No Place Like Home Program (NPLH)

Competitive Allocation
NOFA and Application Workshop

California Department of Housing and Community Development
Governor Edmund G. Brown Jr.
State of California
Ben Metcalf, Director
Department of Housing and Community Development
Welcome and Introductions

Meet our HCD NPLH Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shalawn Garcia</td>
<td><a href="mailto:Shalawn.Garcia@hcd.ca.gov">Shalawn.Garcia@hcd.ca.gov</a></td>
</tr>
<tr>
<td>Michael Nuzum</td>
<td><a href="mailto:Michael.Nuzum@hcd.ca.gov">Michael.Nuzum@hcd.ca.gov</a></td>
</tr>
<tr>
<td>Lynn Jones</td>
<td><a href="mailto:Lynn.Jones@hcd.ca.gov">Lynn.Jones@hcd.ca.gov</a></td>
</tr>
<tr>
<td>Miles Johnson</td>
<td><a href="mailto:Millard.Johnson@hcd.ca.gov">Millard.Johnson@hcd.ca.gov</a></td>
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<tr>
<td>Aaron New</td>
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<td>Lynne Sekas</td>
<td><a href="mailto:Lynne.Sekas@hcd.ca.gov">Lynne.Sekas@hcd.ca.gov</a></td>
</tr>
</tbody>
</table>

Please send NPLH inquiries to: NPLH@hcd.ca.gov
Michael Nuzum
Overview

Refer to NOFA
NPLH Summary

- Up to $1.8 billion in total allocation
- Approximately $400 million in Round 1 NOFA release
- Purpose of the money
- Target Population
  - Persons with a serious mental illness who are Homeless,
    Chronically Homeless, or At Risk of Chronic Homelessness
## Timetable

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOFA Issued</td>
<td>October 15, 2018</td>
</tr>
<tr>
<td>Application forms available</td>
<td>October 15, 2018</td>
</tr>
<tr>
<td>Application due date</td>
<td>January 15, 2019</td>
</tr>
<tr>
<td></td>
<td>January 30, 2019 by 5:00pm PST</td>
</tr>
<tr>
<td>Internal Loan Committee (ILC)</td>
<td>TBD</td>
</tr>
<tr>
<td>Awards issued</td>
<td>Anticipated Awards June 2019</td>
</tr>
</tbody>
</table>
Application Received

- Application
- Initial Threshold Review
- Scoring, Rating, and Ranking
- Appeals & Disclosures
- Feasibility
Guidelines

- Implement, interpret, and make specific the NPLH statutes
- Establish terms, conditions, and procedures for the award of funds under the Competitive Allocation process
Uniform Multifamily Regulations (UMR’s)

- Multifamily rental housing of five or more Units underwritten by HCD and are subject to the 2017 Uniform Multifamily Regulations (UMR’s)

- Current UMR’s are located at:
  - [http://www.hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml](http://www.hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml)
Competitive Allocation Application Process

NPLH Application Overview

- Links to:
  - Universal Application
  - NPLH Application Attachment
- General Instructions
- Organizing the Application
Competitive Allocation Application Process

Application Links

• Universal Application used by HCD
  o http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/UAMacroVersion.xlsm

• NPLH Supplemental Project Application
  o http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/NPLHCompSuppApp.xlsm
Competitive Allocation Application Process

General Instructions

Organizing & Submitting the Application

• Three-ring binder with sleeve on the side
• Set up dividers with large lettered tabs to correspond to sections in:
  ◦ the Universal Application and include attachments
  ◦ the NPLH Supplemental Project Application and include attachments
• For items that are not applicable to your application, place a sheet stating the item is “Not Applicable” behind the tab
Competitive Allocation Application Process

General Instructions (Continued)

• COMPLETE original application and one electronic copy on CD or USB must be received by HCD no later than January 30, 2019 by 5pm. Postmarks are not accepted

• Facsimiles, late, incomplete, or revised applications will NOT be accepted.

• Applications must meet all eligibility requirements upon submission.

• Applications with internal inconsistencies will not be rated and ranked.

• Once your application is received, it must stand on its own to represent your Project.
Lynn Jones
Initial Threshold

NPLH Guideline Section 202
Competitive Allocation Application Review

- Initial Threshold
- Scoring, Rating, & Ranking
- Project Feasibility
Initial Threshold Review

• Applications will be evaluated based solely upon the materials contained within the application

• Will review for completeness and compliance with Guidelines
Project Evaluation

Threshold Requirements:

1) Eligible applicant(s)
2) Eligible use of funds
3) Experience of Project team
4) Site control
5) Project Integration
Threshold Review

1. Eligible Applicant

- Single County *independently* as the Development Sponsor
- Single County *jointly* with another entity as the Development Sponsor
- Two or more counties *jointly* if:
  - There is a commitment to collaborate and coordinate supportive services and other resources
  - NPLH tenants from each of the Counties are expected to reside in the Project
Threshold Review

1a. Eligible Applicant - Development Sponsor

If a County does not want to be the borrower on any Program loan documents then it must apply jointly with a Development Sponsor.

