No Place Like Home Program (NPLH)

Competitive Allocation
NOFA and Application Workshop

California Department of Housing and Community Development
Governor Gavin Newsom
State of California
Doug McCauley, Director
Department of Housing and Community Development

Welcome
Introductions and Agenda

Meet our HCD NPLH Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laura Bateman</td>
<td><a href="mailto:Laura.Bateman@hcd.ca.gov">Laura.Bateman@hcd.ca.gov</a></td>
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<td>Tanya Danna</td>
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<td>Aaron New</td>
<td><a href="mailto:Aaron.New@hcd.ca.gov">Aaron.New@hcd.ca.gov</a></td>
</tr>
</tbody>
</table>

Please send NPLH inquiries to: NPLH@hcd.ca.gov

Laura Bateman
Hot Topics
Hot Topics at HCD

- HCD Process Improvements
- Use of Other HCD Funding Sources
- Subrogation of HCD Funds (swapping)
- Hybrid Projects

HCD Process Improvements

1) Standard Agreements
   - Organizational Documents
   - Resolutions
2) Relocation Reviews Process
3) Article XXXIV Review Process

HCD Process Improvements

1) Standard Agreements
   - Past Practice & Process Issues:
     - Timing
     - Delays to Construction Closing
     - Inconsistency Across Programs
     - Confusion in Communications
     - Frustration
     - Multiple Amendments
     - Fiscal
HCD Process Improvements

1) Standard Agreements

• Goals:
  – Pending Contracts out within 90 days of Award
  – “Standard” Agreements (SA) across programs
  – Execute the SA ONCE
    • All entities included
    • Payees Named
    – Minimize/Eliminate need for amendments
    • Budget Changes
    • Performance Milestones
  – Clean handoff from NOFA to Loan Closing

• Process:
  – Organizational Documents with application
    • Borrower
    • Managing General Partner (MGP)
    • Sponsor
  – Reviewed during feasibility
  – Post-Award Corrections
  – Final Project Reports
  – Sponsor Engagement (Awardees)
HCD Process Improvements

1) Standard Agreements
• Authorizing Resolutions (Common Mistakes)
  − Applicant Name & Org. Type
    • Matches Org. Docs. exactly
    • Matches STD 204 and/or TIN exactly
  − TIN is for the correct Department or Subdivision
  − Authorized Representative
    • Name & Title (corporate entities)
    • Title (public entities)
    • Designee Letter
    • Matches signature block exactly
  − And/Or

2) Relocation & No-Relocation Reviews
• Staff Review
  − Vacant Land Only
  − No-Relocation Certification to be executed prior to Award
• Legal Review Required
  − No relocation other than vacant land
  − Evidence conflicting with “vacant land” assertion
  − Relocation required and plan submitted
HCD Process Improvements

3) Article XXXIV Reviews

- Staff Review
  - Identify errors & omissions
  - Consult with legal counsel
  - Make corrections via Project Reports

- Legal Review Required
  - Less restrictive approach
  - Revised Opinions not required
  - Issues resolved prior to award

Use of Other HCD Funding Sources

1) Article XXXIV
2) Stacking Prohibition
3) Integration

Use of Other HCD Funding Sources

1) Article XXXIV
- Limits the number of “low-income” units assisted with public funds
- “Public funds” include City, County and State funds
- Authority is granted by voters within the jurisdiction
- A jurisdiction either has authority, or it doesn’t
- If it doesn’t, the project must fall within an exception
  - Rehabilitation or Replacement of low-income units
  - No more than 49% of total units will be assisted w/public funds
  - VHHP exception
  - Public lender not a developer of affordable housing
Use of Other HCD Funding Sources

1) Article XXXIV (Documentation)
   • Jurisdiction has authority
     — Allocation letter from jurisdiction
   • Must include name of ballot measure, date passed, total authority granted, balance prior to proposed project, authority allocated to proposed project and remaining balance
   • Jurisdiction does not have authority
     — Legal Opinion
     Must include analysis of Article XXXIV and exceptions which are applicable to all public funds. If 49% rule, all public funds will assist the same 49% of units.

