

Supportive Housing Multifamily Housing Program (SHMHP)

2018 Funding Round



California Department of Housing and Community Development

December 2018



Presenters

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- **Connie Mallavia**, HCD Rep.



Competitive Allocation

How much:	\$77 million
Who can apply:	Sponsors
Loan Amount	\$20 million
Target Populations:	<ul style="list-style-type: none">• Chronically Homeless• Homeless Youth• Homeless individuals with a disability exiting jails or institutions



Tentative Timeline

NOFA Release	November 27, 2018
Application Form Available	November 30, 2018
Applications due	February 8, 2019
Loan and Grant Committee meeting	July 2019
Award Announcements	July 2019



Overview *Regulations*

- Governed by two sets of regulations
 1. Multifamily Housing Program Specific Regulations (MHP Regulations)
 2. Uniform Multifamily Regulations (UMRs)

- Available at:

<http://www.hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml>



Permanent Loans Only

➤ Loan Terms

- ✓ 55 year term
- ✓ 3% simple interest (principal and interest deferrable)
- ✓ First 30 years: mandatory debt service of .42% of outstanding principal balance
- ✓ Next 25 years: adjusted to cover HCD's monitoring costs
- ✓ Unpaid interest and principal due at end of term



Eligible Use of Funds

- **Costs attributable to Restricted units for:**
 - ✓ Off-site/on-site improvements
 - ✓ Rent-Up and Carrying Costs
 - ✓ Child care facility and social service facility integrally linked to the Project



Program Limitations

- Payment of state prevailing wages to laborers
- Sponsor distributions limited to 50-percent of cash flow (*UMR Section 8314*)
- 9-percent tax credit projects are eligible to apply for SHMHP funds for a lower loan amount. Must be committed at application to receive points.
- Asset management Fees:
 - \$30,000 annually
 - 3.5-percent Escalator
- Replacement Reserve set at \$500 per unit
- 20 Year Physical Needs Assessment to justify amount for rehabilitations (*UMR 8309 (b)*)



Developer Fee Limits

Developer Fee Calculation

- **Includes** lease-up fees, incentive fees, or other property management fees, in excess of those customarily charged by property management firms for lease up activities, which are paid to the Sponsor, Co-Sponsor or affiliate of the Sponsor or Co-Sponsor
- **Includes** consultant and Construction Management that are not associated with a third party



Application Submittal

- Universal Application (UA)
- SHMHP Supplemental Application
- Supportive Services Plan Addendum

<http://www.hcd.ca.gov/grants-funding/active-funding/shmhp.shtml>



Application Submittal

- Three-ring binder with sleeve on the side.
- Applications and attachments must be on forms provided or approved by HCD
- One electronic copy on a CD or USB flash drive (preferred) with all *separate* PDF attachments and applicable information
- UA and SHMHP Supplemental Application must be also be submitted in the Excel format



Application Submittal

Submit your application binders in this order:

1. Universal Application
2. SHMHP Supplemental Application
3. SHMHP Application Attachments - (see Checklist Tab and numerical order)
4. **Organize** your binder in the order of the SHMHP Application Attachment Workbook

Remember: Once your application is received, it must stand on its own to represent your Project



Application Submittal

- The complete application package *must be delivered by a mail carrier service* that provides date stamp verification and receipt of delivery (U.S Postal Service, UPS, Fed-Ex, etc.)

Personal deliveries will not be accepted

- No facsimiles, late, incomplete, or revised applications will be accepted
- Applications must meet all eligibility requirements upon submission
- Applications with internal inconsistencies will not be rated and ranked



Application Submittal

- The application must be received by HCD no later than **5 p.m. on February 8, 2019**. Postmarks will not be accepted

Mail Application Packages to:
Department of Housing and Community Development
Division of Financial Assistance, NOFA Unit
Multifamily Housing Program
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833



Questions?



What's New....



What is New in this NOFA?

- **Revised Scoring**
- **Per-Unit Base Loan Amount**
- **Maximum per-project loan amount**
- **\$7 million to \$20 million**
- **Housing First Practices & Coordinated Entry System**



What's New in this NOFA?

