acquisition/rehabilitation program (see Attachment C for Sample Reports);
- b. Prepare and submit all required funds requests and other financial tracking reports as applicable;
- c. Prepare and maintain public information binders, as required; and
- d. Prepare and retain all pertinent records and documents sufficient to reflect all charges submitted. Retain such records and documents for a period of five (5) years from the date of final payment.

Minimum reports provided are as follows:

- a. **Housing Program Summary Reports** - Comprehensive housing program summary reports are produced to outline the status of pending acquisitions, homes being rehabilitated, homes waiting for work to begin, and sales approved.
- b. **Buyer/Participant Characteristics** - SHE's database system also produces reports which demonstrate the program's efforts to provide equal opportunity by listing characteristics of buyers such as ethnicity, income level, family size, female heads of household, and presence of elderly or disabled persons in the household.

Files to be handled as follows:

- a. **Buyer/Participant Files** – Buyer files will be maintained at SHE's offices until closed, then transferred to the City.
- b. **Administrative Files** - All records and documents will be properly prepared and maintained to reflect all charges submitted to the City. Records will be kept for a minimum of five (5) years following grant closeout.

III. CHARGES FOR SERVICES

Self-Help Enterprises proposal for services includes charges for the related soft costs associated with the implementation of the acquisition/rehabilitation program as outlined in 24 CFR §92.206 (eligible project costs). SHE commits to utilizing existing staff for the administration and management of the program, including the property searches, property approval requests to

the City and other administrative tasks. SHE will include HOME approved project costs such as the preparation of work write-ups and construction management during rehab in the total development costs for each unit, which shall be factored into the sales price of each home or the financial package for multi-family projects. SHE agrees that the approved project costs will be based on actual expenses but shall not exceed 15% of the total acquisition/rehabilitation cost.

SHE also requests authorization to utilize an approved real estate agent for the marketing and sale of each unit (as applicable for single-family projects), which would include a reasonable broker fee to said agent for those services.

IV. CERTIFICATE OF INSURANCE

After contracting with the City and prior to the start of work, Self-Help Enterprises shall furnish the City with a Certificate of Insurance for general liability with combined single limits of at least \$1,000,000 for bodily injuries and property damages.

ATTACHMENT A

Self-Help Enterprises

STATEMENT OF VALUES

In supporting the efforts of low-income residents of the San Joaquin Valley to improve their living conditions, we are committed to dealing responsibly and ethically with participants, communities, funding agencies and each other. Toward this goal, the Board and staff of Self-Help Enterprises will incorporate these values in all we do.

Participants are our primary responsibility and will be treated with dignity and respect. In an atmosphere of trust, open communication will be the basis for responding to participants' identified needs. While receiving services, participants will have the opportunity to develop the skills which enable them to better provide for themselves and their communities. Our relationship will be one of working with, rather than working for, the individuals and families who participate in our program.

The involvement of communities in our local activities will be encouraged through open and honest communication. With respect for the democratic process, we will work cooperatively with communities and their officials to identify and address the needs of low-income residents. Communities will be kept aware of resources available to meet local needs.

We will cooperate in full cognizance and compliance with contractual relationships and honor the commitments we make with funding agencies. We will endeavor to contain costs while providing quality services. It is equally our responsibility to represent to funding agencies the needs of low-income people. While working cooperatively with agencies to improve the delivery of services, we will work to understand and respect the rationale of the regulatory process.

Within Self-Help Enterprises, personal and professional needs will be respected and the qualities of fairness and cooperation in staff relationships will be encouraged. Rights and responsibilities will be clearly stated. Fair and adequate compensation, opportunities for training and professional development, and a safe work environment will be provided to all staff.

These values will guide us as we represent the needs and wishes of low-income people to society at large. Participants, community members and all others will be encouraged to join in this mission to provide solutions to identified problems in the communities we serve.

4/89

ATTACHMENT B
CONTRACTOR CERTIFICATION

Contractor's License Detail for License # 258724

 **DISCLAIMER:** A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations. (hide/show disclaimer)

- CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.
- Per B&P 7071.17 , only construction related civil judgments reported to the CSLB are disclosed.
- Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

Business Information

SELF HELP ENTERPRISES
P O BOX 6520
VISALIA, CA 93290
Business Phone Number:(559) 651-1000

Entity Corporation
Issue Date 07/25/1969
Expire Date 04/30/2016

License Status

This license is current and active.