2) Stacking Prohibition(s)
   • NPLH Guidelines Article II, Section 200(e) states:
     "Use of multiple Department Funding Sources on the same Assisted Units (subsidy stacking) is prohibited".
   • The same prohibition currently applies to all HCD multifamily development loan programs

3) Integration
   • NPLH Guidelines Section 202(e)(2) states:
     "In projects greater than 20 units, the Department will fund no more than 49 percent of the Project’s total units as NPLH assisted units".
   • MHP
   • Integration requirements are only applicable to units assisted with Department Sources
Use of Other HCD Funding Sources

Article XXXIV, Stacking & Integration (Takeaways)

- Putting it all together can be complicated
- The more HCD sources, the more complicated it can get
- Understand the rules
- Check the requirements of each HCD source
- The proposed structure may affect loan limits
- We can help!

Subrogation of HCD Sources (swapping)

(Previous HCD Awards)

- Swapping Prior Award for NPLH
  - Prohibited unless prior award/Standard Agreement is declined/disencumbered
  - Request must be made in writing
  - Prior to NPLH application deadline

Hybrid Projects

- Components will be reviewed, ranked and awarded as individual projects on their own merit. No special consideration is given.
- 4% hybrid components will be evaluated the same as 9% projects in Readiness scoring
- Applicants should contact TCAC for advice on structuring hybrid projects
NPLH NOFA Overview

What is the No Place Like Home Program?
- Approximately $178 million in Round 2 Competitive NOFA release

<table>
<thead>
<tr>
<th>NOFA Issued</th>
<th>September 27, 2019</th>
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<tbody>
<tr>
<td>Application due date</td>
<td>January 8, 2020 by 5:00pm PST</td>
</tr>
<tr>
<td>Internal Loan Committee (ILC)</td>
<td>June 2020</td>
</tr>
<tr>
<td>Anticipated Awards Announced</td>
<td>June 2020</td>
</tr>
</tbody>
</table>

Note: Deadline to submit Noncompetitive Applications is February 15, 2021

What's New in Round 2
- Environmental Reports
- Supportive Service Plan included in Application
- New Loan Limits
- Dev Fee / High Cost Test Worksheet in UA
- Application Support
- Self-Certifications

Additional Information is available at:
http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml#guidelines
- Explanation of Round 2 Amendments
- Responses to Round 2 Guideline Amendment Public Comments

Program Guidelines
- Round 2 No Place Like Home Program Guidelines (PDF)
- Round 2 Guideline Amendments (PDF)
- Explanation of Round 2 Amendments (PDF)
- Responses to Round 2 Guideline Amendment Public Comments (PDF)
Supportive Services Review

Program Highlights
- The Supportive Services Plan is now included in the application
- New form on application for Lead Service Provider Experience with Evidence Based Practices (LSP Exp. with EBP)
- Cost escalator is now 3.5% (inflation)
- There are 3 tabs dedicated to Supportive Services in the Supplementary Application (Supportive Services Plan, SS Verification and the LSP Exp. with EBP tabs)

Supportive Services Review
Supportive Services Plan (SSP)
- Part I. Tenant Selection Criteria
- Part II. Lead Service Provider
- Part III. Supportive Services Detail
- Part IV. Tenant Safety and Engagement
- Part V. Staffing
- Part VI. Supportive Services Budget
- Part VII. Collaboration and Reporting

Part I. Tenant Selection Criteria
- Target Tenant Population
- Market/Outreach
- Housing First Characteristics

Section 1: Tenant Selection Criteria
Section 1: Tenant Engagement

1. Will the services engagement outreach strategy include:

   - Outreach plan is distinct from the marketing and outreach efforts for attracting applicants to the Project.

2. Describe the strategies to engage residents in social interaction, building operations, and community involvement within the Project.

Other strategies? Please describe:

Assessment prior to leasing?

Section 2: Service Delivery

1. County/LSP

   - Name:

   - Relationship to employment, health, housing retention) and may also coordinate with other agencies that do so.

2. List any additional agencies that will be providing comprehensive case management services to residents. Describe population(s) they will serve and how their services will be coordinated by the LSP.