Development Sponsor includes:

- local public entities
- nonprofit or for-profit developers
- Native American tribal governments or Rancherias
- Joint ventures, partnerships, trusts, corporations, cooperatives
- Any combination of the above
Threshold Review

2. Eligible Uses of Funds

Must be used for development costs associated with one or more of the following:

- Acquisition
- Capitalized Operating Reserve
- Preservation Costs
- Rehabilitation
- New Construction

May be used for Capitalized Operating Subsidy Reserves (COSR) and/or the UMR required Operating Reserve
5. Experience of Project team

For Applications in Counties with a population of 200,000 or greater:

• Minimum of 2 affordable rental housing projects in the last 10 years
• Minimum of 1 unit housing a tenant of the Target Population

Lead Service Provider (which may be the County) and Property Manager must have:

• Minimum 3 years each serving the Target Population
  - If service provider experience is not in Permanent Supportive Housing (PSH), it must be related to addressing barriers to housing stability/housing retention
Threshold Review

5. **Experience of Project team** *(continued)*

For Applications in Counties with a population of **less than 200,000:**

- Minimum of **2** affordable rental housing projects in the last **10** years
- Minimum of **1** unit housing a tenant within the special needs population that experience barriers to housing stability and retention

**Lead Service Provider (which may be the County) and Property Manager must have:**

- Minimum **3** years each serving one or more special needs populations
6. Site Control

Must be in the Sponsor’s name or an entity controlled by the sponsor

Ownership interest may be demonstrated by:

- fee title
- a leasehold interest
- an enforceable option to purchase that extends past construction closing
- a disposition and development agreement
- an agreement giving the Sponsor exclusive rights to negotiate for acquisition
- a land sales contract
Threshold Review

7. Project Integration

In projects greater than 20 units, HCD will fund no more than 49% of project units as NPLH units.

All projects must also:

- Integrate NPLH units/tenants with other Project units/tenants
- Encourage social interaction through community building activities, architectural design features, (for example, indoor and outdoor community space, wide hallways), as feasible depending on the scope of the construction or rehabilitation activity
- Have no restrictions on guests different from that of unsubsidized rental housing in the community
Miles Johnson
Supportive Services

NPLH Guideline Section 203
Competitive Allocation Application Process

Supportive Services
Supportive Services

Elements of Initial Plan

Applications must contain an initial plan for providing supportive services based on the anticipated needs of the Target Population and must include:

- Part I  Target Population Narrative
- Part II  Tenant Outreach, Engagement and Retention Strategies
- Part III  List of Services
- Part IV  Transportation Plan
- Part V  Services Competency
- Part VI  Estimated Itemized Budget
- Part VII  Collaboration of Supportive Services and property management staff
- Part VIII  Communication Protocols
- Part IX  Project Physical Design
- Part X  Other Additional Information
- Part XI  Written Agreements or Memoranda of Understanding
Supportive Services

Guidelines

a. **Required Services** must be included in the application for completeness.

b. **Encouraged Services** allow a greater point score if they are included in your project.
Supportive Services

Supportive Services *Required* to be offered:

1. Case management
2. Peer support activities
3. Mental health care
4. Substance use services
5. Support in linking to physical health care
6. Benefits counseling and advocacy
7. Basic housing retention skills
Supportive Services

Supportive Services *Encouraged* to be offered:

1. Services for persons with co-occurring mental and physical disabilities or co-occurring mental and substance use disorders not listed above

2. Recreational and social activities

3. Educational services

4. Employment services

5. Obtaining access to other needed services, such as civil legal services
Supportive Services Plan Must Also Discuss:

1. Tenant outreach, engagement, and retention strategies.
2. Transportation options for services provided off-site to ensure reasonable access that does not require walking more than ½ mile.
3. Efforts to ensure service provision is culturally and linguistically competent for persons of different races, ethnicities, sexual orientations, gender identities, and gender expressions, including also persons with ESL, and persons with disabilities affecting their ability to communicate.
4. How communication among services providers, the property manager and tenants will be facilitated.
Supportive Services

The following NPLH guidelines must be adhered to:

• County must make mental health services available to NPLH tenants and coordinate the provision or referral to other services for a minimum of 20-years

• Supportive Services plan must meet the requirements of §203 and must be submitted with the application

• Participation in services by NPLH tenants is voluntary

• Services package should be designed to be flexible, individualized, to support tenant engagement, and housing retention
Aaron New
Scoring, Rating, & Ranking

NPLH Guideline Section 205
Competitive Allocation Application Review

- Initial Threshold
- Scoring, Rating, & Ranking
- Project Feasibility

- % of Restricted Units: 65
- Funding Leverage: 20
- Subsidy Leverage: 35
- Evidence Based Practices: 10
- Supportive Services: 20
- Readiness: 50
- % of Restricted Units: 65

- % of Restricted Units: 65
- Funding Leverage: 20
- Subsidy Leverage: 35
- Evidence Based Practices: 10
- Supportive Services: 20
- Readiness: 50
### Application Scoring, Rating, and Ranking

<table>
<thead>
<tr>
<th>Rating Category</th>
<th>Maximum Points</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of Total Project Units Restricted to the Target Population</td>
<td>65</td>
<td>Percentage of total Project units restricted as NPLH Units, and use of CES, or use of an alternate system to refer persons At-Risk of Chronic Homelessness to NPLH units</td>
</tr>
<tr>
<td>Leverage of Development Funding</td>
<td>20</td>
<td>Ratio of the capital (non-COSR) portion of the NPLH loan to other sources of committed development funding attributable to the NPLH Units. Noncompetitive Allocation funds may count as leveraged funds</td>
</tr>
<tr>
<td>Leverage of Rental or Operating Subsidies</td>
<td>35</td>
<td>Percentage of NPLH Units that have committed non-HCD project-based or sponsor-based subsidies with terms substantially similar to that of other project based rental or operating assistance</td>
</tr>
<tr>
<td>Readiness to Proceed</td>
<td>50</td>
<td>Percentage of total construction and permanent financing committed; completion of Phase I/II Environmental Site Assessment and environmental clearances; obtaining all necessary local approvals</td>
</tr>
<tr>
<td>Extent of On-Site and Off-Site Supportive Services</td>
<td>20</td>
<td>Points awarded for case management provided on-site at the Project, use of evidence-based practices to assist NPLH tenants to retain their housing; offering more services than required, and implementing resident involvement strategies</td>
</tr>
<tr>
<td>Past History of Evidence Based Practices</td>
<td>10</td>
<td>Points awarded for development team prior experience implementing evidence-based practices that have led to a reduction in homelessness or other related use of evidenced-based practices to serve special needs populations</td>
</tr>
</tbody>
</table>

