



Financial Assistance Program Directory

**Preserving
and
expanding
safe and
affordable
housing
opportunities
for all
Californians**



MAY 2009

CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



HCD Director Lynn L. Jacobs announces \$69.5 million in permanent low-interest loans from the Proposition 1C housing bonds in Palo Alto on February 7, 2008. This round of funding jumpstarted 14 affordable multi-family projects up and down the state and created 1,540 jobs, more than \$70 million in wages and leveraged \$316 million in total investment. On this site, BRIDGE Housing Inc. broke ground on 56 affordable apartments for very low-income seniors with \$5.25 million in Proposition 1C bond funds.

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Financial Assistance Program Directory



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May 2009



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Executive Summary

During the most recent completed fiscal year, 2007-08, the Department of Housing and Community Development (HCD) awarded 760 loans and grants totaling over \$966 million – a new high – to city and county government agencies, nonprofit developers and service providers, for-profit developers and small businesses. These awards were made from the following fund sources:

Funding Sources, 2007-08	Total Awards
State bond funds (Proposition 46 and Proposition 1C): programs funded included AHIP, BEGIN, CalHome, CalHome Self-Help, EHAPCD, GHI, Housing-Related Parks, IIG, Serna, MHP, TOD and Workforce Housing Rewards (WFH; no longer active).	\$776,281,035
Federal funds (HOME, FESG, CDBG, HAP)	\$170,985,423
State General Funds (EHAP, OMS)	\$13,070,931
Revolving funds (MPROP, PDLP)	\$6,630,000
Total	\$966,967,389

The largest source of funds for 2007-08 was the State General Obligation Bond authorized by Proposition 1C (see page 5).

2007-08 loans and grants were projected to produce or contribute to the following results, among many others:

- 29,142.....Total rental and owner-occupied homes produced, rehabilitated or incentivized.
- 18,620.....Total housing units assisted (including some but not all of the categories below)
- 1,229.....Housing units rehabilitated
- 15,161.....New housing units built
- 272.....Lower income owner-builder households assisted
- 959.....Existing subsidized housing units preserved from loss or conversion to market rent
- 687.....Lower income households provided with Housing Choice (Section 8) rent assistance
- 1,885.....Migrant farmworker rental housing units operated

HCD loans and grants also leveraged more than \$4 billion in funds from other sources that were invested in the same projects.

* * *

HCD has been fortunate in a time of recession and strained state budgets to be appointed to administer several new funding programs:

- Proposition 1C (see next page) appropriated \$200 million to a new Housing Urban-Suburban Parks Account in 2006, but did not fully define a program or designate a responsible agency to use the money. Legislation in 2008 (AB 2494, Chapter 641) allocated these funds to a new Housing-Related Parks Program to be operated by HCD (see page 25).

- The federal Housing and Economic Recovery Act of 2008 (HERA) appropriated \$3.92 billion in emergency CDBG funds to a new nationwide Neighborhood Stabilization Program (NSP I; see page 20) to help states and local governments to redevelop abandoned and foreclosed residential properties. HCD's CDBG program will distribute \$145 million of this amount to eligible California cities and counties.

- The federal American Recovery and Reinvestment Act of 2009 (ARRA; see page 20) included, among many other provisions:
 - The Homelessness Prevention and Rapid Re-Housing Program (HPRP; see page 20) to provide homelessness prevention assistance to households who might otherwise become homeless, and to re-house homeless persons. HCD's FESG program anticipates receiving \$44.4 million from the ARRA Homelessness Prevention Fund to distribute to public agencies and nonprofit organizations in nonentitlement jurisdictions.

 - The Neighborhood Stabilization Program II (NSP II), that adds another \$1.93 billion nationwide for activities similar to NSP I. This new funding will be awarded through a competitive application process. HCD plans to apply for \$74 million from NSP II, to be made available to eligible local jurisdictions.

 - The Community Development Block Grant – Recovery program (CDBG-R; page 20), that awarded an additional \$10.6 million to HCD, for hard development costs associated with local infrastructure improvements. This money must be used within 120 days of the date it is available to localities.

Proposition 1C: New Funding for Housing and Infrastructure

California voters approved **Proposition 1C** (The Housing and Emergency Shelter Trust Fund Act of 2006) on the November 2006 statewide ballot, thereby extending America's largest state-funded affordable housing assistance effort. In Fiscal Year 2007-08, funds provided by Proposition 1C and Proposition 46 made up 80 percent of the \$966 million in loans and grants that HCD awarded to hundreds of city and county government agencies, nonprofit housing developers and service providers, for-profit developers and small businesses.

Proposition 1C is the successor to **Proposition 46** (approved in November 2002), which authorized \$2.1 billion in state bonds for a variety of new housing investments. Over the last six years, HCD has invested more than \$1.5 billion in Proposition 46 funds with hundreds of state and local, public and private organizations to create, preserve or incentivize more than 86,000 affordable housing units. Proposition 46 funds are expected to be fully awarded by the end of 2009.

Proposition 1C authorized **\$2.85 billion** more in General Obligation bonds to continue several important bond-funded housing assistance programs, and begin new programs to improve infrastructure in support of housing. This new money is allocated as follows:

- **\$1.15 billion** to continue several HCD programs that were created or supported by Proposition 46:
 - \$345 million for the Multifamily Housing Program (MHP)
 - \$300 million for the CalHome program
 - \$195 million for the Multifamily Supportive Housing Program (MHP-SH)
 - \$135 million for the Joe Serna, Jr. Farmworker Housing Grant Program (Serna)
 - \$125 million for Building Equity and Growth in Neighborhoods (BEGIN)
 - \$50 million for the Emergency Housing and Assistance Program Capital Development component (EHAPCD)

- **\$1.3 billion** for four new programs to be operated by HCD:
 - \$300 million for a new **Transit-Oriented Development** Housing Program (TOD) that provides funding for infrastructure and higher-density housing near qualifying transit stations
 - \$50 million for housing for **homeless youth**, to be administered through the Multifamily Housing Program (MPH)
 - \$850 million for development of public infrastructure projects that facilitate or support **infill housing** construction. Projects could include water, sewer and

transportation improvements, traffic mitigation, brownfield cleanup, and up to \$200 million for parks in addition to the parks allocation described below. Legislation in 2007 (SB 86, Chapter 179) established criteria for eligible infill housing projects, set HCD's project rating and ranking priorities, and allocated \$60 million of these funds to the California Pollution Control Financing Authority for brownfield cleanup to promote infill.

- \$100 million for the new **Affordable Housing Innovation** Fund, for pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing. Legislation in 2007 (SB 586, Chapter 652) allocated these funds to four new activities and to the revival of the Local Housing Trust Fund program originally created by Proposition 46. The five activities include:
 - Loan Fund (Affordable Housing Revolving Development and Acquisition Program)
 - Practitioner Fund (Affordable Housing Revolving Development and Acquisition Program)
 - Local Housing Trust Fund Program (LHTF)
 - Innovative Homeownership Program
 - Construction Liability Insurance Reform Pilot Program
- **\$200 million** for the existing Homebuyer's Downpayment Assistance Program operated by the California Housing Finance Agency (CalHFA). Up to \$100 million of this may be expended for land acquisition and the construction of for-sale housing.
- **\$200 million** for the new Housing Urban-Suburban-and-Rural Parks Account. Legislation in 2008 (AB 2494, Chapter 641) allocated these funds to a new **Housing-Related Parks Program** in HCD, to annually award grants to cities and counties based on their documented numbers of very low and low-income housing construction starts in the preceding calendar year. These grants are to be used for the creation and improvement of parks and recreational facilities.

By the end of calendar 2008, HCD had awarded \$1.037 billion in Proposition 1C funds, to assist more than 22,000 new housing units.

In January, 2007, Governor Schwarzenegger directed the Department of Finance to create a Bond Accountability website (<http://www.bondaccountability.hcd.ca.gov/>), where HCD, along with other state agencies that spend bond funds, reports to the public on our progress in carrying out Proposition 1C. A page on HCD's website (<http://www.hcd.ca.gov/fa/bonds.html>) provides supplemental information on Proposition 1C workshops and stakeholder meetings, on the California Housing Finance Agency's use of its portion of Proposition 1C funds, and on HCD's cumulative awards totals resulting from Proposition 46, the previous bond measure enacted in 2002.