How many Projects have the Applicant and LSP completed together? (Provide list of completed Projects when submitting)

Part III. Supportive Services Detail

- Supportive Services Chart
- Supportive Services Coordinator
- Verification from Appropriate Public or Non-profit

Part IV. Tenant Safety and Engagement

- Tenant Engagement
- Safety and Security
Supportive Services Review

Part V. Staffing

- Staffing Chart
- Staffing Ratios
- Case Management Ratios

<table>
<thead>
<tr>
<th>Title</th>
<th>Minimum Expenditures</th>
<th>FTE</th>
<th>Developing Organization</th>
<th>Location</th>
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<tbody>
<tr>
<td>Job 1</td>
<td>$10,000</td>
<td>0.5</td>
<td>Agency A</td>
<td>City A</td>
</tr>
<tr>
<td>Job 2</td>
<td>$15,000</td>
<td>0.75</td>
<td>Agency B</td>
<td>City B</td>
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</table>

Supportive Services Review

Part VI. Supportive Services Budget

- Supportive Services Budget Table
- Budget Narrative and Funding Commitments
- Services Funding History Table

<table>
<thead>
<tr>
<th>Expense Item</th>
<th>Amount</th>
<th>Type</th>
<th>Status</th>
<th>% of Total</th>
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</thead>
<tbody>
<tr>
<td>Staff Salaries</td>
<td>$50,000</td>
<td>E</td>
<td>N/A</td>
<td>0.50 %</td>
</tr>
<tr>
<td>Travel</td>
<td>$10,000</td>
<td></td>
<td></td>
<td>0.10 %</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>$5,000</td>
<td></td>
<td></td>
<td>0.05 %</td>
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Supportive Services Review

Part VII. Collaboration and Reporting

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Supportive Services Review

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Competitive Allocation Application Review

- Initial Threshold
- Rating & Ranking
- Project Feasibility

Initial Threshold Review

Initial Threshold Review
- Applications will be evaluated solely upon the materials contained within the application
- Will review for completeness and compliance with Guidelines

Minimum Requirements:
1) Eligible applicant(s)
2) Eligible use of funds
3) Experience of the Project team
4) Site control
5) Project Integration
6) Compliance with Article XXXIV
7) Application Completeness
Initial Threshold Review

1) Eligible Applicant(s) - must be a County
   • Single County independently as the Development Sponsor
   • Single County jointly with another entity as the Development Sponsor
   • Two or more counties jointly:
     o There is a commitment to collaborate and coordinate supportive services and other resources
     o NPLH tenants from each of the Counties are expected to reside in the Project
Initial Threshold Review

2) Eligible Uses of Funds
   • Acquisition, construction, rehabilitation or preservation
   • Rental Housing Development with a minimum of five units
   • Serves Target Population
   • Capitalized Operating Subsidy Reserve (COSR)
   • Stacking Prohibition
   • Replacement of same number of demolished bedrooms, if applicable

Initial Threshold Review

3) Experience of Project Team

A. Applicant or Development Sponsor must have:
   • At least one example of Permanent Supportive Housing or two examples of affordable rental housing,
   • Serving the target population, and
   • Completed or last date owned/operated within the last 10 years.

B. Lead Service Provider (which may be the County) must have:
   • Minimum 3 years 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

C. Property Manager must have:
   • Minimum 3 years serving the Target Population

Note: In Counties with a population less than 200,000, the experience may be met by serving Special Needs Populations similar to the Target Population
Initial Threshold Review

4) Site Control
   • Must be in the Sponsor’s name or an entity controlled by the sponsor
   • Must extend past the anticipated award date
     • Ownership interest may be demonstrated by:
       – fee title
       – a leasehold interest
       – an enforceable option to purchase
       – a disposition and development agreement
       – exclusive rights to negotiate for acquisition
       – a land sales contract

5) Project Integration
   • In projects greater than 20 units, HCD will fund no more than 40% 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 and architectural design features
     • Have no restrictions on guests different from that of unsubsidized rental housing in the community

6) Article XXXIV
   • Article XXXIV Legal Opinion Letter
   • Jurisdiction Letter regarding Allocation of Authority
7) Application Completeness

- Market Study (New to Threshold)
  - Required for projects with units that will not be assisted by NPLH
  - Dated within 12 months of application date.

- Appraisal (New to Threshold)
  - Required if land cost or value of land/lease donation are included in the development budget
  - Supports acquisition value

- Preliminary Title Report
  - Dated within 30 days of the Application

- Environmental Reports
  - Dated within 12 months
  - Remediation costs must be reasonable & included in the budget

- For New Construction: a Phase I report, and if needed, a Phase II Report is required

- For Rehabilitation/Demolition: a mold report is required, and for structures built prior to 1978, lead-based paint and asbestos reports are required

- Organizational Documents
  - Applicant County
  - Sponsor
  - Ultimate Borrower, if available

- Resolutions

- Payee Data
  - All public entities require a TIN
  - All non-public entities require a STD
7) Application Completeness

- Organizing & Submitting the Application
  - Three-ring binder with sleeve on the side
  - Set up dividers with large lettered tabs to correspond to the Checklist
  - For items that are not applicable to your application, place a sheet of paper behind the tab stating the item is “Not Applicable”
Initial Threshold Review

What’s Next?