Total available points shall equal 200
Application Scoring, Rating, and Ranking

Percentage of Total Project Units Restricted to the Target Population: 65 Points

- Funding Leverage: 20
- Subsidy Leverage: 35
- Readiness: 50
- Supportive Services: 20
- Evidence Based Practices: 10
- [Pie chart showing distribution of points]
Application Scoring, Rating, and Ranking

Percentage of Total Project Units Restricted to the Target Population
65 points maximum

A. Projects will receive up to a maximum of 30 points as follows for up to 30 percent of their total Project Units restricted to the Target Population as Assisted Units.

<table>
<thead>
<tr>
<th>Percentage of Projects Units that are Assisted Units</th>
<th>Point Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 - 9.9%</td>
<td>8</td>
</tr>
<tr>
<td>10 - 14.9%</td>
<td>13</td>
</tr>
<tr>
<td>15 - 19.9%</td>
<td>18</td>
</tr>
<tr>
<td>20 - 24.9%</td>
<td>23</td>
</tr>
<tr>
<td>25 - 29.9%</td>
<td>28</td>
</tr>
<tr>
<td>30% and above</td>
<td>30</td>
</tr>
</tbody>
</table>
Percentage of Total Project Units Restricted to the Target Population
65 points maximum

B. Projects will receive **35 points** if the Applicant commits to do either of the following for the term of the Department’s loan:

- Commit to use a Coordinated Entry System (CES)
- or -
- Commit to use a separate alternate system
### Application Scoring, Rating, and Ranking

**Percentage of Total Project Units Restricted to the Target Population**

65 points maximum

Sample NPLH Competitive Allocation Supplemental Project Application:

<table>
<thead>
<tr>
<th>Percentage of Total Project Units Restricted to the Target Population §205(a) - 65 Points Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Percentage of Projects Units that are Assisted Units - 30 points max</td>
</tr>
<tr>
<td>Total Number of Units</td>
</tr>
<tr>
<td>(2) Projects will receive 35 points if the Applicant commits to do either of the following for the term of HCD’s loan. If applicable, select either A or B.</td>
</tr>
<tr>
<td>A. Commit to use a Coordinated Entry System (CES) to fill all of the NPLH Assisted Units based on use of a standardized assessment tool which prioritizes those with the highest need for Permanent Supportive Housing and the most barriers to housing retention (provide description of system below).</td>
</tr>
<tr>
<td>If applicable, provide description of system.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>File Name:</th>
<th>Entry System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation of Coordinated Entry System (CES) or alternate system (if available) describing how system will work.</td>
<td>Attached and on USB?</td>
</tr>
</tbody>
</table>

Total Points - (65 points max) 65.00
Application Scoring, Rating, and Ranking

- Leverage of Development Funding: 20 points
- % of Restricted Units: 65
- Subsidy Leverage: 35 points
- Readiness: 50 points
- Supportive Services: 20 points
- Evidence Based Practices: 10 points
Leverage of Development Funding

20 points maximum

Applications will be scored based on the ratio of

permanent development funding attributable to
NPLH Assisted Units from sources
other than the Competitive Allocation
to the requested capital portion of the Program loan
amount provided under the Competitive Allocation,
not including any capitalized operating reserves.

perm dev funding ÷ requested capital portion = leverage of dev funding %
Application Scoring, Rating, and Ranking

Leverage of Development Funding (Continued)

20 points maximum

Projects utilizing nine percent low-income housing tax credits:
0.08 points will be awarded for each percentage point of leveraged funds

Other Projects:
0.13 points will be awarded for each percentage point of leveraged funds

up to 20 points.
Leverage of Development Funding (Continued)

20 points maximum

Projects Utilizing 9% Tax Credits
250 percent
70/30

All other Projects
150 percent
60/40
Leverage of Development Funding (Continued)

20 points maximum

• Tax-exempt bond and low income housing tax credits will be counted toward this calculation.

• Deferred developer fees and funds deposited in a reserve to defray operating deficits will NOT be counted in this computation.

• Land donations will be counted, where the value is established by a current appraisal. Land donations will NOT be counted without an appraisal.
Leverage of Development Funding (Continued)
20 points maximum

• Noncompetitive Allocations dedicated to the Project will be counted in this computation.

➢ To dedicate the noncompetitive allocation to a project:

1. The county must submit the **County Acceptance Form** and required attachments no later than the due date for the competitive round you are applying for.

2. Include the noncompetitive amount on the UA Development sources page.

3. Include amount on NPLH Project Supplement, Loan Amount, and Unit mix page (line 24).
### Sample NPLH Competitive Allocation Supplemental Project Application:

<table>
<thead>
<tr>
<th>Application Scoring, Rating, and Ranking</th>
</tr>
</thead>
</table>

#### Leverage of Development Funding (Continued)

20 points maximum

#### Leverage of Development Funding §205(b) - 20 Points Max

Applications will be scored based on the ratio of permanent development funding attributable to NPLH Assisted Units from sources other than the Competitive Allocation to the requested capital portion of the Program loan amount provided under the Competitive Allocation, not including any capitalized operating reserves. Deferred developer fee and funds deposited in a reserve to defray scheduled operating deficits will not be counted in this computation. Land donations will be counted, where the value is established by a current appraisal.

