

Electronic HCD Program Guide



California Department of Housing & Community Development (HCD)

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*** Nonrecognized set-aside

Federal Funding Programs

HOME Investment Partnership Program (HOME)

Program Overview

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|--------------------------------------|--|
| Amount Available under NOFA | HCD anticipates NOFA release in 2022 |
| Financing Type | <ul style="list-style-type: none">• Low-interest deferred payment <i>loan</i>.• Tenant-based rental assistance is provided as a <i>grant</i> to beneficiaries and the applicant. |
| Eligible Applicants | Cities, counties, and Tribes (State Recipients) that directly receive a HOME allocation from HUD and are not participants in an urban county agreement with a county that receives direct HOME funding. |
| Eligible Activities and Uses | <ul style="list-style-type: none">• Multifamily new construction and rehabilitation.• First-time home buyer projects and first-time homebuyer down payment assistance.• Owner-occupied rehab program.• Tenant-based rental assistance program.• Single-family infill new construction program. |
| Eligible Beneficiaries | <ul style="list-style-type: none">• For Rental Housing and Rental Assistance, at least 90% of households must have incomes that are no more than 60% of AMI.• For rental projects, families with incomes that do not exceed 50% of AMI must occupy at least 20% of units.• For homebuyers and homeowners assisted, incomes may not exceed 80% AMI. Income limits as published annually by HUD. |
| Program Specific Requirements | Requirements can be found in the HOME Investment Partnerships Program . |

Program Design

The HOME Program was created under Title II (the HOME Investment Partnerships Act) of the National Affordable Housing Act of 1990 and has been amended several times by subsequent legislation. The objectives and intent of the HOME Program are to provide decent affordable housing to lower-income households and strengthen the ability of State and local governments and Tribes to provide housing. Congress intended the HOME program to operate in a way that will help the State, local governments, and Tribes undertake its own affordable housing strategy.

The current definition of a Tribe or tribal entity is an Applicant that is any of the following:

- a) Applicant meets the definition of Indian Tribe under Section 4103(13)(B) of Title 25 of the United States Code;
- b) Applicant meets the definition of Tribally Designated Housing Entity (TDHE) under 25 USC 4103(22);
- c) If not a federally recognized Tribe, either: 1. Applicant is listed in the Bureau of Indian Affairs Office of Federal Acknowledgement petitioner list pursuant to Section 83.1 of Title 25 of the Federal Code of Regulations, or 2. Applicant is an Indian tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of consultation pursuant to Section 65352.3 of the Government Code.

The State of California Department of Housing and Community Development (HCD) is the Participating Jurisdiction (PJ) for cities, counties, and Tribes of the State that do not directly receive a HOME allocation from HUD and are not participants in an urban county agreement with a county that receives direct HOME funding or a member of a consortium that receives direct HOME funding.

Cities, counties, and Tribes (State Recipients) that do not qualify for a direct allocation can participate in the HOME program by applying for funds made available by the State. In addition, the State must reserve a minimum of 15 percent of its annual allocation for activities undertaken by qualified and State-certified Community Housing Development Organizations (CHDOs). Currently, the State also provides a 20 percent set aside of the annual HOME allocation for tribal applicants. These funds cannot be saved or pooled. If no applications from tribes are received, the funds revert to fund other eligible projects for that allocation year.

The program was designed to reinforce several important values and principles of community development:

- HOME's flexibility empowers people and communities to design and implement strategies tailored to their own needs and priorities.
- HOME's requirement that participating jurisdictions match 25 cents of every dollar in program funds mobilizes community resources in support of affordable housing. For several years our match has waived and we hope to continue to be able to do so.

Eligible Activities

Tribes are eligible to apply for all HOME activities which include the following: Rental new construction and rental rehabilitation of multifamily projects, first-time homebuyer projects, first-time home buyer down payment assistance programs, owner-occupied rehabilitation programs, tenant-based rental assistance program, and single family infill new construction programs.

Local jurisdictions that do not qualify for an individual formula allocation may participate by applying for program funds to the State. In California, these are often rural jurisdictions.

HOME-assisted rental housing must comply with certain rent limitations. HOME rent limits are published each year by HUD as are the maximum Per-Unit Subsidy Limits and Homeownership Value Limits.

Eligible Beneficiaries

For rental housing and rental assistance, at least 90 percent of households benefited must have incomes that are no more than 60 percent of the Area Median Income. In rental projects with five or more assisted units, families with incomes that do not exceed 50 percent of Area Median Income must occupy at least 20 percent of the units. For homebuyers and homeowners assisted by HOME, incomes may not exceed 80 percent of Area Median Income. HUD publishes HOME income limits each year.

Additional Helpful Information

State Regulations currently require most assistance to be provided in the form of low interest deferred payment loans. There is a possibility to submit a waiver request of this requirement prior or in conjunction with submission of your application for funding.

The exception to this rule is for tenant-based rental assistance programs and all assistance is provided as a grant to the beneficiaries and the applicant.

Notices of Funding Availability are released at least annually and will provide information on eligible activities, set-asides, application requirements, etc.

Technical Assistance for Tribal Applicants

HCD's California Indian Assistance Program (CIAP) and the HOME team are available to provide comprehensive technical assistance to Tribes. This technical assistance is available throughout the process of applying, implementing, and monitoring. HCD strongly recommends that Tribes interested in applying under the upcoming NOFA or other future HCD funding utilize this technical assistance to help with project and application planning and preparation.

To request technical assistance, please email HOME@hcd.ca.gov.

Contact Information

For more information about the HOME Program email HOME@hcd.ca.gov.

National Housing Trust Fund (NHTF) Program

Program Overview

| | |
|--------------------------------------|--|
| Amount Available under NOFA | \$132 million of which 10% or \$13.2 million will be set aside for Tribal Entities. |
| Financing Type | 55-year, 0% interest, deferred loans. |
| Eligible Activities | Rental Housing, with a preference for projects serving people experiencing homelessness. |
| Eligible Use of Funds | New Construction; Acquisition; Rehabilitation. |
| Eligible Beneficiaries | Extremely low-income households defined by HUD as having incomes at or below 30% of area median income. |
| Program Specific Requirements | The program requires a minimum 30-year federal affordability period and a 55-year state affordability period during which compliance with NHTF requirements is monitored by HCD. |

Background and Program Design

The National Housing Trust Fund (NHTF) Program is the first new federal housing resource in a generation and is exclusively targeted to help build, preserve, rehabilitate, and operate housing affordable to people with the lowest incomes. The NHTF program was created when President George W. Bush signed the Housing and Economic Recovery Act of 2008 into law. The U.S. Department of Housing & Urban Development (HUD) published the Interim NHTF Regulations in 2015. Initial funding allocations were provided to states, the District of Columbia, Puerto Rico, and U. S. territories in 2016. HUD anticipates publishing the final NHTF Regulations in 2023.

The State of California Department of Housing and Community Development (HCD) administers the NHTF program statewide. Unlike other HUD block grant programs such as HOME and CDBG, NHTF funds are not allocated directly to eligible municipalities. HCD used NHTF dollars from federal allocation years 2018-2021 for the Housing for a Healthy California (HHC) Article I program as directed by the Legislature through AB74. Beginning this year, NHTF will be operated as a stand-alone program without the HHC Program overlay which allows for greater flexibility. HCD's NHTF guidelines are currently in development to be released for public comment this summer, and the FY22 NHTF NOFA will be released in August.

The state's NHTF allocation for FY22 is approximately \$132 million. 20% (\$26.4M) will be set aside for projects located in rural areas and an additional 10% (\$13.2M) will be set aside for projects developed by, or in partnership with, Tribal Entities.

Tribal Entity(ies) means an Applicant that is any of the following:

- a. Applicant meets the definition of Indian Tribe under Section 4103(13)(B) of Title 25 of the United States Code;
- b. Applicant meets the definition of Tribally Designated Housing Entity under 25 USC 4103(22);
- c. If not a federally recognized Tribe, either:
 - i. Applicant is listed in the Bureau of Indian Affairs Office of Federal Acknowledgement petitioner list pursuant to Section 83.1 of Title 25 of the Federal Code of Regulations, or
 - ii. Applicant is an Indian Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of consultation pursuant to Section 65352.3 of the Government Code.

Eligible Activities, Uses, & Terms

NHTF funds may only be used for permanent rental housing with a preference for projects serving people experiencing homelessness. Eligible uses include acquisition, new construction, and rehabilitation.

NHTF awards to projects are provided as 55-year, 0% interest deferred loans. NHTF funds work best when paired with project-based rental assistance; however, pending further guidance from HUD, NHTF awards may include a Capitalized Operating Subsidy Reserve (COSR) grant to pay the difference between the income and eligible expenses of NHTF-designated units within a project.

The maximum NHTF loan is \$20 million. NHTF Per-Unit Subsidy Limits, based on bedroom size and region, are established annually by HCD. These limits currently range from \$320,000 for 0BRs in rural areas to \$580,000 for 4BRs in metropolitan areas.

Eligible Beneficiaries

NHTF-designated units in a multifamily rental project must be occupied by, and affordable to, extremely low-income households; defined by HUD as having incomes at or below 30% of area median income. NHTF income and rent limits are issued annually by HUD and published on HCD's website.

The program requires a minimum 30-year federal affordability period and a 55-year state affordability period during which compliance with NHTF requirements is monitored by HCD.

Additional Helpful Information

While draft NHTF guidelines require NHTF funds to be provided as 55-year, 0% interest deferred loans, HCD is considering allowing these loans to be forgiven at the expiration of the 55-year state affordability period. In addition, HCD may consider waiver requests from Tribal Entities to allow NHTF funds to be provided as a grant.

Notices of Funding Availability (NOFAs) are released at least annually and will provide more detailed information on eligible activities, set-asides, application requirements, etc.

Technical Assistance for Tribal Applicants

HCD's California Indian Assistance Program (CIAP) and the NHTF team are available to provide comprehensive technical assistance to Tribes. This technical assistance is

available throughout the process of applying, implementing, and monitoring. HCD strongly recommends that Tribes interested in applying under the upcoming NOFA and/or other future HCD funding utilize this technical assistance to help with project and application planning and preparation.

To request technical assistance, please email NHTF@hcd.ca.gov.

Contact Information

For more information about the National Housing Trust Fund Program email NHTF@hcd.ca.gov.

HOME-ARP Program

Program Objective

To reduce homelessness and increase housing stability by providing:

- Capital investments for permanent rental housing and non-congregate shelter
- Supportive services, tenant-based rental assistance (TBRA) and nonprofit operating and capacity building assistance

HOME-ARP Funding can serve individuals and families who are:

- Individuals and families experiencing homelessness
- Those at risk of becoming homeless
- Fleeing/attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking
- At greatest risk of housing instability or for whom supportive services or assistance would prevent homelessness

How the HOME-ARP Program can help:

- Investment in Structures
 - Affordable rental housing
 - Acquire, build, or rehabilitate
 - Non-congregate shelter
 - Acquire, build, or rehabilitate
- Investment in People
 - Supportive Services
 - McKinney-Vento
 - Homelessness Prevention
 - Housing Counseling
 - Tenant-based rental assistance (TBRA)
 - Up to 100% of rent and utility costs can be covered
 - Nonprofit Operating and Capacity Building Assistance

Contact Information

If you have questions or would like more information, please contact us at:

HOMEARP@hcd.ca.gov.

Community Development Block Grant (CDBG)***

Program Overview

| | |
|--|---|
| Amount Available under NOFA | \$375,000 Set-Aside for *** Non-federally recognized Tribes (1.25% of 30 million total funds). |
| Financing Type | Loan and Grant. |
| Eligible to Apply | Non-federally recognized (unrecognized) Tribes can receive funding through applications submitted by non-entitlement cities and counties. <i>*Note: Federally Recognized Tribes are not eligible due to the U.S. Department of Housing and Urban Development's (HUD's) <u>Indian Community Development Block Grant Program (I-CDBG)</u>.</i> |
| Eligible Use of Funds | <ul style="list-style-type: none"> ● Community Development (CD) ● Economic Development (ED) |
| Eligible Program & Project Types: | <p>CD allocation includes:</p> <ul style="list-style-type: none"> ● <u>Projects</u>: <ul style="list-style-type: none"> ○ Housing Projects; ○ Public Improvements and Improvements in Support of New Housing; and ○ Public Facilities. ● <u>Programs</u>: <ul style="list-style-type: none"> ○ Housing Programs; ○ Public Services; and ○ Planning and Technical Assistance (PTA) Studies. ● ED allocation includes: <ul style="list-style-type: none"> ○ Business Financial Assistance; ○ Microenterprise Assistance; ○ Planning and Technical Assistance (PTA); and ● Over-the-Counter (OTC). |
| Program Specific Requirements | <ul style="list-style-type: none"> ● National Objective ● Federal Regulations |
| Application Due | August 19, 2022 at 3:00 p.m. PT |
| NOFA/Website | CDBG NOFA. CDBG Program Page. |

Purpose

The primary objective of the Community Development Block Grant (CDBG) program is the development of viable rural communities for persons of low and moderate-income through the following activity types: economic development, housing, public facilities, public improvements, and public services.

Fund Source Allocation

The CDBG Program is authorized by the Housing and Community Development Act of 1974 (HCDA) as amended, and Sub part 1 of the Federal Community Development Block Grant regulations. The requirements of the State CDBG Program are in Health and Safety Code Sections 50825-50834 and the CDBG Program Guidelines. Housing and Community Development (HCD) receives federal funds for CDBG from the United States Department of Housing and Urban Development (HUD). Eligible applicants are non-entitlement cities and counties. California has a set aside for projects benefiting non-federally recognized tribes. Since only non-entitlement cities and counties are eligible under the federal regulations, non-federally recognized tribes would partner with them to submit an application for this set-aside.

Eligible Recipients

The State CDBG Program serves non-entitlement jurisdictions (i.e. cities with populations under 50,000 and counties with populations under 200,000) in unincorporated areas that do not participate in the federal CDBG entitlement program. There are approximately 160 non-entitlement jurisdictions in California.

Meeting National Objective

To be eligible for funding, every CDBG funded activity must meet one of the following three National Objectives of the program required by federal regulations (24 CFR Section 570.483). The National Objectives are:

1. Benefit to low and moderate income persons;
2. Prevention or elimination of slums or blight; or,
3. Urgent Need (requires State or federal disaster declaration).

Funding Allocations

The CDBG program can fund Community Development (CD) program activities and projects, and Economic Development (ED) program activities and projects. The State is required to award at least seventy percent (70%) of all CDBG funds to activities benefiting low and moderate-income persons. State statute requires at least fifty-one percent (51%) of funds to be awarded to housing activities and thirty percent (30%) of the funds to be awarded to economic development programs and projects.

Community Development (CD) Allocation

Eligible activities under the CD allocation include:

Projects:

1. Housing Projects: Multifamily rehabilitation with or without acquisition consisting of at least five (5) or more units. Multifamily projects require feasibility studies and expanded environmental review and compliance with Davis-Bacon labor standards. Most units must be occupied by low and moderate-income residents,

and in addition to rehabilitation, activities can include purchase of mobile homes, acquisition of vacant land, relocation costs, energy efficiency improvements, and loans for refinancing with rehabilitation.

- Note: *Generally, CDBG funds cannot be used for new construction of housing.*
2. Public Improvements and Improvements in Support of New Housing: Eligible projects include water and wastewater systems, streets and sidewalks, and utilities such as gas services. CDBG funds can also be used to fund off-site improvements when the improvements are a required condition for a housing project approval. Costs associated with construction, reconstruction, rehabilitation, or installation of an eligible public improvement project is eligible.
 3. Public Facilities: Eligible projects include day care centers, domestic violence shelters, homeless shelters, food banks, community centers and parks, medical and dental facilities, fire stations and fire trucks. Costs associated with construction of buildings and grounds, including acquisition.

Programs:

- Housing Programs: These include single-family rehabilitation and home purchase assistance. Grantees must have program guidelines specifying how they will administer the program. CDBG funds can be used for low interest rate second loans to assist with paying down payment costs, financing for repairs, and improvements related to fixtures or HVAC systems, energy efficiency improvements, temporary relocation payments, and water or sewer laterals from the main water line.
- Public Services: Eligible activities include food bank operations, childcare, health care, job training, services for senior or homeless persons, emergency assistance payments and code enforcement.
- Planning and Technical Assistance (PTA) Studies: CDBG can fund research studies and plans which focus on community needs concerning housing, public improvements, public facilities, public services, and local planning issues. PTAs can also fund planning activities to support homeless prevention and rapid rehousing. The planning study final product must show a connection with an eligible CDBG activity that, if implemented, would principally serve low and moderate-income persons or meet another CDBG National Objective.

Economic Development Application

Thirty percent (30%) of the net annual federal CDBG award is required by State statute to be set aside for the ED allocation. Eligible activities under the ED allocation include:

Programs

- Business Financial Assistance: This assistance can include loans to businesses for working capital, property acquisition, equipment purchase, inventory purchase, debt restructuring, and other direct assistance. This can also fund marketing costs, furniture and fixtures, and financing of some off-site public improvements.
- Microenterprise Assistance: Qualifying small businesses may receive funds for technical assistance such as classes and business training, financial assistance, similar to the eligible business financial assistance activities, and support services such as transportation costs and/or childcare.
- Planning and Technical Assistance (PTA): CDBG can fund studies and plans that

focus on business development, job creation, or job retention. Planning grants can assist in the development of long-term economic development strategies or downtown economic development plans if the study shows a connection to eligible activities that would create jobs for low- to moderate- income persons.

Projects

- Over-the-Counter (OTC): The most common OTC project is a single business where funds are loaned from the jurisdiction to the business owner. The purpose of an over-the-counter (OTC) award is the creation or retention of jobs for low-income workers.

Special Allocations

Colonias

HUD requires that the State set aside a portion of its grant for Colonias. The State sets aside five percent (5%) of its net annual federal allocation for eligible Colonia activities. Unused Colonias funding rolls over to the Community Development allocation under this NOFA.

Eligible jurisdictions are those which contain Colonias communities as defined by the National Affordable Housing Act of 1990. In California, only Imperial County has any Colonias. A Colonia is:

1. Any identifiable community that is located within 150 miles of the border between the United States and Mexico, except within any standard metropolitan statistical area that has a population exceeding 1,000,000; and,
2. Any identifiable community that is designated by the State in which it is located as a Colonia; and,
3. Any identifiable community that is determined to be a Colonia on the basis of objective criteria, including the lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing; and,
4. Any identifiable community that was in existence and generally recognized as a Colonia before the enactment of the National Affordable Housing Act of 1990.

Eligible activities are limited to housing and infrastructure that supports new or existing housing. Additional activities may be applied for from the CD allocation and may be carried out within Colonias boundaries provided the Colonias area is also an eligible non-entitlement area and the activities meet the National Objectives of Low and Moderate or Low and Moderate Area Benefit.

Native American Communities

State statute requires an annual set aside of one and one quarter percent (1.25%) of the State's net annual federal allocation for grants for non-federally recognized tribes within non-entitlement areas of the State.

Eligible applicants are identifiable geographic areas within eligible cities and counties composed of high concentrations of Native Americans not recognized as Indian Tribes as defined in Section 102(a)(17) of the Act.

Contact Information

For more information about the CDBG Program email CDBG@hcd.ca.gov.

State Funding Programs

Multifamily Finance Program Super Notice of Funding Availability (NOFA)

Background Information

On March 30, 2022, the California Department of Housing and Community Development (HCD or Department) made available approximately \$650 million in funds that are available under the following programs:

- Multifamily Housing Program (MHP)
- Veterans Housing and Homelessness Prevention (VHHP) Program
- Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program
- Infill Incentive Grant Program of 2007 (IIG-2007) and Infill Infrastructure Grant Program of 2019 (IIG-2019)

The Multifamily Finance Super NOFA consolidates up to six housing programs, it is also referred to as a Super NOFA. The Super NOFA is issued to distribute funds through a combination of HCD-administered multifamily rental housing programs. The Super NOFA implemented the requirements of California Assembly Bill 434 (AB 434) (Chapter 192, Statutes of 2020). AB 434 amends, repeals, and adds sections to the Health and Safety Code (HSC) and to the Military and Veterans Code in relation to the Designated Programs.

Please note that the [Housing for a Healthy California Program \(HHC\)](#) and the [Transit-Oriented Development Implementation Program \(TOD\)](#) are also identified as Designated Programs subject to AB 434 but are not included in this Super NOFA as there is no Program funding at this time. Should funding become available later for these Programs, HCD will contact Tribes and provide updated content on these Programs. In the meantime, if you would like more information on either of these programs you can visit the HCD website.

Purpose

This Super NOFA is intended to advance the State's goal of creating 2.5 million homes by 2030 according to the 2022 Statewide Housing Plan, and in particular assist in producing the more than 1 million homes needed for Californians experiencing homelessness and people with low and very low income.

The Super NOFA has these primary goals:

1. Produce more affordable and climate smart housing,
2. Act with urgency to address homelessness and housing stability,
3. Consolidate and streamline State affordable housing programs,
4. Reduce time and cost to develop housing,
5. Prioritize equitable State policy objectives in the creation of more homes in the State, and
6. Harmonize those State policy objectives with the broader affordable housing finance system.