➤ Definitions

- ✓ *Target Population* includes three categories clearly defined under this NOFA
 - ✓ *Disability* includes a broader range
- **2017** Uniform Multifamily Regulations (UMRs)



Definitions

Target Population

➤ **Chronic Homelessness**

- Lacks a fixed, regular, adequate nighttime residence
- Night time residence not designed for sleeping

42 USC Section 11302

➤ **Homeless Youth**

- Not older than 24 years old, and
- Is homeless or at risk of homeless
- No longer eligible for foster care

Government Code Section 12957 (e) 2.

➤ **Exiting Institutions with a Disability**



Definitions

Target Population

Disability for populations exiting an institution include the following examples:

Mental Health

Signed letter (or form) of verification from a licensed mental health professional verifying a diagnosed, disabling mental illness

Developmental Disability

Signed letter (or form) of verification from a Regional Center or an authorized vendor of a Regional Center that serves people with developmental disabilities verifying a developmental disability



Definitions

Supportive Housing Emphasis

Supportive Housing:

- No limit on length of stay
- Is occupied by the target population
- Is linked to onsite or offside services that assist the Supportive Housing resident.

Health and Safety Code Section 50675.14



Set-Asides

Supportive Housing Emphasis

Focus does not include

- ✓ Five categories for disability
- ✓ At-Risk of Homelessness with the exception of
 - Survivors of Domestic Violence
 - Homeless Youth

42 USC 11302



Revised UMRs

- ✓ Relax prohibitions to balloon payment loans by allowing exceptions
- ✓ Increase allowable Developer Fees and Asset Management/Partnership Management Fees
- ✓ Allow Supportive Services Costs as eligible operating expenses (within described limits)
- ✓ Establish regulations to include Tribal Lands



Revised Scoring

- **Bonus** lead service provider experience above totaling 15 points
- **Bonus** points for Local Commitment of five years totaling 10 points (increased from 5 points)
- Scoring for Percentage of units for Families or Special Needs Populations



Developer Fee Limits

- UMR Section 8312
 - ✓ 4% tax credits \$3.5 million limit
 - ✓ 9% tax credits limited to what is allowable by Title 4 CCR 10327

- Cash contributions
 - ✓ Are contingent upon development of project and land donations from local jurisdiction or master developer and may not be counted as capital contribution



Developer Fee Limits

- Projects without tax credits will be calculated on a per unit amount
 - ✓ New construction/Substantial rehabilitation projects: **first 30 units, \$26,000 per unit. Each unit in excess of 30, \$10,500 per unit.**
 - ***To qualify as substantial rehab or new construction unit cost must exceed \$37,000***
 - ✓ Acquisition and rehabilitation projects without substantial rehabilitation: first 30 units, \$12,000 per unit. Each unit in excess of 30, \$5,500 per unit



Questions?