<table>
<thead>
<tr>
<th>Step</th>
<th>Calculation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Total residential development cost</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>2.</td>
<td>Less: Deferred Developer Fee</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Less: Land Donations where value is not established by current appraisal</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Eligible residential development costs</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>5.</td>
<td>Percentage of Total Development Cost attributed to NPLH-Assisted Units</td>
<td>30.00%</td>
</tr>
<tr>
<td>6.</td>
<td>Funding Attributable to NPLH Assisted Units</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>7.</td>
<td>Less: NPLH maximum Competitive capital loan amount</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>8.</td>
<td>Other Development Funds (Non-HCD) Attributable to NPLH Assisted Units</td>
<td>$5,000,000 125.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step</th>
<th>Calculation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is this Project applying for or receiving 9% Tax Credits?</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>File Name:</th>
<th>Appraisal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Must attach land appraisal if including a land donation as part of leverage calculation</td>
<td></td>
</tr>
</tbody>
</table>

For Projects not utilizing 9% competitive low-income housing tax credits, approximately 0.13 points will be awarded for each percentage point of leveraged funds. For example, an Application proposing other development funds equal to 100% of the NPLH capital portion of the loan will receive 13 points, and an Application where other funds equal 150% of the NPLH capital portion of the loan will receive 20 points.

<table>
<thead>
<tr>
<th>Attached and on USB?</th>
<th>Yes</th>
</tr>
</thead>
</table>
Application Scoring, Rating, and Ranking

- Supportive Services: 20 points
- Readiness: 50 points
- Evidence Based Practices: 10 points
- % of Restricted Units: 65 points
- Funding Leverage: 20 points
- Leverage of Rental or Operating Subsidies: 35 points
Leverage of Rental or Operating Subsidies

35 points maximum

Applications will be scored based on the percentage of NPLH Assisted Units that have committed non-HCD Project-based or sponsor-based rental subsidies.

1.75 points will be awarded for each five-percentage increment of committed assistance up to a maximum of 35 points.
Leverage of Rental or Operating Subsidies (Continued)

35 points maximum

• Rental assistance must be substantially similar in terms to Project-based or sponsor-based housing choice vouchers, including but not limited to:

1. Section 8 housing choice vouchers
2. VASH vouchers
3. Family Unification Program vouchers
4. Continuum of Care Supportive Housing rental subsidy
5. Locally funded rental assistance
Leverage of Rental or Operating Subsidies (Continued)
35 points maximum

• Other local commitments will also count toward this rating factor, including but not limited to contributions documented through:
  o Award letter
  o Commitment letter
  o COSR
Leverage of Rental or Operating Subsidies

Application Scoring, Rating, and Ranking

Leverage of Rental or Operating Subsidies §205(c) - 35 Points Max

Applications will be scored based on the percentage of NPLH Assisted Units that have committed non-HCD Project-based or sponsor-based rental subsidies with commitment terms substantially similar in terms to project-based housing choice vouchers, or other non-HCD operating assistance. 1.75 points will be awarded for each five-percentage increment of committed assistance up to a maximum of 35 points. The assistance will be deemed committed if it has been allocated to the Project or affiliated rental-assistance sponsor subject to HUD or other allocating agency approval, or if HCD approves other evidence that the assistance will reliably be available. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed.

<table>
<thead>
<tr>
<th>Rental or Operating Subsidy Source</th>
<th>Number of Subsidized NPLH Assisted Units</th>
<th>AMI Level of Units</th>
<th>% Of Total (C divided by A)</th>
<th>Scoring Increment Factor</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 8 housing choice vouchers</td>
<td>10</td>
<td>30% AMI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VASH vouchers</td>
<td>5</td>
<td>30% AMI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Unification Program vouchers</td>
<td>5</td>
<td>30% AMI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuum of Care Supportive Housing rental subsidy</td>
<td>5</td>
<td>30% AMI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>locally funded rental assistance</td>
<td>5</td>
<td>30% AMI</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Number of distinct Rental or Operating Subsidy Sources | 5  | Totals 30 | 100% | 5% | 20 | 35.00 |

File Name: Subsidy (followed by source name) Commitment letter or evidence documenting subsidy  Attached and on USB? Yes

Total Points - 35 points max 35.00
Application Scoring, Rating, and Ranking

Readiness to Proceed
50 Points

- Supportive Services: 20
- Evidence Based Practices: 10
- % of Restricted Units: 65
- Funding Leverage: 20
- Subsidy Leverage: 35
Application Scoring, Rating, and Ranking

Readiness to Proceed
50 points maximum

Points will be awarded for each of the following 4 categories:

1. Construction Financing

Obtaining enforceable commitments or other enforceable reservations of funds for all needed construction financing.

✓ Projects utilizing nine percent low-income housing tax credits may receive up to 5 points for this rating factor.

✓ All other projects may receive up to 10 points for this rating factor.
2. Permanent Financing, Grants, & Subsidies

Obtaining enforceable commitments or other enforceable reservations of funds for all deferred-payment permanent financing, grants, and subsidies.

✓ Projects utilizing nine percent low-income housing tax credits may receive up to 5 points for this rating factor.