How HCD Awards Loans and Grants

HCD's mission is to provide leadership, policies and programs to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians.

To accomplish this, HCD awards loans and grants to hundreds of public and private housing developers and service providers every year. This money supports the construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing, shelters and transitional housing for the homeless, public infrastructure and facilities, and jobs for lower income workers. (Please note, however, that with rare exceptions, HCD programs do not make loans or grants directly to individuals.)

HCD's loan and grant programs typically announce the availability of program funds by issuing a Notice of Funding Availability (NOFA), or in rare cases some other form of funding announcement, that is posted on our website and offered or sent by mail to cities, counties, developers and other interested parties. The NOFA describes the program that is offering the money, the amount available, the eligible uses of the money and other rules and relevant information, tells who can apply and how, and may give an application deadline date if the award process is competitive.

HCD's NOFAs make funds available in either of two ways: (1) over-the-counter (OTC), or (2) on a competitive basis. **Over-the-Counter** means that applications will be accepted at any time, evaluated, and funds awarded to qualified applicants one at a time, on a first come, first served basis, until the available funds have been committed. Projects are evaluated using the program's threshold criteria, and those that meet all the minimums are usually funded. The criteria may reside in the program regulations, in guidelines, or in the NOFA itself.

In a **competitive** funding process, the NOFA includes an application deadline date. Applications are collected and held until the deadline, and then reviewed and compared in a rating and ranking process that is designed to be as fair and objective as possible. Each application is rated for completeness and given point scores for program criteria such as the sponsor's experience and other qualifications, readiness of the project to proceed, responsiveness to local needs, degree of affordability to the targeted beneficiaries, amount of other nonprogram funds leveraged, geographical distribution, etc. Then the projects are ranked according to their total point scores, and usually funded from the top of the list down until the available funds are committed.

Before final decisions are made, most staff recommendations for awards or disapprovals are reviewed by the **Local Assistance Loan and Grant Committee**, an appointed panel of outside developers, lenders and public officials that meets periodically to advise the Director on loan and grant decisions. The Committee's review is required by law for some, but not

all programs. It typically reviews awards for individual projects, but not for programs such as Community Development Block Grant-funded city or county housing rehabilitation programs. The Committee adds an additional valuable perspective on the financial, technical and policy issues of the proposals it reviews.

Award decisions are announced in letters from the Director or Deputy Director to the applicants, recipients, media, local legislators and other interested parties. Contracts for disbursement of the awarded funds are developed and executed, and the disbursement of funds commences according to the contract when the project begins.

For details on upcoming funding opportunities, use the contact phone numbers and email addresses in the program descriptions in this Directory, or visit our Funds Available Calendar at <http://www.hcd.ca.gov/fa/>.

Affordable Housing Innovation Program (AHIP): Loan Fund

Purpose	To provide quick acquisition financing for the development or preservation of affordable housing.
Assistance Type	Loans to developers, provided through a nonprofit fund manager.
Terms	To be determined. Loan terms may not exceed 5 years.
Eligible Activities	Property acquisition.
Eligible Applicants	Applicants must demonstrate local government support, the availability of leveraged funds, organizational stability and capacity, and a track record of developing affordable housing.
Application Procedure	Applicants will apply directly to the fund manager. Priority will be given to applications with the greatest level of affordability, among other factors.
Contact	(916) 324-1484 or psolomon@hcd.ca.gov

Affordable Housing Innovation Program (AHIP): Practitioner Fund

Purpose	To provide acquisition financing to pre-qualified developers for the development or preservation of affordable housing.
Assistance Type	Loans to developers, provided directly by HCD.
Terms	To be determined. Loan terms may not exceed 5 years.
Eligible Activities	Property acquisition.
Eligible Applicants	Applicants must be 501(c)(3) nonprofits, have California housing development experience, substantial affordable housing development experience, at least 25 employees, at least \$200 million in assets, and organizational stability and capacity. They must also be able to demonstrate the availability of leveraged funds.
Application Procedure	HCD expects to issue a Request for Qualifications (RFQ) in 2009. Applicants will apply directly to HCD, and applications will be evaluated on a competitive basis.
Contact	(916) 324-1484 or psolomon@hcd.ca.gov

Affordable Housing Innovation Program (AHIP): Local Housing Trust Fund Program (LHTF)

Purpose

To help finance local housing trust funds (LHTFs) dedicated to the creation or preservation of affordable housing.

Assistance Type

Matching grants (dollar-for-dollar) to LHTFs that are funded on an ongoing basis from private contributions or public sources that are not otherwise restricted in use for housing programs.

Terms

- 1) Fifty percent of total funds will go for matching grants to LHTFs that existed prior to September 30, 2006. Preference will be given to existing LHTFs that expend more than 65 percent of state funds for downpayment assistance to first-time homebuyers.
- 2) Fifty percent of total funds will go for matching grants to LHTFs created on or after September 30, 2006.

Maximum allocation, \$2 million. Minimum allocation, \$1 million. Applicants providing matching funds from sources other than impact fees on residential development will receive priority.

Eligible Activities

Loans for construction of rental housing projects with units restricted for at least 55 years to households earning less than 60 percent of area median income, and for downpayment assistance to qualified first-time homebuyers.

Eligible Applicants

Cities, counties, and cities and counties with adopted housing elements that HCD has found to be in substantial compliance with housing element law, and charitable nonprofit organizations.

Application Procedure

HCD issued a Notice of Funding Availability (NOFA) in October 2008, with applications due in February 2009. For existing LHTFs, HCD will rate applications based on competitive criteria consistent with funding priorities of the Multifamily Housing Program (MHP). For new LHTFs, HCD will consider applications and determine their eligibility for funding in the order received. In order to meet the statutory requirement to set aside funds for new LHTFs in small counties for 36 months, HCD will issue two other NOFAs for new LHTFs, one in fall 2009 and another in summer 2010.

Contact

(916) 445-0110 or <http://www.hcd.ca.gov/contact.html>

Affordable Housing Innovation Program (AHIP): Innovative Homeownership Program

Purpose	To increase homeownership opportunities for Californians with lower incomes.
Assistance Type	To be determined
Terms	Grants
Eligible Activities	To be determined
Eligible Applicants	To be determined
Application Procedure	HCD expects to issue a funding announcement at the end of 2009. Funds will be offered through a competitive process.
Contact	(916) 324-1484 or psolomon@hcd.ca.gov

Affordable Housing Innovation Program (AHIP): Construction Liability Insurance Reform Pilot Program

Purpose	To reduce insurance rates for condominium development projects, by promoting best practices in construction quality control.
Assistance Type	Grants for predevelopment costs
Terms	Grants
Eligible Activities	Construction oversight and monitoring activities, including video recording of construction work, quality control manuals, and quality control inspections.
Eligible Applicants	Applicants must be receiving financing from HCD's BEGIN program.
Application Procedure	HCD expects to issue a funding announcement in mid-2009.
Contact	(916) 327-3646 or http://www.hcd.ca.gov/fa/begin/

Building Equity and Growth in Neighborhoods Program (BEGIN)

Purpose

Reduces local regulatory barriers to affordable ownership housing, and provides downpayment assistance loans to qualifying first-time low- and moderate-income buyers of homes in BEGIN projects.

Assistance Type

Grants to cities, counties, or cities and counties to make deferred-payment second mortgage loans to qualified buyers of new homes, including manufactured homes on permanent foundations, in projects with affordability enhanced by local regulatory incentives or barrier reductions.

Terms

Grants to cities, counties, and cities and counties.

Loans by grant recipients at simple interest to qualifying homebuyers, not to exceed the maximum amount listed in the current Notice of Funding Availability (NOFA). Note: HCD does not make BEGIN loans directly to individuals. Individual loans are made by public and private entities at the local level.

Eligible Activities

Second mortgage loans for downpayment assistance to low- or moderate-income first-time homebuyers. Eligible homes must be newly constructed in projects facilitated by local regulatory incentives or barrier reductions, and may include manufactured homes.

Eligible Applicants

Cities, counties, and cities and counties.

Application Procedure

Applications are invited through the issuance of Notices of Funding Availability (NOFAs).

