



City of Murrieta

Revolving Loan Fund Application

Release Date:

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APPLICATION OVERVIEW

The Murrieta Housing Authority Revolving Loan Fund (“RLF”) is a new revolving loan program funded by a Lasting Affordability Grant from Southern California Association of Governments (“SCAG”). These grant funds serve as seed funding, intended to be recycled over time as loans are repaid and reinvested into future projects. The long-term goal is to sustain a self-replenishing source of financing that supports the development and preservation of affordable housing in Murrieta for years to come.

The RLF program will be operated by the City of Murrieta (“City”) and will provide low-interest financing to developers, helping to make affordable housing projects in Murrieta more feasible and better positioned to secure funding for construction. By offering small, low-interest loans, the RFL will support early-stage project financing, bridging gaps that often delay or derail affordable housing development.

The City is issuing this Revolving Loan Fund Program Application (“Application”) with the objective of supporting the construction, acquisition, and/or rehabilitation of affordable housing units within City limits. The units will serve households earning up to 80 percent of the Area Median Income (“AMI”) for multi-family rentals and up to 120 percent AMI for homeownership programs.

Applicants who submit a complete application that meets the threshold criteria as outlined in this Application and the Program Guidelines (attached hereto) will be evaluated and awarded funding on a first-come, first-served basis until available funding is exhausted. However, the City reserves the right to prioritize select applications depending on one or multiple of the City’s funding priorities or preferences. In subsequent years, the City may adopt a ranking criterion.

The City reserves the right to allocate funding at its sole discretion.

APPLICATION SUBMITTAL INSTRUCTIONS

All materials and information related to this Application can be found within the Application. Submit completed and signed Application responses via email.

Deliverable to:
City of Murrieta
Housing Authority
1 Town Square
Murrieta, CA 92562

Electronic applications shall be submitted via a secured electronic document management and storage system (SharePoint, OneDrive, Dropbox, etc.) with email notification to housingauthority@murrietaca.gov.

An application fee \$500 and underwriting fee of \$500 is required. Failure to pay required application and underwriting fee will result in the application to be deemed non-responsive.

Submitted Applications must be complete and executed to be considered for review. When a section of the application does not apply or is to be determined, the Applicant should note “N/A” or “TBD” within the Application. Any submission that is not complete will be deemed non-responsive. Any attachments to the Application must be clearly named and labeled.

The City, at its discretion, reserves the right to change the requirements and policies described in the Application. The City is responsible only for what is expressly stated in the Application documents. Any additional Application information shall be made available to each person or organization via an Application distribution list and the City’s website. It is the applicant’s responsibility to confirm, prior to submission, that the application reflects the most recent requirements and policies. By submitting an Application, the applicant acknowledges receipt of all supplemental information, if applicable, that was emailed or posted on the City’s website. The City is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf if those representations conflict with the Application requirements.

The City retains the right to disqualify any application that is incomplete, disorganized, lacks required attachments, or includes inaccurate, inconsistent, misrepresented information, or other deficiencies. Forms provided in the Application must be used, and information provided otherwise may be disregarded at the discretion of the City. The City reserves the right to waive disparities in the Application response if the sum and substance of the Application is present. The City also reserves the right to terminate this Application at any time without prior notice.

THRESHOLD CRITERIA

In addition to submitting a complete application, Applicants must ensure their proposed projects meet the minimum threshold criteria as outlined in this Application and within the Program Guidelines (attached hereto).

Applicant Experience

Eligible Applicants include nonprofit, public, and private affordable housing developers', nonprofit organizations, public entities, social service agencies, faith-based groups, and other community groups with or partnering with an experienced affordable housing developer. Developers must have prior experience owning and/or operating a Project located within areas served by the Southern California Association of Governments or San Diego Association of Governments.

Applicants must demonstrate the ability to:

- 1) Construct, acquire and/or rehabilitate affordable housing developments.
- 2) Operate and maintain affordable housing development throughout the Project's life cycle.
- 3) Adhere to all programs' regulatory, statutory, and funding requirements and guidelines.
- 4) Leverage other funding sources or present plan to leverage other funding sources.