✓ All other projects may receive up to 15 points for this rating factor.
Readiness to Proceed (Continued)

50 points maximum

3. Environmental Clearances:

• California Environmental Quality Act (CEQA)
• National Environmental Policy Act (NEPA)
• Phase I Environmental Site Assessment
• Phase II Environmental Studies, if necessary

✓ Projects receive 10 points for this rating factor.
Readiness to Proceed (Continued)
50 points maximum

4. Public Land Use Approvals & Local Design Review Approval

✓ Projects receive **15 points** for this rating factor.
## Readiness to Proceed §205(d) - 50 Points Max

Points will be awarded as shown below for each of the following circumstances. Attach documentation demonstrating that a particular category is not applicable to project readiness for the subject project to receive points in that category.

<table>
<thead>
<tr>
<th>Point Category</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) 5 points for 9% Projects; 10 Points for other Projects - Enforceable Funding Commitments (EFC) or other enforceable reservations of funds for all needed construction financing, not including tax-exempt bonds and low-income housing tax credits. The assistance will be deemed committed if it has been awarded to the Project or if HCD approves other evidence that the assistance will be reliably available. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed. To receive credit for funds from other HCD programs, these funds must be awarded prior to finalizing the preliminary point scoring of the NPLH Application. All EFCs must be inserted following the Dev Sources worksheet in the UA: (1) Use a colored sheet of paper to separate commitments; (2) Highlight the following required information on each EFC: (a) Sponsor or the ultimate owner is named as the borrower; (b) Project name; (c) Project site's address, assessor's parcel number or legal description; (d) Amount, interest rate and terms of the financing being committed; and (e) Commitment must be fully executed by all parties. (f) If a prepaid ground lease loan is included in the commitments, include 3rd Party documentation justifying the commercial rent.</td>
<td>10</td>
</tr>
<tr>
<td>(2) 5 points for 9% Projects; 15 Points for other Projects - Enforceable commitments or other enforceable reservations of funds for all deferred-payment permanent financing, grants, and subsidies, not including tax-exempt bonds and low-income housing tax credits, in accordance with TCAC Regulations §10325(f)(8). The assistance will be deemed committed if it has been awarded to the Project or if HCD approves other evidence that the assistance will be reliably available. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed. To receive credit for deferred payment financing, grant funds, or subsidies from other HCD programs, these funds must be awarded prior to finalizing the preliminary point scoring of the NPLH Application.</td>
<td>15</td>
</tr>
<tr>
<td>(3) 10 points - Completion of all necessary environmental clearances, (California Environmental Quality Act and National Environmental Policy Act), and completion of a Phase I Environmental Site Assessment and Phase II environmental studies, if necessary (must be submitted with Application).</td>
<td>10</td>
</tr>
<tr>
<td>(4) 15 points - All necessary and discretionary public land use approvals except building permits and other ministerial approvals, and obtaining local design review approval to the extent such approval is required</td>
<td>15</td>
</tr>
<tr>
<td>Total Points (50 points max)</td>
<td>50</td>
</tr>
</tbody>
</table>

### File Attachments

<table>
<thead>
<tr>
<th>File Name</th>
<th>Description</th>
<th>Attached and on USB?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Const EFC #1, #2, etc</td>
<td>Commitment letter or other evidence documenting construction financing commitments</td>
<td>Yes</td>
</tr>
<tr>
<td>Perm EFC #1, #2, etc</td>
<td>Commitment letter or other evidence documenting deferred-payment permanent financing commitments</td>
<td>Yes</td>
</tr>
<tr>
<td>CEQA and NEPA Clearance</td>
<td>CEQA clearance issued by the local jurisdiction, and NEPA Authority to Use Grant Funds issued by the Responsible Entity</td>
<td>Yes</td>
</tr>
<tr>
<td>Phase I/II ESA</td>
<td>Phase I Report, and Phase II Report if required by the Phase I</td>
<td>Yes</td>
</tr>
<tr>
<td>Local Approvals</td>
<td>Attach documentation of local approvals requested above</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Application Scoring, Rating, and Ranking

Extent of On-Site and Off-Site Supportive Services
20 points
Points will be awarded for each of the following 4 categories:

1. **Case management services** provided onsite.
   
   ✓ Projects receive **5 points** for this category.
Application Scoring, Rating, and Ranking

Extent of On-Site and Off-Site Supportive Services (Continued)
20 points maximum

2. **Implementing evidence-based practices:**

- Critical time intervention
- Trauma-informed care
- Motivational interviewing
- Other practices
- Assertive community treatment
- Cognitive behavioral therapy
- Voluntary "moving-on" strategies

✓ **One point will be awarded for each evidence-based or other recognized practice to be implemented, (up to 5 points).**
3. Offering services listed under **Supportive Services** Section 203(d).

- Services for persons with co-occurring mental and physical disabilities
- Recreational and social activities
- Educational services
- Employment services
- Other needed services, such as civil legal services, or access to food and clothing

**✓ Two points** will be awarded for each category of services **(up to 8 points)**.
Extent of On-Site and Off-Site Supportive Services (Continued)
20 points maximum

4. Resident involvement

✓ Projects receive up to 2 points for this rating factor.
### Extent of On-Site and Off-Site Supportive Services §205(e) - 20 Points Max

<table>
<thead>
<tr>
<th>Practice Categories</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Total Points (20 points max)</td>
<td>20</td>
</tr>
</tbody>
</table>

#### (1) Case management services provided onsite - 5 points
- Will case management services be provided onsite? (Case manager does not need to have offices located onsite, as long as they provide onsite visits)
- Yes 5

#### (2) Implementing evidence-based practices to engage and assist tenants in addressing behaviors that could lead to eviction or to assist in accessing other housing - 1 point per practice - 5 points max
- Critical time intervention: Will be implemented
- Motivational interviewing: Will be implemented
- Assertive community treatment: Will be implemented
- Voluntary “moving-on” strategies: Will be implemented
- Other practices*: Will be implemented
- Practice Categories: 7 5

