

# Local Housing Trust Fund (LHTF) Program NOFA and Application Workshop

Department of Housing and Community Development

May 2021





## Presenters

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Hi, I'm Melanie and welcome to the Department of Housing and Community Development Webinar for Local Housing Trust Fund.

Today you'll be hearing from Local Housing Trust Fund team members Kelsey, Doniell, Kimberly, and myself, Melanie



## Agenda

- Welcome and Introduction
- General Program Overview
- Program Requirements
- Application, Submission and Appeals
- Award Announcements and Contracts
- HCD Standard Agreements

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The topics we will be covering are, General Program Overview, Program Requirements, Application, Submission and Appeals, Award Announcements and Contracts and Department Standard Agreements

# General Program Overview And NOFA



The General Program overview will cover program purpose, program summary, Notice of Funding Availability, timeline and Authorizing Legislation and Regulation



## Program Purpose

- Purpose
  - To expand sources of funding for housing through new and existing Local Housing Trust Funds with matching funds to assist Extremely Low-Income Households, Lower-Income Households and Moderate-Income Households with affordable housing.

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The Local Housing Trust Fund was established to provide Matching Funds through new and existing local housing trust funds. The department's objective is to expand sources of funding for housing, and to expand the supply of affordable housing through the creation of new Local Housing trust Funds, and to support the on-going operation of existing Local Housing Trust Funds.



## Program Summary

- Local Housing Trust Fund (LHTF) program provides grants to LHTFs who have developed their own eligible funding sources for housing
- All Program Funds shall be matched on a dollar for dollar basis with eligible Matching Funds on the same project

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The Local Housing Trust Funds program provides Matching Grants to Local Housing Trust Funds that have developed their own eligible funding sources for housing.

All program funds shall be matched on a dollar for dollar basis with eligible sources of Matching Funds, such as taxes, fees, loan repayment or public and private contributions. All Matching Funds must be On Deposit prior to any disbursement of Program Funds. Permanent Local Housing Allocation maybe consider Matching Funds for Regional Housing Trust Funds.



## NOFA: Notice of Funding Availability

- NOFA: Approximately \$57 million
- Funding for this NOFA is provided by the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1) adopted by voters on November 6, 2018
- Program Funds shall be used to provide loans for construction or rehabilitation for affordable rental housing, emergency shelters and transitional housing, affordable homeowner projects, acquisition of home by eligible homebuyers and ADUs

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The department is pleased to announce the release of this Notice of Funding availability for approximately \$57 million dollars. Funding for this NOFA is provided by the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1) and adopted by voters on November 6, 2018.

Programs funds shall be used to provide construction and/or permanent financing loans, to pay for construction or rehabilitation, emergency shelters, permanent supportive housing, transitional housing, affordable homebuyer projects, acquisition of home by eligible homebuyers and ADUs at simple interest rate no higher than 3 percent per annum.



## Timeline

NOFA Release	May 3, 2021
Application Due Date	August 03, 2021
Award Announcements	October 2021

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The department NOFA, was released on May 3, 2021. All applications must be submitted by 11:59 p.m. Pacific Standard Time on August 03, 2021. Award announcements will take place around October 2021





## Authorizing Legislation and Regulation

- Senate Bill 3 (SB 3) Beall. Veterans and Affordable Housing Bond Act of 2018
- Health and Safety Code Section 50842.2 Established Matching Grant Program for LHTF
- Health and Safety Code Section 50843.5 (a) authorized Department to implement LHTF through guidelines; the Department adopted guidelines in April 2020

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-Senate Bill 3 authorized Veterans and Affordable Act of 2018 and issuance of bonds and the allocation of \$300 million of proceeds for the LHTF program specifically. SB3 allowed the Department to adopt guidelines instead of regulations. Those guidelines were finalized in April 2020.