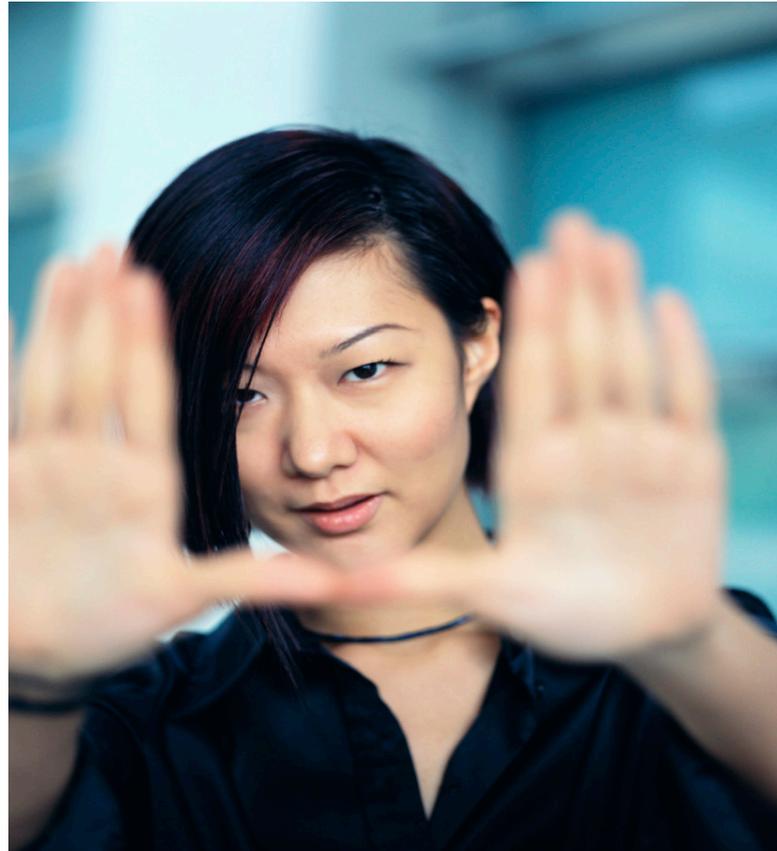


SHMHP Application Supplemental **Checklist**



Project Evaluation

- ✓ Overview
- ✓ Threshold
- ✓ Org Docs
- ✓ Compliance
- ✓ Feasibility
- ✓ Service Plan
- ✓ Scoring





Overview Tab

Eligible Projects

PROJECT INFORMATION

1. Other funding sources are insufficient to cover Project development cost
2. As of application due date, construction **has not commenced**
3. Application complete and on HCD approved forms



Overview

Eligible Projects

PROJECT INFORMATION

4. Project site must be free from environmental conditions which are infeasible to correct
5. Site is reasonably accessible to: Public transportation, shopping, medical services, recreation, schools and employment
6. New construction projects with demolition:
 - ✓ Number of bedrooms in new Project must be at least equal to the number of bedrooms demolished units (*exceptions can be found under UMR 8302*)



Overview

Eligible Projects

- ***Legislative Letter***
- Sponsor must notify local legislative body of the Sponsor's loan application prior to submission
 - ✓ Include copy of the letter in the binder
- ***Operating Experience Comparables***
 - ✓ Submit 3 comparables for the most recent 2 years from projects located in the primary market area with Similar size, number of units and amenities



Overview Tab

Eligible Projects

Relocation Eligibility Requirements

- Application must contain a preliminary Relocation Plan
- Developmental budget must contain funding for Relocation Expenses
- Final Relocation Plan must be approved by the Department prior to permanent funding
- If no Relocation Plan, submit a narrative explanation of why relocation is not required.



Overview Tab

Eligible Projects

Rehabilitation Projects

- Provide a narrative description of current condition of structures
- Provide a detailed narrative description of the intended scope of work
- Provide a copy of current rent roll including household composition and income



Overview Tab

Eligible Projects

APPLICANT (SPONSOR) INFORMATION

- Cert & Legal disclosure
- Resolution
- Organizational Documents
- Organizational Chart
- Signature Block
- Payee Data Record

Name of all entities should match on all docs



Questions?



SHMHP

Application Supplemental Threshold Requirements



Threshold Requirements *Eligible Project*

- **Multifamily rental projects of 5 or more units**
 - New construction
 - Acquisition and rehabilitation
 - Rehabilitation
 - Conversion of nonresidential structures



Threshold Requirements

Eligible Project

Proof of Site Control

Acceptable forms of site control must:

- Be fully executed and unilateral
- Name seller and purchaser or lessee
- Include dollar amount and terms of agreement
- Be signed by all parties
- Not have expired (extend through award date)



Threshold Requirements

1. Sponsor and Applicant experience

- Non-profit, for-profit, Native American Entity and local public agencies
- Experience developing, owning and operating at-least 1 affordable rental housing project
- Sponsor has at least 24 months experience in the ownership and operation of projects with special needs population



Threshold Requirements

- 2. Management Agent**
 - 24 months experience managing projects with special needs groups
- 3. Lead Service Provider**
 - 24 months with the target population
- 4. 40-percent of all project units or 5 of the units (whichever is greater) must house one of the three target populations**
- 5. Construction has not started (exception for emergency repairs only)**



Threshold Requirements

- 6. Not operate as a health or treatment facility**
- 7. Scattered Sites**
 - There must be common funding, management and ownership
- 8. Rents are limited to 30-percent or below Area Median Income**



Questions?