#### (3) Projects offering Supportive Services - 2 points for each category of services offered as listed in §203(d) - 8 points max
- Services for persons with co-occurring mental and physical disabilities or co-occurring mental and substance use disorders not listed above: Will be provided
- §203(d)(3) Educational services, including assessment, GED, school enrollment, assistance accessing higher education benefits and grants, and assistance in obtaining reasonable accommodations in the education process: Will be provided
- §203(d)(4) Employment services, such as supported employment, job readiness, job skills training, job placement, and retention services, or programs promoting volunteer opportunities for those unable to work: Will be provided
- §203(d)(5) Obtaining access to other needed services, such as civil legal services, or access to food and clothing: Will be provided
- Project will implement resident involvement practices, such as strategies to engage tenants in community building and services planning and operations, and tenant satisfaction surveys to inform and improve services provision, building operations, and property management (If yes, provide details below): Yes

<table>
<thead>
<tr>
<th>Categories</th>
<th>5</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will be provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Will be provided</td>
<td></td>
<td></td>
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<tr>
<td>Will be provided</td>
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<tr>
<td>Will be provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Will be provided</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Other practices must be recognized as a promising or innovative strategy by the federal Substance Abuse and Mental Health Services Administration (SAMHSA), the California Department of Health Care Services (DHCS), HUD, or other federal or State public agency.

#### Extent of On-Site and Off-Site Supportive Services (Continued)

**Contextual Note:**

- **Motivational interviewing**
  - Total Points: 20 points max
  - Will be implemented

- **Voluntary “moving-on” strategies**
  - Will be implemented

- **Trauma-informed care**
  - Will be implemented

**Summary:**

- **Cognitive behavioral therapy**
  - Will be implemented

- **Critical time intervention**
  - Will be implemented

- **Assertive community treatment**
  - Will be implemented

- **Motivational interviewing**
  - Will be implemented

- **Voluntary “moving-on” strategies**
  - Will be implemented

- **Other practices**
  - Will be implemented

**Total Points** (20 points max)

---

**Note:**

- The table above outlines the scoring criteria for various supportive services, including case management, evidence-based practices, project offerings, and resident involvement. Each service is evaluated based on its provision and impact, contributing to a total points score of 20. This framework is designed to ensure comprehensive support for residents, aligning with federal and state guidelines.
Application Scoring, Rating, and Ranking

Past History of Evidence Based Practices
10 points
Past History of Evidence Based Practices

10 points maximum

Up to 10 points will be awarded to Projects where the

• County
• Developer
• Lead Service Provider (if not the County)
• Property manager

can document past experience with implementing
evidence-based best practices that have led to a reduction of the number of individuals who are Homeless, Chronically Homeless, or At-Risk of Chronic Homelessness within the Target Population.
Past History of Evidence Based Practices (Continued)

10 points maximum

Examples of evidence-based practices include, but are not limited to:

- Critical time Intervention or assertive community treatment model
- Cognitive behavioral therapy
- Trauma-informed care
- Motivational interviewing and other tools to encourage engagement in services
- Other practices recognized as evidence-based by SAMHSA, DHCS, HUD, or other federal or State public agency.

✓ Two points will be awarded for each category of evidence-based practices documented (up to 10 points).
### Past History of Evidence Based Practices (Continued)

**10 points maximum**

#### Sample NPLH Competitive Allocation Supplemental Project Application:

<table>
<thead>
<tr>
<th>Past History of Evidence Based Practices §205(f) - 10 Points Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects where the County, developer, lead service provider, if not the County, or property manager can document past experience with implementing evidence-based best practices that have led to a reduction of the number of Chronically Homeless or At-Risk of Chronic Homelessness individuals within the Target Population. Similar experience with evidence-based practices for other special needs populations can also be included if this experience can be shown to be relevant to serving the Target Population (document experience as noted below).</td>
</tr>
<tr>
<td>Number of Past Practices</td>
</tr>
<tr>
<td>(1) Critical time intervention or assertive community treatment model</td>
</tr>
<tr>
<td>(4) Cognitive behavioral therapy</td>
</tr>
</tbody>
</table>

*Other practices must be recognized as a promising or innovative strategy by the federal Substance Abuse and Mental Health Services Administration (SAMHSA), the California Department of Health Care Services (DHCS), HUD, or other federal or State public agency.

**File Name:** Experience (1), Experience (2), etc.  
*Provide documentation for experience. For critical time intervention provide documentation supporting experience and label “Experience 1”, for Motivational Interviewing provide documentation and label as “Experience 2”; etc.*

**Attached and on USB?** Yes
Projects located in cities that are receiving funds pursuant to the Bronzan-McCorquodale programs under Welfare and Institutions Code Section 5701.5 that do not receive maximum points in any of the above rating factors in paragraphs (a) through (f) may receive a total of 2 additional points in the aggregate if the application was submitted through the county in which that city resides rather than by the city within its population group under the Competitive Allocation.
George Rodine
Universal Application &
NPLH Supplemental Application
Competitive Allocation Application Review

Universal Application

STATE OF CALIFORNIA
UNIVERSAL APPLICATION FOR THE
DEVELOPMENT OF AFFORDABLE RENTAL HOUSING

CalHFA California Housing Finance Agency
Universal Application

Opening the Application

- A yellow "Enable Content" or "Enable Editing" banner may appear:
  - Click this box to enable macros
  - Enabling macros is necessary for full worksheet functionality

- Complete/answer all yellow shaded cells
- Cells with red triangles contain instructions
- Enter date of the application or update
Key Points

- Select **name of funding source** in the drop down box to populate the appropriate tabs in the worksheet.