Contact

(916) 327-3646 or <http://www.hcd.ca.gov/fa/begin/>

CalHome Program

Purpose	Enables low and very-low income households to become or remain homeowners.
Assistance Type	Grants to local public agencies and nonprofit developers to assist individual households with deferred-payment loans. Direct, forgivable loans to assist development projects involving multiple ownership units, including single-family subdivisions. <u>Note:</u> CalHome does not loan directly to individuals.
Terms	<p><u>Grants</u> to local public agencies or nonprofit corporations for first-time homebuyer downpayment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance programs, or technical assistance for self-help homeownership. All funds to individual homeowners will be in the form of loans.</p> <p><u>Loans</u> for real property acquisition, site development, predevelopment, construction period expenses of homeownership development projects, or permanent financing for mutual housing and cooperative developments. Project loans to developers may be forgiven as developers make deferred-payment loans to individual homeowners.</p> <p>Assistance to individual households will be in the form of deferred-payment loans, payable on sale or transfer of the homes, or when they cease to be owner-occupied, or at maturity.</p>
Eligible Activities	Predevelopment, site development, and site acquisition for development projects. Rehabilitation, and acquisition and rehabilitation, of site-built housing. Purchase of mobilehomes and manufactured homes, including the land beneath the home, and the rehabilitation, repair and replacement of manufactured homes. Downpayment assistance, mortgage financing, homebuyer counseling, and technical assistance for self-help projects.
Eligible Applicants	Local public agencies and nonprofit corporations
Application Procedure	Applications are invited through the issuance of Notices of Funding Availability (NOFAs).
Contact	(916) 327-3646 or http://www.hcd.ca.gov/fa/calhome/

CalHome Self-Help Housing Technical Assistance Allocation (CalHome Self-Help)

Purpose	Funds programs that assist low and moderate income families to build their homes with their own labor.
Assistance Type	Grants are made to sponsor organizations that provide technical assistance to participating families.
Terms	Grants for technical assistance program operations. (In the past, this program also made mortgage loans to owner-builders. This is why a loan service phone number is given in the 'Asset Management and Compliance for Existing Loans and Grants' section of this directory.)
Eligible Activities	Training and supervision of low and moderate-income self-help homebuilders
Eligible Applicants	Local government agencies and non-profit corporations
Application Procedure	Applications are invited by Notices of Funding Availability (NOFAs) as funds become available. Projects are evaluated, ranked and funded according to criteria in the NOFA. This program is currently administered through the CalHome program.
Contact	(916) 445-9581 or http://www.hcd.ca.gov/fa/calhome/

Emergency Housing and Assistance Program Capital Development (EHAPCD)

Purpose	Funds capital development activities for emergency shelters, transitional housing and safe havens that provide shelter and supportive services for homeless individuals and families.
Assistance Type	Deferred payment loans at 3 percent simple interest, forgiven when loan term is complete. Term ranges from 5 to 10 years based on the development activity.
Terms	The application process is announced annually via a Notice of Funding Availability (NOFA). Eighty percent of the total allocation is available to urban counties, and 20 percent to non-urban counties.
Eligible Activities	Acquiring, constructing, converting, expanding or rehabilitating emergency shelter or transitional housing sites, major equipment purchase, and administration of the award (limited to 5 percent).
Eligible Applicants	Local government agencies and nonprofit corporations that shelter the homeless on an emergency or transitional basis, and provide support services.
Application Procedure	When funds are available, applications are invited through issuance of Notices of Funding Availability (NOFAs). In some counties, Designated Local Boards (DLBs) develop local capital development priorities and advise HCD on the relative merits of applications in their counties. Applications are rated and ranked competitively when the demand for funds exceeds the annual allocation. HCD enters into Standard Agreements with the sponsors of successful applications.
Contact	(916) 445-0845 or e-mail homeless@hcd.ca.gov

Emergency Housing and Assistance Program Operating Facility Grants (EHAP) (This program has been unfunded for FY 2008-09)

Purpose	Provides facility operating grants for emergency shelters, transitional housing projects, and supportive services for homeless individuals and families.
Assistance Type	Grants.
Terms	Fourteen-month grants. Each county receives a formula grant allocation. Twenty percent of the total allocation is available to non-urban counties, and eighty percent to urban counties.
Eligible Activities	Providing direct client housing, including facility operations and administration, residential rental assistance (move-in deposits and eviction prevention), leasing or renting rooms for provision of temporary shelter, capital development activities of up to \$20,000 per site, and administration of the award (limited to 5 percent).
Eligible Applicants	Local government agencies and nonprofit corporations that shelter the homeless on an emergency or transitional basis, and provide supportive services.
Application Procedure	Applications are requested through Notices of Funding Availability (NOFAs). In some counties, Designated Local Boards (DLBs) develop local strategies to allocate EHAP funding, and rate and recommend applications. Where no DLB exists, applications are submitted directly to HCD/EHAP. Contact EHAP staff to determine where applications should be sent.
Contact	(916) 327-3607, or e-mail homeless@hcd.ca.gov .

Enterprise Zone Program (EZ)

Purpose	Stimulates business investment and job creation for disadvantaged individuals in state-designated economically distressed areas of California.
Assistance Type	<p>A wide range of state and local incentives designed to help businesses succeed and expand. State income tax-based incentives include:</p> <ul style="list-style-type: none">• Up to \$37,440 in tax credits per eligible employee over a five-year period• In any year, credits equal to sales or use tax paid or incurred to purchase the first \$1 million of qualified machinery• Up to 100% net operating loss deduction with 15-year carryover• Up-front expensing of certain depreciable property• Net interest deductions for lenders to zone businesses
Terms	Zones are in effect for 15 years from date of designation.
Eligible Activities	Incentives support the establishment, expansion and retention of businesses within designated zones. Eligible business activities include capital investment, lending, hiring and job retention. Types of zones include enterprise zones (EZs), Targeted Employment Areas (TEAs), Targeted Tax Areas (TTAs), Manufacturing Enhancement Areas (MEAs), and Local Agency Military Base Recovery Areas (LAMBRAs).
Eligible Applicants	Companies engaged in a trade or business within a designated zone are eligible for incentives. Communities seeking zone designation are scored competitively on their marketing strategies and development plans, financing programs, economic distress indicators and other similar criteria.
Application Procedure	To claim incentives, businesses apply through local zone managers or the state income tax process. To receive zone designation, eligible communities apply to HCD during open application rounds.
Contact	(916) 322-1554 or etips@hcd.ca.gov

Federal Economic Stimulus Programs:

Neighborhood Stabilization Program (NSP I & II); Homelessness Prevention and Rapid Re-Housing Program (HPRP); Community Development Block Grant – Recovery Program (CDBG-R)

Purpose

NSP I & II: help cities and counties to redevelop abandoned and foreclosed houses.
CDBG-R: help cities and counties fund CDBG-eligible activities
HPRP: prevent individuals and families from becoming homeless, and quickly re-house and stabilize the homeless.

Assistance Type

Grants

Terms

NSP I & II and CDBG-R: similar to Community Development Block Grants (see page 36, and contact CDBG for details)
HPRP: similar to Federal Emergency Shelter Grants (see page 21, and contact FESG for details)

Eligible Activities

NSP I & II: acquisition and rehabilitation of abandoned and foreclosed homes for resale or rental to low- or moderate-income households.
CDBG-R: eligible CDBG activities ready for contract awards within 120 days after funds are available to recipient jurisdictions
HPRP: homelessness prevention assistance to households who would otherwise become homeless, and assistance to rapidly re-house persons who are homeless.

Eligible Applicants

NSP I: grantees selected by statutory objectives and greatest need.
NSP II: ARRA (see page 4) directs HUD to narrow the applicant field based on need in the community.
CDBG-R: CDBG non-entitlement jurisdictions.
HPRP: local government agencies and nonprofit organizations in communities that do not receive shelter funds directly from HUD. Entitlement jurisdictions may also apply for HPRP funds from HCD.

Application Procedure

Applications will be invited through issuance of Notices of Funding Availability (NOFAs).