-The Local Housing Trust Fund shall operate from ongoing public and/or private contributions. Funds restricted for housing use by state or federal law (such as funds from the Home Investment Partnerships Program (“HOME”), the Community Development Block Grant Program (“CDBG”), redevelopment agency low- and moderate-income housing fund set-aside (“LMIHF”) funds, or state housing programs administered by the Department), shall not be considered Matching Funds. However, Permanent Local Housing Allocation (PLHA) Program funds may be considered Matching Funds for Regional Housing Trust Funds.

With that, I’ll pass the presentation over to Kelsey.

# Eligible Applicants



Hi, I'm Kelsey and first I'll be discussing who is eligible to apply for funds from this program.



## Eligible Applicants: Who can apply

- Must be one of the following:
  - City/County/City & County Housing Trust Fund
  - Public/Tribal Housing Trust Fund
  - Non-profit 501(c)(3) Housing Trust Fund

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Eligibility is limited to a city, county, city and county, Native American Tribe, or Tribes that have created, funded, and operated an Existing Local Housing Trust Fund or have created and funded a New Local Housing Trust Fund.

Nonprofit organizations may also apply if they are an Existing Local Housing Trust Fund or a New Local Housing Trust Fund.

Let's get into a little more detail on what makes these entities eligible.



## Eligible Applicants: Local Housing Trust Funds

- All Local Housing Trust Funds must have these characteristics:
  - Utilizes a public, or joint public and private, fund established by legislation, ordinance, resolution
  - Must receive specific public or public/private revenues to address local housing needs
  - Must have sufficient eligible Matching Funds On-Deposit
  - Funded from Ongoing Revenues sufficient to remain in operation for at least 5 years after Program award

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In order for a Local Housing Trust Fund to be eligible, they must meet the following criteria:

- They must utilize a public, or joint public and private, fund. This fund must be established by legislation, ordinance, or resolution
- They must also receive public-private specific revenues addressing local housing needs
- They must have eligible Matching Funds On-Deposit, and
- They must also be funded from Ongoing Revenues, such as taxes, fees, loan repayments, or public or private contributions. One time sources such as large bequests or land donations are not eligible as Ongoing Revenue.

In round 1, we noticed there was some confusion regarding what information was required, so please note that the applicant:

- Must identify the specific ongoing revenue that will continually flow to the housing trust fund; and
- Must include a discussion of the reason for the housing trust fund, to address local housing needs.



## Eligible Applicants: Public Housing Trust Funds

- Public Housing Trust Funds
  - Must provide a resolution or ordinance evidencing establishment of the HTF passed by all member jurisdictions.
  - Must have submitted their adopted Housing Element to HCD by the application deadline and it's later found in compliance with Housing Element Law by HCD staff
  - Must have submitted Housing Element Annual Progress Report for current year or prior year by application deadline

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Additionally,

- For Public Housing Trust Funds, you must provide a Resolution or Ordinance evidencing the establishment of the housing trust fund, which was passed by all of the member jurisdictions.

-At the time of application, a Housing Element must have been adopted by the governing body and the Department must determine it to be in compliance with state Housing Element law.

-The applicant must also submit to the Department the Annual Progress Report for the current or prior year by the application deadline.



## Eligible Applicants: Nonprofit HTFs

- Nonprofit Housing Trust Funds and Tribal Housing Trust Funds must certify in their application that they will utilize Program Funds only for:
  - Eligible Projects located in cities and counties that have submitted their adopted Housing Element to HCD by the application deadline and it was later found in compliance with Housing Element Law by HCD staff
  - Eligible Projects located in cities and counties that have submitted to the Department the Housing Element Annual Progress Report for the current year or prior year by the application deadline

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In the case of Nonprofit Housing Trust Funds and Tribal Housing Trust Funds,

-They must agree to utilize Program Funds only for Eligible Projects located within the cities or counties that have an adopted Housing Element at the time of application and for which the Annual Progress Report was submitted for the current or prior year by the application deadline.



