

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

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Tuesday, January 24, 2017

MEMORANDUM FOR: ALL POTENTIAL APPLICANTS

FROM: Laura A. Whittall-Scherfee, Deputy Director
Division of Financial Assistance

A handwritten signature in green ink, appearing to read "Laura Whittall-Scherfee", is written over the typed name and title.

SUBJECT: AMENDMENT for HOME Investment Partnerships (HOME) Program NOFA; Updated Application Forms; and Uniform Multifamily Regulation (UMR) Clarifying Guidance.

This Memorandum announces changes to the HOME Investment Partnerships (HOME) Program Notice of Funding Availability (NOFA) dated December 6, 2016.

On December 6, 2016, the Department of Housing and Community Development (Department) announced the availability of \$26 million in federal funds for the HOME Program. The Department is amending Section V. Eligible, Activities for Developer and Community Housing Development Organization (CHDO) Projects in the NOFA, as well as providing updated application forms and clarification regarding the Uniform Multifamily Regulations (UMRs) that are applicable to this NOFA. Due to the changes outlined below, this NOFA is being extended by two weeks from February 2, 2017 to February 16, 2017. All changes outlined below apply to all applications that must be submitted by **Thursday, February 16, 2017.**

- **NOFA**

With this Memorandum, the Department hereby announces the following updates to the NOFA:

- Section V., Eligible Activities in the NOFA incorrectly stated that both the annual 0.42 percent interest payment and an annual monitoring fee would be charged for Developer and CHDO projects. This Memorandum informs applicants that the annual monitoring fee will be charged to Developer and CHDO projects. The 0.42 percent interest payments are not applicable to Developer and CHDO projects.
- The NOFA included a schedule for annual monitoring fees from 2015 through 2017. This Memorandum provides an updated schedule below that provides annual monitoring fees from 2017 through 2019:

Annual Monitoring Fee Schedule

Total Number of Units	2017	2018	2019
12 or fewer	\$5,300	\$5,459	\$5,623
13 to 60	\$10,600	\$10,918	\$11,245
More than 60	\$15,900	\$16,377	\$16,868

The NOFA included language to explain the methodology for the annual monitoring fee increase for Developer and CHDO projects. This Memorandum provides the following clarification regarding the methodology: The annual monitoring fee was established in 2014, and is subject to an increase by three percent per year for each year after 2014, unless the Department determines that its monitoring costs are increasing at a lower rate. The operating budget in the HOME Program application forms should state the monitoring fee that will be effective at the time of initial occupancy.

- **Updated Application Forms**

The Department has updated the HOME Part B First-Time Homebuyer Project Application and the HOME Supplement to the Universal Rental Project Application online (<http://www.hcd.ca.gov/grants-funding/nofas.shtml>). Applicants must complete and submit the updated application forms by the February 16, 2017 application deadline.

- **UMRs Clarification**

In reference to information provided at the HOME Program Workshop on December 12, 2016, further clarity on the applicability of the UMRs is necessary. For the purposes of this NOFA, **the current UMRs dated July 11, 2010 are applicable at the time of application package submission.**

- **Deadline Extension**

The Application deadline for HOME Program funding is hereby extended from February 2, 2017 at 5:00 p.m. Pacific Standard Time (PST) to February 16, 2017 at 5:00 p.m. (PST). The extension also applies to the Housing Element being in substantive compliance and the 100 percent commitment of non-HOME funding.

No other changes are being made to the HOME Program NOFA or the application forms at this time.

Please direct any questions regarding this NOFA amendment to Craig Morrow, NOFA Manager, at (916) 263-4847.