- Selecting **“NPLH”** will populate the following blue tabs:
  - NPLH Rents
  - Dev Fee Instructions
  - Dev Fee
  - Supportive Services Costs
  - NPLH COSR Calculation
Universal Application

Key Points (Continued)

Tab: **Rents** worksheet
- Rows 18-24 should only be used for *restricted manager units*
- Units restricted at 15% to 30% AMI must be entered within the following rent limits sets:
  - Rows 18-24, 26-32, 34-40, 42-48 and 50-56
  - These rent limit sets flow to the “NPLH Rents” worksheet

Tab: **NPLH Rents** worksheet
- Enter **NPLH Assisted Units only**
  - The 15% to 30% AMI units will have yellow shaded cells for data entry
Universal Application

Key Points (Continued)

Tab: Dev Fee Instructions worksheet
- Contains instructions to complete the “Dev Fee” worksheet

Tab: Dev Fee worksheet
- Calculates developer fee limits under the 2017 Uniform Multifamily Regulations
- Check the appropriate box for the Proposed/Reserved Tax Credits in the project 4%, 9%, or None
- Draft of Project’s TCAC funding “Application” worksheet, “PROJECT FINANCING – THRESHOLD BASIS LIMIT” section must be submitted for proper calculation
- Source document for yellow shaded cells are to the right of calculator
Universal Application

**Key Points (Continued)**

**Tab: Supportive Services worksheet**
- Calculates maximum supportive services costs per UMR’s

**Tab: Operating worksheet**
- Staff Supervisor Salaries (cell D102)
- Supportive Services Admin Overhead (cell D105)
- Total Supportive Services Costs (cell D108)
  - May not exceed the maximum amounts in cells F102, F105 and F108

**Tab: NPLH COSR Calculation worksheet**
- Select anticipated tax credits in the Project (cell D2)
- Maximum eligible COSR loan amount is shown (cell G4)
Universal Application

Key Points (continued)

For 9% Tax Credit Projects

- Select **Project County** from dropdown list in cell C3
- Enter **Total Number of Manager units** in cell C4
- **Per unit COSR loan limits**
  - Enter **number of NPLH assisted units** in yellow shaded cells:
    - K3 - K6, N3 - N6, Q3 - Q6, T3 - T6, W3 - W6
- If **Total Number of NPLH Assisted Units** cell C5 is shaded red, the total NPLH assisted units in columns K, N, Q, T and W **does not equal** total assisted units in the NPLH Rents worksheet
Universal Application

Key Points (continued)

Tab: NPLH COSR Calculation worksheet

Cash Flow components

- Column C Project Amounts flow from the Cash Flow worksheet
- Column D Proration is the default proration %
  - This is equal to the total project units divided by NPLH assisted units minus manager units
  - If you revise the proration % for a line item, explain in cell A61
- Tenant Assistance Payments and Subsidy amounts may be changed by changing the proration % or amount
  - If changed, explain in cell A61
**Key Points** (Continued)

- **Vacancy** is set at 5%
  - Explain any change in cell A61
  - For additional guidance see §209(f)(4) and (5)

- In cell C39 **NPLH Monitoring Fee** enter the .42% payment to HCD for only the portion related to the NPLH Capital Loan Amount

- **NPLH Cash Flow** – rows 49 and 50
  - amounts in cells shaded in blue are added to the eligible COSR amount in cell G4
  - For additional guidance see §209(d) and (l)(6)
Competitive Allocation Application Review

No Place Like Home (NPLH) Program

NOTICE OF FUNDING AVAILABILITY

Competitive Allocation
Supplemental Project Application

State of California
Governor Edmund G. Brown Jr.

Alexis Padesta, Secretary
Business, Consumer Services and Housing Agency

Ben Metcalf, Director
Department of Housing and Community Development

2020 West El Camino Avenue, Suite 500
San Mateo, CA 94403
Phone: (650) 263-7771
Email: NPLH@hcd.ca.gov
Website: http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml
NPLH Supplemental Application

Opening the Application

- A yellow "Enable Content" or "Enable Editing" banner may appear:
  
  ![Security Warning]

  - Click this box to enable macros
  - Enabling macros is necessary for full worksheet functionality

- Complete/answer all yellow shaded cells

- Cells with red triangles contain instructions

- Provide/attach items requested in ORANGE shaded cells using the file names indicated

<table>
<thead>
<tr>
<th>File Name: Preliminary Title Report</th>
<th>Provide a current preliminary report.</th>
</tr>
</thead>
</table>

- Suggested file organization on the CD/USB
  
  - File name: Site Control, Preliminary Title Report, etc.
Key Points (continued)

Tab 1: Proj Threshold Req worksheet

- **County (cell R4)** – use dropdown list to select county where project is located
  - Necessary to pull correct per unit capital loan amounts in the “Tab 2: Loan Amount & Unit Mix” worksheet

- **County Population** – check the applicable population box
  - This will unhide applicable rows 14-43 regarding project team experience
  - Answering “No” to any question will shade the cell red and indicates a key problem
    - Provide explanation to all “No” answers in cell A75
    - If project has site control special circumstances, use cell A75 to explain
Key Points (continued)

Tab 2: Loan Amount & Unit Mix worksheet

- COSR loan amount (cell AJ2) – obtain from Universal Application “NPLH COSR Calc” worksheet (cell G5)