## Eligible Applicants: RHTFs

- Regional Housing Trust Funds must serve:
  - At least 2 jurisdictions if the combined population is more than 1 million people;
  - At least 3 jurisdictions, in counties with total populations of 250,000 or less;
  - At least 4 jurisdictions, in counties with total populations of more than 250,000

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In the case of an applicant being a Regional Housing Trust Fund, they must meet the minimum threshold of serving 2 jurisdictions with a combined population of more than 1 million people, 3 jurisdictions in counties with total populations of 250,000 or less, or 4 jurisdictions in counties with total populations of more than 250,000 people.



## Eligible Applicants: New HTFs

- New Housing Trust Funds:
  - Organized, funded and began operations no more than 12 months prior to the Round 2 NOFA release (May 3, 2020) or since the last NOFA was issued, whichever is longer

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“New Local Housing Trust Fund” is a Local Housing Trust Fund that was organized, funded, and operated no more than 12 months prior to the NOFA release date, or created since the last NOFA was issued (whichever is longer). If a trust fund has ever previously received an award, it will not be considered “new”. If a “New Local Housing Trust Fund” submits an application within the time frames required, and passes threshold for that funding round but does not score highly enough to receive an award, it shall be permitted to apply in the next funding round as a “New Local Housing Trust Fund.”

This exception will be true even if timing between NOFAs would otherwise cause a “New Local Housing Trust Fund” to be timed out and no longer considered “new” based on the date of its creation. If the trust fund still does not score highly enough the second time, it will no longer be able to apply as a “new” trust fund in any subsequent funding rounds.



# Eligible Activities



Now let's look at the eligible activities.



## Eligible Activities

- LHTF Program Funds must be provided in form of construction loan or permanent financing (can't do land acquisition loan or predevelopment loan)
- Affordable rental multifamily projects (new construction or rehab/acquisition)
- Affordable ownership housing: new construction of projects, down payment assistance, owner-occupied rehabilitation
  - May include Accessory Dwelling Units (ADUs) or Junior Accessory Dwelling Units (JADUs)

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Eligible activities for Local Housing Trust Fund funds include construction loans and/or permanent financing loans at simple interest rates not to exceed 3%.

Funds may also be used for rental multifamily projects.

Additionally, affordable ownership housing is eligible, including new construction of projects, down payment assistance, and owner-occupied rehabilitation. Accessory Dwelling Units and Junior Accessory Dwelling Units are included.



## Eligible Activities continued...

- ADUs/JADUs as a stand-alone program
- Emergency Shelter construction or rehabilitation
- Transitional Housing construction or rehabilitation

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Funds may also be used for the costs associated with the development or rehabilitation of Emergency Shelters and Transitional Housing.



## Eligible Activities: Income Limits

- Minimum 30 percent of Program and Matching Funds expended to assist Extremely-Low Income Households (30% AMI)
- Maximum 20 percent of Program and Matching Funds expended to assist Moderate-Income Households (120% AMI)
- Remaining Program and Matching Funds expended to assist Lower-Income Households (80% AMI)

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After deducting administrative expenses, a minimum of 30% of Program and Matching funds must be used for Extremely Low-Income Households. Dwelling units or shelter beds must be Affordable to and restricted for households with income not to exceed 30% of Area Median Income.

After deducting administrative expenses, a minimum of 20% of Program and Matching funds must be used for Moderate-Income Households whose household income does not exceed 120% of Area Median Income.

Remaining Program and Matching Funds must be used for Low-Income Households whose household income does not exceed 80% of Area Median Income



## Funding Activity Limits

- Minimum application request by Existing LHTF: \$1,000,000
- Minimum application request by New LHTF (not RHTF): \$500,000
- Minimum application request by New LHTF (which is also a RHTF) and is utilizing PLHA Funds as Matching Funds: \$750,000
- Maximum application request for all applicants: \$5,000,000

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Moving on to Funding Activity Limits, an Existing Local Housing Trust Fund cannot request less than \$1,000,000.