SHMHP

Application Supplemental

Sponsor Organizational Documents



Sponsor Organizational Documents

- Sponsor and Ultimate Borrower (if formed)
- Articles of Incorporation
- By-laws
- Partnership Agreements
- If organized under laws of different state:
Submit Certificate of Good Standing for Foreign LP/Corp/LLC plus Certificate of Registration

Do not disclose personal data (addresses, phone numbers, etc.) unless the board members have authorized the release of such information



Sponsor Organizational Documents

Governing Board Resolution

- Authorizes application submission
- Specifies authorized signatory by name and title (not self-certified)
- Must reference the NOFA date and the amount of loan request
- Must state that the entity is authorized to do business in California
- Includes entire vote count (list zeros)
- Sample resolutions are available



Questions?



SHMHP

Application Supplemental Compliance Certifications



Compliance Certifications

Eligibility Criteria

TENANT SELECTION

- Provide description of the tenant selection criteria and describe rationale
- *Senior Projects*: Provide evidence of Fair Housing Compliance (legal opinion)
- *Same Sex Projects*: Provide evidence of Fair Housing Compliance (legal opinion) and other supporting letters (e.g., licensed physician)



Compliance Certifications

Eligibility Criteria

HOUSING FIRST PRACTICES

- Designed to permanently house an individual(s) and make optional supportive services available to help them remain stably housed
- Housing is made available with very low barriers to entry



Compliance Certifications

Eligibility Criteria

Article XXXIV

....of the California Constitution requires voter approval authorizing development of low-income housing:

- Provide evidence that Article XXXIV authority exists for this Project; or
- Provide a legal opinion letter explaining why this Project is exempt from Article XXXIV requirements



Questions?



SHMHP

Application Supplemental

Maximum Loan & Unit Mix

Feasibility



Maximum Loan & Unit Mix *Feasibility*

Maximum Loan Amount and Unit Mix

Based on the lower of four calculations

- Permanent Funding Gap
- Maximum allowable Loan \$20 million
- Shared Cost Calculation Worksheet (removed non-residential costs)
- Unit Loan Amount (based on unit limits)

<http://www.hcd.ca.gov/grants-funding/docs/2018MTSPRegularLimits.pdf>



Maximum Loan & Unit Mix *Feasibility*

- Complete the Unit Mix and Income Information chart
- For rental assistance, operating, project based and other subsidies attach evidence of commitment
 1. If not available, attach other documentation such as reservation or third-party letter stating the following:
 - ✓ Annual subsidy amount
 - ✓ Date or expected date of award
 - ✓ Term
 - ✓ Number of subsidized units
 2. Attach Voucher Payment Standard and Fair Market Rents from local Housing Authority



Maximum Loan & Unit Mix *Feasibility*

Transition Reserve

- If Project depends on project-based rental subsidy, attach calculation of Required Transition Reserve funding (25 CCR 7312(f))
 - ✓ Required amount needed to cover 2 years after subsidy should end



Questions?



SHMHP

Application Supplemental **Supportive Services Plan**



Service Plan Checklist

- Part 1. Tenant Selection Narrative
- Part 2. Lead Service Provider Detail
- Part 3. Supportive Services Detail
- Part 4. Tenant Safety and Engagement
- Part 5. Staffing
- Part 6. Supportive Services Funding
- Part 7. Collaboration, Measurable Outcomes, and Plan for Evaluation



Tenant Selection Narrative Part 1

- Section 1 Threshold Eligibility Criteria-CH, HY, EI
 - ✓ Income, homeless status, and disability
 - ✓ Criteria for families with minors/dependent adults
 - ✓ Coordinated Entry System (contact person)