Project Eligibility and housing types may include but are not limited to the following:

- New construction of affordable multi-family rental housing
- Conversion of non-residential buildings to affordable rental housing
- Acquisition and rehabilitation of affordable rental housing
- New construction of affordable ownership housing, including condominiums, for first-time homebuyers
- An affordable housing component of a mixed-use development

Eligible Uses

RLF funds may be used for the following eligible purposes:

- Site acquisition and preparation
- Predevelopment expenses, including but not limited to:
 - Carrying charges and financing fees
 - Preliminary title reports
 - Architect design and engineering/soils work
 - Environmental analysis and reports
 - Legal and financial consultants
 - Planning and permitting fees
 - Appraisal and market study costs
 - Applicant and consultant fees to secure additional project financing
 - Short-term construction loans or down payment assistance for first time homebuyers for ownership housing when RLF loan repayment can be reasonably expected within 5 years, following home sales and issuance of income restricted

Funds may not be used for agency operating expenses, support or social services, or development reserves.

Geographic Requirements

Projects must be located within infill areas of Murrieta. Infill development is defined as an area that consists of unused or underutilized lands, is within existing development patterns, and is accessible to destinations and services by transit, walking, or bicycling. Projects funded by repayments of loans that originated from the REAP 2.0 grant also have this requirement. Payments of principal on REAP 2.0 loans will go towards infill development in perpetuity. For any loans to affordable components of mixed-use developments, the development must allocate at least 65% of its floor area to residential use.

APPLICATION TIMELINE

Below is the timeline for the Application. The City reserves the right to modify any of the dates in the schedule as necessary.

Date	Event
March/April 2026	Release of Application
+60-90 days from submission	Threshold Review and Underwriting
90-120 days from submission	Negotiation and conditional award

TECHNICAL ASSISTANCE

All communications regarding this Application and any requests for clarification must be submitted to the City via email at housingauthority@murrieta.gov.

PREFERENCES

Preferential consideration will be provided for affordable housing developments that meet the following conditions:

- A. Proposed development is located on City-owned land
- B. Proposed development is located on a housing sites identified in City Housing Element
- C. The development creates or constructs new affordable units: New units may include new construction developments, rehabilitation of existing unrestricted housing that will be converted to affordable, or conversion of existing facilities to affordable housing units.
- D. Proposed development has site control and has begun the entitlement process (with a Pre-Application and/or Development Plan Permit) or has received entitlements (such as approval of a Development Plan Permit).

TERMS

Interest: 5 percents simple

Terms: 60 months with two six (6) month extension

Selected applications will be underwritten per guidelines outlined in the Revolving Loan Fund Guidelines (Attachment B).

FEES

The Owner of any development funded through this Application will be required to pay any and all relevant fees that may be imposed by the City, and such fees may be enacted or amended from time to time, per the City's fee schedule and Program Guidelines. These costs should be factored into the proposal's operating pro forma.

Application fee: \$500

Underwriting fee: \$500

Loan Origination fee: One percent (1%) of total RLF loan award

REVOLVING LOAN FUND APPLICATION

Applicant Information

Name of Applicant:

Street Address:

City, State, Zip Code:

Phone/Email:

Applicant Primary Contact:

Phone/Email:

Applicant Type

Select one of the following.

- | | |
|---|--|
| <input type="checkbox"/> Nonprofit developer | <input type="checkbox"/> For-profit developer |
| <input type="checkbox"/> Other nonprofit organization | <input type="checkbox"/> Public entity |
| <input type="checkbox"/> Social service agency | <input type="checkbox"/> Faith-based group |
| <input type="checkbox"/> Other community group | <input type="checkbox"/> Other (please describe) _____ |
| <input type="checkbox"/> A Limited or General Partnership | |

Development Team

Provide the name and contact information of your proposed development team. If a role has not been selected at the time of application, note "TBD."

Role	Contact Name/Title	Phone/Email	Address
Developer			
Architect			
General Contractor			
Development Consultant			

Project Information

Project Type (select all that apply):

- Multi-family rental For-sale homeownership
 New construction Acquisition/ rehab of existing rental housing
 Conversion of market rate to affordable rental
 Conversion of non-residential building to rental housing
 Other (please describe): _____

Project Name:

Street Address:

City, State, Zip Code:

Parcel Number(s):

Project Zoning:

Evidence of Site Control? Yes No

If no, what is the plan and timing to obtain site control?

