



DEVELOPMENT TEAM REQUIREMENTS FOR CALHFA FINANCING

For new CalHFA financing or CalHFA Portfolio Loan assignment requests, CalHFA will review and analyze the experience, capacity, and credit worthiness of the Applicants and their entire development team to ensure they collectively meet the below described qualifications and experience requirements.

Applicants whose development teams lack the minimum required experience planning, developing, constructing, marketing and managing “**comparable**” rental housing developments (“Projects”) should partner with a co-developer, Consultant, or firm that can provide the required experience. “Comparable” shall mean: of similar size, or number of units, to that of the proposed Project the Applicant is seeking financing for.

NOTE: CalHFA staff will review the information submitted by each Development Team member or firm and advise the Applicant whether any of their Development Team lacks the minimum required experience. CalHFA will order business credit reports from nationally recognized agencies for each Applicant/ Developer/ Sponsor, joint venture partner(s), management agent, and general contractor to assist in evaluating the current financial condition, liquidity and capacity of each party. CalHFA may also require financial statements and/or tax returns, prepared or audited by an independent Certified Public Accountant, in a form and content acceptable to CalHFA, along with appropriate supporting information. In some instances, CalHFA may require a Loan Guarantor.

CalHFA may decline financing or loan assignments to Applicants or principals involved with other CalHFA financed Projects who are, or have been, in default or delinquent for more than three (3) months on a CalHFA loan, or who have had, or are currently in a non-monetary default situation in regards to the terms of the CalHFA Regulatory Agreement.

DEVELOPMENT TEAM EXPERIENCE

- A. **Developer:** The Developer or co-developer must have successfully developed (from start to finish) a minimum of three (3) comparable rental housing developments (“Projects”). Developers must submit the following:
1. Resumes for key Development team members, the Project Manager and Principal(s).
 2. Describe the three (3) Projects that were built and include the following information for each Project:
 - i. total number of rental housing units;
 - ii. list all funding sources and total development costs;
 - iii. state whether the Project involved new construction or rehabilitation;
 - iv. location of each Project
 - v. start and completion dates;
 - vi. names of the Developers key staff members involved in each Projects; and
 - vii. whether each Project was completed on time and on budget relative to the schedule and budget at start of construction.
 3. The Project Manager for the proposed Project must have personally managed the development of at least two (2) comparable Projects from start to finish. Provide the names of each Project, the

total number of units, total development costs, and the time frames the Project Manager worked on each developed Project.

4. Name all Projects the proposed Project Manager will be personally involved with, or responsible for managing during the time frame the proposed Project is expected to be built; the location of the Projects; the total number of units in each Project; and the expected completion dates of each Project.
5. Developer shall certify that they have the capacity (adequate experienced staff) to take on the proposed Project – and list the proposed or current Projects in their pipeline that will be in development during the same time frames as the proposed Project (from start to finish and occupancy).

B. **Architect:** The Architect must have designed CalHFA financed Projects OR the Architect must have designed a minimum of three (3) comparable rental housing developments (“Projects”) that have been built and occupied within the past ten years. Architect’s without experience designing CalHFA financed Projects must submit the following information.

1. Submit resumes showing the job history for each key staff person and Principal(s).
2. The Architectural firm must provide a list of three (3) Projects they designed that have the same construction type (e.g. steel or wood frame or podium construction) and identify the Lead Staff person responsible for helping design each of the three Projects. Provide 8-1/2” x 11” elevation drawings of each Project.

C. **Development and/or Financial Consultant:** A Consultant is not required if the Developer possess the minimum required experience noted above in section A. If a consultant or consulting firm is hired to help the Developer meet the minimum experience requirements, the following items must be submitted:

1. Resumes and job descriptions of key staff and the Principal(s).
2. List at least three (3) comparable rent restricted rental housing developments (“Projects”) that the Consulting Firm has provided consulting services for comparable Projects that were developed using a variety of local, state and/or federal financing and/or tax credits. For each Project, provide a summary of the various financing sources that regulated rents or incomes for units in the comparable Project.
3. For the specific staff person assigned to consult on the proposed Project, list at least two (2) Projects that the staff person was personally involved with from start to finish and summarize the variety of financing utilized for each rent restricted comparable Project.

D. **General Contractor:** if the licensed General Contractor has not developed CalHFA financed rental housing developments (“Projects”) during the past five years, the General Contractor should provide the following information as part of the CalHFA Development Team approval process.

1. Submit resumes and job descriptions of key staff, the on-site manager for the proposed Project, and the Principal(s).
2. List the General Contractor’s experience building at least three (3) similar construction type Projects: e.g. steel or wood frame, podium construction during the past ten years and list the years of completion/occupancy of each Project and the name of the Development Firm that hired them.
3. Contractor should provide a signed statement that indicates their firm has the capacity to take on the proposed Project – and lists the proposed or concurrent Projects that will be in development any time during the construction or renovation of the proposed Project.

4. List at least two (2) comparable Projects that the on-site construction supervisor for the proposed Project was involved with from start to finish during the past five years, and the names of the Development firm that contracted for the work to be done.

NOTE: the licensed Contractor will be expected to provide a payment and performance bond in an amount equal to one hundred percent (100%) of the construction contract amount.

F. Management Company – Companies who have not previously managed CalHFA financed Projects are required to provide evidence of the following items:

1. Experience managing at least three (3) low to moderate income, rent restricted comparable rental housing developments (“Projects”)
2. Indicate the location of the closest proximity Projects or field office to the address of the proposed Project.
3. Resume for the proposed on-site Property Manager that reflects prior experience during the past five years managing Projects with rent restricted units.
4. Management Companies will be expected to provide evidence of the following items prior to start of construction or occupancy of the proposed Project:
 - a. a Broker’s License;
 - b. a Fidelity Insurance Bond (when required by CalHFA);
 - c. audited financial statements <http://www.hcd.ca.gov/financial-assistance/asset-management-and-compliance/HCDCalHFAAuditHandbook.pdf>
 - d. a current Insurance Certificate for the Management Company
 - e. a Project specific Property Management Agreement with the CalHFA required Amendment <http://www.calhfa.ca.gov/multifamily/programs/forms/closing-amendment-management-contract.pdf>
 - f. a detailed Project specific Management Plan;
 - g. a Management Agency Review Form (found on CalHFA’s website); and
 - h. for federally funded projects:
 - i. evidence of HUD- 2530 Clearance http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/apps/ap_psmfhm
 - ii. an Affirmative Fair Housing Marketing Plan (HUD-935.2A) <https://portal.hud.gov/hudportal/documents/huddoc?id=935-2a.pdf>