

Small Sites Program NOFA Questions and Answers

December 26, 2025

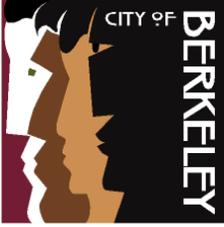
- Q. Our understanding of SSP guidelines is that no more than 34% of existing households can be over income to qualify. Would a project with half its households over 80% AMI qualify for SSP funding?**
- A.** Section III.A. of the City's HTF & SSP Guidelines includes the affordability requirements for HTF projects. SSP projects are required to either restrict all units at 80% AMI or achieve an average affordability of 80% AMI across the project. It would depend on whether the applicant intends to restrict all units at 80% AMI or income-average all units to 80% AMI. The project would not qualify if all units are restricted at 80% AMI, since only 50% of tenants would income-qualify based on that standard. However, the project could qualify if the under-80% AMI tenants have low enough incomes to balance out the over-income tenants.
- Q. On Page 4 of the NOFA, it states that applicants must submit tenant income certifications within 15 days of submitting an application. Conversely, page 14 of the NOFA (Section J(2)(b)) states that tenants must be income certified by loan closing. Can you clarify whether these two terms are in conflict with each other, and if so, which is correct?**
- B.** As stated in the NOFA, applicants are required to submit tenant income certifications if available within 15 days of submitting the application. The tenant income certifications are reviewed as part of the application review and underwriting process. Section J(2)(b) of the Small Sites Program Guidelines requires that 66% of existing households be income-certified either on average or individually, depending on the proposed affordability requirements. If additional time is requested by the applicant, it would likely add time to the City's approval and loan closing timelines.
- Q. Could a GC undertake a PNA and provide the PNA as part of the application? And, could the PNA be required at the time of loan closing? The PNA process can be expensive, and is invasive to residents. It seems to be that requiring a PNA within 15 days of an application would be**

difficult to schedule and unnecessarily expensive if the application were to be denied.

- A. The GC may conduct the PNA if they are a third party and not associated with the applicant. The City must approve scope of work that is supported by the PNA. The City's approval would be conditioned on receiving a PNA and a budget that meets the program requirements. In addition, the applicant would need to submit an approved PNA at least 30 days before the target loan closing date.

- Q. We're having difficulty with a tenant income certification and are curious if there is someone at the City we can speak with for advice. Essentially we are not getting complete financial information from a resident and would like to know if what we have is sufficient for City compliance purposes.**

- A. Please see the attached acceptable source documents for income and assets for the City's BMR program. We can accept both standard income certification documentation and a letter from a housing authority (e.g., Berkeley Housing Authority) or another program like Berkeley's Shelter Plus Care that provides the household with rental assistance - as long as the statement includes the tenant's household size and states the amount of the household's annual income.



Health Housing & Community
Services Department

CITY OF BERKELEY

INCOME ELIGIBILITY DETERMINATION

What Are Acceptable Source Documents?

Source documents are written documentation, generated by a third party (such as an employer) that verifies the income sources that the applicant reports.

Acceptable source documents include:

- Wage statements for approximately the last 3 months, if employment is steady; or for the past year, if employment is not steady or seasonal (such as construction workers, or teachers);
- Interest statements;
- Unemployment compensation statements;
- Third party verifications from employers, banks or others with first-hand information about the applicant's finances. These verifications should be in writing, and can include documented telephone interviews.

Assets (also included in calculation of income)

If the total cash value of household's net assets exceeds \$5,000, then the imputed income from assets for the following year would be calculated as follows: the greater of the actual income derived from all net household assets or Total Cash Value of assets multiplied by 2% (current passbook savings rate as determined by HUD).

APPENDIX D

Assets include, but are not limited to, the following:

- Cash held in savings and checking accounts, safe deposit boxes, homes, etc. For savings accounts, report current balance. For checking accounts, use the average balance for the last six months.
- Revocable Trusts. Include the cash value of any revocable trust available to the family.
- Stocks, bonds, Treasury bills, certificates of deposit, mutual funds, money market accounts.
- Individual retirement, 401k accounts. Included when holder has access to the funds. (Do not count withdrawals as income)
- Retirement and pension funds. Periodic receipts from pension and retirement funds are counted as income. Lump-sum receipts from pension and retirement funds are counted as assets.
- Cash value of life insurance policies available to the individual before death (excluding value of term insurance, which has no cash value to the individual before death).
- Lump sum receipts or one-time receipts (monetary gifts, inheritance, settlements on insurance claims, one-time lottery winnings, etc.)