STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY GAVIN NEWSOM, *Governor*

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE
2020 W. El Camino Avenue, Suite 670, 95833
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 263-2771
www.hcd.ca.gov

CORRECTED LETTER

September 6, 2023

Jason Nutt, Assistant City Manager
City of Santa Rosa
100 Santa Rosa Avenue
Santa Rosa, CA 95404

Dear Jason Nutt:

RE: *Revised* Conditional Award Commitment and Acceptance of Terms and Conditions Infill Infrastructure Grant Program of 2019
June 16, 2022, Notice of Funding Availability (NOFA) for
Large Jurisdiction Set Aside and Qualifying Infill Areas
City of Santa Rosa – *Santa Rosa QIA 2022*
Contract No. 22-IIG-17704

The California Department of Housing and Community Development ("**Department**") issued a Notice of Funding Availability on June 16, 2022, (the "**2022 Notice of Funding Availability Large Jurisdiction Set Aside and Qualifying infill Areas" or "IIG of 2019 NOFA"**). The Department is now pleased to inform you of this *revised* conditional award to the City of Santa Rosa ("**Awardee**") in the amount of $19,652,636—*reduced from $20,651,354. This reduced award amount is a result of an overlapping QIP Award for Bennet Valley Apartments, contract number 22-MFSN-17633.* This letter constitutes notice of the designation of IIG funds for Santa Rosa QIA 2022, and fully replaces the letter originally issued. The award date remains February 9, 2023. This conditional award is a grant (the "**Conditional Award**") for the above-referenced project (the "**Project**") and includes the following:

Program	*Revised* Award Amount	Contract Number
Infill Infrastructure Grant (IIG) Program	$19,652,636	22-IIG-17704

The Conditional Award is based on and subject to the Applicant Representations and the Terms and Conditions of Conditional Award, both as further specified and described in this notice of the Conditional Award (the "**Conditional Award Commitment**"). This Conditional Award may only be accepted by timely delivery of a fully executed Acceptance of Terms and Conditions of Conditional Award form to the Department (an execution copy of this form is enclosed herein).

I. Applicant Representations – Basis of Conditional Award

In response to the IIG of 2019 NOFA, the Awardee submitted an application for financing of the Project (that application, and all communications and documentation submitted to the Department in support thereof, the "**Application**").

The Department is making this Conditional Award to the Awardee on the basis of, and in reliance upon, the representations, warranties, projections, and descriptions that the Awardee submitted as part of the Application (the "**Applicant Representations**").

The Department may rescind this Conditional Award if the Department discovers, at any time prior to disbursement of the Conditional Award, that the Applicant Representations included material misrepresentations or omissions, regardless of whether or not such misrepresentations or omissions were innocent, unintentional, and/or based upon belief.

II. Terms and Conditions of Conditional Award

The Department may rescind this Conditional Award if any of the terms and conditions enumerated in this Section II (the "**Terms and Conditions of Conditional Award**") are not timely satisfied. TIME IS OF THE ESSENCE IN THE SATISFACTION OF THESE TERMS AND CONDITIONS OF CONDITIONAL AWARD.

The Terms and Conditions of Conditional Award and their corresponding timelines are described below. All timelines shall be calculated in calendar days. Any deadline falling on a weekend or State of California holiday shall be extended to the next business day.

If the Terms and Conditions of this Conditional Award are timely satisfied, the Department will **(i)** promptly provide a written notification to the Awardee via electronic mail; and **(ii)** circulate an execution copy of an STD 213, Standard Agreement for all appropriate signatures and approvals in accordance with the timeline specified at Section III of this Conditional Award Commitment.

1. Timely Execution of Acceptance of Terms and Conditions of Conditional Award Form

The Awardee shall execute and deliver a copy of the enclosed Acceptance of Terms and Conditions of Conditional Award to the Department within ten (10) calendar days of the date upon this Conditional Award Commitment. The Department will deem this condition to be unsatisfied if it receives an executed Acceptance of Terms and Conditions of Conditional Award that has been substantively modified, altered, or amended in any way. The signed Acceptance of Terms and Conditions of Conditional Award form must be submitted to Infill@hcd.ca.gov.