All information below should be reviewed.

Classifications

- B - GENERAL BUILDING CONTRACTOR
- C-2 - INSULATION AND ACOUSTICAL
- D65 - WEATHERIZATION AND ENERGY CONSERVATION

Bonding Information

Contractor's Bond

This license filed a Contractor's Bond with OLD REPUBLIC SURETY COMPANY.

Bond Number: WCL1229254

Bond Amount: \$12,500

Effective Date: 01/01/2007

Contractor's Bond History

Bond of Qualifying Individual

This license filed Bond of Qualifying Individual number **WCL1232632** for **CAREY PETER NUGENT** in the amount of **\$12,500** with OLD REPUBLIC SURETY COMPANY.

Effective Date: 01/01/2007

BOI's Bond History

Workers' Compensation

An employee service group holds the workers compensation insurance.

Policy Number: WC094182860

Effective Date: 07/01/2014

Expire Date: 07/01/2015

Workers' Compensation History

Other

- Personnel listed on this license (current or disassociated) are listed on other licenses.

ATTACHMENT C
SAMPLE REPORTS

finrep4 SELF-HELP ENTERPRISES HOUSING PROGRAM FINANCING #5 of March 10, 2014 PROJ: USA08

	GRANT	LOAN DPL	AMORT- IZED	PRO INC	RDA	FEE WAIVER	RD HPG	RD 504	CHFA LOAN	BANK LOAN	BANK	OWNER FINAN	PARTIC LABOR	OTHER
9200 WASHINGTON	3000	45000	0	0	0	0	0	0	25000	90000	USDA	1600	0	0
9201 ADAMS	1500	35000	0	0	0	0	0	0	30000	100000	USDA	1650	0	0
9202 JEFFERSON	2500	50000	0	0	0	0	0	0	20000	85000	CHASE	1550	0	0
9203 MADISON	1000	25000	0	0	0	0	0	0	25000	95000	WELLS	1450	0	0
Totals	8000	155000	0	0	0	0	0	0	100000	370000		6250	0	0
CDBG/HOME COMMITTED		163000												
BUDGET		735821	LEVERAGE GOAL	0	0	0	0	0	0	0		0	0	0
BALANCE		572821	REMAINING	0	0	0	0	0	-100000	-370000		-6250	0	0

ATTACHMENT C
SAMPLE REPORTS

finrep4	SELF-HELP ENTERPRISES	HOUSING PROGRAM	PROGRESS REPORT as of March 10, 2014	PROJ: USA08							
	FINANCING APPROVED	PARTNER INVOICE	CONSTR START	CONST COMPLETE	VALUE	BUDGET	CONTRACT	EXPENSE TO DATE	MILE-STONE	CONTRACTOR	RECONST
9200	WASHINGTON	07/04/1776	08/1776	0	0	164600	48000	0	48000	9	
9201	ADAMS	07/04/1776	08/1776	0	0	168150	36500	0	36500	9	
9202	JEFFERSON	07/04/1776	08/1776	0	0	159050	52500	0	0	8	
9203	MADISON	07/04/1776	08/1776	0	0	147450	26000	0	0	8	
Totals											639250

03/10/2014

ATTACHMENT C
SAMPLE REPORTS

finrep4	SELF-HELP ENTERPRISES	HOUSING PROGRAM	CHARACTERISTICS REPORT as of March 10, 2014	PROJ: USA08						
PROPERTY OWNER	ETHNICITY	HOUSEHOLD SIZE	ELDERLY	HANDICAP	FEMALE HOH	FARM WORK	OCCUPANCY	INCOME ELIGIBILITY	OVERPAY	STATUS
9200 WASHINGTON	W	2	0	0	0	0	0	LI		9
9201 ADAMS	W	7	0	0	0	0	0	LI		9
9202 JEFFERSON	W	8	0	0	0	0	0	LI		8
9203 MADISON	W	2	0	0	0	0	0	LI		8