See [Between the Lines, A Question and Answer Guide on Legal Issues in Supportive Housing](#), Chapter 4



Tenant Selection Narrative Part 1

- Section 2 Marketing/Outreach
 - ✓ Populations referred by the local CES prioritized
 - ✓ Coordination with shelters and outreach programs
- Section 3 Characteristics of Supportive Housing
 - ✓ Lease agreement, services not mandatory, permanent housing

See [Between the Lines, A Question and Answer Guide on Legal Issues in Supportive Housing](#), Chapter 4



Lead Service Provider Detail Part II

- **Section 1 - LSP**
 - ✓ Years of services offered to homeless (target population) & comprehensive case management
- **Section 2 Best Practices in Service Delivery**

Intervention is used and staff training (prior to lease-up):

 - ✓ SSI/SDI Income, Outreach, Access, Recovery (SOAR)
 - ✓ Critical Time Intervention and Trauma-Informed Care



Lead Service Provider Detail Part II

- **Section 2 Best Practices in Service Delivery cont.**
 - ✓ Motivational Interviewing
 - ✓ Safety and security of staff and residents
 - ✓ Peer Support (length of time Peer Support program used)
 - ✓ Appropriate responses to tenant crisis
 - ✓ Cultural competency



Supportive Services Detail Part III

➤ **Section 1 - Supportive Services Chart**

Record in chart:

- ✓ Each Support Service separately
- ✓ Population to be served
- ✓ Short Description of the Service
- ✓ Name of Service Provider
- ✓ Relationship to Sponsor
- ✓ Type of Agreement (i.e., MOU or letter of commitment)
- ✓ Service Location – on or off Project site



Supportive Services Detail

Part III

- **Section 2 - Supportive Service Coordination**
 - ✓ Access location, frequency, removing barriers to services.
 - ✓ Utilization of community/county/state funds programs
 - ✓ Length experience with Homeless program coordinators (for target population)



Supportive Services Detail

Part III

- **Section 3 - Supportive Service Verification Form**
 - ✓ Agency shall be knowledgeable of the supportive service needs of the Target Population
 - ✓ Agency shall endorse the services plan and the Project Sponsor as a known provider of Supportive Services similar to those proposed
 - ✓ Use Supportive Service Verification Form



Tenant Engagement

Part IV

➤ **Section 1: Tenant Engagement**

- ✓ Outreach strategy (CES, leaflets, peers)
- ✓ Tenant engagement (social interaction, building operations, community connection)
- ✓ Engage residents in service planning and delivery
- ✓ Physical space supports service delivery and social interaction
- ✓ Tenant satisfaction surveys (type of questions, how reviewed, handling of results, frequency of surveying tenants)



Tenant Engagement

Part IV

- **Section 2: Safety and Security Policies and Procedures regarding:**
 - ✓ Privacy and confidentiality
 - ✓ Sign in/out, safety drills, local contacts
 - ✓ Ensuring staff safety
 - ✓ Violations of resident/staff safety by resident/staff
 - ✓ Engage residents in service planning and delivery
 - ✓ Coordination with property management on issues



Staffing Part V

➤ **Section 1 - Staffing Chart**

- ✓ List each Staff Position separately
- ✓ Describe the roles and duties of each position
- ✓ Indicate percentage of full-time equivalent staff (FTE)
- ✓ Name the employer organization of the position
- ✓ Specify Location work will be performed

Indicate staff position responsible for HMIS or measurable outcomes data entry



Staffing Part V

- **Section 2 - Staffing Ratio**
- Indicate staffing level by completing calculation:
 - ✓ Number of SHMHP Units per FTE Staff Person
 - ✓ Number of Case Manager Staff Ratio Chart
 - If Staff level is below the listed minimum ratios (*CH 1:20, HY 1:25, EI 1:40*), provide a narrative explanation (*CH 1:20, HD 1:25, OH 1:40*).



Supportive Services Budget Part VI

- **Section 1 - Supportive Services Budget Table**
 - ✓ Income should match expenses
 - ✓ Provide both cash and in-kind dollar amounts
 - ✓ Don't include service costs for non-SHMHP units
 - ✓ Supportive Service Costs paid from project operating income shall be categorized as not committed

If cost per unit differs from a range of \$5,000 - \$10,000 per unit, provide narrative explanation.



Supportive Services Budget Part VI

- **Section 2 - Budget Narrative and Funding Commitments**
 - ✓ Describe adequacy of budgeted amounts
 - ✓ Document funds with commitment letters from agency/organization providing funding or services
 - ✓ Experience filling major service funding gaps
 - ✓ Plan to fill gaps during project life (contract expires/cancellation, partner withdraws)



Funding and Service Commitments

Part VI, Section 2

- A minimum of 25% of total Service Budget should be committed at the application stage
- Letters of Commitment or Intent to Fund must provide the following on organization letterhead:
 - ✓ Project name
 - ✓ Description of services to be funded or provided
 - ✓ Value of funds or in-kind services
 - ✓ Term of funding or service provision
 - ✓ History of organization providing funds or services



Supportive Services Budget Part VI

- **Section 3 Service Funding History Table**
 - ✓ Document the funding history of the qualifying service provider for the last 5 years.
 - ✓ In table list source of funds/funding program, use of funds, amount, date/funding term, and populations served



Collaboration

Part VII

➤ **Section 1 Collaboration**

- ✓ Requires documenting 2 or more unaffiliated organizations with different types of service expertise
- ✓ Entities may be outside service providers, intra-organizational service program, group, or department
- ✓ May be documented in the services contracts and funding



Measurable Outcomes

Part VII

- **Section 2 Measurable Outcomes**
 - ✓ Residential Stability (e.g., housing w/ services)
 - ✓ Increased Skills and/or Income (e.g., employment)
 - ✓ Greater Self-Determination (e.g., life skills)



Plan for Evaluation Part VII

➤ **Section 3 Plan for Evaluation**

- ✓ Plan for staff or consultant to collect, track, and analyze data
 - A. Measurable Outcomes
 - B. Service Utilization data from public systems (e.g. hospitals, jails, and substance use treatment centers)

Competitive Advantage- document Measurable Outcomes and collaboration with non-affiliated entities



Questions?



SHMHP Application Supplemental Scoring



Scoring

Application Point Scoring

Criteria	Max Points	Notes
Project serves the lowest Income levels	35	Income levels referenced in the Regulations
Project addresses the most serious local-housing needs	15	Proposed project will address the most serious identified local-housing needs
Development and ownership experience of Sponsor	20	Four points for each project owned and developed in the last 5 years
Percentage of units for families or special needs populations and 'at risk' rental housing developments	20	Projects eligible to apply under this NOFA must have at least 40 percent Supportive Housing units



Scoring

Application Point Scoring

Criteria	Max Points	Notes
Leverage of other funds	20	Those project without 9 percent tax credits will receive a competitive advantage
Project Readiness (Section 7320 (b)(6))	15	Minimum point score of 5 points is required
Adaptive Reuse/Infill/Proximity to Amenities/Sustainable Building ((Section 7320 (b)(7))	10	Projects demonstrating compliance with the conditions of any subcategory will receive full points
Local Commitment	10	Bonus Points: 3 points for each additional year of experience



Rating and Ranking

Application Point Scoring

Criteria	Max Points	Notes
Lead Service Provider Experience	15	Bonus Points: 3 points for each additional year of experience with similar target populations in project with total units equal to, or great than, the proposed project
Negative Points (Section 7320(b)(3)(F))	0	5 point <u>deduction per occurrence</u> with a maximum of a 10 points deduction per category and a maximum of total deduction of 50 points
Total Maximum Points	160	



Threshold Scores

Rating and Ranking

- Projects must receive a **minimum point score of 125**, as determined by the Department, in order to be considered for a funding award
- Projects must receive a **minimum of 4 points** in the Development and Ownership Experience of the Sponsor category and;
- A **minimum of 5 points** in the Project Readiness category



Scoring *Tiebreakers*

In the event of tied point scores the Department will.....

1. Rank projects based on the lowest weighted average affordability of restricted units per Section 7320 (c);
and
2. Rank projects based on Readiness to Proceed score



Scoring

Extent the project serves the lowest-income levels – 35 points

- This will be an *automatic* 35 points because all assisted units will be under 30% AMI



Scoring

Extent Project Addresses the Most Serious Housing Needs – 15 points

5 points for 1 of 2 categories:

1. City or County Letter to receive points, must list all of the following:
 - ✓ Letter from City or County
 - ✓ Local need identified in local housing policy document
 - ✓ The local housing policy document in which the need is identified
 - ✓ A statement that the Project meets the need
 - ✓ Must specifically name the Project



Scoring

Extent Project Addresses the Most Serious Housing Needs Or 5 points:

2. If 70 percent of Project units are reserved for Special Needs or Supportive Housing Populations:
 - Letter from local government department stating that the Project will address a serious local housing need as it relates to Special Needs Populations



Scoring

Extent Project Addresses the Most Serious Housing Needs

And 10 points (For A, B, or C)

- A. At least 70 percent of units reserved for Special Needs or Supportive Housing Populations **or**
- B. At least 70 percent of units have two or more bedrooms and located in Alameda, Contra Costa, Los Angeles, Marin, Monterey, Napa, Orange, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, or Ventura counties



Scoring

Extent Project Addresses the Most Serious Housing Needs

C. Comparable Market Rental Data Forms

- ✓ At least the 5 nearest comparable projects
- ✓ Senior projects - limit comparables to this population
- ✓ One rental data form for each comparable
- ✓ If weighted vacancy rate is < 3 percent = 10 points
- ✓ If weighted vacancy rate is < 5 percent = 5 points



Scoring

Development and ownership experience of the Sponsor - 20 points

Completed in 5 years & Minimum 5 unit projects
(from Application Date)

- **PRIMARY METHOD-** Affordable housing developments which included ownership and development experience
- **ALTERNATIVE METHOD:** If proposed project has 70 percent of units reserved for Special Needs Populations, may use a developer consultant for development portion of experience



Scoring

Development and ownership experience of the Sponsor

Experience points awarded (Development Experience-
Sponsor or Development Consultant):

- If Project Sponsor, Development Consultant, or affiliate is the sole developer
- If the Project Sponsor, Development Consultant, or affiliate is in partnership with another entity then they must:
 - ✓ Control key aspects
 - ✓ Have sufficient staff to manage the development process



Scoring

Development and ownership experience of the Sponsor

Under Primary Method only: Projects were developed by staff (or a principal) currently employed by Sponsor if:

- Staff had primary responsibility for the development process
- Staff will serve as Project Manager, or directly supervise the Project Manager and have primary responsibility for managing the development process



Scoring

Percentage of units for Families or Special Needs Populations and 'At-risk' Rental Housing – 20 points

- *Units above the 40% threshold requirement* will receive the following points
 - ✓ 1 point for each special need unit
 - ✓ .2 point for each two bedroom
 - ✓ .7 point for each three bedroom



Scoring

Leverage of other Funds – 20 points

- Deferred developer fee is not included
- Land value may be included if supported by an appraisal (within one year of application submission).
- Scoring advantage for those not applying for 9%



Scoring

Project Readiness – 15 points

- 1. Enforceable commitments – construction (list all terms)**
- 2. Environmental**
 - Have all clearances (NEPA & CEQA)
 - ✓ If NEPA Responsible Entity is not the locality: Submit form to appropriate NEPA Responsible Entity, **and**
 - ✓ Phase I Environmental Site Assessment (without database)
- 3. Obtain all necessary and discretionary public land use approvals except for building permits/ministerial approvals**



Scoring

Project Readiness – 15 points

4. Site control or working drawings

- ✓ fee title ownership or long-term lease, or
- ✓ Project architect certifies working drawings 50 percent complete