Contact

NSP I & II and CDBG-R: (916) 552-9398 or cdbg@hcd.ca.gov
HPRP: (916) 445-0845 or e-mail homeless@hcd.ca.gov

Federal Emergency Shelter Grant Program (FESG)

Purpose	Funds emergency shelters, services and transitional housing for homeless individuals and families.
Assistance Type	Grants
Terms	One- or two-year grants. HCD distributes federal Emergency Shelter Grant (ESG) funds to shelter providers.
Eligible Activities	Shelter maintenance, operating costs, rent and essential services such as transportation, life skills, legal aid and counseling, to help the homeless transition into permanent housing and independent living. Renovation and rehabilitation funds are also available.
Eligible Applicants	Local government agencies and nonprofit organizations in communities that do not receive shelter funds directly from the U.S. Department of Housing and Urban Development (HUD). Local nonprofit shelter and service organizations may also receive funds as service providers working in cooperation with local government agency applicants.
Application Procedure	When HUD allocates funds to the state FESG program, applications are invited through issuance of a Notice of Funding Availability (NOFA). Typically, NOFAs are issued in February or March and awards are announced in August or September.
Contact	(916) 445-0845 or e-mail homeless@hcd.ca.gov

Governor's Homeless Initiative (GHI)

Purpose	To mount an interagency effort to reduce homelessness by funding development of permanent supportive housing for persons with severe mental illness who are chronically homeless.
Assistance Type	Deferred payment permanent loans through HCD's Multifamily Housing Program (MHP-SH); construction, bridge and permanent loans from the California Housing Finance Agency (CalHFA); purchase by CalHFA of existing loans to supportive housing projects to free up funds for new loans; and grant funds for rental assistance from the Department of Mental Health (DMH).
Terms	55 years for deferred HCD loans at 3 percent simple interest, with 0.42 percent annual payments for monitoring. Up to three years for CalHFA bridge loans, and up to 30 years for CalHFA permanent loans
Eligible Activities	New construction, rehabilitation, acquisition and rehabilitation of permanent rental housing, and conversion of nonresidential structures to rental housing. Projects must have DMH fund commitments for supportive services, typically require rent subsidies, and are not eligible if construction has started as of the application date. Projects may use 9% federal low income housing tax credits as well as 4% credits. Lower loan limits apply to 9% projects than 4% projects.
Eligible Applicants	Sponsors and borrowing entities may be organized on a for-profit and not-for-profit basis. Any individual, public agency or private entity capable of entering into a contract is eligible to apply, provided they or their principals have successfully developed at least one affordable housing project.
Application Procedure	Applications are invited through issuance of Notices of Funding Availability (NOFAs). Applications are reviewed jointly by the three state agency partners.
Contact	(916) 323-3178. or http://www.hcd.ca.gov/fa/ghi/

HOME Investment Partnerships Program (HOME)

Purpose	Assists cities, counties and nonprofit community housing development organizations (CHDOs) to create and retain affordable housing.
Assistance Type	Grants to cities and counties; low-interest loans to state-certified CHDOs operating in state-eligible jurisdictions. Cities and counties use HOME funds to make low-interest loans to project developers and low-income households.
Terms	<p>A 25 percent match is required, unless waived. Maximum grants are:</p> <ul style="list-style-type: none">• \$4 million for rental projects that do not propose using 9% federal Low Income Housing Tax Credits;• \$2 million for rental projects that propose using 9% tax credits;• \$5 million for rental projects that achieve deeper rent targeting through reduction in private madatory debt;• \$2 million for home ownership projects;• \$800,000 for multi-activity HOME programs. <p>At least 50 percent of funds will be awarded to rural applicants. Most assistance is in the form of loans by city or county recipients to project developers, to be repaid to local HOME accounts for reuse. Rental developments are subject to the HCD Uniform Multifamily Regulations (UMRs), Title 25, sections 8300-8316.</p> <p>At least 15 percent of total state HOME funds is set aside for CHDOs.</p>
Eligible Activities	Rehabilitation, new construction, and acquisition and rehabilitation of single-family and multifamily housing projects. All activities must benefit lower-income renters or owners.
Eligible Applicants	Cities and counties that do not receive HOME funds directly from the U.S. Department of Housing and Urban Development (HUD), and current state-certified CHDOs proposing activities in eligible communities.
Application Procedure	Applications are invited through issuance of Notices of Funding Availability (NOFAs).
Contact	(916) 322-0356 or home@hcd.ca.gov

Housing Assistance Program (HAP)

Purpose

Administers the federal Housing Choice Voucher (HCV, previously Section 8) and Family Self-Sufficiency (FSS) programs in 12 rural counties without housing authorities, to provide rental assistance payments to extremely-low and very-low-income households.

The counties served by HCD are: Alpine, Amador, Calaveras, Colusa, Glenn, Inyo, Modoc, Mono, Sierra, Siskiyou, Trinity and Tuolumne.

Assistance Type

Monthly rent assistance grants to rental property owners and landlords on behalf of qualified families and individuals

Terms

HCD receives an allocation of HCV rent assistance funds from the federal Department of Housing and Urban Development (HUD), and contracts with local nonprofit organizations to administer the HCV program at the county level.

Very-low income means not over 50 percent of area median income, adjusted for family size. Extremely-low income means not over 30 percent of area median income, adjusted for family size.

Eligible Activities

Monthly rental assistance payments to rental property owners/landlords on behalf of qualified tenants.

Eligible Applicants

Income-eligible families and individuals.

Application Procedure

Eligible families and individuals apply to local contracted sponsors for rental assistance when applications are being accepted. Applications may be suspended when the waiting list exceeds a certain length.

Contact

(916) 324-7696, or <http://www.hcd.ca.gov/fa/hap/> for local contacts.

Housing-Related Parks Program

Purpose

To 1) provide incentives for cities and counties to increase their numbers of very low and low-income housing construction starts, and 2) fund the development of housing-related parks and recreational facilities.

Assistance Type

Grants for the creation or improvement of parks and recreational facilities.

Terms

Grant amounts are based on the numbers of bedrooms in new rental and ownership housing units restricted for very low and low-income households, with documented completed foundation inspections during the 12-month period covered by the Notice of Funding Availability (NOFA).

Qualifying rental units must be rent-restricted for at least 55 years. Ownership units must be first sold to qualifying households at affordable cost. Any public subsidies of ownership units must be recovered on resale and reused for affordable housing for at least 20 years. Grants will be greater for very low income units than for low-income units.

Bonus grants will be awarded for:

- Units affordable to extremely low-income households
- Units developed as infill projects
- Jurisdictions demonstrating progress in increasing their overall supply of housing
- Park projects which will serve disadvantaged communities
- Park projects in park-deficient communities
- Park projects in jurisdictions that are included in adopted regional blueprint plans

Extremely low-income means not over 30 percent of area median income (AMI), adjusted for family size. Very low income means not over 50 percent of AMI, adjusted for family size. Low-income means not over 80 percent of AMI, adjusted for family size.

Eligible Activities

Creation of new parks and recreation facilities or improvement of existing parks and recreation facilities.

Eligible Applicants

Cities, counties, and cities and counties that, by the end of the 12-month period for which application is made, have adopted housing elements that HCD has found to be in substantial compliance with housing element law, and that have submitted to HCD within the previous 12 months the annual progress report required by Government Code Section 65400.

A recipient jurisdiction may subcontract for the development of park and recreational facilities with a recreation and park district, or a 501(c)(3) nonprofit organization that has among its purposes the conservation of natural or cultural resources.

Application Procedure

Applications will be invited through issuance of a Notice of Funding Availability (NOFA) for each year that funds are available. The first awards will be in 2010, based on housing accomplishments in 2009.

Contact

(916) 445-4728, HousingParks@hcd.ca.gov or <http://www.hcd.ca.gov/hpd/hrpp/>.