2. Timely Delivery of Authorization and Organizational Documents

The Awardee shall deliver to the Department, within sixty (60) calendar days of the date upon this Conditional Award Commitment, a legally sufficient set of Authorization and Organizational Documents, as further described and specified below. Specifically, the Awardee shall deliver a duly adopted authorizing resolution, as well as a complete and duly filed or adopted set of organizational documents and all amendments (the "**Authorization and Organizational Documents**"), for each of the following entities as applicable: each Awardee entity; the ultimate borrower of the Conditional Award funds (the "**Borrower**"); and each separate legal entity that is part of the Awardee's or Borrower's organizational structure. Each entity's resolution must constitute, to the Department's reasonable satisfaction, an unconditional, duly adopted, and legally binding authorization of the entity to accept the total amount of these Conditional Award funds, to fully participate in the relevant Department program, and to be legally bound by the requirements of the Department program. The Department may agree to an extension of fifteen (15) calendar days based on the Awardee's demonstration of necessity.

Note: *A Local Public Entity, as defined in the IIG of 2019 Final Program Guidelines, is not required to submit a complete and duly filed or adopted set of organizational documents and amendments. Both the Conditional Award and this Conditional Award Commitment are subject to Health and Safety Code section 50406, subdivision (p), as subsequently amended ("**AB 1010**").*

The Department will post resolution templates on its website as informational guidance. Please note that use of the resolution templates is not compulsory. However, use of the provided templates will assist in the timely review and approval of the Standard Agreement. While entities may choose to use modified language in their resolutions, Sponsors should be aware that this may delay preparation of the Standard Agreement or, if deemed insufficient, may result in the need to submit a revised resolution.

At any point prior to disbursement, the Department may also require the Awardee to resubmit Authorization and Organizational Documents if the original submittals were determined to be inaccurate or incomplete.

III. Delivery of Standard Agreement

In an effort to be responsive to each Awardee's closing needs and to ensure timely commitment of funds, the Department commits to delivering an execution copy of the Standard Agreement relative to this Conditional Award within ninety (90) calendar days of receiving all required documents, including all legally sufficient Authorization and Organizational Documents, in connection with this Project and as applicable.

IV. Deadline to Secure Permanent Financing

Please note that the Awardee must secure all permanent financing, including tax credits and bond allocations, within 24 months of the date of the first Department funding award to the Project, consistent with the Department's Disencumbrance Policy (Administrative Notice Number 2022-02: Disencumbrance Policy). Sponsors/Applicants must demonstrate that all permanent financing is in place allowing the project to commence construction. Failure to meet this requirement shall result in the withdrawal or recapture of this Conditional Award and any other prior or subsequent funds awarded to the Project.

Congratulations on your successful Application. For further information, please contact Lynn Jones, Climate Change Section Chief, Program Design and Implementation, at Lynn.Jones@hcd.ca.gov or (916) 695-6071.

Sincerely,

Jennifer Seeger
Deputy Director
Division of State Financial Assistance

Enclosure: Acceptance of Terms and Conditions of Conditional Award Form

California Department of Housing and Community Development
Infill Infrastructure Grant Program of 2019 NOFA, Round 8

Acceptance of Terms and Conditions of Conditional Award

City of Santa Rosa ("**Awardee**")
Santa Rosa QIA 2022 ("**Project**")

Infill Infrastructure Grant award totaling $19,652,636 ("**Conditional Award**") as detailed below:

Program	*Revised* Award Amount	Contract Number
Infill Infrastructure Grant (IIG) Program	$19,652,636	22-IIG-17704

By signing this Acceptance of Terms and Conditions of Conditional Award, the Awardee acknowledges having read and fully understood the terms and conditions of the Conditional Award Commitment, dated February 8, 2023 and revised September 6, 2023, in connection with the Project.

In addition, the Awardee acknowledges having read and fully understood all of the Department's requirements relative to the Conditional Award, including the requirements set forth in Administrative Notice Number 2022-22: Disencumbrance Policy, and the Awardee agrees to abide by and comply with those requirements.

In addition, the Awardee must acknowledge that it has reviewed and verified the accuracy of the final project report prepared by the Department no later than October 7, 2023.