Totals

03/10/2014

**ATTACHMENT C
SAMPLE REPORTS**

Item 17. - Page 31

SELF-HELP ENTERPRISES
HOUSING PROGRAM

USA08
03/10/2014

SUMMARY

Homes completed	File closed	2
Homes completed	File open	2
Homes in construction		0
Loans approved, waiting to start		0
Loans pending approval		0
Homes in workload		0
Interest List		2
Non-participating		1

GOAL = 17 HOMES

CDBG/HOME Financing Budget	735821	17	(average= 43284)
+ Program Income	0		
+ RDA	0		
- Completed/Obligated Balance	<u>163000</u>	<u>4</u>	(average= 40750)
	572821	13	

	GOAL	ACTUAL
RD HPG	0	0
RD 502/504	0	0
CHFA loans	0	100000
BANK loans	0	370000
OWNER FINANCE	0	6250
PARTIC LABOR	0	0
OTHER	0	0

END DATE of GRANT 07/31/2014

**ATTACHMENT C
SAMPLE REPORTS**

USA08 03/10/2014

HOMES COMPLETED FILE CLOSED

9200	Washington	George	111 Cherry Lane	Washington	(202) 745-1234
9201	Adams	John	222 Pine Street	Washington	(202) 745-5678

HOMES COMPLETED Ready to closeout

9202	Jefferson	Thomas	333 Oak Street	Washington
9203	Madison	James	444 Birch Street	Washington

HOMES COMPLETED Full Release

HOMES COMPLETED Retention Period

HOMES IN CONSTRUCTION

LOANS APPROVED, WAITING to START CONSTRUCTION

HOMES pending LOAN APPROVAL

ATTACHMENT C
SAMPLE REPORTS

USA08 03/10/2014

HOMES In WORKLOAD

HOMES on INTEREST LIST

9204	Monroe	James	555 Cedar Street	Washington
9205	Quincy Adams	John	666 Elm Street	Washington

NON PARTICIPATING

9206	Jackson	Andrew	777 Fir Street	Washington
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ATTACHMENT D
PROJECT APPROVAL REQUEST FORM

Memo

To: Mike Olmos, City Manager

From: Self-Help Enterprises

CC: Chris Young, Community Development Director
Christopher Tavarez, Administrative Services Manager
Rhonda Haynes, Housing Specialist

Date: _____

Re: Property address: _____, Visalia Property purchase information

The request will include a description of what the listing price is, what the CMA reflects, what the offer is/was, what is the estimated rehabilitation cost and scope, timeline for resell (HOME has a requirement that it be resold before 9 months or it will become a rental property- see new HOME rules). SHE will also include information about estimated costs related to the acquisition- see below

if the proposed project is a rental project- SHE will submit anticipated income levels, rents, marketing, management, reserves. (Including a proforma, deliverable time table, etc).

The following costs (estimated) shall apply to this property.

Type of Fund CDBG NSP X HOME: _____
Bank Owned Multiple Listing Price: \$79,900 (listed at \$ _____ per sq. ft)
CMA Estimated value
Appraisal: \$TBD or if known- reference

The offer made was: \$ _____, based on \$ _____ per sq ft (# of sq ft in the home/ # bds/# bth, Construction date)

Offer made: Acquisition: (approx. % discount from appraisal)	\$ 70,000
Associated costs estimated:	
Appraisal:	\$ 225
Termite Inspection:	\$ 75
Mold inspection & remediation	\$
Asbestos inspection & remediation	\$
Lead Inspection & Certification (1978 HUD reqrd)	\$
Title (City pays half escrow- est.)	\$ 275
Escrow Fees-est. (city pays)	\$ 850
NHD (national hazard disclosure)	\$ 99
County Transfer Tax -est.	\$ 60
	<u>\$</u>
Rehabilitation High Estimated Costs (scope of work to follow):	\$ 30,000
(description of the rehabilitation- here)	
Total cost of property after rehab¹ (Admin/activity delivery not included)	\$103,084
Estimated resell price²:	\$

¹ Will be in compliance with HOME regulations pertaining to the after rehab value
² Resell price cannot exceed the current market value of \$175,750 for a SFR.