Infill Infrastructure Grant Program (IIG)

Purpose	Funds infrastructure improvements to facilitate new housing development in residential or mixed use infill projects and infill areas.
Assistance Type	Grants
Terms	<p>Competitive grants for infrastructure improvements to facilitate “Qualifying Infill Projects” or “Qualifying Infill Areas” in localities with adopted housing elements that HCD has found to be in substantial compliance with housing element law. Maximum grant is up to \$30 million, or \$50 million over the life of the program for one qualifying project or area.</p> <p>“Qualifying Infill Project” means an urban residential or mixed-use project on a site that has been previously developed, or where at least 75 percent of the perimeter adjoins developed parcels. Not less than 15 percent of housing units must be affordable for 55 years to rental households earning no more than 60 percent of area median income; or affordable for 30 years to ownership households earning no more than 120 percent, or subject to equity sharing on resale.</p> <p>“Qualifying Infill Area” means an urbanized area that has been developed, or where at least 75 percent of the perimeter adjoins developed parcels, and where at least one qualifying infill project has been approved or is pending approval.</p>
Eligible Activities	Capital improvement projects that are part of, or necessary for the development of, qualifying infill projects or areas, including but not limited to parks or open space; water, sewer, or other utility service improvements; streets, roads, parking structures, or transit linkages and facilities; pedestrian or bicycle transit facilities; traffic mitigation; infill site preparation or demolition; or sidewalk or streetscape improvements.
Eligible Applicants	Nonprofit or for-profit developers of qualifying infill projects; cities, counties, cities and counties, housing authorities or redevelopment agencies that have jurisdiction over qualifying infill areas.
Application Procedure	Applications will be invited through issuance of Notices of Funding Availability (NOFAs)
Contact	(916) 324-1555 or infill@hcd.ca.gov ; www.hcd.ca.gov/fa/iig

Joe Serna, Jr. Farmworker Housing Grant Program (Serna): Ownership Component

Purpose

Finances the new construction, rehabilitation and acquisition of owner-occupied housing units for agricultural workers, with a priority for lower-income households.

Assistance Type

Grants and loans to assist the development or rehabilitation of ownership housing projects for agricultural worker households. A matching share of funds is required at least equal to the grant or loan.

Terms

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 tenth 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. It is fully forgiven after 20 years. For manufactured homes purchased as personal property, the occupancy requirement is 10 years.

Eligible Activities

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

Eligible Applicants

Local government agencies; nonprofit corporations; cooperative housing corporations; limited partnerships where all the general partners are nonprofit public benefit corporations, limited liability companies or a combination of nonprofit public benefit corporations and limited liability companies; limited liability companies where all the members are nonprofit public benefit corporations; and federally recognized Indian tribes. Eligible beneficiaries of grants or loans are households with at least one person who derives, or prior to retirement or disability derived, a substantial portion of their income from agricultural employment.

Application Procedure

Applications are invited by issuance of Notices of Funding Availability (NOFAs), and are either reviewed continuously as received, or rated and ranked on a competitive basis, as set forth in the NOFA.

Contact

(916) 327-8255 or <http://www.hcd.ca.gov/fa/fwhg/>

Joe Serna, Jr. Farmworker Housing Grant Program (Serna): Rental Component

Purpose	Finances the new construction, rehabilitation and acquisition of rental housing units for agricultural workers, with a priority for lower-income households.
Assistance Type	Grants and loans to assist the development or rehabilitation of rental housing projects for agricultural worker households. A match of at least 100 percent is required for the primary program.
Terms	<p><u><i>Rental New Construction or Rehabilitation Grants:</i></u> Lien restrictions for assisted units are required for 40 years. If assisted units are sold for other than farmworker housing before the 40th year, under most circumstances the grant must be repaid in full.</p> <p><u><i>Rental New Construction or Rehabilitation Loans:</i></u> Lien restrictions for assisted units are required for 55 years. Loans may be made only in conjunction with low-income tax credit financing.</p>
Eligible Activities	Activities incurring costs in the development of rental 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.
Eligible Applicants	Local government agencies; nonprofit corporations; cooperative housing corporations; limited partnerships where all the general partners are nonprofit public benefit corporations, limited liability companies or a combination of nonprofit public benefit corporations and limited liability companies; limited liability companies where all the members are nonprofit public benefit corporations; and federally recognized Indian tribes. Eligible beneficiaries of grants or loans are households with at least one person who derives, or previously derived, a substantial portion of their income from agricultural employment.
Application Procedure	Applications are invited by issuance of Notices of Funding Availability (NOFAs), and are either received and reviewed on a continuous basis or rated and ranked on a competitive basis, as specified in the NOFA.
Contact	(916) 445-0110 or http://www.hcd.ca.gov/fa/fwhg/

Mobilehome Park Resident Ownership Program (MPROP)

Purpose	Finances the preservation of affordable mobilehome parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies.
Assistance Type	Loans.
Terms	<p><u>Short-term conversion loans</u> at three percent simple annual interest for up to three years to enable a resident organization, nonprofit sponsor or local public agency to purchase a mobilehome park.</p> <p><u>Long-term blanket loans</u> at three percent simple annual interest for up to 30 years for long-term financing of a park purchase, or for a resident organization, nonprofit or local public agency that has purchased a park to help low-income residents finance the purchase of shares or spaces in the park. Payments of conversion and blanket loans can be deferred or adjusted if necessary to make the purchase feasible.</p> <p><u>Long-term individual loans</u> at three percent simple annual interest, to low-income residents of a mobilehome park that has been converted, to ensure housing affordability when the resident buys a cooperative interest, a share, a planned unit development space, or a condominium space in the park.</p>
Eligible Activities	Purchase (conversion) of a mobilehome park by a resident organization, nonprofit entity or local public agency; rehabilitation or relocation of a purchased park; purchase by a low income resident of a share or space in a converted park.
Eligible Applicants	Mobilehome park resident organizations, nonprofit entities, and local public agencies. Low income residents of a converted park apply for individual loans to the entity that has purchased the park.
Application Procedure	Applications are invited through issuance of Notices of Funding Availability (NOFAs). Projects are evaluated, ranked and funded according to criteria in the NOFA and Application.
Contact	(916) 445-0110 or http://www.hcd.ca.gov/fa/mprop/

Multifamily Housing Program: General Component (MHP-General)

Purpose	Provides low-interest loans to developers of affordable rental housing developments. Funds may be used for permanent multifamily rental and transitional housing projects involving new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures. Special allocations are made for units lawfully restricted to senior citizens. Priority points are given to projects using sustainable building methods specified in state regulations.
Assistance Type	Deferred payment loans
Terms	Loans have a 55-year term, and bear simple interest at 3 percent per year. For the first 30 years, annual payments of 0.42 percent of the outstanding principal balance are required. The annual payment for the next 25 years will be set by HCD in year 30, at the minimum amount necessary to cover HCD monitoring costs. Unpaid principal and interest will be due at the end of the loan term.
Eligible Activities	MHP funds will be provided as permanent financing only. Eligible costs include project development capital costs, including child care, after-school care and social service facilities integrally linked to the restricted housing units. Capital costs may involve real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.
Eligible Applicants	Sponsors and borrowing entities may be for-profit or not-for-profit. Any individual, public agency or private entity capable of entering into a contract is eligible to apply, provided they or their principals have successfully developed at least one affordable housing project.
Application Procedure	Applications are invited through the issuance of Notices of Funding Availability (NOFAs).
Contact	(916) 323-3178 or http://www.hcd.ca.gov/fa/mhp/

Multifamily Housing Program: Supportive Housing Component (MHP-SH)

Purpose

Provides low-interest loans to developers of permanent affordable rental housing developments that contain supportive housing units. Funds may be used for new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures. Priority points are given to projects using sustainable building methods specified in state regulations. The number of supportive units in a project must equal the greater of five, or 35 percent of the total units, and they must have associated supportive services for households that are currently homeless, moving from shelters or transitional housing, or who are at risk of homelessness, and have disabilities.

Assistance Type

Deferred payment loans

Terms

Loans have a 55-year term, and bear simple interest at 3 percent per year. For the first 30 years, annual payments of 0.42 percent of the outstanding principal balance are required. The annual payment for the next 25 years will be set by HCD in year 30, at the minimum amount necessary to cover HCD monitoring costs. Unpaid principal and interest will be due at the end of the loan term.

Eligible Activities

MHP-SH funds are provided as permanent financing only. Eligible costs include project development capital costs, including child care, after-school care and social service facilities integrally linked to the restricted housing units. Capital costs may include real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.

Eligible Applicants

Sponsors and borrowing entities may be for-profit or not-for-profit. Any individual, public agency or private entity capable of entering into a contract is eligible to apply, provided they or their principals have successfully developed at least one affordable housing project.