• Threshold Letters (pass/fail)
• Appeals
• Rating and Ranking

Questions
Competitive Allocation Application Review

✓ Initial Threshold
✓ Rating & Ranking
✓ Project Feasibility

Application Rating and Ranking

<table>
<thead>
<tr>
<th>Rating Category</th>
<th>Maximum Points</th>
<th>Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.) Percentage of Total Project Units Restricted to the Target Population</td>
<td>65</td>
<td>Percentage of total project units restricted to the target population</td>
</tr>
<tr>
<td>2.) Leverage of Development Funding</td>
<td>20</td>
<td>Ratio of 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>3.) 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 those of other project-based rental or operating assistance</td>
</tr>
<tr>
<td>4.) 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>5.) 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>6.) 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 or other special needs</td>
</tr>
</tbody>
</table>

Total available points shall equal 200
Application Rating and Ranking

1.) 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 Project 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>

Application Rating and Ranking

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 Rating and Ranking

<table>
<thead>
<tr>
<th>Application Rating and Ranking</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Percentage of Total Project Units Restricted to the Target Population §205(a)</strong></td>
<td>65 Points Max</td>
</tr>
<tr>
<td><strong>Yes</strong></td>
<td>30</td>
</tr>
</tbody>
</table>

**Notes:**
- **Projects will receive 35 points if the Applicant commits to do either of the following for the term of the Department’s loan.**
- If applicable, select either A or B.

**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).**

**B.) Leverage of Development Funding**

20 points
2.) Leverage of Development Funding

20 points maximum

Applications will be scored based on the ratio of:

\[
\text{permanent development funding attributable to NPLH Assisted Units from sources other than the Competitive Allocation} \div \text{requested capital portion of the Program amount provided under the Competitive Allocation, not including any capitalized operating reserves.}
\]

- To be counted, all sources of leverage must have an Enforceable Funding Commitment (EFC), unless otherwise specified.
- Other Department program funds must be awarded prior to finalizing the preliminary scoring of the NPLH application.
- Tax-exempt bond and 4 percent low income housing tax credit amounts will be based on the estimate of syndication proceeds.
- Deferred developer fees and funds deposited in a reserve to defray operating deficits will NOT be counted in this computation.
- Land donated or leased at a below market cost will be counted where the value is established by an appraisal.

To dedicate the noncompetitive allocation to a Project:

1. The county must have submitted the County Acceptance Form and required attachments no later than August 15th, 2019.
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 29).
Application Rating and Ranking

2.) Leverage of Development Funding

20 points maximum

Projects utilizing 9 percent low-income housing tax credits:

✔ 0.08 points will be awarded
  for each percentage point of leveraged funds

Other Projects:

✔ 0.33 points will be awarded
  for each percentage point of leveraged funds

✔ up to 20 points maximum.

Application Rating and Ranking

Application Rating and Ranking

Application Rating and Ranking
3.) Leverage of Rental or Operating Subsidies

Applications will be scored based on the percentage of NPLH Assisted Units that have Enforceable Funding Commitments for operating assistance or for rental subsidies.

- 1.75 points will be awarded for each five-percentage increment of committed assistance up to a maximum of 35 points.

• 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
Application Rating and Ranking

3.) Leverage of Rental or Operating Subsidies

35 points maximum

- Enforceable Funding Commitments that will count toward this rating factor include, but are not limited to:
  - Award letter
  - Reservation of Funds
  - Commitment letter
  - Contract

\[ \text{Total Points} = 35 \times (\text{Increment of committed assistance up to a maximum of 35 points}) \]

Applications will be scored based on the percentage of NPLH Assisted Units that have Enforceable Funding Commitments for operating assistance, or for Project-based rental subsidies with commitment terms substantially similar in terms to project-based housing choice vouchers, or for Sponsor-based rental subsidies with commitment terms substantially similar in terms to other rental-assistance or project-based assistance.