Additionally, this Super NOFA was structured to promote equity in development and reduce barriers to housing. To meet this goal, the Department made the following changes:

1. New set-asides were established:
 - 5 percent of the total Super NOFA funds for Tribal Entities
 - 15 percent of the total Super NOFA funds for Community-Based and Emerging Developers.
2. Pathways to meet the experience requirements were created by allowing for Tribal Entities to partner with more experienced developers pursuant to [MHP Guidelines §7303\(d\)](#).
3. Alternate options for Tribal Entities such as use of federal Area Median Income (AMI) standards and highlighting the ability to request modifications and waivers pursuant to California Assembly Bill 1010 (AB 1010).

Overview

Participation Definitions

For each of the programs listed below, the following definitions shall apply:

Agricultural Worker- An individual who derives, or prior to retirement or disability derived, a substantial portion of their income from Agricultural Employment.

Applicant- This term is only applicable in the IIG Program. It is defined as a nonprofit or for-profit developer or a Tribally Designated Housing Entity who is applying for funding under this Super NOFA.

Capital Improvement Project (CIP)- The construction, demolition, relocation, preservation, acquisition, or other physical improvement of a Capital Asset that is an integral part of, or necessary to facilitate the development of, a Qualifying Infill Project. Capital Improvement Projects that may be funded under the IIG Program include, but are not limited to, those described in [Section 200 of the IIG guidelines](#).

Local Public Entity- Any county, city, or city and county, Tribal Entity, a community redevelopment agency or successor agency organized pursuant to [Part 1 \(commencing with §33000\) of Division 24](#), or housing authority organized [pursuant to Part 2 \(commencing with §34200\) of Division 24](#), and any instrumentality thereof, which is authorized to engage in or assist in the development or operation of housing for persons and families of low income. It also includes two or more Local Public Entities acting jointly.

Qualifying Infill Project (QIP)- A residential or mixed-use residential development project designated in the Program application that is located within an Urbanized Area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins parcels that are developed with Urban Uses. A property is adjoining the side of a project site if the property is separated from the project site only by an improved public right-of-way. **QIP applications from Tribal Entities may request an exemption to the requirement to be located within an Urbanized Area.**

Sponsor- Any individual, Joint Venture, partnership, Limited Partnership, Limited Partnership in which the Sponsor or affiliate is general partner, trust, corporation, cooperative, Local Public Entity, Tribal Entity, or other legal entity, or any combination thereof, which meet the requirements of §7303 of the [MHP Guidelines](#).

Tribal Entity-

- 1) An Indian Tribe as defined under [USC Section 4103\(13\)\(B\) of Title 25](#).
- 2) A Tribally Designated Housing Entity (TDHE) under [25 USC 4103 \(22\)](#).
- 3) If not a federally recognized tribe or TDHE as identified above, either:
 - a) Listed in the Bureau of Indian Affairs Office of Federal Acknowledgment Petitioner List, pursuant to [CFR Section 83.1 of Title 25](#); or
 - b) Indian Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of consultation pursuant to [GC Section 65352.3](#).

Tribally Designated Housing Entity (pursuant to [25 USC §4103](#)).

a. Existing Indian Housing Authorities (IHAs)

With respect to any Indian tribe that has not taken action under subparagraph (B), and for which an Indian housing authority-

1. was established for purposes of the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] before October 26, 1996, that meets the requirements under the United States Housing Act of 1937,
2. is acting on October 26, 1996, as the Indian housing authority for the tribe, and
3. is not an Indian tribe for purposes of this chapter, the terms mean such Indian housing authority.

b. Other Entities

With respect to any Indian Tribe that, pursuant to this chapter, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this chapter for affordable housing for Indians, which entity is established-

1. by exercise of the power of self-government of one or more Indian tribes independent of State law, or
2. by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska, the terms mean such entity.

c. Establishment

A TDHE may be authorized or established by one or more Indian Tribes to act on behalf of each such tribe authorizing or establishing the housing entity.

Loan Terms

The terms for all loans under the SuperNOFA shall be deferred payments with a term of 55 years (50 years if the Project is in Indian country) and 3% simple interest.

Use of Funds

In all the Designated Programs, funds shall be used for post-construction, permanent financing only.

Program Summaries

Multifamily Housing Program (MHP)

MHP provides loans to assist with the new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households.

| | |
|--|--|
| Amount Available Under Super NOFA | Approximately \$275 million |
| Financing Type | Loan |
| Eligible to Apply | Sponsor, as defined above |
| Eligible Project Types | <ul style="list-style-type: none">• Large Family Housing Units• Senior Housing Units• Farmworker Housing Units• At-Risk Housing Units• Special Needs Housing Units |
| Eligible Use of Funds | Please see the MHP Guidelines §7304 for specific requirements |
| Program Specific Requirements | Specific Assisted Unit Requirements can be found in the MHP Guidelines §7302 |

Veterans Housing and Homelessness Prevention (VHHP) Program

VHHP provides funds for acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families to allow veterans to access and maintain housing stability.

| | |
|--|---|
| Amount Available under Super NOFA | Approximately \$95 million |
| Financing Type | Loan |
| Eligible to Apply | Sponsor, as defined above |
| Eligible Project | <ol style="list-style-type: none">1) New Construction or Rehabilitation of:<ol style="list-style-type: none">a) Rental Housing Developmentb) Transition Housing2) Conversion of a non-residential structure to a Rental Housing Development |
| Eligible Use of Funds | Please see the VHHP Guidelines §204 for specific requirements |
| Program Specific Requirements | <ul style="list-style-type: none">• Occupancy requirements for Veterans at specified AMI. See VHHP Guidelines §210• Could have Supportive Service Requirements. See VHHP Guidelines §214 for details |

Infill Incentive Grant Program (IIG-2007) and Infill Infrastructure Grant Program (IIG-2019)

IIG-2007) and IIG-2019 provides grant assistance available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects.

| | |
|---|--|
| Amount Available under Super NOFA | Approximately \$200 Million |
| Financing Type | Grant |
| Grant Terms & Limits | |
| <ul style="list-style-type: none"> • The total maximum grant amount shall be established by the number of Units in the Qualifying Infill Project, the bedroom count of these Units, and the density and affordability of the housing to be developed. • Minimum and maximum Award amounts for a Qualifying Infill Project are identified in the NOFA. • A Covenant shall be recorded against the fee interest of the real property of the QIP, which shall impose development, use and affordability restrictions upon the property of not less than 55 years for Rental Affordable Housing Developments (30 years for Homeownership Housing Developments). • Grant funds will be disbursed as progress payments for approved eligible costs incurred subject to the requirements of the IIG Guidelines. • Grant Awards that are not encumbered within four years of the fiscal year in which an Award was made shall be reversed, as required by HSC Section 53545.13, subdivision (h)(2). • Grants awarded, but for which development of the related housing Units has not progressed in a reasonable period of time from the date of the grant Award, shall be recaptured, as required by HSC Section 53545.13, subdivision (h)(2) and Section 53559, subdivision (h). | |
| Eligible to Apply | Applicant, as defined above |
| Eligible Project | <ul style="list-style-type: none"> • Capital Improvement Projects (CIP) that are an integral part of the Development of a Qualifying Infill Project (QIP) • Large Jurisdiction QIP that meet the requirements found in §206 of the IIG Guidelines. |
| Eligible Use of Funds | Please see the IIG Guidelines §203 for specific requirements |