Application Procedure

Applications are invited through the issuance of Notices of Funding Availability (NOFAs).

Contact

(916) 323-3178 or <http://www.hcd.ca.gov/fa/mhp/>

Multifamily Housing Program: Homeless Youth Component (MHP-HY)

Purpose

Provides low-interest loans to developers of affordable rental housing developments that contain units for homeless youth (HY). Funds may be used for permanent multifamily rental and transitional housing projects involving new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures. Projects must contain five or more HY units with associated supportive services. Target population and eligible household requirements apply at initial occupancy only. HY are either emancipated minors, or those who are at least 18 years old, homeless or at risk of homelessness, no longer eligible for foster care on the basis of age, or who have run away from home.

Assistance Type

Deferred payment loans

Terms

Loans have a 55-year term, and bear simple interest at 3 percent per year. For the first 30 years, annual payments of 0.42 percent of the outstanding principal balance are required. The annual payment for the next 25 years will be set by HCD in year 30, at the minimum amount necessary to cover HCD monitoring costs. Unpaid principal and interest will be due at the end of the loan term.

Eligible Activities

Eligible costs include project development capital costs, including child care, after-school care and social service facilities integrally linked to the restricted housing units. Capital costs may include real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.

Eligible Applicants

Sponsors and borrowing entities may be for-profit or not-for-profit. Any individual, public agency or private entity capable of entering into a contract is eligible to apply, provided they or their principals have successfully developed at least one affordable housing project.

Application Procedure

Applications are invited through the issuance of Notices of Funding Availability (NOFAs).

Contact

(916) 323-3178 or <http://www.hcd.ca.gov/fa/mhp/>

Office of Migrant Services (OMS)

Purpose	Provides safe, decent and affordable seasonal rental housing and support services for migrant farmworker families during the peak harvest season.
Assistance Type	Grants to local government agencies that contract with HCD to operate OMS centers located throughout the state. HCD also obtains and administers funds for the construction and rebuilding of centers.
Terms	<p>Counties, housing authorities and grower associations typically provide land for migrant centers as an in-kind contribution. HCD owns the structures. Child day care and after-school support services are typically available. Tenants are charged a subsidized, affordable daily rent.</p> <p>HCD contracts annually with local operating agencies and provides grants for OMS center operation, paid from the State General Fund and from OMS rental income. Occupancy is normally limited to 6 months per year.</p> <p>Funds for the construction or rebuilding of centers come from State General Fund appropriations and U.S. Department of Agriculture Rural Development Service (RD) awards.</p>
Eligible Activities	Construction, rehabilitation, maintenance and operation of seasonal rental housing for migrant farmworkers.
Eligible Applicants	Local government agencies, housing authorities, nonprofit corporations, school districts and health agencies. Current participants are local government agencies and housing authorities.
Application Procedure	Funding to operate, maintain and rehabilitate existing centers is budgeted and contracted annually.
Contact	(916) 324-8282 or http://www.hcd.ca.gov/fa/oms/

Predevelopment Loan Program (PDLP)

Purpose	Provides predevelopment capital to finance the start of low-income housing projects.
Assistance Type	Short-term loans
Terms	Three percent simple annual interest loans for up to two years. Maximum loan amount -- except for site option or site purchase -- is \$100,000. The maximum amount committed to any one borrower at any point in time is announced in each Notice of Funding Availability (NOFA).
Eligible Activities	<p>Predevelopment costs of projects to construct, rehabilitate, convert or preserve assisted housing, including manufactured housing and mobilehome parks. Eligible costs include, but are not limited to, site control, site acquisition for future low-income housing development, engineering studies, architectural plans, application fees, legal services, permits, bonding and site preparation.</p> <p>Priority is given to projects which are rural, located in public transit corridors, or which preserve and acquire existing government-assisted rental housing at risk of conversion to market rents.</p>
Eligible Applicants	Local government agencies, nonprofit corporations, cooperative housing corporations, limited partnerships where all the general partners are nonprofit public benefit corporations, or limited liability companies where all members are nonprofit public benefit corporations.
Application Procedure	Applications are accepted and evaluated, and funds awarded, on a continuous basis as funds are available.
Contact	(916) 445-0877 or http://www.hcd.ca.gov/fa/pdlp/

State Community Development Block Grant Program (CDBG): General, Native American, and Colonias

Purpose	Provides federal CDBG program benefits to non-entitlement cities and counties. Funds housing activities, public improvements, public facilities, and public service projects serving lower-income people in small, typically rural communities.
Assistance Type	Grants
Terms	Maximum grant amount is \$800,000, not including additional amounts available under the Native American and Colonias allocations. Grants must address one of three national objectives: 1) benefit to low and moderate income persons, 2) aid in the prevention or elimination of slums and blight, or 3) to meet an urgent need.
Eligible Activities	<p><u>Housing</u>, including single- and multi-family rehabilitation, rental housing acquisition or homeownership assistance, and activities that support new housing construction.</p> <p><u>Public Improvements</u>, including water and wastewater systems, rural electrification, and utilities such as gas services.</p> <p><u>Public Facilities</u>, including day care centers, domestic violence shelters, food banks, community centers, medical and dental facilities, and fire stations.</p> <p><u>Public Services</u>, including staff and operating costs associated with the community facilities.</p>
Eligible Applicants	<p><u>State CDBG General Allocation</u>: non-entitlement jurisdictions, cities with populations under 50,000 and counties with populations under 200,000 in unincorporated areas that do not participate in the U.S. Department of Housing and Urban Development (HUD) CDBG entitlement program.</p> <p><u>Native American Allocation</u>: non-entitlement jurisdictions that apply to assist non-federally recognized Native American communities.</p> <p><u>Colonias Allocation</u>: distressed jurisdictions within 150 miles of the California-Mexico border that contain colonias areas as defined by the National Affordable Housing Act of 1990.</p>
Application Procedure	Applications are invited through annual Notices of Funding Availability (NOFAs).
Contact	(916) 552-9398 or cdbg@hcd.ca.gov

State Community Development Block Grant Program (CDBG): Economic Development Allocation, Over the Counter Component

Purpose	Provides federal Community Development Block Grant (CDBG) program benefits to non-entitlement cities and counties. This component creates or retains jobs for low-income workers in rural communities.
Assistance Type	Grants
Terms	Grants of up to \$2.5 million for eligible cities and counties to lend to identified businesses, or use for public infrastructure improvements necessary to accommodate the creation, expansion, or retention of identified businesses.
Eligible Activities	Creation or retention of jobs for low-income workers. May include loans to businesses for construction, on-site improvements, equipment purchase, working capital, and site acquisition. May also include loans for business start-ups, grants for publicly owned infrastructure, and loans or grants for small business incubators.
Eligible Applicants	Counties with fewer than 200,000 residents in unincorporated areas and cities with fewer than 50,000 residents that do not participate in the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) entitlement program.
Application Procedure	Applications are invited by an annual Notice of Funding Availability (NOFA). Applications are continuously received and reviewed throughout the year. Awards are made on an ongoing basis, normally within 60 days of HCD receipt of a complete application.
Contact	(916) 552-9398 or www.hcd.ca.gov/fa/cdbg/EconDev.html .