[Table]

<table>
<thead>
<tr>
<th>Source Name</th>
<th>NPLH Assisted Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>10</td>
</tr>
<tr>
<td>B</td>
<td>20</td>
</tr>
<tr>
<td>C</td>
<td>30</td>
</tr>
</tbody>
</table>

[Diagram]
4.) Readiness to Proceed

50 Points

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

1. Construction Financing

- Projects utilizing 9 percent low-income housing tax credits (and 4% hybrid Projects) 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

- Projects utilizing 9 percent low-income housing tax credits (and 4% hybrid Projects) may receive up to 5 points for this rating factor.
- All other projects may receive up to 15 points for this rating factor.
Application Rating and Ranking

4.) Readiness to Proceed
50 points maximum

3. Environmental Clearances:
   - California Environmental Quality Act (CEQA)
   - National Environmental Policy Act (NEPA), if necessary
   - Projects receive 10 points for this rating factor.

Application Rating and Ranking

4.) Readiness to Proceed
50 points maximum

4. Public Land Use Approvals
   - Obtaining all necessary and discretionary public land use approvals
   - or
   - Submitted application for approval under a nondiscretionary local approval process
   - Projects receive 15 points for obtaining approvals
   - or 10 points if the application has been submitted under a nondiscretionary local approval process.

Application Rating and Ranking
Application Rating and Ranking

5.) 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 Rating and Ranking

5.) Extent of On-Site and Off-Site Supportive Services
   20 points maximum

2. Implementing evidence-based practices:
   - Critical time intervention
   - Trauma-informed care
   - Motivational interviewing
   - Other practices

✓ One point will be awarded for each evidence-based or other recognized practice to be implemented, (up to 5 points).

3. Offering encouraged services listed under 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).

4. Resident involvement

✓ Projects receive up to 2 points for this rating factor.
6.) Past History of Evidence Based Practices
10 points maximum

Up to 10 points will be awarded to Projects where the

- Lead Service Provider
- County Behavioral Health Department
- Equivalent County Department
- Entity contracted with the County to be a lead service provider

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.
6.) Past History of Evidence Based Practices

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).
Application Rating and Ranking

**Bonus Points (2 points)**

**Bronzan-McCorquodale**

Projects located in the City of Berkeley may receive a total of 2 Bonus Points if the application is submitted by Alameda County rather than by the City of Berkeley.

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Application Rating and Ranking

**What’s Next?**

- Scoring Letters
- Appeals
- Feasibility Review

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Questions
Shalawn Garcia
Project Feasibility
UMR 2017 Section 8300

Competitive Allocation Application Review

- Initial Threshold
- Rating & Ranking
- Project Feasibility

Underwriting Feasibility
1) Source of Funds
2) Unit Mix
3) Development Budget
4) Operating Budget
5) Cash Flow
Underwriting Feasibility

1) Sources and Use of Funds
   - Variable loans (CHRP § 8310)
   - Balloon loans (CHRP § 8310)
   - Sandwich loans (CHRP § 8315)
   - Max loan amount = $20,000,000
   - Other HCD sources (CHRP...transactions unit)

Underwriting Feasibility

2) Unit Mix
   - Target Population
   - AMI levels – no more than 30%
   - Unit Standards
     - Restricted units shall NOT be segregated

Underwriting Feasibility

3) Development Budget
   - Commercial Space
   - High Cost analysis (CHRP § 8310)
   - Operating Reserves
   - Transition Reserve
   - Developer Fee (CHRP § 8312)
Underwriting Feasibility

4) Operating Budget
   - Employee Information
   - Other Operating Subsidies
   - Replacement Reserves (UMR § 8309)
   - HCD 0.42 Monitoring Fee
   - Asset Management Fees (UMR § 8312)

Underwriting Feasibility

5) Cash Flow
   - Debt service coverage ratio
   - Vacancy Rate
     - 5% for Residential
     - 50% for Commercial
   - Restricted and Proposed Rents
   - HCD Capital Operating Subsidy Reserve (COSR)
What's Next?

1. Project Reports prepared
2. Presented to Internal Loan Committee
3. Final Project Reports prepared
4. Award letters will be sent
5. Standard Agreements Issued
6. Hand project off to Loan Closing Section

Questions
Resources

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

Universal Application used by HCD:
http://www.hcd.ca.gov/grants-funding/active-funding/docs/UAHCD.xlsm

NPLH Supplemental Project Application:
http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/NPLH_Supplemental_Application.xlsm

2015 NPLH NOFA Round 2:

2015 NPLH Guidelines:

2017 Uniform Multifamily Regulations (UMRs):

2019 TCAC Regulations:

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