For New Local Housing Trust Funds that are not Regional Housing Trust Funds, the minimum is \$500,000.

For New Local Housing Trust Funds which are Regional Housing Trust Funds and also utilizing PLHA funds as Matching Funds, the minimum is \$750,000.

The maximum amount for all applicants is \$5,000,000.

# Matching Funds Requirements



An important part of this program to understand is the matching funds requirement.



## Matching Funds Requirements

- All Program Funds must be matched by the Applicant dollar-for-dollar
- Must be derived from dedicated sources of funding such as taxes, fees, loan repayments, public or private contributions, including land donations
- Funds restricted by State or federal law for housing use are ineligible as Matching Funds
  - Exception: PLHA for Regional Housing Trust Funds

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All Program Funds provided must be matched dollar-for-dollar by dedicated sources of funding, such as taxes, fees, loan repayments, or public or private contributions by the Applicant. Please note: lines of credit and loans are not eligible sources.

State or Federally restricted housing funds (such as HOME, CDBG, etc.) will not be considered as Matching Funds, however, PLHA funds may be considered Matching Funds for Regional Housing Trust Funds.



## Matching Funds Requirements continued...

- Must be “On Deposit” when application is submitted
- All Matching Funds must be “On Deposit” when disbursement request submitted
- “Legally-binding commitment” can substitute for “On Deposit” at application deadline, pending Department approval

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Matching Funds must be On Deposit prior to Program Fund disbursement and must be utilized on a dollar-for-dollar basis for the same Eligible Project for which Program Funds are used.

In the event that a Trust Fund has sufficient Matching Funds in its account at the NOFA application deadline, but also has Legally-Binding Commitments to deposit additional sufficient Matching Funds prior to disbursement of any Program Funds, the Department may permit the Trust Fund to deploy the original Matching Funds, pending the Department’s approval of the Legally-Binding Commitments to deposit additional sufficient Matching Funds





## Matching Funds Requirements: Ongoing Revenues

- “Ongoing Revenues” are required and may or may not be eligible Matching Funds
  - New Housing Trust Funds “Ongoing Revenue” must be sufficient to pay for 5 years of Trust Fund’s operating costs after LHTF award
  - Existing Housing Trust Funds “Ongoing Revenue” must be at least an average of \$100,000 per year for 3 years after LHTF award

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The Ongoing Revenues requirement does not include one time donations such as land or large bequests.

For a New Housing Trust Fund, the Ongoing Revenue must be sufficient to pay for 5 years of operating costs following award.

For Existing Housing Trust Fund, Ongoing Revenue must be at least an average of \$100,000 per year for 3 years after award.

Ongoing Revenues are required to be derived from dedicated sources of consistent funding, such as taxes, fees, repayments of loans made by the Trust Fund, or regular annual public or private contributions. Ongoing Revenues may not include one-time donations, such as land donations or large bequests, and may not include loans or lines of credit.

Now I’ll hand it over to Doniell.

# Program Administrative Costs, Underwriting Requirements, and Other Program Requirements



Hi, I am Doniell and I will be covering a variety of topics including: Program Administrative Costs, Underwriting requirements and a select portion of Program and Application Requirements. I will also be explaining the Rating and Ranking Process and the standard State and Federal Requirements mentioned in more detail in the NOFA.



## Program Administrative Costs

- Maximum amount of 5% of the allocation and 5% of Matching Funds is allowed.

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Based on the Guidelines Section 105(b), a Local Housing Trust Fund that receives an award under this NOFA shall not use more than 5% of the allocation and 5% of the matching funds for administrative costs.



## Underwriting Requirements (cont.)

- Construction loans require Development Loan Agreement
- Loan guidelines and underwriting standards must be submitted with the application
- For development projects, HCD will send its funds to escrow

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A grantee of the LHTF program must comply with the underwriting and loan requirements of Guidelines, Section 107, the administrative requirements of Sections 108 and 109 (b), and the reporting requirements of Section 112.



## Underwriting Requirements

1. Required debt coverage ratio
2. Minimum projected operating expenses
3. Required replacement reserve
4. Required capitalized operating reserve
5. Requirements for positive cash flow
6. Required projected vacancy rate
7. Requirements for construction contingency if construction financing is being provided with LHTF funds
8. Requirements for senior lender loan types and junior lender loan types;
9. Subordination policy
10. Leasehold security requirement

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The Applicant shall submit documentation of its loan guidelines and underwriting standards and procedures for review by the Department as part of its program application. These are the factors that must be addressed in underwriting standards that Applicants must submit to ensure project Feasibility.



## Other Program Requirements

- If HTF ceases operations, all loans have to be transferred to HCD for monitoring and loan management
- If HTF ceases operations within 5 yrs., HCD will disencumber all remaining unencumbered funds
- Funds not encumbered within 60 months of SA date are disencumbered

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Those granted Program funds must administer the LHTF for at least 5 years AFTER the Program Funds award date. If the Housing Trust Fund stops operating during the five year period than the Department will disencumber all remaining unencumbered funds.

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## Other Program Requirements continued...

- All loan repayments, interest and fees derived from Program and Matching Funds are required to be used for LHTF eligible activities
- Annual public hearing required by all HTFs to discuss eligible projects to be funded
- LHTF annual report due 7/31 every year

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Repayments, interest, and fees derived from loans of Program Funds shall be returned to the Grantee's Housing Trust Fund and are required to be used for Local Housing Trust Fund Program eligible activities.

An annual public hearing must be held to allow public comment on the projects the Housing Trust Fund is seeking to fund that year.

An annual report is due by July 31 annually. For more information on the specifics of that report please see Section 112 of guidelines.

You can visit our HCD website under Reporting Requirements section where you can find the Annual Report form.



## Application Requirements

- 15% set aside for New HTFs
- Only complete applications on HCD forms submitted by the deadline (Aug. 3) will be reviewed

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Please note that 15% of LHTF funds for this year will be dedicated specifically to New Housing Trust Funds.

Be sure to submit a complete application using the forms on our website. You must have the application in before the deadline in order to be considered for funding.



## Rating and Ranking



In the event that the amount of funding requested in complete and eligible applications exceeds the funds available - applications shall be evaluated and funded using particular criteria outlined starting on page 7 of the NOFA.

There will be a self-scoring tab on the application so applicants will have an idea of what their score is when they turn in their application. I will review those criteria now.



## Non-Residential Matching Funds (15 pts max)

Extent to which the Applicant provides Matching Funds from sources other than residential Local Impact Fees or In Lieu Fees (Guidelines Section 106(f)(1))

- 0% – 25% from other sources ~ 5 points
- 26% - 50% from other sources ~ 10 points
- 51% or more from other sources ~ 15 points

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The 1<sup>st</sup> opportunity for points is Non-Residential Matching Funds. Applicants will receive points based the percentage of Matching Funds specifically from sources other than residential Local Impact Fees or In Lieu Fees . There is a minimum of 5 points and a maximum of 15 points in this category.



## Deeper Income Targeting (20 pts. Max)

- Extent to which the Applicant commits to expend less than 20 percent of Program Funds and Matching Funds to serve Moderate-Income Households (Guidelines Section 106(f)(2))
  - 11% - 18% funding for Moderate-Income Household ~ 5 points
  - 6% - 10% funding for Moderate-Income Household ~ 10 points
  - 1% - 5% funding for Moderate-Income Household ~ 15 points
  - 100% funding for Lower-Income Household ~ 20 points

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Our next opportunity is Deeper Income Targeting. To receive the entire 20 points, applicants would commit 100% of their funding to Lower-Income Households. As you can see on the slide the minimum action needed to receive the lowest amount of possible points – 5- requires a percentage of no more than 18% of funding being utilized for Moderate-Income households and to receive the total amount of 20, applicants must commit to 100%.



## Readiness (15 pts. max)

Extent to which applicant completed first phase funding process for multifamily rental projects:

Website posting of pipeline projects with status ~ 5 points, PLUS EITHER of the next two (2) factors:

- Projects with first phase funding completed representing 2 times the application request (e.g. if requesting \$5 million, pipeline projects must total at least \$10 million ~ 5 points OR
- Projects with first phase funding completed representing 3 times the application request (e.g. if requesting \$5 million, pipeline projects must total at least \$15 million ~ 10 points

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To score points in this category applicants MUST have the website posting in order to get any points for having made commitments.

Please Note that applications requesting funds solely for single family activities will not receive any points in this category.



## Increasing the Supply of Lower-Income Rental Housing (20 pts max)

Extent to which the applicant commits to use Program Funds and Matching Funds for permanent loans of rental housing developments affordable to and restricted to households with average incomes of no more than 60 percent of AMI (Guidelines Section 106(f)(4))

- 100% funding for perm financing for 60% AMI or less~20 points
- 75% - 99% funding for perm financing for 60% AMI or less~15 points
- 100% funding for non perm financing for 60% AMI or less~10 points
- 75-99% funding for non perm financing for 60% AMI or less~7.5 points

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The fourth criteria is how much of applicant's funding will be committed for permanent loans and non perm loans of rental housing AND restricted to households with 60% AMI or less.



## Community Need (15 pts max)

- Percentage of Lower-Income Households paying more than 50 percent of their household income for rent or owner expenses, in jurisdictions to be served by the application, in comparison with jurisdictions to be served by other applications (Guidelines Section 106(f)(5))
  - 0% - 25% ~ 5 points
  - 26% - 44% ~ 10 points
  - 45% or higher ~ 15 points

Note: This section will be scored by HCD using CHAS data (Comprehensive Housing Affordability Strategy) (See NOFA p. 8)

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The fifth criteria is Community Need.

At a minimum everyone will receive 5 points and those jurisdictions most impacted will receive 15 points.



## Regional Housing Trust Fund Applicants (5 pts max)

- Applicants which are a Regional Housing Trust Fund meeting the description herein get all points in this category. (Guidelines Section 106(f)(6))

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A Regional Housing Trust Fund, for the purposes of these points, includes the following makeups:

A) 6 jurisdictions (in counties with total populations of 250,000 or less) OR

B) 8 jurisdictions (in counties with a population of more than 250,000), OR

C) that meet the minimum threshold (2 jurisdictions with more than 1 million people, 3 jurisdictions in counties with total populations of 250, 000 or less OR 4 jurisdictions in counties with more than 250K and include more than 66% of the population of the county or counties

**An important piece of information in regard to future NOFAs:** HCD may assess negative points for Applicants who received awards in prior years for applications in which they committed to Deeper Income Targeting and/or to Increase the Supply of Lower-Income Rental Housing but did not expend funds committed to these activities.



## Performance (10 pts)

- The extent to which Applicants exceed the minimum 40% commitment threshold stated in (Guidelines Section 102(d))

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**Slide 39** - Awardees must have committed a minimum of 40% of program funds previously awarded in order to be eligible to submit an application for LHTF NOFA 2021.

Therefore to receive the 10 points in this category they must have exceeded the 40% minimum commitment. So, in other words if a previous awardee commits more than 40% of their previous award they will qualify for 10 points.

**CORRECT points to 10 points take out max**





## Tie Breaker

- In the event of tied point scores, the tie breaker is the extent to which the application identifies specific multifamily rental projects to which the HTF has issued Letters of Intent to provide construction or permanent financing (Guidelines Section 106(g)(1))

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The Department will rank tied applications based on the extent to which the application identifies specific multifamily rental projects for which the trust fund has issued Letters of Intent to developers for construction or permanent financing.