Joe Serna, Jr. Farmworker Housing Grant² (FWGH) Program

FWHG provides construction loans or deferred loans for multifamily housing, for new construction or rehabilitation projects that serve agricultural workers with a priority for lower income households.

| | |
|--|---|
| Amount Available under Super NOFA | Approximately \$80 Million |
| Financing Type | Loan |
| Eligible to Apply | Sponsor, as defined above |
| Eligible Project | New Construction or Rehabilitation of a Rental Housing Development |
| Eligible Use of Funds | Please see the FWGH Guidelines §205 for specific requirements |

Technical Assistance for Tribal Applicants

HCD's California Indian Assistance Program (CIAP) and Super NOFA team are available to provide comprehensive technical assistance to Tribes. This technical assistance is available throughout the process of applying, implementing, and monitoring. HCD strongly recommends that Tribes interested in applying under either this Super NOFA or other future HCD funding utilize this technical assistance to help with project and application planning and preparation.

To request technical assistance, please email Roxann.Kuhnert@hcd.ca.gov.

Contact Information

General Inquiries: SuperNofa@hcd.ca.gov or Roxann Kuhnert
Roxann.kuhnert@hcd.ca.gov

Homekey 3.0

Program Overview

| | |
|------------------------------------|---|
| Amount Available under NOFA | Tribal Set-Aside TBD for Round 3.0, coming October 2022 |
| Financing Type | Grants |
| Eligible to Apply | Tribes and Tribally Designated Housing Entities (TDHEs) |
| Eligible Project Types | <ul style="list-style-type: none">• Acquisition or rehabilitation, or acquisition and rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing;• Master leasing of properties for non-congregant housing;• Conversion of units from nonresidential to residential;• New construction of dwelling units.• The purchase of affordability covenants and restrictions for units;• Relocation costs for individuals who are being displaced because of rehabilitation of existing units; and• Capitalized operating subsidies for units purchased, converted, or altered with funds provided pursuant to HSC section 50675.1.3 |
| Eligible Use of Funds | Awarded funds must be used to provide housing for individuals and families experiencing Homelessness or At Risk of Homelessness and who are impacted by the COVID-19 pandemic |
| NOFA | Round 3.0 NOFA is expected in October of 2022 Homekey Webpage |

Purpose

Homekey provides grant funding to rapidly expand and sustain the inventory of housing for people experiencing homelessness or at risk of homelessness and who are inherently impacted by or at increased risk for COVID-19 pandemic or other communicable diseases.

Background

Homekey Round 1 was established in July 2020 as an element of the State's strategy to protect Californians experiencing homelessness during the COVID-19 pandemic. Through Homekey, the California Department of Housing and Community Development (HCD or Department) made available \$750 million in Coronavirus State Fiscal Recovery Fund (CSFRF) and \$50 million in General Fund monies which created nearly 6,000 units.

In 2021, following the success of Homekey Round 1, additional funding was appropriated for the program: \$2.75 billion in total, with \$2.2 billion from Coronavirus State Fiscal Recovery Fund (CSFRF), and \$550 million in state General Fund for cities, counties, or other local public entities, including housing authorities, or federally recognized Native American governments within California.

Funding Outline

Most Homekey Round 2 funds have been awarded through a geographic allocation process, with applications grouped into one of eight regions. Additionally, \$96 million was reserved for a Homeless Youth Set-Aside and \$60 million was reserved for a Tribal Set-Aside. Homekey has an over-the-counter application process with awards made on a rolling, first come, first served basis. The Homekey Round 2 NOFA closed on May 2, 2022.

The Round 3 Homekey Notice of Funding Availability (NOFA) will be released in October 2022 with approximately \$1.3 billion. The Tribal Set-Aside will remain in place with extensive effort made to remove the barriers to Tribal access.

Terms of Grant

For acquisition projects, Homekey will fund a maximum grant amount per door, or an amount as supported by an appraisal, whichever is lower. "Door" refers to the number of units at the time of the acquisition which may differ from the number of units after a future conversion. For those projects that undergo a future conversion to permanent housing, the number of units may be reduced to accommodate kitchenettes and other amenities.

The Department recognizes that some acquisitions may have a higher per-door appraised value for various reasons, such as high-cost areas and larger units to support family housing. Some properties may also have a higher per-door value because they need less upfront work and already have the necessary amenities to support Permanent Housing solutions—for example, units with kitchenettes. In Homekey Round 2, the Department funded up to \$200,000 per door with a match required thereafter.

Eligible Applicants

Cities, counties, or other local public entities, including tribally designated housing entities (TDHEs) or federally recognized tribal governments within California, may apply independently as a Development Sponsor. Alternatively, a Local Public Entity may apply jointly with a for-profit or nonprofit corporation.

Eligible Activities

Awarded funds must be used to provide housing for individuals and families experiencing Homelessness or At Risk of Homelessness and who are impacted by the COVID-19 pandemic. The list of eligible uses is as follows:

1. Acquisition or rehabilitation, or acquisition and rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing.
2. Master leasing of properties for non-congregant housing.
3. Conversion of units from nonresidential to residential.
4. New construction of dwelling units.
5. The purchase of affordability covenants and restrictions for units.
6. Relocation costs for individuals who are being displaced as a result of rehabilitation of existing units.
7. Capitalized operating subsidies for units purchased, converted, or altered with funds provided pursuant to HSC section 50675.1.3.

Contact Information

For program specific program questions or to schedule a Homekey Tribal Technical Assistance (TA) conference, please email: Homekey@hcd.ca.gov.

CalHome

Program Overview

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|--------------------------------------|---|
| Amount Available under NOFA | HCD anticipates the release of another CalHOME NOFA in late 2022. |
| Financing Type | Grant & Loan. |
| Eligible to Apply | Tribal Entities, as defined in Section 4103 of Title 25 of the United States Code and HSC Section 50104.6.5; Local Public Agencies; Nonprofit Corporations. |
| Eligible Activity Types | <ul style="list-style-type: none">• First-Time homebuyers for Mortgage Assistance;• Loans to owner-occupants for rehabilitation, including rehabilitation or replacement of manufactured homes not on a permanent foundation;• Technical Assistance to self-help housing projects in which the applicant organization will be directly providing the services;• Technical Assistance for shared housing programs for which the applicant organization will be directly providing the services;• Loans to owner-occupants for new construction, repair, reconstruction, or rehabilitation of ADUs or JADUs;• Homeownership project development loans to localities or non-profit corporations for development of new homeownership projects.• Special Needs Housing Units. |
| Program Specific Requirements | Requirements can be found in the CalHome Guidelines . |

Purpose

The purpose of the CalHome Program is to support existing homeownership programs aimed at lower and very low-income households, and in the case of a disaster, as defined in Section 8680.3 of the Government Code, households at or below moderate income, and operated by private Nonprofit Corporations, Local Public Agencies, and Tribal Entities, thereby to increase homeownership, encourage neighborhood revitalization and sustainable development, and maximize use of existing homes.

Background

Health and Safety Code (HSC) Chapter 6 (commencing with Section 50650) of Part 2 of Division 31, establishes the CalHome program administered by the California Department of Housing and Community Development (HCD) and Chapter 365 (commencing with Section 54000) of Part 16 of Division 31, HSC.

Funding Outline

The 2021 NOFA made \$57 million in funding available from the Affordable Housing Bond Act Trust Fund of 2018 to fund Local Public Agencies, Nonprofit Corporations, and Tribal Entities for eligible activities. HCD anticipates the release of another CalHOME NOFA in late 2022.

Terms of Loan and Grant

Grants to Local Public Agencies, Nonprofit Corporations, and Tribal Entities to develop local programs to assist low and very low-income households in the form of Mortgage Assistance for first-Time homebuyers, owner-occupied rehabilitation assistance (that includes rehabilitation of manufactured housing not on a permanent foundation and construction, repair, or rehabilitation of ADU's or JADU's), Technical Assistance for self-help housing projects, Technical Assistance for shared housing programs, ADU/JADU program assistance, and Homeownership Project Development Loans (including pre-development and carrying costs during construction related to ADU's and JADU's). All funds to individual homeowners will be in the form of loans.

Homeownership Project Development Loan principal and interest payments shall be deferred for the term of the Homeownership Project Development Loan.

Homeownership Project Development Loans shall be repayable at permanent closings of the individual Homebuyer CalHome program loans or at the Homeownership Project Development loan maturity date, whichever occurs first.

The portion of Homeownership Development Loan repayments that are used to provide mortgage assistance to qualified first-time homebuyers will be converted to a grant to the recipient. The balance of the Homeownership Project Development Loan will be repaid to HCD.

Eligibility

Eligible activities include loans to first-time homebuyers for mortgage assistance; loans to owner-occupants for rehabilitation, including rehabilitation or replacement of manufactured homes not on a permanent foundation; Technical Assistance to Self-Help Housing Projects in which the applicant organization will be directly providing the services; Technical Assistance for Shared Housing programs for which the applicant organization will be directly providing the services; CalHome program loans to owner-occupants for new construction, repair, reconstruction, or rehabilitation of ADUs or JADUs; Homeownership Project Development Loans to localities or nonprofit corporations for development of new homeownership projects.

Eligible Applicants

- Local Public Agencies
- Nonprofit Corporations
- Tribal Entities as defined in Section 4103 of Title 25 of the United States Code and HSC Section 50104.6.5

Funding Limits

Maximum application amount per Applicant is \$5 million.

- A. The minimum application amount for any single activity or program (except if the activity or program is Technical Assistance for Self-Help Housing Projects or Technical Assistance for Shared Housing Programs) is \$500,000.
- B. The minimum application amount for any single activity or program (if the activity/program is Technical Assistance for Self-Help Housing Projects or Technical Assistance for Shared Housing Programs) is \$100,000. If applying for more than one activity, the minimum application amount for those activities is \$600,000.
- C. The maximum application amount for one or more activities is \$5 million. If applying only for Technical Assistance for Self-Help Housing Projects, the maximum application amount is \$500,000. If applying only for Technical Assistance for Shared Housing Programs, the maximum application amount is \$300,000.

Technical Assistance for Tribal Applicants

HCD's California Indian Assistance Program (CIAP) and the CalHome team are available to provide comprehensive technical assistance to Tribes. This technical assistance is available throughout the process of applying, implementing, and monitoring. HCD strongly recommends that Tribes interested in applying under the upcoming NOFA or other future HCD funding utilize this technical assistance to help with project and application planning and preparation.

To request technical assistance please email CIAP@hcd.ca.gov. Once your request is received, you will be sent a short survey that will help HCD staff assess your technical assistance needs. Once staff receives this survey back, HCD will then review and schedule a call with the Tribe, ensuring that all relevant HCD staff and contractors are included in the conversation. After this first session, you may be referred to additional technical assistance sessions depending on your project need.

Contact Information

For more information about the CalHome Program email calhome@hcd.ca.gov.

Local Housing Trust Fund (LHTF)

Program Overview

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|--------------------------------------|---|
| Amount Available under NOFA | \$57 million |
| Financing Type | Loan. |
| Eligible Activities | Rental Housing with a preference for projects serving people experiencing homelessness. |
| Eligible Use of Funds | Pre-development costs; acquisition; construction; rehabilitation; convert and reconstruct; and/or repair Accessory Dwelling Units (ADUs) or Junior Accessory Dwelling Units (JADUs). |
| Eligibility | <ul style="list-style-type: none">• Acquisition.• Predevelopment expenses and development of affordable rental housing projects.• Transitional housing projects.• Emergency shelters; and• Homeownership projects, including down payment assistance to qualified first-time homebuyers, and for rehabilitation of homes owned by income-eligible homeowners. |
| Program Specific Requirements | No more than 20 percent of each allocation may assist moderate-income households, and at least 30 percent of each allocation is required to assist extremely low-income households. |

Purpose

The LHTF program provides matching funds to local and regional housing trust funds (HTF). The program is dedicated to expanding sources of funding for affordable housing through new and existing Local Housing Trust Funds by providing Matching Funds to assist extremely low-income, lower income, and moderate income households. This is done through the creation, rehabilitation, or preservation of affordable housing, transitional housing, and emergency shelters.

Background

Health and Safety Code (HSC) Section 50842.2 established the LHTF Matching Grant Program. HSC Section 50843.5(a) authorizes the Department to provide matching funds to local housing trust funds established by cities and counties, Native American Tribes, and/or incorporated 501(c)(3) nonprofit organizations.

Funding Outline

The 2022 NOFA allocates \$57 million in funding for the Local Housing Trust Fund (LHTF) program available from the Affordable Housing Bond Act of 2018 to fund local public agencies, nonprofits, and tribal entities for eligible activities.

Terms of Grant

Matching grants (dollar for dollar) to local housing trust funds that are funded on an ongoing basis from both private and public contributions or public sources. Local funding sources may not otherwise be restricted in use under federal or State law or rules for use in housing programs.

Loans for multifamily rental housing projects require tenant income and rent restrictions imposed through a regulatory agreement for 55 years. When program funds are used to make loans for homeownership projects or units within a homeownership project, the Local Housing Trust is required to record a deed restriction in compliance with Health and Safety Code Section 50843.5(d)(3).

Program funds awarded under this NOFA shall be used to provide construction loans and/or permanent financing loans at simple interest rates of no higher than three percent per annum for payment of predevelopment costs, acquisition, construction, or rehabilitation as well as to construct, convert, reconstruct, rehabilitate, and/or repair Accessory Dwelling Units (ADUs) or Junior Accessory Dwelling Units (JADUs).

Eligibility

Loans for acquisition, pre-development expenses, development of affordable rental housing projects, transitional housing projects, emergency shelters, and homeownership projects including down payment assistance to qualified first-time homebuyers, and for rehabilitation of homes owned by income-eligible homeowners. No more than 20 percent of each allocation may assist moderate-income households, and at least 30 percent of each allocation is required to assist extremely low-income households.

