



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
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October 13, 2023

Carl Stiehl
City of Murrieta
1 Town Square
Murrieta, CA 92562

Subject: Notice of Conditional Award, NOFA for Lasting Affordability

Dear Carl Stiehl:

The Southern California Association of Governments (SCAG) is pleased to inform you that the application submitted by the City of Murrieta for the Notice of Funds Available for Lasting Affordability ("NOFA") has been recommended for award pending SCAG Regional Council approval, which is anticipated to occur at its meeting on November 2, 2023.

The response and proposed uses appear to meet the core REAP 2.0 objectives of accelerating infill housing development, affirmatively furthering fair housing, and reducing vehicle miles traveled. The NOFA was developed pursuant to the State of California Regional Early Action Planning Grants of 2021 (REAP 2.0) program established as part of the 2021 California Comeback Plan under AB 140 which requires specific goals and objectives to be met.

The call for applications was highly competitive with funding requests received far exceeding the funds available. To support transformative changes across the region in line with the REAP 2.0 Program Framework Core Objectives included on Page 3 of the PATH Program Guidelines, awarded funding requests for loan projects have been limited to five million dollars. Funding requests for awarded projects totaling less than \$5M have been awarded in full. Based upon the current estimate, the proposal titled, *Murrieta Housing Authority Revolving Loan Program*, may be eligible to receive an amount not to exceed \$4,100,000.00 for the authorized applicant to complete the project. The final amount of funding available for your proposal is contingent upon approval by the SCAG Regional Council.

Please be advised the final amount may be amended after consideration by the SCAG Regional Council. Further refinement to the Scope of Work (SOW), budget, schedule or other conditions may also be applied, which could modify the amount of funding awarded. The scope of work and funding award may also be reviewed and adjusted by HCD, if necessary. Public announcement of awards is anticipated to take place after consideration by the SCAG Regional Council in November 2023. SCAG kindly requests the City of Murrieta maintains confidentiality about the conditional award until the Regional Council has approved the project and SCAG has publicly announced approval of the project.

Following action by the SCAG Regional Council, SCAG staff will contact you to complete the subrecipient risk assessment and complete the review of the SOW and budget for the authorized project. In addition, SCAG will forward a Memorandum of Understanding (MOU) to be entered into between the City of Murrieta and SCAG. The MOU will include the terms and conditions for the grant, including roles and responsibilities of the parties, REAP 2.0 Guideline requirements, invoice review process, performance reporting, and other legal requirements for subrecipients of the program. The MOU will require confirmation that the applicant's legislative body accepts the award, the terms and conditions, and authorizes the City of Murrieta to enter into the MOU.

SCAG is able to procure consultant work for subrecipients utilizing the SCAG REAP 2.0 consultant bench, through a competitive procurement process. Subrecipients that elect to procure their own consultant must go through a Subrecipient Risk Review. The Subrecipient Risk Review, MOU, and, if applicable, procurement processes are intended to support the timely development and successful implementation of the NOFA funding goals. This support is vital as the final invoice date of REAP 2.0 funded programming is December 31, 2025. The ability to comply with this deadline is key to ensuring NOFA funding is most effectively allocated and utilized across the SCAG region.

Congratulations on your successful application. If you have any questions, please contact Jacob Noonan at noonan@scag.ca.gov. SCAG looks forward to working with you on affirmatively furthering fair housing, accelerating infill housing development, and reducing vehicle miles traveled.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Sarah Jepson', with a long, sweeping horizontal line extending to the right.

Sarah Jepson
Chief Planning Officer