## State and Federal Requirements

- Climate Adaptation - Executive Order B-30-15  
This order addresses the need for climate adaptation.

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In response to the Governor's Executive Order, the Department strongly encourages Awardees to implement the LHTF-funded project in a manner that reduces greenhouse gas emissions and adapts to climate change. In addition, Awardees must obtain specific information from local governments indicating the progress made in planning to adapt to climate change.

Now you'll hear from Kimberly.

# Application, Submission, Q&A Workshops & Appeals



Hi my name is Kim and I will be discussing the LHTF application and submission, our Q & A workshops, the Appeal process, as well as award announcements and Contracts

Let's jump right in and discuss the application process.



## Complete Application

- The LHTF Application form was posted on the LHTF webpage on May 19, 2021.
- The application must be completed on the Department's forms – no altering or modifying.
- Excel forms must be submitted in Excel format – NOT as PDF.
- A complete application must have all requested information, adequate supporting documentation submitted with the application, and sufficient information for HCD to determine eligibility for funding.
- Complete applications submitted by 11:59 PM on August 3, 2021 will be considered for funding

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Keep in mind that in order to meet the application requirements of our Local Housing Trust Fund Program Guidelines an applicant must complete the application on the Departments forms which cannot be altered or modified ensuring all Excel forms be in Excel Format and not a PDF document.

Ensure the Application is “Complete” which means:

- All requested information is listed in the application
- All adequate reports and documents are submitted with the application
- All information is sufficient for us to review to determine eligibility for funding.

All complete applications submitted on or before the application deadline of August 3, 2021 will be considered for funding.

Applications that do not meet the program requirements outlined in the NOFA will not be eligible for funding.

Keep in mind that if the total amount of funding requested by all applicants under a NOFA is less than the amount of funding available under the NOFA, the Department may allow an Applicant to submit additional or corrected information to amend an application and make it complete. Such amendments may not include a request for a

higher funding amount.

To access the application forms they may be downloaded on the LHTF webpage.

Now, Let's discuss the Application Submission...



## Application Submission Process

All applicable information must be received electronically by the Department via the Online Submission Portal (available beginning July 19, 2021) **no later than:**

**11:59 p.m. Pacific Standard Time on  
August 3, 2021**

**Technical assistance unavailable after 5:00 PM on August 3, 2021**

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The application instructions and submittal portal will be available beginning July 19, 2021. This means the application materials must be submitted electronically to the Department's website. The Department no longer accepts hard-copy submittal of the application or supplemental documentation.

Please note: technical assistance will not be available after 5pm on August 3, 2021, so please do not wait until the last moment to submit your application. No faxes, incomplete applications, application revisions, or walk-in application packages will be accepted. Applications that do not meet the filing deadline requirements will not be eligible for funding.

Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available on the website.



## Application Submission Process continued...

- Review application criteria
- Have a plan to acquire needed items
- Submit complete and accurate application

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Please remember that your application package is the only information the reviewer has about your project, so be sure to review the application criteria, make sure to have a plan to acquire any needed items and before hitting submit confirm the application is complete and accurate.



## Application Tips

### Things to Remember While Filling Out the Application

- Input in yellow cells only
- Do not copy and paste
- Answer in order
- Be sure to include complete and all required documentations

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Here are some additional tips to remember while completing your application:

- The yellow cells are for inputting information.
- Do not copy and paste into cells.
- The applicant must answer the questions in order because some information flows into other cells that may have formulas.
- All required documents must be provided at the time of application submission
- Be sure to confirm that the Application Signatory is an authorized signer listed in the Resolution

Let's move on to Q & A workshops...





## Q&A Webinars

- Send questions to [LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov)
- Live Q&A's:
  - Wednesday, June 2<sup>nd</sup> from 10:00 am to 12:00 pm
  - Note: Q&A session might end prior to 12:00 PM if there are no additional questions to be answered

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The Department will conduct a Q&A webinar for the LHTF program.

We are asking applicants to thoroughly review the application to see if there are any questions we can answer for you.

We would like to gather questions in advance and discuss them during the Q&A webinar. If you have any questions regarding the NOFA, Guidelines, or Application, please send them to the [LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov).

Applicants are strongly encouraged to listen in to the Q&A workshop to gain information critical for preparing the application. We will post questions and answers from the webinars on the LHTF webpage.



## Appeals

- Appeals are to be submitted to the Department at [LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov)

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If an application has been determined to be incomplete, ineligible, fails threshold, or has a reduction to the initial point score, Applicants may appeal such decision(s) to the Department.

The appeal process applies solely to decisions of the Department made in this LHTF program NOFA and not for any past or future NOFA.

You may submit your appeal to the department at [LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov).



## Disclosure of Application

- Use discretion in providing information not specifically requested, including, but not limited to, bank account numbers, personal phone numbers and home addresses.

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Information provided in the application will become a public record available for review by the public. All materials provided will be disclosable to any person making a request about an application. The Department cautions applicants to use discretion in providing information not specifically requested.

By providing this information to the Department, the applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

# Award Announcements & Contracts



Onto award announcements and contracts...



## Next Steps

Only complete applications on forms made available by the Department submitted on or before the application deadline stated in this NOFA will be considered for funding.

- Internal Loan Committee receives award recommendations
- Award letters
- Standard Agreements
- Grants Management Team

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All applications will be reviewed, and in the event that the amount of requested funds from complete and eligible applications exceeds the funds available, applications will be evaluated and funded using the criteria that Doniell shared with us earlier in the webinar.

Applications meeting requirements will be forwarded to the Internal Loan Committee for approval.

Approved applications will be sent an award letter. Once the SA has been executed, our team's task will be complete, and you will assigned a staff person from the Grants and Management Section.



## Contracts

- Successful Applicants (Awardee(s)) will enter into a Standard Agreement with the Department.

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Awardees will be able to draw down funds when the Standard Agreement is fully executed, and any general and special conditions have been cleared in writing. In addition, expenditures may not be incurred prior to the execution of the Standard Agreement.

Grantees are responsible for administering and implementing the Eligible Projects as proposed in their application and must continue the operation of the Local Housing Trust Fund for at least five years after the Program Funds award date.

Any Program Funds not encumbered by a Grantee by a loan commitment to the developer of an Eligible Project within 60 months of the date of the executed state Standard Agreement shall be disencumbered by the Department, and any Program Funds advanced to a Grantee shall promptly be returned to the Department.



## Resources

Local Housing Trust Fund (LHTF) Website

<https://hcd.ca.gov/grants-funding/active-funding/lhtf.shtml>

Senate Bill 3, Beall. Veterans and Affordable Housing Bond Act

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB3](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB3)

LHTF Final Guidelines

[https://hcd.ca.gov/grants-funding/active-funding/lhtf/docs/2020\\_Final\\_Guidelines.pdf](https://hcd.ca.gov/grants-funding/active-funding/lhtf/docs/2020_Final_Guidelines.pdf)

LHTF Notice of Funding Availability

[https://www.hcd.ca.gov/grants-funding/active-funding/lhtf/docs/lhtf\\_2021\\_nofa.pdf](https://www.hcd.ca.gov/grants-funding/active-funding/lhtf/docs/lhtf_2021_nofa.pdf)

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Here are links to some of the resources we used throughout the presentation.

Stay in the know: Sign up for HCD email at [www.hcd.ca.gov](http://www.hcd.ca.gov)

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## Contact

Additional questions may be sent to LHTF  
mailbox

[LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov)

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For any questions regarding the Local Housing Trust Fund program, email us at [LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov).

Thank you.