

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

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July 23, 2021

**MEMORANDUM FOR:** Potential Applicants - Multifamily Housing Program July 2021 Notice of Funding Availability

**FROM:** Jennifer Seeger, Deputy Director  
Division of State Financial Assistance

**SUBJECT:** **Notice of Changes to Multifamily Housing Program Guidelines**

The Department of Housing and Community Development (“Department”), by this executive action, is amending, adding and deleting certain guidelines administered by the Department that govern the Multifamily Housing Program.

Any questions may be directed to Jennifer Seeger, Deputy Director, Department of Financial Assistance @ 916-263-7499 or [Jennifer.Seeger@hcd.ca.gov](mailto:Jennifer.Seeger@hcd.ca.gov).

Attachment

WHEREAS the Department of Housing and Community Development (“Department”) is authorized by Health and Safety Code section 54014(b) to adopt promulgate, amend, and repeal guidelines establishing requirements for administration of the Multifamily Housing Program (“MHP”), Chapter 6.7, commencing with section 50675) Part 2, Division 31;

WHEREAS the Department intends to make changes to the MHP guidelines (“MHP Program Guidelines”) through the MHP July 2021 Notice of Funding Availability;

WHEREAS pursuant to the statutory authority set forth above, the MHP Program Guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code;

Now, THEREFORE, by the undersigned execution of the Department's Deputy Director, the Department hereby adopts into and amends the Program Guidelines the following changes thereto, as if such provisions were originally set forth in each publication of the foregoing MHP Program Guidelines:

The following definitions are adopted as follows:

#### 7301. Definitions

(dd) “Alternate Scoring” means a scoring method set forth in Section 7320(3)(E), which is available for projects having at least 70 percent of the units reserved for Special Needs Populations, or the Sponsor is an eligible Tribal Entity

(ee) “Developer Fee Limits” means the limits specified in Section 7305 of the 2019 MHP Guidelines and the Uniform Multifamily Regulations Section 8312, except that:

(1) For Projects utilizing four percent tax credits, Developer Fee payments shall not exceed the amount that may be included in project costs pursuant to Title 4 CCR, Section 10327(c)(2)(A); and

(2) For non-tax credit projects meeting the criteria set forth in Section F of this NOFA, the total developer fee shall not exceed \$2,200,000. In addition, the developer fee paid from development funding sources shall not exceed the per unit limit calculated in accordance with UMR 8312(a).

(ff) “Disabled Populations” means individuals with physical or sensory disabilities and transitioning from hospitals, nursing homes, development centers, or other care facilities; individuals with intellectual disabilities, or developmental disabilities; individuals with serious mental illness; Chronically Homeless; and individuals with chronic illness, including HIV.

(jj) “Indian country” refers to land located in Indian country as defined by 18 USC 1151.

(kk) “Joint Venture”: For purposes of Guideline Section 7303(a), a Joint Venture is defined as “an association of two or more persons, or entities who combine their property, skill or knowledge to carry out a single business enterprise for profit.” A Sponsor formed as a Joint Venture in accordance Section 7303(a) shall comply with the requirements of Section 7303(d). Neither the Borrower limited partnership, nor a network of entities affiliated with a common parent entity are Joint Venture entities within the meaning of this section.

(ll) “Tribal Entity” means a Tribe, or a tribally designated housing entity.

(mm) “Tribe” means a federally recognized California Indian Tribe that meets the definition of Indian tribe under Section 4103 of Title 25 of the United State Code

Section 7302(d): This section is repealed.

Section 7302(g) (3): This section is adopted as follows:

Disabled Special Needs Populations include individuals with physical or sensory disabilities and transitioning from hospitals, nursing homes, development centers, or other care facilities; individuals with intellectual disabilities, or developmental disabilities; individuals with serious mental illness; Chronically Homeless; and individuals with chronic illness, including HIV.

Section 7303 (a): This section is repealed and replaced with the following:

A Sponsor shall be any individual, joint venture, partnership, limited partnership, trust, corporation, limited liability company, local public entity, or Tribal Entity, or any combination thereof which meets the requirements of Section 7303(c).

Section 7305(b) and 7305(b)(1): These sections are amended and combined as follows:

The limits on developer fee specified in UMR Section 8312 shall apply, except that Section 8312(d) shall not apply.

Section 7305(b)(2): This section is repealed.

Section 7307(b)(2)(4): This section is adopted as follows:

For projects utilizing nine percent (9%) tax credits the initial base amount shall be as follows:

(A) \$110,000 per Department Assisted Unit qualifying as Special Needs Housing;

(B) \$110,000 per Restricted Unit in a Large Family new construction project located in a “High Resource” or “Highest Resource” area on the TCAC/HCD Opportunity Map, regardless of unit size; and

(C) \$95,000, per other Restricted Unit and any Manager’s Unit.

Section 7320(b)(3)(E):

The following sentence is adopted and added as the last sentence to this section as follows:

Tribal Entities may use the alternative scoring method set forth in this Section.

*For all items going to the DO, include the following signature blocks at the end of the document:*

**APPROVED:**



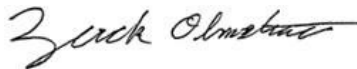
7/23/2021

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Jennifer Seeger, Deputy Director  
Division of State Financial Assistance  
California Department of Housing Community Development

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Date



7/23/2021

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Zachary Olmstead, Chief Deputy Director  
California Department of Housing Community Development

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Date



7/23/2021

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Gustavo Velasquez, Director  
California Department of Housing Community Development

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Date