State Community Development Block Grant Program (CDBG): Enterprise Fund

Purpose	Provides federal Community Development Block Grant (CDBG) program benefits to non-entitlement cities and counties. This component assists low-income microenterprise owners, and creates or preserves jobs for low income and very low-income persons.
Assistance Type	Grants
Terms	Grants of up to \$500,000 to provide a source of funds or enhance local business assistance revolving loan funds. Funds can also be used for publicly owned infrastructure and microenterprise assistance. Individual project funding decisions are made by the jurisdiction. Businesses receiving loans (except under microenterprise assistance programs) must create or retain private sector jobs principally for low income and very low-income persons. Microenterprise owners must be low income.
Eligible Activities	CDBG funds may be lent to businesses for working capital, land acquisition, equipment purchase, inventory purchase, debt restructuring, and other direct assistance. Local grants may support businesses by providing water and sewer services, access roads, and other public facilities. Microenterprise funds may provide credit, general support (ie, childcare, transportation, etc.) or technical assistance for persons developing micro enterprises.
Eligible Applicants	Counties with fewer than 200,000 residents in unincorporated areas and cities with fewer than 50,000 residents that do not participate in the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) entitlement program.
Application Procedure	Applications for annual competitive funding rounds are invited by a Notice of Funding Availability (NOFA). The NOFA is typically released each summer. Applications are evaluated and scored on a variety of factors, which may include need, capacity, prior CDBG grant performance, and poverty in the applicant community.
Contact	(916) 552-9398 or www.hcd.ca.gov/fa/cdbg/Enterprise.html

State Community Development Block Grant Program (CDBG): Planning and Technical Assistance Grants

Purpose	Provides federal Community Development Block Grant (CDBG) program benefits to non-entitlement cities and counties. This component provides funds for small cities and counties for planning and evaluation studies related to any CDBG-eligible activity.
Assistance Type	Grants
Terms	Up to \$140,000 per year per jurisdiction: no more than \$70,000 under the General Allocation and \$70,000 under the Economic Development Allocation.
Eligible Activities	Studies and plans for housing, public works, community facilities, and economic development activities that meet CDBG national objectives, and provide principal benefit to low-income persons.
Eligible Applicants	Counties with fewer than 200,000 residents in unincorporated areas and cities with fewer than 50,000 residents that do not participate in the U.S. Department of Housing and Urban Development (HUD) CDBG entitlement program.
Application Procedure	Applications are invited through an annual Notice of Funding Availability (NOFA), and processed on an over-the-counter basis until the NOFA deadline or until funding is depleted.
Contact	(916) 552-9398, or www.hcd.ca.gov/fa/cdbg/PlanTech.html

Transit-Oriented Development Housing Program (TOD)

Purpose

Provides funding to stimulate production of higher density housing and related infrastructure close to qualifying transit stations, that encourages public transit ridership and minimizes automobile trips.

Assistance Type

Loans and grants.

Terms

Loans for rental housing development and land acquisition for proposed housing development. Grants for infrastructure that supports housing or facilitates access to transit from one or more specific housing developments. Mortgage assistance for first-time low or moderate income homebuyers.

All eligible projects must be within ¼ mile of a qualifying transit station, be at least 50 units in size, and include at least 15% of total residential units as restricted units for at least 55 years.

Maximum loan, grant or combination of the two for a single development is \$17 million. Maximum assistance for applications based on a single qualifying transit station is \$50 million over the life of the program.

Eligible Activities

New construction or substantial rehabilitation of rental housing, conversion of nonresidential structures to residential, and first-time homebuyer mortgage assistance for units in qualified projects; capital improvements required for a qualified housing or mixed-use project, such as sewer or water upgrades, streets, drainage, parking, noise mitigation, and utility access, connection or relocation; capital improvements to enhance pedestrian or bicycle access from a qualified project to the nearest transit station, such as walkways, plazas, miniparks, signals, streetscape improvements, security enhancements, bicycle lanes and transportation information systems.

Eligible Applicants

Cities, counties, cities and counties, transit agencies, redevelopment agencies and private developers.

Application Procedure

Applications will be invited through the issuance of Notices of Funding Availability (NOFAs).

Contact

(916) 324-1555 or TOD@hcd.ca.gov; www.hcd.ca.gov/fa/tod

Asset Management and Compliance (AMC) for Existing Loans and Grants

The offices below manage compliance with fiscal and regulatory agreements for past awards, provision of loan balances, payoff information and other loan services. Programs currently active are marked “*”. Legislation in 2007 authorizes HCD to modernize older loans made through the Deferred Payment Rehabilitation Loan Program, the Rental Housing Construction Program – Original, and the Special User Housing Rehabilitation Program, to standards of the Multifamily Housing Program.

- a. **Building Equity and Growth in Neighborhoods (BEGIN; federally funded version, 1994-1996. Loans are monitored by the local government lending agencies)**
Program monitoring (916) 322-0356
- b. **Building Equity and Growth in Neighborhoods (BEGIN; state-funded version. Loans are monitored by the local government lending agencies) ***
Program monitoring (916) 327-3646
- c. **CalHome Program (Loans are monitored by the local government lending agencies) ***
Program monitoring (916) 327-3646
- d. **California Homeownership Assistance Program (CHAP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- e. **California Housing Rehabilitation Program (CHRP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- f. **California Natural Disaster Assistance Program (CALDAP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- g. **California Self-Help Housing Program (CSHHP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- h. **Deferred Payment Rehabilitation Loan Program (DPRLP)**
Portfolio management, (916) 324-8282; loan servicing (916) 327-3717
- i. **Downtown Rebound Program (DRP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- j. **Emergency Housing and Assistance Program (EHAP) ***
Grant management (916) 445-0845
- k. **Emergency Housing and Assistance Program, Capital Development (EHAPCD) ***
Loan servicing (916) 445-0845
- l. **Emergency Shelter Program (ESP)**
Grant management (916) 445-0845

- m. Families Moving to Work Program**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- n. Family Housing Demonstration Program (FHDP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- o. Farmworker Housing Grant Program: see Joe Serna, Jr. Farmworker Housing Grant Program (JSJFWHG) ***
- p. Federal Emergency Shelter Grant Program (FESG) ***
Grant management (916) 445-0845
- q. HOME Investment Partnerships Program (HOME; part of portfolio is managed by local government grantees that make loans to end users) ***
Portfolio management for loans to Community Housing Development Organizations (CHDOs): (916) 322-0356
- r. Joe Serna, Jr. Farmworker Housing Grant Program (Serna) ***
Portfolio management (916) 324-8282; loan and grant servicing (916) 327-3717
- s. Local Housing Trust Fund Matching Grant Program ***
Review of local housing trust fund activities, (916) 323-3178
- t. Mobilehome Park Resident Ownership Program (MPROP) ***
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- u. Multifamily Housing Program (MHP) ***
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- v. Office of Migrant Services (OMS) ***
Contract management (916) 324-8282
- w. Permanent Housing for the Handicapped Homeless Program (PHHP)**
Grant management (916) 445-0845
- x. Predevelopment Loan Program (PDLP) ***
Portfolio management (916) 445-0877
- y. Rental Housing Construction Program (RHCP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- z. Special User Housing Rehabilitation Program (SUHRP)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717
- aa. State Earthquake Rehabilitation Assistance Program (SERA)**
Portfolio management (916) 324-8282; loan servicing (916) 327-3717

Or, you may contact the Financial Assistance Division front desk at (916) 322-1560.

* This program continues to make new loans or grants

Statutes and Regulations Governing HCD Financial Assistance Programs

Statutory section numbers, unless otherwise specified, refer to the California Health and Safety Code (H&S). Several programs no longer active are listed. Regulatory section numbers, unless otherwise specified, refer to the California Code of Regulations (CCR), Title 25, Division 1, Chapter 7. California laws can be seen at <http://www.leginfo.ca.gov/>. Program regulations can be seen at <http://ccr.oal.ca.gov/>.

Program or Function	Citation
HCD Organization	
HCD legislative findings and declarations	Health and Safety Code (H&S) Sections 50000-50009
HCD definitions	50050-50105
BT&H Agency and HCD Department responsibilities	50150-50155
HCD organization and powers	50400-50409
HCD policy activities	50450-50464
HCD assistance activities	50500-50514
Programs	
Affordable Housing Innovation Program (formerly Affordable Housing Revolving Development and Acquisition Program, created by Proposition 1C): Construction Liability Insurance Reform Pilot Program	50705, 53545(a)(1)(F), 53545.9(b)
Affordable Housing Innovation Program: Innovative Homeownership Program	50705, 53545(a)(1)(F), 53545.9(d)
Affordable Housing Innovation Program: Loan Fund	50705, 50706, 53545(a)(1)(F), 53545.9(a)(2)
Affordable Housing Innovation Program: Local Housing Trust Fund Program (LHTF)	50705, 53545(a)(1)(F), 53545.9(c)
Affordable Housing Innovation Program: Practitioner Fund	50705, 50707, 53545(a)(1)(F), 53545.9(a)(2)
Asset Management and Compliance (AMC)	50515.2