Eligible Applicants

- A city, county, or city and county that has created, funded, and operated an Existing Local Housing Trust Fund or created a new one.
- A charitable nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code that is an Existing Local Housing Trust Fund or a New Local Housing Trust Fund.
- A Native American Tribe, or sect of Tribes, that has created, funded, and operated an Existing Local Housing Trust Fund or created a new one.

Funding Limits

Maximum application amount per Applicant is \$5 million.

- a) The minimum application amount for new HTFs is \$500,000.
- b) The minimum application amount for existing HTFs is \$1 million.
- c) The maximum application amount for all HTFs is \$5 million.

Contact Information

For more information about the Local Housing Trust Fund Program email lhtf@hcd.ca.gov.

Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP)

Program Overview

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|--------------------------------------|--|
| Amount Available under NOFA | HCD anticipates Guideline updates and a NOFA release in 2023 |
| Financing Type | Grant & Loan |
| Eligible Applicants | Resident Organizations Qualified Nonprofit Housing Sponsors Local Public Entity |
| Eligible Activity Types | Single-Family New Construction Owner-Occupied Rehabilitation Acquisition of Manufactured Housing |
| Program Specific Requirements | Requirements can be found in the MPRROP Regulations |

Purpose

The purpose of the Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP) is to protect low-income mobilehome park residents from both physical and economic displacement; to obtain a high level of private and other public financing for mobilehome park purchases; and to encourage and facilitate the conversion of mobilehome parks to resident ownership or ownership by qualified nonprofit housing sponsors or by local public entities.

Background

MPRROP is authorized by Health and Safety Code (HSC) Chapter 11 of Part 2, Division 31 (commencing with §50780), and is regulated through California Code of Regulations Title 25, Division 1, Chapter 7, Subchapter 13 (commencing with §8000).

Funding Outline

The 2020 NOFA made \$34 million in funding available from the Mobilehome Park Rehabilitation and Purchase Fund to fund resident organizations, qualified nonprofit housing sponsors, and local public entities for eligible activities.

Terms of Loan and Grant

The Department of Housing and Community Development (Department) has authority to make loans to resident organizations, qualified nonprofit housing sponsors, or local public entities to replace or construct a mobilehome park that was destroyed in a natural disaster provided specified criteria are met. The Department has authority to make loans to qualified nonprofit housing sponsors or local public entities for the purpose of rehabilitating an existing mobilehome park without acquisition. For loans issued pursuant to the 2020 NOFA, the loan principal and interest repayments are deferred for the full term of the loan; however, there will be an annual fee to cover the Department's

monitoring costs. The Department has the authority to approve grants to resident organizations, qualified nonprofit housing sponsors, or local public entities for repairs, accessibility improvements, or replacement of mobilehomes as long as the park operator:

- a) has received a loan pursuant to HSC §50783, §50784, or §50784.5 for acquisition, conversion, or preservation of affordability; and
- b) demonstrates sufficient capacity to manage a portfolio of individual loans.

For mobilehome rehabilitation or replacement grants, eligible applicants apply to the Department, not individual residents. The borrowers' loans may be originated and or serviced by a Department-approved third party.

Eligibility

Eligible activities include: Disaster reconstruction loans to assist with the construction of a new or replacement of an existing mobilehome park to replace a park destroyed as a result of a natural disaster; acquisition and/or rehabilitation of a mobilehome park by qualified nonprofit housing sponsors or local public entities only; short-term conversion of mobilehome park ownership to qualified resident organizations, including permissible rehabilitation and repair costs; blanket loans to provide assistance to low-income residents to purchase a space in a park converting to resident ownership; mobilehome rehabilitation or replacement grants to provide assistance to low-income residents to replace or make necessary repairs and accessibility upgrades to an owner-occupied mobilehome.

Eligible Applicants

- Resident Organizations.
- Qualified Nonprofit Housing Sponsors.
- Local Public Entity.

Funding Limits

Maximum application amount per Applicant is \$5 million.

1. For Disaster Reconstruction Loans, loans cannot exceed:
 - a. The lower of
 - i. The most efficient and effective use of state funds, or
 - ii. \$5 million; and
 - b. 115 percent of Department-approved post-rehabilitation park value, including senior debt [115 percent Combined Loan-to-Value Ratio (CLTV)].
2. For Acquisition and/or Rehabilitation Loans, loans cannot exceed:
 - a. The lower of
 - i. The minimum amount necessary to bring the park into compliance with all applicable health and safety standards and to maintain the monthly housing costs of low-income residents at an affordable level, or
 - ii. \$5 million; and
 - b. 115 percent of Department-approved post-rehabilitation park value, including senior debt (115 percent CLTV), and

- c. 50 percent to 95 percent of the acquisition and rehabilitation costs attributable to the low-income spaces (total costs multiplied by percentage of total spaces occupied by low-income residents)*.
**To exceed 50 percent of acquisition and rehabilitation costs, applicants must demonstrate that they have made unsuccessful efforts to secure funds from other sources, and that the requested loan amount is necessary for feasibility.*
3. For Short-Term Conversion Financing Loans, loans cannot exceed:
 - a. Amount required for project feasibility.
 - b. 50 percent of the approved conversion costs*
 - c. 100 percent of the value of the collateral securing the loan, including senior debt (100 percent CLTV)
**Up to 95 percent of the approved conversion costs of the low-income spaces if approved by the Department. To exceed 50 percent of conversion costs, applicants must demonstrate that they have made unsuccessful efforts to secure funds from other sources and that the requested loan amount is necessary for feasibility.*
4. For Blanket Loans and the associated low-income individual acquisition loan terms for parks, which have converted or are converting to resident ownership, loans cannot exceed:
 - a. Amount required for project feasibility
 - b. 50 percent of the approved conversion/acquisition costs of the low-income spaces*
 - c. 115 percent of the value of the collateral securing the loan, including senior debt (100 percent CLTV)
 - d. \$5 million
**Individual loans may be up to 100 percent of conversion costs if low-income applicants demonstrate that they have made unsuccessful efforts to secure funds from other sources, and that without the requested loan amount, the low-income applicant is unable to purchase the individual interest.*

Technical Assistance for Tribal Applicants

HCD's California Indian Assistance Program (CIAP) and the MPRROP team are available to provide comprehensive technical assistance to Tribes. This technical assistance is available throughout the process of applying, implementing, and monitoring. HCD strongly recommends that Tribes interested in applying under the upcoming NOFA or other future HCD funding utilize this technical assistance to help with project and application planning and preparation.

To request technical assistance please email MPRROP@hcd.ca.gov.

Contact Information

For MPRROP-specific information, please email the program at MPRROP@hcd.ca.gov.

Joe Serna, Jr. Farmworker Housing Grant Program (Serna) – Homeownership

Program Overview

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| Amount Available under NOFA | HCD anticipates the release of Guidelines and a Super Notice of Funding Availability (Super NOFA) for the CalHome Program and the homeownership elements of the Joe Serna, Jr. Farmworker Housing Grant Program (“Serna Homeownership”) in 2022 |
| Financing Type | Grant & Loan |
| Eligible to Apply | Local government agencies, nonprofit corporations, cooperative housing corporations, limited partnerships where all the general partners are nonprofit mutual or public benefit corporations, and Tribal Entities |
| Eligible Activity Types | <ul style="list-style-type: none">• Single-Family New Construction• Owner-Occupied Rehabilitation• Acquisition of Manufactured Housing |
| Eligible Expenditures | Activities including land acquisition, site development, construction, rehabilitation, design services, operating and replacement reserves, repayment of predevelopment loans, provision of access for the elderly or disabled, relocation, homeowner counseling, and other reasonable and necessary costs |
| Program Specific Requirements | Requirements can be found in the Serna Guidelines |

Purpose

The purpose of the Joe Serna, Jr. Farmworker Housing Grant Program Homeownership (Serna) is to address the housing needs of agricultural workers with a priority for lower income households by providing grants for single-family new construction, owner-occupied rehabilitation, or the acquisition of manufactured housing.

Background

Health and Safety Code (HSC) Chapter 3.2 (commencing with Section 50515.2), Part 2, Division 31, establishes the Joe Serna, Jr. Farmworker Housing Grant Program (Program or FWHG) administered by the California Department of Housing and Community Development (HCD).

Funding Outline

The 2021 NOFA made \$86 million in funding available from the Housing Programs and Veterans’ Loans Bond (2018) and Senate Bill 2 (SB 2) 2017 Atkins Building Homes and Jobs Act to fund local public entities, nonprofit corporations, limited liability companies, or limited partnerships for eligible activities. This amount indicates funds for both Serna Homeownership and Serna Multifamily. The California Department of Housing and

Community Development (Department) intends to release guidelines and a Super Notice of Funding Availability (Super NOFA) for the CalHome Program and the homeownership elements of the Joe Serna, Jr. Farmworker Housing Grant Program (“Serna Homeownership”) in 2022. The Homeownership Super NOFA will not include funds for multifamily rental housing. Serna multifamily rental projects should apply for funding under the Department’s next Multifamily Housing SuperNOFA in 2023.

Single Family/Owner Occupied

Regarding homeowner grants for rehabilitation or new home construction, lien restrictions are required for 20 years. If the unit is sold to a non-farmworker buyer before completing the 10th year, the full grant amount must be repaid under most circumstances. Between the 10th and 20th anniversaries, the grant is forgiven at a rate of 10 percent per completed year. The grant is fully forgiven after completing 20 years. Program funds shall be used for construction period financing or post-construction, permanent financing only.

Eligible Activities

Activities incurring costs in the development of homeowner housing for agricultural workers, including land acquisition, site development, construction, rehabilitation, design services, operating and replacement reserves, repayment of predevelopment loans, provision of access for the elderly or disabled, relocation, homeowner counseling, and other reasonable and necessary costs.

For purchase of homes not placed on a permanent foundation, an applicant must be operating or will operate a program to address and remedy the impacts of current and potential displacement of agricultural households from existing labor camps, mobilehome parks, or other housing due to governmental actions to enforce health and safety laws including but not limited to the Mobilehome Parks Act and the Employee Housing Act.

Eligible Applicants

Local government agencies, nonprofit corporations, cooperative housing corporations, limited partnerships where all the general partners are nonprofit mutual or public benefit corporations, and Tribal Entities. Eligible beneficiaries of the funds are households with at least one person who derives, or prior to retirement or disability derived, a substantial portion of his or her income from agricultural employment.

Technical Assistance for Tribal Applicants

HCD's California Indian Assistance Program (CIAP) and the Serna team are available to provide comprehensive technical assistance to Tribes. This technical assistance is available throughout the process of applying, implementing, and monitoring. HCD strongly recommends that Tribes interested in applying under the upcoming NOFA other future HCD funding utilize this technical assistance to help with project and application planning and preparation.

To request technical assistance, please email Serna@hcd.ca.gov.

Contact Information

For Serna Program specific information, please email the program at Serna@hcd.ca.gov.

Planning Programs

Regional Early Action Planning Grants of 2021 (REAP 2.0)



Program Overview

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|------------------------------------|--|
| Amount Available under NOFA | \$30 Million Set-Aside on Competitive Basis |
| Financing Type | Grant |
| Eligible to Apply | Tribal Entities |
| Eligible Project Types: | Infill development, affordable housing for all incomes, reducing VMT, and affirmatively furthering fair housing. |
| Eligible Use of Funds | <ul style="list-style-type: none">• Accelerating infill housing development;• Realizing multimodal communities;• Shifting travel behavior by reducing driving; and• Increasing transit ridership. |
| NOFA/Website | Regional Early Action Planning Grants (REAP) |

2021 REAP 2.0 Grants

The Regional Early Action Planning Grants of 2021 (REAP 2.0) is a \$600 million grant program to accelerate progress towards housing goals and climate commitments. The program will collectively accelerate infill housing development and vehicle miles traveled (VMT) reductions in ways that advance equity among communities disproportionately impacted by COVID-19.

Competitive Funds for Non-MPO Regions & Tribal Entities

Of the REAP 2.0 funds, **\$30 million** is offered on a *competitive basis* to Tribal entities across the state and rural counties not included in a metropolitan planning organization (MPO)¹. Entities may **apply directly to the department** for funds independently or in partnership. An additional **\$30 million** will be available in a competitive “Innovative and Integrated” pool that awards funds to programs demonstrably achieving interregional benefits, exceeding the requirements of the program, and furthering multiple policy objectives. **Tribal entities may also explore ways to collaborate with eligible applicants (MPOs) in the larger formula set-a-side of \$510 million.**

Background

REAP 2.0 is a key part of strategic investments in planning and implementation activities toward a more sustainable, resilient, and inclusive future for people in all areas of the state, particularly disadvantaged and lower resource populations. REAP 2.0's objectives include **infill development, affordable housing for all incomes, reducing VMT, and affirmatively furthering fair housing**. Statewide VMT reduction combined with affordable infill development provides many co-benefits and is essential to helping achieve public health, equity, land conservation, and economic goals. Possible uses of the funds include infrastructure supporting housing development, connecting homes to daily services and destinations, and plans with implementation components to support housing growth and VMT reduction.

Important Dates

| Activity | Description | Timing |
|---|--|------------------------------|
| Framework Paper | Initial concepts and survey for broad stakeholder input. | November 2021 |
| Final Guidelines and Program Launch | Opening of the application period with program guidelines. | June 2022 |
| Technical Assistance, Marketing, Direct Assistance to Applicants | State will conduct a variety of outreach events including statewide webinar, regional events and will provide direct assistance and consultations to eligible entities. | June 2022 through June 2024 |
| Application Deadline | Final application window closes for all three funds. There may be a second competitive Innovative and Integrated Set Aside funding round if there are excess funds at the end of 2022. | December 31, 2022 |
| Encumbrance Deadline | All funds must be awarded and encumbered. | June 2024 |
| Expenditure Deadline | All funds must be spent. | June 2026 |
| Annual Reports | Recipients submit and post annual reports and state posts annual report and other applicant information. | April to June of every year* |
| <i>* Recipients shall submit a report by April 1 of the year following the receipt of those funds, and annually thereafter until those funds are expended. In turn, the state will post annual reports with supplemental information.</i> | | |

Visit our website to learn more and to access final program documents:

<https://hcd.ca.gov/regional-early-action-planning>

Contact Information

Questions for REAP? Email REAP2021@hcd.ca.gov.