Loan Request

Total Requested Loan Amount:

Purpose of Loan (Check all that apply):

- Site Acquisition and preparation Engineering and Design
 Predevelopment Expenses For-sale ownership housing
 Loan Repayment Other (please describe): _____

ADDITIONAL DOCUMENTS

As part of the complete Application, the following supplemental documents must be submitted. If a listed document is not available at the time of submission, the Applicant must provide a written timeline indicating when the document will be available.

1. **Applicant Experience:** Provide a one-page resume summarizing the Applicant’s development experience, organizational background, and relevant past experience, including experience developing, owning, and operating affordable projects located in areas served by the Southern California Association of Governments or the San Diego Association of Governments. Include an organizational chart showing the ownership and management structure (excluded from one page limit). Optional resumes for key development staff assigned to the project may be included and will not count toward the Applicant resume limit.
2. **Applicant/Sponsor Feasibility:** Submit the two most recent years of audited financial statements for the Applicant. If audited financials are not available, provide year to date (“YTD”) financial statements accompanied by a signed certification attesting to their accuracy and completeness.
3. **Appraisal:** Provide an appraisal establishing the value of the property. If an appraisal is not yet available, indicate the expected completion date of the appraisal.
4. **Development Forms:**
 - Multifamily Rental Projects: Submit a detailed development budget, sources and uses statement, first year operating budget, and a 55- year pro forma.
 - Homeownership Projects: Submit a detailed development budget, sources and uses statement, affordability and sales assumptions, and a project pro forma reflecting anticipated home prices and buyer income ranges.
5. **Development Narrative:** Provide a narrative (no more than 2 pages) that provides the following:
 - Project description: location, access to community amenities and services, site characteristics, and existing uses

- Development details: proposed design, number and mix of units, income targeting, population to be served, proposed amenities or sustainability features, any known site, environmental, entitlement, or market challenges and strategy to address them.
 - Financing plan: proposed financial sources, use of City's RLF dollars, strategy for repayment of City's RLF dollars.
 - Alignment with City's housing goals
6. **Design and Implementation:** Provide preliminary site plan(s) and floor plans
 7. **Enforceable Commitments:** Provide status of enforceable commitments and evidence of any enforceable commitments secured.
 8. **Evidence of Site Control:** Provide evidence of site control (e.g. purchase and sale agreement, option agreement, or deed). If site control has not been established, provide a plan to establish site control and anticipated date of site control.
 9. **Environmental Review and Related Reports:** Provide a Phase I environmental assessment and any related environmental or engineering studies (e.g. soils report, lead and asbestos survey, termite report, residual pesticides, water damage, noise and traffic study, etc.) If any reports are not yet available, specify the estimated completion date and identify any known or suspected environmental issues.
 10. **Market Study:** Submit a market study demonstrating demand for the proposed housing type within the project's market area. If unavailable, provide an estimated completion date and a written justification demonstrating the market need for the project.
 11. **Preliminary Title Report:** Provide a current Preliminary Title Report identifying all liens, easements, or other encumbrances affecting the property.
 12. **Project schedule:** Complete Attachment A- Project Schedule, detailing key milestones.
 13. **Rehabilitation Estimate:** For rehabilitation projects, provide a Physical Needs Assessment or equivalent report conducted by an independent third-party assessor.
 14. **Relocation Plan** (if applicable). If temporary or permanent relocation is anticipated, submit a Relocation Plan consistent with applicable relocation laws. If not yet available, provide the projected completion date.

15. Supportive Services: For projects that include supportive services, provide a support services plan and letter of intent (“LOI”) from service providers. If unavailable, provide a narrative of services to be provided and proposed service providers.

ATTACHMENT A

Project Schedule

Applicant Name: _____ Development Name: _____

Milestone	Date
Site Control	
Site Acquired	
Permitting and Entitlements	
Site Plan Review	
Grading Permit	
Building Permit	
Project Financing	
Construction Financing: Enforceable Commitment	
Permanent Financing: Enforceable Commitment	
Other Loans and Grants	
Type/Source _____ Application Submission	
Project Closing	
Construction Start	
Placed in Service	

ATTACHMENT B
GUIDELINES FEBRUARY 2026