ATTACHMENT D
PROJECT APPROVAL REQUEST FORM

Real Estate cost to resell (6% est.) \$ 6,185
Escrow fees & closing costs (3% est.): \$ 3,092

Code Violation³ yes _____ no X \$ _____

HOA monthly fee yes _____ no X \$ _____

Flood Zone Status: In flood zone X; or Not in the new flood zone _____

X _____

Tom Collishaw, President

X _____

Betsy McGovern-Garcia, Asst. Secretary

Self Help Enterprise Review and approval to make offer

X

Authorization to acquire property (Mike Olmos)

Appendix A: Photos & Appraisal Information

Appendix B: Developer Time Table Example

³ City funds cannot be used to pay for these types of fees.

**ATTACHMENT D
PROJECT APPROVAL REQUEST FORM**

Appendix A: Photos & Appraisal Information

To be inserted

ATTACHMENT D
PROJECT APPROVAL REQUEST FORM

Appendix "B"

Developer Time Table Example

	(No Months)	Estimated Start Date	Estimated End Date	Completed (Y/N)	Date Completed
Market Study & Site Analysis					
Environmental Assessment					
Real Estate-Option/Contract Acquisition Date:					
Securing and Packaging Project Financing					
Site Plan Review					
Zoning Approval (if applicable)					
Council Approval (Required for HOME funding)					
Funding Application Plans and Specifications submitted to City for review and approval					
Building Permit Application					
Cost Estimates provided to City for review					
Construction Bids					
Construction Start					
Anticipated Draws (List all)					
Marketing Plan provided to City for Review					
Construction End- Project Completion					
Ground Breaking					
Tenant Applications reviewed					
Start of Rent up timeline					
Completion and Operation					

**Attachment E
Sample Multi-Family Project Feasibility Analysis**

Multi-Family Acquisition Analysis	
Affordability Target (% of Median Income)	50.00%
Area Median Income	\$45,100
Income Target	\$22,550.0
Annual Rent	\$6,765.0
Affordable Monthly Rent	\$563.75
Market/Actual Rent	\$450
# of Units	7
Monthly Income	\$3,150.00
Annual Income	\$37,800.00
Income less 5% Vacancy Rate	\$35,910.00
Operating Costs	\$30,800.00
Total Income	\$5,110.00
Replacement Reserve (\$600/unit)	\$4,200.00
Net Income	\$910.00
DSCR	1.15
Debt Service	\$791.30
Monthly Payment	\$65.94
Conventional Mortgage (5%, 30 yr)	\$0
SHE Equity	\$100,003
Total Project Cost	\$455,000
*Assumes \$25,000/unit rehab, \$280,000 purchase	
HOME Subsidy	\$354,997
Subsidy/Unit	\$50,714

Presented By: Heather Mendonca Lic: 01452804
Modern Broker, Inc.

Listing Summary

Listing #109603
\$325,000 (LP)

601 N Bridge St, Visalia, CA 93291 Active (08/01/14)

Sq Ft: 3856*
Area: NEVisa
Lot Sz: 18295sqft*
Yr: 1940*

Price/SqFt: 84.28

Remarks

7 units, with many upgrades and some have been remodeled. All 1 bed 1 bath. This is a great investment...All currently rented, rents - \$450-\$500. and with room for slight increase to maximize your investment return.

Pictures (3)



Area (2) N.E. Visalia
Subdivision Tulare
County 3856*
Approx Square Feet 18295*
Lot Sq Ft (approx) 1940*
Year Built Race
Cross Street From Race, North on Bridge st. between Race and Grove.
Directions to Property 7.00
of Units

Price / SqFt 84.28
Lot Acres (approx) 0.4200

all 1 bed 1 bath Unit #: Occupied: Yes
Bathrooms: 1.00
Garage: Heating:
Identical Units: 7
Rent: 0
Air Conditioning:
Square feet: 550
Bedrooms: 1
Deposit: 0.00

General Information

Terms Cash

11/21/2014

Previously Occupied?

Yes

Property Information Amenities

Lot Size 18300
 Stories 1
 RV Parking Available Yes
 Pool No
 Spa No

Monthly Expenses

Management Yes
 Cable Tenant
 Laundry Other
 Landscaping Owner
 Water / Trash Owner
 Sewer/Septic Sewer
 Electric / Gas Tenant
 Taxes Yes

Properties shown may not be listed by the featured agent/office.
 Information has not been verified, is not guaranteed and is subject to change.
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 U.S. Patent 6,910,045
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Attachment "C"

Self Help Enterprise
Proposed Acquisition/Rehabilitation
SHE CHDO Program

Bridge & Race--7 units
Sample Multi-Family Project Feasibility Analysis

Multi-Family Acquisition Analysis	
Affordability Target (% of Median Income)	50.00%
Area Median Income	\$45,100
Income Target	\$22,550.0
Annual Rent	\$6,765.0
Affordable Monthly Rent	\$563.75
Market/Actual Rent	\$450
# of Units	7
Monthly Income	\$3,150.00
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*Assumes \$25,000/unit rehab, \$280,000 purchase	
HOME Subsidy	\$354,997
Subsidy/Unit	\$50,714

AFFORDABLE HOUSING DEVELOPMENT AGREEMENT BETWEEN THE CITY OF VISALIA AND SELF HELP ENTERPRISE, INC.

THIS AGREEMENT (hereinafter "Agreement") is made this _____ day of _____, 2014, (the "Effective Date") by and among Self Help Enterprise, Inc., a California 501(c)(3) public benefit, nonprofit corporation (hereinafter "SHE") and the City of Visalia, a municipal corporation organized and existing under the laws of the State of California (hereinafter "City"), collectively referred to as the "Parties."

RECITALS

- A. SHE desires City funding to purchase single-family residential encumbered properties, which shall be rehabilitated and then made available for resale for the purpose of providing affordable homeownership opportunities (hereinafter "Single-Family Project").
- B. SHE also desires City funding to purchase existing multi-family developed properties, which shall be rehabilitated and then rented for the purpose of providing affordable rental opportunities ("Multi-Family Project").
- C. The Single-Family Project and the Multi-Family Project shall be herein collectively referred to as the "SHE COV Affordable Housing Program".
- D. There is an ongoing need in the community for affordable housing opportunities.
- E. The City of Visalia (hereinafter "City") is a recipient of HOME Investment Partnerships Program funds for "HOME Program" funds from the U.S. Department of Housing and Urban Development (hereinafter "HUD"), including funds that are reserved for use by Community Housing Development Organizations (hereinafter "CHDOs"), which it is obligated to use to assist in the acquisition, rehabilitation development of affordable housing opportunities in the community.
- F. SHE has been certified by the City as a CHDO, and has executed that certain Community Home Investment Partnership Agreement with the City whereby City has agreed to provide CHDO funds to SHE for the Project.
- G. The SHE COV Affordable Housing Program is a multifaceted program consisting of two project scenarios: (a) the Single-Family Project scenario to acquire, rehabilitate, and resell a minimum of two (2) single-family homes with initial funding, and (b) the Multi-Family Project to acquire, rehabilitate, and rent minimum of five (5) multi-family units, wherein SHE would invest up to One Hundred Thousand Dollars (\$100,000) of organizational equity to keep each Multi-Family Project property affordable for a minimum of thirty-years (30). Any funds remaining from the initial City commitment would be returned to the City to revolve into future projects.

**City of Visalia 2014-2015 HOME Substantial Amendments
Community Input, Council Input & Public Testimony Notes**

<i>Citizens Advisory Committee Meeting, Presentation of Draft Action Plan Substantial Amendments, December 3, 2014</i>	
Public Comment:	City Response
1 comment- like new program with existing units better than new construction	Noted
<i>Disability Advocacy Committee Meeting, Presentation of Draft Action Plan Substantial Amendments, December 08, 2014</i>	
Public Comment:	City Response
community member provided TC Housing information Ms. Owens; There is a need for disabled youth rental housing	Provided information to the community and public regarding affordable housing and requirements, as well as made note of the comment for disabled youth housing (rental)
<i>North Visalia Neighborhood Advisory Committee Meeting, Presentation of Draft Action Plan Substantial Amendments, December 11, 2014</i>	
Public Comment:	City Response
Vincent Salierno commented that the city needs to look at rental properties that are smaller who need rehabilitation.	staff provided information regarding previous rental rehab program which was not successful, however, indicated that an analysis would need to be conducted to determine interest, need, etc.
<i>City Council Public Hearing, Presentation of Final Action Plan Substantial Amendments, December 15, 2014</i>	
Public and Council Comments:	City Response