_____ _____
Jason Nutt, Assistant City Manager — Date
City of Santa Rosa

**** For HCD Use Only ****

☐ Authorized Representatives Verified

☐ All Parties Signed

Date Received: _____

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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Superseded

February 9, 2023

Jason Nutt, Assistant City Manager
City of Santa Rosa
100 Santa Rosa Avenue
Santa Rosa, CA 95404

Dear Jason Nutt:

RE: Conditional Award Commitment and Acceptance of Terms and Conditions
Infill Infrastructure Grant Program of 2019
June 16, 2022, Notice of Funding Availability (NOFA) for
Large Jurisdiction Set Aside and Qualifying Infill Areas
City of Santa Rosa – *Santa Rosa QIA 2022*
Contract No. 22-IIG-17704

The California Department of Housing and Community Development ("**Department**") issued a Notice of Funding Availability on June 16, 2022, (the "**2022 Notice of Funding Availability Large Jurisdiction Set Aside and Qualifying infill Areas" or "IIG of 2019 NOFA"**). The Department is now pleased to inform you of this conditional award to City of Santa Rosa
("**Awardee**"). This conditional award is a grant in the amount of $20,651,354 (the "**Conditional Award**") for the above-referenced project (the "**Project**") and includes the following:

Program	Award Amount	Contract Number
Infill Infrastructure Grant (IIG) Program	$20,651,354	22-IIG-17704

The Conditional Award is based on and subject to the Applicant Representations and the Terms and Conditions of Conditional Award, both as further specified and described in this notice of the Conditional Award (the "**Conditional Award Commitment**"). This Conditional Award may only be accepted by timely delivery of a fully executed Acceptance of Terms and Conditions of Conditional Award form to the Department (an execution copy of this form is enclosed herein).

I. Applicant Representations – Basis of Conditional Award

In response to the IIG of 2019 NOFA, the Awardee submitted an application for financing of the Project (that application, and all communications and documentation submitted to the Department in support thereof, the "**Application**").

Superseded

The Department is making this Conditional Award to the Awardee on the basis of, and in reliance upon, the representations, warranties, projections, and descriptions that the Awardee submitted as part of the Application (the "**Applicant Representations**").

The Department may rescind this Conditional Award if the Department discovers, at any time prior to disbursement of the Conditional Award, that the Applicant Representations included material misrepresentations or omissions, regardless of whether or not such misrepresentations or omissions were innocent, unintentional, and/or based upon belief.

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The Terms and Conditions of Conditional Award and their corresponding timelines are described below. All timelines shall be calculated in calendar days. Any deadline falling on a weekend or State of California holiday shall be extended to the next business day.

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Superseded

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Congratulations on your successful Application. For further information, please contact Lynn Jones, Climate Change Section Chief, Program Design and Implementation Branch, at Lynn.Jones@hcd.ca.gov or (916) 695-6071.

Sincerely,

Jennifer Seeger
Deputy Director
Division of State Financial Assistance

Enclosure: Acceptance of Terms and Conditions of Conditional Award Form

Superseded

California Department of Housing and Community Development
Infill Infrastructure Grant Program of 2019 NOFA, Round 8

Acceptance of Terms and Conditions of Conditional Award

City of Santa Rosa ("**Awardee**")
Santa Rosa QIA 2022 ("**Project**")

Infill Infrastructure Grant award totaling $20,651,354; ("**Conditional Award**") as detailed below:

Program	Award Amount	Contract Number
Infill Infrastructure Grant (IIG) Program	$20,651,354	22-IIG-17704

By signing this Acceptance of Terms and Conditions of Conditional Award, the Awardee acknowledges having read and fully understood the terms and conditions of the Conditional Award Commitment, dated February 8, 2023, in connection with the Project.

In addition, the Awardee acknowledges having read and fully understood all of the Department's requirements relative to the Conditional Award, including the requirements set forth in Administrative Notice Number 2022-22: Disencumbrance Policy, and the Awardee agrees to abide by and comply with those requirements.

In addition, the Awardee must acknowledge that it has reviewed and verified the accuracy of the final project report prepared by the Department no later than February 28, 2023.

_____ _____
Jason Nutt, Assistant City Manager Date
City of Santa Rosa

Superseded

** **For HCD Use Only** **

☐ Authorized Representatives Verified
☐ All Parties Signed

Date Received: _____