

**Sacramento Housing and Redevelopment Agency
Multifamily Lending and Mortgage Revenue Bond Policies
For Projects of 12 or More Units**

Funding Priorities Summary

(Multifamily Lending and MRB Policies - Section 1)

Eligible projects and project priorities:

Funding recommendations for Agency financing will be made based on the project priorities set out below. Projects seeking issuance of mortgage revenue bonds without Agency financing are not subject to these priorities. Pre-application approval, followed by approval of a full application, is required before being eligible for funding.

Applications seeking funding to be used in conjunction with the 9% Low Income Housing Tax Credit Program (LIHTC) are subject to the priorities for that program, included as Exhibit 1 to these guidelines.

For a listing of funding sources and their specific requirements, please see Exhibit 2.

Affordable housing priorities:

1. Preservation

Preservation of projects which are currently publicly subsidized, but at risk of losing affordability restrictions due to sale, termination, or public subsidy reductions.

2. Recapitalization

Substantial rehabilitation of projects with affordability restrictions, including projects that have reached the expiration of their 15-year tax credit compliance period, but only in conjunction with new mortgage revenue bonds, tax credits, and/or other affordable housing resources to the greatest extent feasible.

3. Inclusionary housing

New construction to meet inclusionary housing requirements under the City of Sacramento Mixed Income Housing Ordinance or the County of Sacramento Affordable Housing Ordinance, but only in conjunction with mortgage revenue bonds, tax credits, a State subsidy, and/or a contribution of land and monetary financial assistance from the master developer.

4. Rehabilitation and new production

Substantial rehabilitation of other projects, with preference among City projects to those located in redevelopment areas; and

New construction of affordable housing including low income, mixed income, or workforce housing, with preference to projects in census tracts where the poverty rate is less than 30 percent; projects that meet redevelopment goals; projects located within ¼ mile of a Transit Hub (as

defined by State Transit Oriented Development Program Guidelines); or development of sites identified as being appropriate for affordable housing in the Housing Element.

Maps of City redevelopment areas and census tracts where the poverty rate is less than 30 percent are presented in Exhibits 3 and 4 respectively.

Location policy:

Sacramento Housing and Redevelopment Agency (SHRA) will encourage funding for low-income housing in areas not adjacent to existing regulated low-income housing.

Note: This Funding Priorities Summary is an excerpt from Section 1 of the SHRA Multifamily Lending and Mortgage Revenue Bond Policies adopted in March 2009. To access the complete version of the lending policies, including the Exhibits, please go to www.shra.org/Housing/MultifamilyHousing/LendingPrograms.aspx