5. Enforceable commitments – deferred (follow TCAC exceptions)

6. Local design review approval



Scoring

Local Jurisdiction and NEPA Responsible Entity Verification of Project Readiness

- NEPA Responsible Entity
 - ✓ Local jurisdiction or NEPA Responsible Entity – Certification Required if Federal Funding in project (e.g., subsidy or HOME funding)
- CEQA and NEPA (more than one agency may sign off for each one)
 - ✓ All necessary discretionary land use approvals
 - ✓ Design Review



Scoring

Site Control Requirements

- Must be in the name of the Sponsor
- **Documents showing site control:**
 - ✓ Lease
 - ✓ Contract of Sale
 - ✓ Disposition and Development Agreement
 - ✓ Preliminary Title Report
 - ✓ Option to Purchase or Lease
- **Preliminary Title Report required in all cases**
 - ✓ Not older than six months



Scoring

Adaptive Reuse/Infill/Proximity to Amenities/sustainable Building – 10 points

- **Infill:** Vacant or soon to be vacant lot in established or developed area
- **Adaptive Reuse:** Rehabilitation of vacant commercial or industrial buildings in developed areas
- **Proximity to Site Amenity:** Must qualify for any points under TCAC
- **Sustainable Building Methods:** Must qualify for any points under TCAC



Scoring

Maps

- **Parcel map showing site location**
- **Scaled Distance Map**
 - ✓ Two mile radius of site
 - ✓ Indicate amenities



Scoring

Local Commitment – 10 points

- *Bonus Points* awarded to applications documenting **Local Government Funding** for an operating subsidy or service commitment (*incl. under services budget & scoring*) for at least 5 years



Scoring

Lead Service Provider Experience Max 15 points

- *Bonus Points-3 points for each additional year of experience, above the two year threshold, with similar target populations in projects with total units equal to or greater than the proposed project*



Scoring

Negative Points – 0 points

- **5** point deduction per occurrence or event;
- Maximum of a **10** point deduction per category, and;
- *Maximum total deduction of 50 point*
- ***In the following categories.....***



Scoring

Negative Points – 0 points

1. Removal or withdrawal under the threat of removal as general partner
2. Failure to submit when due compliance documentation required under department programs
3. Use of reserve funds for department assisted projects in a manner contrary to program requirements or failure to deposit reserve funds as required by this department



Scoring

Negative Points – 0 points

4. Failure to provide promised supportive services to a special needs population or other tenants of a publicly funded project
5. Other significant violations of requirements of HCD programs or of programs of other public agencies, such as the failure to adequately maintain a project or the books and records thereof



Questions?



Resources

Supportive Housing:

<http://www.oclaw.org/research/code/ca/HSC/50675.14./content.html#.XAIERGhKiM8>

Chronic Homelessness:

<https://www.law.cornell.edu/uscode/text/42/11302>

Homeless Youth:

<https://law.justia.com/codes/california/2015/code-gov/title-2/division-3/part-1/chapter-1/article-9.5/section-11139.3/>



Contact Information

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HCD Website: www.hcd.ca.gov

<http://www.hcd.ca.gov/grants-funding/active-funding/shmhp.shtml#funding>



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The screenshot shows the top portion of the website. On the left is the CA.GOV logo. In the center is the HCD logo and the text "California Department of Housing and Community Development". On the right are navigation links: CONTACT, ABOUT, JOBS, NEWSROOM, and a search icon. Below this is a horizontal menu with icons and labels: Home, Grants & Funding, Manufactured & Mobilehomes, Building Standards, Planning & Community Development, and Policy & Research. To the right of the menu are a "Select Language" dropdown, "Powered by" text, and a "Google Translate" logo. Below the menu is a banner with three circular images: a red bus, a house, and a person in a field. At the bottom of the banner, the text "IMPROVING LIVES & COMMUNITIES ACROSS CALIFORNIA" is displayed. To the right of this text are three contact options: "Contact" (with a phone icon), "Email Sign up" (with an envelope icon and circled in red), and "Questions, Comments, Feedback" (with a speech bubble icon). A red arrow points from the text area towards the "Email Sign up" link.