- Enter applicable number of units in yellow shaded cells (must be consistent with what you entered on the UA “Rents” and “NPLH Rents” worksheets)

- NPLH funds shall not be combined with other state funding programs on the same unit - read definition of NPLH Assisted Units (cell A32)

- Maximum allowable NPLH loan (cell S29)

- Submit documentation from the local housing authority substantiating applicable amount of utility allowance used
Key Points (continued)

Tab 3: Supportive Services Plan worksheet

- Provide answers within yellow-shaded cells (cells expand)
- Attach all supporting documents (e.g. MOU, proposed budget)
NPLH Supplemental Application

Key Points (continued)

Sample Resolution worksheets

- Sample County Project Authorizing Resolution
  - Must be completed by the County as the Project Development Sponsor

- Sample Development Sponsor Authorizing Resolution
  - If applying jointly, must be completed by entity as the Project Development Sponsor

IMPORTANT:

- Follow the instructions on sample template(s)
- MUST submit one or both applicable resolution(s).
  - If not submitted, HCD cannot award project
Lynne Sekas
Appeals

Refer to NOFA
Competitive Allocation Application Process

Appeals & Disclosures
Competitive Allocation Application Process

Appeals

1. Appeal process

Throughout the application process there are **two opportunities** to appeal HCD’s decision, at:

a. Initial Threshold

b. Application Scoring
Appeals (Continued)

2. Basis of appeals
   a. To appeal a decision, applicants must submit a written appeal to HCD.
   b. The appeal must state all relevant facts, arguments, and evidence upon which the appeal is based.
   c. New or additional information will NOT be accepted.

Deadline:
Appeals must be received no later than five (5) business days from the date of HCD’s notification.
Competitive Allocation Application Process

Appeals (Continued)

3. Decision

a. Any appeal of HCD’s decision shall be reviewed for compliance with the NPLH Guidelines, the 2018 NPLH NOFA, and any subsequent clarifying documents.

b. It is HCD’s intent to render its decision in writing within fifteen (15) business days of receipt of the applicant’s written appeal.

c. All decisions rendered shall be final, binding, and conclusive and shall constitute the final action of HCD with respect to the appeal.
4. Submission of Appeal

Appeals are to be submitted to HCD either via email at NPLH@hcd.ca.gov with a copy to Shalawn.Garcia@hcd.ca.gov or at the following address:

Shalawn Garcia, Manager NOFA/Awards Section
Department of Housing and Community Development
2020 W. El Camino Avenue, Suite 500
Sacramento, California 95833

HCD will accept appeals through a mail carrier service that provides date stamp verification of delivery such as the U.S. Postal Service, UPS, Fed Ex, or other carrier services. Deliveries must be received during the weekday business hours of 9:00 a.m. to 5:00 p.m. (non-state holidays). E-mails to the email address listed above will be accepted as long as the e-mail time stamp is prior to the appeal deadline.
Disclosure

• Disclosure of Application
  o Information becomes PUBLIC RECORD available for review by the public

• Use Discretion
  o Sponsor is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request
Shalawn Garcia
Project Feasibility
UMR 2017 Section 8300
Competitive Allocation Application Review

- Initial Threshold
- Scoring, Rating, & Ranking
- Project Feasibility
Underwriting Feasibility

- Organizational Documents
- Source of Funds
- Unit Mix
- Development Budget
- Operating Budget
- Cash Flow
Underwriting Feasibility

Organizational Documents

1. Corporation
   - Authorizing Resolutions
   - Certificate of Standing for Corporation
   - Articles of Incorporation
   - By-Laws

2. Limited Partnership
   - LP Agreement
   - Resolution
   - Certificate of good standing
   - Signature Block for ultimate borrower

3. Jurisdictions & Resolutions

4. Payee Data Record
Underwriting Feasibility

Sources and Use of Funds

- Variable loans (UMR § 8310)
- Balloon loans (UMR § 8310)
- Sandwich loans (UMR § 8315)
- Max loan amount = $20,000,000
- Other HCD sources
Underwriting Feasibility

Unit Mix

• Target Population
• AMI levels – no more than 30%
• Unit Standards
  o Size
  o Amenity Level
  o Restricted units shall **NOT** be segregated
• Project Based Rental Assistance
Underwriting Feasibility

Development Budget

- Commercial Space
- High Cost analysis (UMR § 8311)
- Capitalized Operating Subsidy Reserve (COSR)
- Developer Fee (UMR § 8312)
Underwriting Feasibility

Operating Budget

- Replacement Reserves (UMR § 8309)
- Operating Reserves (UMR § 8308)
- Transition Reserves
- Asset Management Fees (UMR § 8314)
- Supportive Service Salaries
Underwriting Feasibility

Cash Flow

• Debt service coverage ratio

• Vacancy Rate
  o 5% for Residential
  o 50% for Commercial

• Restricted and Proposed Rents
Article XXXIV

Regardless of the number of units in a project, all Projects must comply with Article XXXIV of the CA Constitution

- Voter referendum evidencing sufficient Article XXXIV Authority to support the number of restricted units in the Project or
- Other legal basis for Article XXXIV compliance

For NPLH loans underwritten by HCD, Article XXXIV legal opinion letters and other documentation shall be subject to review and approval prior to the execution of HCD’s Standard Agreement
Questions?

Please join us now for a discussion session offering technical assistance and FAQ’s
Stay in the know . . .

Sign up for HCD email at

www.hcd.ca.gov
NPLH Program information:

http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml

For more information email us at:
NPLH@hcd.ca.gov

- California Department of Housing and Community Development
- 2020 West El Camino Avenue
- Sacramento, CA. 95833