Building Equity and Growth in Neighborhoods (BEGIN)	50860-50866, 53533(a)(5)(A), 53545(a)(1)(G)
CalHome Program	50650-50650.7, 53533(a)(5)
CalHome Self-Help Housing Technical Assistance Allocation (CalHome Self-Help)	50690-50698; 53533(a)(5)(C), 53545(a)(1)(D)
<i>CalHome Self-Help regulations</i>	<i>California Code of Regulations Title 25, Division 1, Chapter 7, Subchapter 6.5, sections 7530-7584</i>
California Homeownership Assistance Program (CHAP)	50775-50779
<i>CHAP regulations</i>	<i>Subchapter 11, sections 7900-7938</i>
California Housing Rehabilitation Program – Owner and Rental components (CHRP-O & CHRP-R; see also DPRLP)	50660-50670
<i>CHRP-R regulations</i>	<i>Subchapter 8, 7670-7697</i>
<i>CHRP-O regulations</i>	<i>Subchapter 14, 8040-8062</i>
California Indian Assistance Program (CIAP)	50003(f), 50501, 50513, 50952(i)
California Natural Disaster Assistance Program – Owner and Rental components (CALDAP-O & CALDAP-R)	50661.5, 50662.7, 50671-50671.6 (in CHRP statutes)
California Self-Help Housing Program (CSHHP) – see CalHome Self-Help Housing Technical Assistance Allocation (CalHome Self-Help)	
Child Care Facilities Finance Program (CCFFP)	Education Code 8277.5-8277.6
<i>CCFFP regulations</i>	<i>Subchapter 18, 8250-8273</i>
Code Enforcement Grant Program	53533(a)(6)
Construction Liability Insurance Reform Pilot Program: see component of Affordable Housing Innovation Program, above	
Deferred-Payment Rehabilitation Loans (DPRLP; see also CHRP-O and CHRP-R)	50660-50670
<i>DPRLP regulations</i>	<i>Subchapter 5, 7400-7438</i>
Downtown Rebound Program (DRP)	50898-50898.2
Emergency Housing and Assistance Program (EHAP), with Capital Development component (EHAPCD)	50800-50807, 53533(a)(2), 53545(a)(1)(H)
<i>EHAP regulations</i>	<i>Subchapter 12, 7950-7976</i>
Enterprise Zone Program (EZ). Also includes Manufacturing Enhancement Areas (MEAs), Targeted Tax Areas (TTAs), and Local Area Military Base Recovery Areas (LAMBRA s). Also includes Targeted Employment Areas (TEAs) located within certain EZs.	EZ : Government Code 7070-7089 (esp. 7072, 7073, 7076, 7086); Revenue and Taxation Code 17053.74, 17235, 17267.2, 23622.7, 24356.7, 24384.5, 24416.2

The Government Code statutes listed address criteria, designation and operation of the various types of zones, and HCD's regulatory role. The Revenue and Taxation Code sections govern the state income tax credits available to taxpayers that do business in the various types of zones. Tax credit claims are regulated by the Franchise Tax Board (FTB), and HCD is not directly involved.	MEA: GC 7073.8-7073.9, 7086; R&T 17053.47, 23622.8 TTA: GC 7097-7099; R&T 17053.33, 17053.34, 17267.6, 17276.6, 23634, 24356.6, 24416.6 LAMBRA: GC 7105-7118; R&T 17053.46, 17268, 17276.5, 23646, 24356.8, 24416.5 TEA: GC 7072(h), 7072.5, 7081; R&T 17053.74
<i>Enterprise Zone (EZ) regulations</i>	<i>Subchapter 21, 8430-8467</i>
<i>Local Area Military Base Recovery Area (LAMBRA) regulations.</i>	<i>CCR Title 10, Part 2, Subpart 7, Chapter 7.85, 5750-5750.9</i>
Family Housing Demonstration Program (FHDP)	50880-50895
<i>FHDP regulations</i>	<i>Subchapter 16, 8110-8142</i>
Farmworker Housing Tax Credits	50199.50
Federal Emergency Shelter Grant Program (FESG)	No state statutes. Federal statutes: Stewart B. McKinney Homeless Assistance Act, 42 U.S.C. 11371-78. Federal regulations: 24 CFR Part 576
<i>FESG regulations</i>	<i>Subchapter 20, 8400-8421</i>
Home Investment Partnership Program (HOME)	50896-50896.3
<i>HOME regulations</i>	<i>Subchapter 17, 8200-8220</i>
Housing and Emergency Shelter Trust Fund Act of 2002 (Proposition 46)	53500-53533
Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C)	53540-53564
Housing Assistance Program (HAP)	50506
Housing Elements of City and County General Plans	Government Code 65580-65589.8
Housing for Homeless Youth (Funded by Proposition 1C , administered by MHP-SH)	53545(a)(1)(A)(ii); Government Code 11139.3
Housing-Related Parks Program (Renamed from the Housing Urban-Suburban-and-Rural Parks Program of Proposition 1C)	50700-50704.5, 53545(d)
Housing Trust Funds (including Local Housing Trust Fund Program (LHTF))	50840-50843.5, 53533(a)(1)(C), 53545.9(c)
Infill Infrastructure Grant Program (IIG) (Proposition 1C)	53545(b), 53545.13, 53545.14
Innovative Homeownership Program: see component of Affordable Housing Innovation Program, above	
Jobs-Housing Balance Incentive Grants (JHBIG)	50540-50546, 53533(a)(8), Sec. 2(a) of SB 423, Chapter 482, statutes of 2002

Joe Serna, Jr. Farmworker Housing Grant Program (Serna)	50517.5-50518, 53533(a)(4), (a)(4)(A), (a)(4)(B), & (a)(4)(C), 53545(a)(1)(C)
<i>Serna regulations</i>	<i>Subchapter 3, 7200-7238</i>
Loan Fund: see Affordable Housing Innovation Program, above	
Local Area Military Base Recovery Area (LAMBRA): see Enterprise Zone Program	
Local Housing Trust Fund Program (LHTF): see component of Affordable Housing Innovation Program, above; see also Housing Trust Funds.	
Low Income Housing Tax Credits	50199.4-50199.22
Manufacturing Enhancement Area (MEA): see Enterprise Zone Program	
Mobilehome Park Resident Ownership Program (MPROP)	50780-50786.5
<i>MPROP regulations</i>	<i>Subchapter 13, 8000-8032</i>
Multifamily Housing Program (MHP), including Supportive Housing component (MHP-SH)	50675-50675.13, 53533(a)(1), (a)(1)(B), (a)(1)(D) & (a)(3), 53545(a)(1)(A) & (B)
<i>MHP regulations</i>	<i>Subchapter 4, 7300-7330</i>
Multifamily Housing Program – Supportive Housing Component (MHP-SH)	50675.14; 53545(a)(1)(B)
Office of Migrant Services (OMS)	50710-50713
<i>OMS regulations</i>	<i>Subchapter 7, 7600-7665</i>
Practitioner Fund: see component of Affordable Housing Innovation Program, above	
Predevelopment Loan Program (PDLP)	50400.5, 50530-50532, 50545
<i>PDLP regulations</i>	<i>Subchapter 1, 7000-7016</i>
Preservation Interim Repositioning Program	50604, 53533(a)(1)(A)
Proposition 46: see Housing and Emergency Shelter Trust Fund Act of 2002	
Proposition 1C: see Housing and Emergency Shelter Trust Fund Act of 2006	
Rental Housing Construction Program (RHCP Original)	50735-50770
<i>RHCP-Original regulations</i>	<i>Subchapter 10, 7800-7892</i>
<i>RHCP Bond regulations</i>	<i>Subchapter 15, 8075-8103</i>
Residential Hotel Rehabilitation	50519-50522
Special User Housing Rehabilitation Program (SUHRP)	50662 (in DPRLP statutes)
<i>SUHRP regulations</i>	<i>Subchapter 5.5, 7450-7480</i>
State Community Development Block Grant (CDBG)	50825-50834
<i>CDBG regulations</i>	<i>Subchapter 2, 7050-7126</i>

Targeted Employment Area (TEA): see Enterprise Zone Program	
Targeted Tax Area (TTA): see Enterprise Zone Program	
Transit-Oriented Development Housing Program (TOD) (Proposition 1C)	53545(c), 53560-53562
Workforce Housing Reward Program (WFH)	50550-50550.2, 53533(a)(8)

Department of Housing and Community Development



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Business, Transportation and Housing
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CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT