


651 Bannon Street, 95811
P.O. Box 952054
Sacramento, CA 94252-2054



November 26, 2024

MEMORANDUM FOR: All Potential Tribal Applicants

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

SUBJECT: **Tribal Homekey+
2024 Notice of Funding Availability**

The California Department of Housing and Community Development (Department) is pleased to announce the availability of approximately **\$121 million of Tribal Homekey+ Program (Program) grant funding** through this Notice of Funding Availability (NOFA) for Tribes and Tribal Entities.

Proposition 1, passed by California voters in March 2024, is a critical step in advancing the state's goals to reduce homelessness and protect our most vulnerable populations through important changes to the Mental Health Services Act (MHSA). Proposition 1 includes the Behavioral Health Services Act (BHSA) and the Behavioral Health Infrastructure Bond Act (BHIBA).

Tribal Homekey+ is the Permanent Supportive Housing component of the BHIBA. This funding represents the Department's ongoing investment in Tribal housing opportunities and continues a statewide effort to sustain and rapidly expand permanent supportive housing for households and individuals who are experiencing homelessness or at risk of homelessness and are living with a behavioral health challenge. Rather than utilizing a set-aside within the standard Homekey+ Program, this NOFA operates independently and is tailored to meet the specific affordable housing needs of California Tribes.

The \$121 million in Tribal Homekey+ funding includes \$32.3 million Homeless Housing, Assistance and Prevention (HHAP) supplemental funding and \$89.4 million derived from the BHIBA (Assembly Bill 531 (2023), Senate Bill 326 (2023), and Proposition 1 (2024) which was approved by California voters on March 5, 2024. Funds offered under this NOFA and the criteria specified herein are available solely and exclusively to eligible Tribal Entities based on extensive programmatic feedback and engagement with Tribal Entities.

The Department will accept applications on a continuous, over-the-counter basis beginning late January 2025, and remain open-ended until all funds are awarded. Applicants must submit a complete application available at [Tribal Homekey+ Program website](#).

Due to the potential for Program oversubscription, Eligible Applicants are encouraged to submit their completed application as early as possible.

Throughout January 2025, the Department will hold a series of workshops and one webinar to review the Tribal Homekey+ NOFA and application process. Potential applicants are strongly encouraged to attend these workshops.

Please note that **all applicants are required to schedule one pre-application technical assistance meeting with the program.** To register, please go to the Department's [Tribal Homekey+ Program website](#).

To receive information on the workshops and other updates, please subscribe to the Department's Homelessness Prevention Programs listserv at <https://www.hcd.ca.gov>. Questions may be directed to HKTribal@hcd.ca.gov.

Tribal Homekey+

2024 Notice of Funding Availability



**Gavin Newsom, Governor
State of California**

**Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
California Department of Housing and Community Development
651 Bannan Street, Sacramento, CA 95811**

Website: <https://www.hcd.ca.gov/grants-and-funding/homekey/tribal-program>
Homekey Tribal Program Email: HK Tribal@hcd.ca.gov

November 26, 2024

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Tribal Homekey+
Notice Of Funding Availability
November 2024

Article I. Program Overview

Section 100. Notice of Funding Availability (NOFA)

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of approximately \$121 million in Tribal Homekey+ Program funding to sustain and rapidly expand the inventory of Permanent Supportive Housing (PSH) for individuals and their households, if applicable, with a Behavioral Health Challenge regardless of populations served. Behavioral Health Challenge is defined in the California Welfare and Institutions Code Section 5965.02 to include but not be limited to a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402, or a substance use disorder, as described in Section 5891.5. Enrollment in Medi-Cal or in any other health plan shall not be a condition for accessing housing or continuing to be housed.

This NOFA is offered exclusively to eligible Tribes and Tribal Entities, as defined in Article VII of this NOFA, located within the State of California. HCD recognizes that Tribes and Tribal Entities have encountered significant barriers to access of funding sources; barriers which this NOFA is designed to substantially reduce or eliminate, where possible.

Funding available under this NOFA provides an opportunity for Tribes and Tribal Entities to develop multifamily Rental Housing Developments, including acquisition and rehabilitation of existing housing, new construction of apartments, townhomes, or single-family rental homes, including manufactured housing, or conversion of non-residential space to residential housing. Projects developed using Tribal Homekey+ funding shall provide Permanent Supportive Housing for people experiencing homelessness, or At Risk of Homelessness, and are living with a Behavioral Health Challenge.

The \$121 million in Tribal Homekey+ grant funding includes \$32.3 million Homeless Housing, Assistance and Prevention (HHAP) supplemental funding and \$89.4 million derived from Assembly Bill 531 (2023), Senate Bill 326 (2023), and the Behavioral Health Infrastructure Bond Act (Proposition 1, 2024) which was approved by California voters on March 5, 2024.

Section 101. Authorizing Legislation and Applicable Law

- A. AB 140 (2021-2022 Reg. Sess.) and AB 531 (2023-2024 Reg. Sess.) provide the statutory basis for the Homekey+ Program. AB 140 added Section 50675.1.3 to the Health and Safety Code (HSC). AB 531 added Section 50675.1.5 to the HSC, and it added Chapter 4 (commencing with Section 5965) to Part 7 of Division 5 of the Welfare and Institutions Code.
- B. AB 531 provides for the funding of permanent supportive housing for persons who are homeless, chronically homeless, or At Risk of homelessness, and who are also living with a Behavioral Health Challenge. AB 531 also establishes allocations for Veterans and for Youth relative to that Tribal Homekey+ Population. AB 531 provides that such Homekey+

funds shall be disbursed in accordance with Section 50675.1.3 of the HSC, among other laws. AB 531 further provides an exemption pathway for Homekey+ Projects from the California Environmental Quality Act (CEQA).

- C. HSC section 50675.1.3, subdivision (e) states, “The Department of Housing and Community Development may adopt guidelines for the expenditure of the funds appropriated to the department, and for the administration of the Program. The 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.”
- D. Assembly Bill 129 (Chapter 40, Statutes 2023) and Assembly Bill 166 (Chapter 48, Statutes 2024) established Round 5 and 6, respectively, of the Homeless Housing Assistance Prevention (HHAP). In accordance with HSC section 50232, subdivision (h), the administration of HHAP 5 funds is not subject to the rulemaking provisions of the Administrative Procedure Act (APA) (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). In accordance with HSC section 50239, subdivision (h), the administration of HHAP 6 funds is not subject to the rulemaking provisions of the APA. HCD is utilizing money from HHAP 5 and HHAP 6 to supplement this NOFA. This funding will be awarded to eligible cities, counties, and Tribal Entities pursuing the eligible uses of Homekey+ and meeting the HHAP Eligible Applicant requirements detailed in Section 200.
- E. The following administrative notices, policies, and guidance are hereby incorporated herein by reference and shall be deemed to have the same force and effect as if set forth in full herein:
1. HCD’s “[Disencumbrance Policy](#)” (Administrative Notice No. 2022-02), dated March 30, 2022, as amended on December 19, 2022, and as may be subsequently amended;
 2. HCD’s “[Negative Points Policy](#)” (Administrative Notice No. 2022-01), dated March 31, 2022, as amended on November 9, 2022 and April 3, 2023, and as subsequently amended; and
 3. HCD’s “[Repeal of Stacking Prohibition of Multiple Department Funding Sources](#)” (Administrative Notice No. 21-06), dated August 20, 2021, and as may be subsequently amended, with the exception noted in Section 503; and
 4. The Program’s “Homekey Appraisal Guidelines” and as may be subsequently amended, as they may apply to projects located outside the boundaries of Indian Country.
- F. This NOFA serves as the Department’s guidelines for the expenditure of Tribal Homekey+ funds and the administration of the Homekey+ Program for Tribes and Tribal Entities. As such, this NOFA establishes the terms, conditions, forms, procedures, and other mechanisms that the Department deems necessary to exercise its powers and to perform its duties pursuant to the Tribal Homekey+ Program. The matters set forth herein are regulatory mandates and are adopted as regulations that have the dignity of statutes. (*Ramirez v. Yosemite Water Company, Inc.* (1999) 20 Cal. 4th 785, 799 [85 Cal.Rptr.2d 844].)

- G. The Multifamily Housing Program (MHP) (Chapter 6.7 (commencing with section 50675) of Part 2 of Division 31 of the HSC), as amended, is hereby incorporated by reference. In accordance with HSC section 50675.1.3, subdivision (d), in the event of a conflict between this NOFA and the MHP, the provisions of this NOFA are controlling.
- H. The MHP Final Guidelines (MHP Guidelines), [Program Guidelines | California Department of Housing and Community Development](#) effective May 18, 2023, as amended, are hereby incorporated by reference. In the event of a conflict between any requirements of this NOFA and the MHP Guidelines, the provisions of this NOFA are controlling.
- I. The Uniform Multifamily Regulations (UMR) [uniform-multifamily-regulations-2017.pdf](#) (Cal. Code Regs., tit. 25, section 8300 et seq.), effective November 15, 2017, and as subsequently amended, are hereby incorporated by reference, except for UMR section 8304(c). In the event of a conflict between any requirements of this NOFA and the UMR, the provisions of this NOFA are controlling.
- J. The criteria and matters set forth herein shall govern the Tribal Homekey+ Program and NOFA application process and requirements. The requirements set forth in this NOFA are subject to AB 1010 (Chapter 660, Statutes of 2019), which is set forth in HSC section 50406, subdivision (p):
1. Where the provisions of tribal law, tribal governance, tribal charter, or difference in Tribal Entity or legal structure would cause a violation or not satisfy the requirements of any state financing being provided to a housing development by the department, the requirements of financing provided by the department may be modified as necessary to ensure program compatibility; where the provisions of tribal law, tribal governance, tribal charter, or difference in Tribal Entity legal structure or agency create minor inconsistencies (as determined by the Director of the Department or a duly authorized designee thereof), the Department may waive said requirements of the financing provided by the Department, as deemed necessary, to avoid an unnecessary administrative burden.
 2. Matters that may be modified or waived pursuant to paragraph (1) above are set forth in this NOFA and are not limited to the following, as set forth in HSC section 50406, subdivision (p)(2).
 - a. Instrument recording requirements.
 - b. Security Requirements for state financing provided pursuant to Department programs.
 - c. Title insurance requirements.
 - d. Tribal Homekey+ population percentage requirements, not to exceed change of more than 5 percent of any amount expressly set forth in statute.
 - e. Affordability levels and unit mix requirements, not to exceed a change of more than 5 percent of any amount expressly set forth in statute.
 - f. Any matter not expressly or objectively set forth in statute but is set forth with specificity in guidelines or regulations promulgated by the Department.

3. Any standard requirements or general rules of application that the department develops or implements to carry out modifications or waivers set forth in HSC section 50406, subdivision (p) shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340 of Part 1 of Divisions 3 of Title 2 of the Government Code.)
- K. Tribal Homekey+ provides permanent supportive housing for persons (including Veterans and Youth) who are homeless, chronically homeless, or at risk of homelessness, and who are living with a Behavioral Health Challenge. As such, article XXXIV, section 1of the California Constitution is not applicable to Homekey+ funded development, consistent with Health and Safety Code sections 37000-37002.
- L. Applicants are encouraged to discuss potential conflicts, as described above, and the process for requesting modification or waiver of requirements during the required pre-application technical assistance meetings, as described in Article IV, section 401, of this NOFA.

Section 102. Program Timeline

- A. Tribal Homekey+ funds will be available to Eligible Applicants on a continuous, over-the-counter basis. The following Table 1 summarizes the anticipated Tribal Homekey+ Program timeline. The Department reserves the right to modify the projected timeline at any time.

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Table 1: Program Timeline

NOFA release	November 26, 2024
Application release	December 2024
NOFA & Application Workshops	January 2025
Pre-Application Technical Assistance Meetings Submit request and completed request form to HKTribal@hcd.ca.gov	Ongoing, beginning December 2024
Application period opens	Late January 2025
Final Application due date	Open until all funds are awarded
Award announcements	Continuous, beginning in June 2025
Standard Agreements issued	Continuous, after award and upon the Department's receipt of required information and documentation
Grantee Expenditure and Program Report, annually for five years after execution of Standard Agreement	Annually by March 31, beginning in 2026
Construction starts	Within six months of award date
Completion of project construction and/or Rehabilitation	Within 24 months following the date of initial disbursement of funds

B. Grantees will be subject to the following deadlines, summarized in Table 2, which begin 60 days after the Tribal Homekey+ conditional award letter date, which allows time for Standard Agreement execution. If the due date falls on a weekend or holiday, then the due date becomes the soonest business days after the weekend. Construction Completion can be proven by a Temporary Certificate of Occupancy, Certificate of Completion, Contractor scope of work with signed statement of completion. Occupancy completion is proven by Rent Roll or other forms of verification to prove units are occupied.

Table 2: Program Deadlines*

	Break Ground (if applicable)	Complete construction	Complete Expenditure	Complete Occupancy
New Construction	6 months	24 months	27 months	27 months
Acquisition and/or Rehabilitation	N/A	12 months	15 months	15 months

**Deadlines begin 60 days from date of conditional award letter and may only change upon approval by HCD.*

C. Additional parameters for deadlines include:

1. New construction and gap financing Projects must break ground within 6 months;
2. Acquisition and/or Rehabilitation must be completed in 12 months. New construction and gap financing projects must be completed in 24 months;
3. Capital Expenditure for Acquisition and/or Rehabilitation must be completed within 12 months. Capital Expenditure for new construction and gap financing must be completed within 24 months. Any project type may request an expenditure deadline extension to Occupancy completion.
4. Full occupancy must be achieved 90 days upon completing construction. For acquisition of New Construction projects with no rehab, occupancy must be achieved within 6 months of acquisition. HCD reserves the right to recommend special conditions for longer occupancy timeframes for large (over 75 units) Projects up to an additional three months.
5. All operating funds must be expended within 10 years from initial occupancy. HCD may, in its sole and absolute discretion, extend the expenditure deadline up to a total of 15 years.

6. HCD may, in its sole and absolute discretion, approve an extension of the acquisition, Rehabilitation, construction, and/or occupancy deadlines if the Grantee demonstrates, to HCD's satisfaction, that the relevant delay is caused by reasonably unforeseeable events, conditions, or circumstances. Construction labor shortages and supply chain issues do not constitute reasonably unforeseeable events, conditions, or circumstances for purposes of an extension request. Extension requests shall be submitted in electronic format on a form provided by HCD.

Article II. Program Requirements

Section 200. Eligible Applicants

- A. Tribes and Tribal Entities, as defined in Article VII of this NOFA, located in California, that demonstrate sufficient experience and capacity to develop, own and operate affordable housing.
- B. Tribes and Tribal Entities may apply individually or jointly with a Local Public Entity or a nonprofit or for-profit corporation, a limited liability company (LLC), and/or a limited partnership (LP) as a Co-Applicant.

Section 201. Eligible Uses

- A. Awarded funds must be used to develop multifamily Rental Housing Developments, including acquisition and Rehabilitation of existing housing, new construction of apartments, townhomes, or single-family rental homes, including manufactured housing, or conversion of non-residential space to residential housing. Projects developed using Tribal Homekey+ funding shall provide Permanent Supportive Housing for people experiencing homelessness, or At Risk of Homelessness, and are living with a Behavioral Health Challenge. .
- B. Eligible uses include:
 - 1. Acquisition and/or Rehabilitation, of motels, hotels, or other sites and assets, including homes, apartments or vacant land, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent housing;
 - 2. Conversion of units from nonresidential to residential purposes;
 - 3. New construction of dwelling units;
 - 4. Relocation costs for individuals who are being displaced because of the Tribal Homekey+ Project; and,
 - 5. Capitalized operating subsidies for units purchased, converted, constructed, or altered with funds provided pursuant to HSC section 50675.1.3.

Section 202. Eligible Costs

- A. Funds shall be used only for approved eligible costs in accordance with paragraph D. of this section, incurred on the Project to carry out the uses described in section 201, including interim or bridge loans used to pay such costs. In addition, eligible costs must be necessary and consistent with the lowest reasonable cost of the Project's scope and area, as determined by the Department.
- B. Duplication of benefit is not permitted. Tribal Homekey+ funding is not required to be used as funding of last resort; however, Grantee may not use Tribal Homekey+ funding to cover expenditures that have already been funded through other sources. Expenses that have been or will be reimbursed under any federal program are not eligible uses of Tribal Homekey+ funding.

- C. Substituting previously awarded Department funds is prohibited, except as follows: Applicants seeking to substitute previously awarded Department funds must request withdrawal of their prior award in writing and provide reasonable justification that the substitution is necessary to ensure project feasibility. Substitutions based solely upon Applicant preference or convenience will not be permitted. Applicants are encouraged to discuss available options during pre-application technical assistance meetings.
- D. Eligible costs include:
1. Predevelopment activities including, but not limited to acquisition, architectural, appraisal, engineering, legal costs and attorney fees and other consulting costs and fees, which are necessary and directly related to the planning and execution of the Project, and which are incurred through third-party contracts;
 2. Offsite improvements, such as sewers, utilities, and streets, directly related to, and required by the Rental Housing Development;
 3. Onsite improvements related to the Rental Housing Development;
 4. Developer fee limits as specified in UMR Section 8312 shall apply, except on a non-tax credit new construction project where the developer fee shall not exceed the following:
 - a. For projects with 49 or fewer Restricted Units (excluding units restricted at levels above 60 percent of Area Median Income (AMI)): the greater of \$40,000 per Restricted/Manager's Unit, not to exceed \$1,200,000;
 - b. For projects with between 50 and 100 Restricted Units (excluding units restricted at levels above 60 percent of AMI): the greater of \$40,000 per Restricted/Manager's Unit, not to exceed \$2,200,000.

Section 203. Eligible Projects

Tribal Homekey+ is for Permanent Supportive Housing (PSH). HCD welcomes and will consider a variety of innovative housing solutions as eligible Projects. The following list of eligible Projects is not exhaustive.

- A. New construction of multifamily rental housing projects, including development on excess state-owned properties;
- B. Rehabilitation of a Rental Housing Development or conversion of a nonresidential structure to residential dwelling units or a Rental Housing Development, as described in section 201, (B) of this NOFA;
- C. Conversion of buildings with existing residential or interim uses that will be used to create PSH units;

- D. Scattered site housing on multiple contiguous or non-contiguous sites is permitted as long as the resulting housing has common ownership, financing, and property management (*Please refer to Article III, Section 302 of this NOFA for single-family scattered site project requirements.*); and,
- E. PSH units in a shared housing setting. Shared housing is a structure shared by two or more households, where each household has in a separate private bedroom that can be locked and has a lease, which all the rights and responsibilities of tenancy. (*Please refer to Article III, Section 300; G),12) for property management plan requirements.*)
- F. An Eligible Project must be located within the boundaries of the State of California.

Section 204. Geographic Distribution

Funding under this NOFA is not subject to specific geographic allocations; however, to the extent possible, the Department will distribute funds equitably throughout the state. Ten percent of total funds available may be used solely at the Department's discretion to achieve an equitable distribution of funds or, if necessary, to supplement grants pursuant to section 207 of this NOFA.

Section 205. Program Deadlines

- A. Capital Expenditure must be completed within 12 months from date of conditional award, or up to the deadline for Occupancy completion if requesting an expenditure deadline extension.
- B. Grantees shall be prepared to start construction within six months of the date of award.
- C. Grantees shall complete all applicable construction and/or Rehabilitation within 24 months following the date of initial disbursement of funds.
- D. All Projects shall achieve a full occupancy (fully occupied with consideration for an average of 10 percent vacancy rate at any given time) within 90 days of construction and/or Rehabilitation completion.
- E. The Grantee may ask the Department for an extension for construction start, or construction and/or Rehabilitation completion, where the extension is due to circumstances or conditions beyond their control and granting an extension will enable the Project to complete construction and/or Rehabilitation or achieve full occupancy of the Assisted Units. In cases where an extension for construction and/or Rehabilitation completion is granted by the Department, the deadlines for capital fund expenditure and full occupancy may be extended within the constraints of applicable law.
- F. All operating funds must be expended within 10 years from occupancy. The Department has the sole right to extend the expenditure deadline up to 15 years.
- G. The Department may reimburse eligible costs incurred from January 1, 2024. Applicants are encouraged to discuss their options at the required pre-application technical assistance meeting.

Section 206. Maximum Capital Grant Amounts

- A. The capital funding grant amount shall be the **lesser of**:
1. A base amount of \$300,000 per Assisted Unit (as defined in Article VII of this NOFA), adjusted for bedroom size and deeper affordability; or,
 2. The amount necessary to enable the acquisition, development and construction or Rehabilitation of the Rental Housing Development; which shall not exceed the total eligible costs required, when considered with other available financing and assistance, including the full amount of any tax credit equity generated by the Project; or,
 3. \$10 million per Program application.
- B. An award may exceed the limits set forth in (1) and (3) above only where the Applicant demonstrates to the Department's satisfaction that extraordinary development costs are reasonable and necessary to complete the project, and the Total Development Cost (TDC) does not exceed 130 percent of the NAHASDA TDC limits set forth in PIH Notice 2022-16. In no event shall the total capital grant exceed \$12 million per Program application.
- C. Tribal Homekey+ Program funds may provide up to 100 percent of Project financing if 100 percent of the units will be restricted to occupancy by the Tribal Homekey+ Population. To meet this requirement, the Applicant must provide a written explanation of the Applicant's efforts to obtain alternate financing and the outcomes of these efforts.
- D. If an Applicant is unable to complete all threshold requirements described in section 300 of this NOFA, due solely to a lack of funds, but the project is otherwise feasible, the Department may make an award conditioned upon completion of these requirements within three months after execution of the Standard Agreement. If awarded, the Grantee may request up to 10 percent of the total capital grant to complete outstanding threshold requirements. Funds requested for this purpose shall not exceed related costs specified in the proposed development budget, which are necessary to meet Program threshold criteria. Further, the Applicant must provide a written explanation of the Applicant's efforts to obtain alternate financing and the outcome of those efforts. Additional disbursements shall be conditioned upon completion of outstanding threshold requirements.
- E. Applicants requesting funds for this purpose shall state the total funding requested in the application and provide a detailed listing of outstanding threshold items and their corresponding costs.
- F. If an Applicant is unable to secure site control through an enforceable agreement, such as a sales contract or purchase/lease option due to lack of funds or unwilling seller and relies instead on a letter of intent as specified in section 300 (G)(15)(g), below, but the project is otherwise feasible, the Department may make an award conditioned upon securing site control within six months after execution of the Standard Agreement.
1. If awarded, the Grantee may request disbursement of funds sufficient to secure site control. Funding shall be limited to the cost of obtaining a purchase/lease option or the fair market value, and supported by an appraisal, as described in Article III, section 300 of this NOFA.

2. At time of application, land cost shall be based on comparable land sales and included in the development budget.
 3. Additional disbursements shall be conditioned upon securing site control within the period specified in the Standard Agreement.
- G. For related party sales, property acquisition prices may be set at levels that allow for recovery of verified holding costs and the assumption of existing debt. However, any proceeds realized by the seller, above their costs, shall be contributed back to, and remain with, the Project. "Related party" is any party thereto the Tribal Homekey+ Applicants identified in the Tribal Homekey+ application and/or the Applicant's organization structure.

Section 207. Operating Subsidies and Match

Tribal Homekey+ will fund a maximum operating grant amount per door, pursuant to the conditions of this section:

- A. Where a Tribal Homekey+ operating subsidy is requested, the total amount of operating subsidy per Assisted Unit shall not exceed \$1,400 per unit per month.
- B. The operating subsidy may pay for necessary, recurring Project Operating Expenses in an amount approved by the Department. Qualifying expenses can include a variety of expenses such as utilities, maintenance, management fees, taxes, licenses, and supportive services costs. Operating Expenses should be included in the Project's submitted budget.
- C. Operating awards shall not pay for the following expenses:
 1. Costs associated with non-Assisted Units, including Manager's Units.
 2. Debt service.
 3. UMR-required reserve account initial and/or annual deposits.
 4. Deposits to reserves beyond those required by HCD under the UMRs, including reserves required by other Project financing sources.
 5. Distributions.
 6. Developer fees.
- D. Under no circumstances may Tribal Homekey+ operating funds be used for or in connection with a limited partner buyout, substitution, or assignment of ownership interest.
- E. The total duration of the operating subsidy (as described in paragraph A. of this section) is tied to the amount of the Applicant's matching funds, and is limited as follows:
 1. If Applicants can demonstrate a commitment of three years of non-Tribal Homekey+ operating funds for Assisted Units, the Department will provide an operating subsidy sized for three years.

2. If Applicants can demonstrate a commitment of four years of non-Tribal Homekey+ operating funds for Assisted Units, the Department will provide an operating subsidy sized for four years.
3. If Projects can demonstrate a commitment of five years or more years of non-Tribal Homekey+//Homekey+ operating funds for Assisted Units, the Department will provide an operating award sized for up to five years.
4. The Tribal Homekey+ funded portion of the operating award must be expended no later than ten years from initial occupancy as per section 206 of this NOFA, with the Grantee establishing a Capitalized Operating Subsidy Reserve (COSR) and expending the eligible Operating Expenses, as outlined in this NOFA. HCD has the sole right to extend the expenditure deadline up to a total of 15 years. The deposit into the COSR does not count as expended.
5. Eligible Applicants are required to demonstrate a minimum three-year commitment to provide operating funds for the proposed Project to qualify for the Tribal Homekey+ operating award. As noted in E, (1)-(3), additional match may result in additional Tribal Homekey+ funding, for a period up to five years. Eligible Applicants may include funds from the Tribal Homekey+ operating award in the Project budget for up to ten years from occupancy, as described in (4), above. Operating match may be obtained from any source, including any federal, state, local, private, or philanthropic source. Applicants are encouraged to consider Project-based vouchers; Veterans Affairs Supportive Housing (HUD-VASH) Vouchers; Mainstream Vouchers; Foster Youth to Independence Vouchers; Faircloth to Rental Assistance Demonstration (RAD) conversions; Homeless Housing Assistance and Prevention Program (HHAP) funding; Permanent Local Housing Allocation (PLHA) funding; Transitional Housing Program (THP) or Transitional Housing Program Plus (THP-Plus) funding, Mental Health Services Act (MHSA) funding; Behavioral Health Services Act (BHSA) funding; and HOME-ARP funding. The preceding list of potential match sources is not exhaustive. Operating match requirements and the Project's potential match sources will be discussed during the required pre-application technical assistance meeting.

F. Additionally, the following requirements apply to operating match contributions:

1. The Eligible Applicant must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match Homekey+ funds; and
2. If the State General Funds are used to satisfy the matching requirements of another program, then funding from that program may not be used to fulfill the matching requirements of the Homekey+ program.

G. Where additional non-Tribal Homekey+ operating or rental subsidies are needed to ensure fiscal integrity of the project, the Applicant must identify the source and amount of these subsidies in a letter of intent, Memoranda of Understanding (MOU) or similar at time of Application submittal. Subsidies must be fully committed prior to initial occupancy as evidenced by a contract or resolution, as applicable.

- H. Applicants must also commit to continuing to seek operating funding in future years as such funding becomes available, including Behavioral Health Services Act funding that becomes available in 2026.
- I. The Department may waive the Applicant match requirement, in whole or in part, if the Applicant demonstrates that alternate funds are not available. Match requirement waivers may be limited based upon availability of Program funds and will be subject to the sole approval and discretion of the Program.
- J. Applicants are encouraged to discuss the match requirements and potential match sources during the pre-application technical assistance meetings.

Section 208. Affordability Term

- A. Grantees shall duly encumber all Rental Housing Projects located outside Indian Country with a 30-year Affordability Covenant that:
 - 1. is recorded in first position against the Project real property for the benefit of the state, regional, local, or Tribal Grantee,
 - 2. restricts the use, operation, occupancy, and affordability of the Project and real property in accordance with the Tribal Homekey+ Program Requirements,
 - 3. duly names the Department as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, and
 - 4. is otherwise in form and substance acceptable to the Department.
- B. Rental Housing Projects located on Tribal trust land shall have an initial term of 25 years, commencing with the date of recordation of the Department's Tribal Homekey+ Program Affordability Covenant.
- C. Rental Housing Projects located within Indian Country shall be duly encumbered with a 25-year Affordability Covenant with the terms and conditions set forth in this section. For Permanent Housing Projects located on Tribal trust or restricted land, the 25-year Affordability Covenant may be approved by and recorded with the Bureau of Indian Affairs (BIA), and any residential leases of Tribal trust or restricted land shall be approved by the BIA in accordance with 25 C.F.R. Part 162

Article III. Threshold Requirements

Section 300. Threshold Requirements

To be eligible to receive funding, all proposed projects must meet the following requirements prior to an award of funds, except as specifically stated herein:

- A. Eligible Applicant: As described in section 200 and defined in Article VII, paragraph (K) of this NOFA. The Applicant must demonstrate sufficient experience, as specified in Paragraph (B) of this section, and capacity to develop, own and operate affordable housing and will control the Project during acquisition, development, and occupancy. For purposes of this subdivision, an Applicant has “capacity” if it has adequate staff, capital, assets, and other resources to efficiently meet the operational needs, maintain the fiscal integrity; and the capability to satisfy all legal requirements and obligations in connection with the Rental Housing Development. Evidence of capacity must be reasonably acceptable to the Department and may include experience garnered under 638 contracts with the Bureau of Indian Affairs pursuant to the Indian Self-Determination and Education Assistance Act of 1975, Pub. L. 93-638.
- B. Development Experience: Except as abrogated below, the Eligible Applicant shall demonstrate that it has successfully completed at least one project of equivalent size, scope, amenities, and services.
 1. Tribes and Tribal Entities may rely on the experience of a Co-Applicant, subject to the requirements of MHP Guidelines section 7303(g) and UMR section 8313.2 as summarized below. If a Tribe or Tribal Entity relies upon the experience of a Co-Applicant to qualify for funding, the following requirements must be met:
 - a. The Co-Applicant with experience must document that respective experience in the application, as required by the NOFA.
 - b. The Co-Applicant with experience must perform a substantial management role in the borrowing entity from the time of Award, through permanent financing close of escrow, and for at least seven (7) consecutive years thereafter, as evidenced by the applicable organizational documents. Such role shall include the substantial management duties set forth at UMR Section 8313.2.
 - c. The partnership agreement or other applicable organizational documents must, for the duration of the recipient entity, provide for all of the following:
 - i. The Tribe or Tribal Entity must receive no less than 50 percent of the Project's total Developer Fee. This requirement will be included as a special condition in the Project's respective Standard Agreement, as well as in its Restrictive Covenant.
 - ii. Provide the Tribe or Tribal Entity without experience with an option to purchase the Rental Housing Development at appraised fair market value. The time period for exercising such option shall be no earlier than seven

years from the date of initial occupancy or permanent financing close of escrow, as applicable. Such options shall be subordinate to the Department's funding and security documents.

- C. **Property Management Experience:** The property manager shall have three or more years of experience serving persons of the Tribal Homekey+ Population. If a property manager is not yet selected for the proposed project, the Eligible Applicant shall certify that this requirement will be reflected in a future solicitation or memorandum of understanding. Tribes and Tribal Entities may satisfy this experience requirement by contracting with an experienced property management company.
- D. **Supportive Services Experience:** The lead service provider shall have three or more years of experience serving persons of the Tribal Homekey+ Population. Tribes and Tribal Entities may satisfy this experience requirement by contracting with an experienced service provider. A letter of intent or Memoranda of Understanding, signed by the proposed service provider(s), is required at time of application. Such contract(s) between the Tribe or Tribal Entity and the service provider must be fully executed prior to occupancy of the completed Project.
- E. **Eligible Project,** as described in section 204 of this NOFA. Eligible Projects must serve persons qualifying as members of the Tribal Homekey+ Population, as defined in Article VII of this NOFA.
- F. All proposed uses of Program funds are eligible pursuant to section 201 of this NOFA.
- G. The application is complete at time of submittal, as described in this subparagraph, including all required documents and third-party reports, or where outstanding documents and reports can be obtained within a reasonable time, as specified by the Department. Third party reports may include, but are not limited to appraisals, market study or similar market analysis, environmental reports and relocation plans as specified in the application.
 - 1. For projects requesting grant funds to pay for outstanding threshold criteria including, but not limited to necessary third-party reports, as described in section 207 the Applicant must submit a letter of intent to the Department, executed by an authorized signatory of the Applicant.
 - 2. The letter of intent must expressly state and represent to the Department, without condition or reservation, that, upon successful application, the Applicant shall purchase or otherwise acquire and submit all required documents and reports to accomplish the purpose of the award within three months after execution of the Standard Agreement.
 - 3. The letter of intent shall include an itemized list of outstanding items and an estimate of costs consistent with the development budget. If this form of evidence is relied upon at the time of application, the Department shall impose additional milestones in the Standard Agreement, requiring submission of all required documents not more than three months following execution of the Standard Agreement.
 - 4. At time of application "complete" means that sufficient information and documentation is provided for staff to review and assess the feasibility of the proposed project. Throughout the application review process, program staff will provide technical

assistance to ensure that all necessary corrections are made prior to an award of funds.

5. Includes a duly adopted Resolution or Ordinance of the governing board, Tribal council, Tribal leadership, or other Tribal governing body, in accordance with the governing laws, of the Applicant or Co-Applicant authorizing submission of the application and execution of all Department and Program documents.
6. In addition, each Applicant and Co-Applicant shall submit a complete set of its organizational documents including but not limited to a Tribe's constitution, charter or other applicable documents, and any amendments thereto, prior to execution of the Standard Agreement.
7. The Project, as proposed in the application, is financially feasible as evidenced by documentation such as, but not limited to, Enforceable Funding Commitments, market study/market information, project proforma, development budgets, funding sources, or other feasibility documentation that is standard industry practice for the type of proposed housing development.
8. The Project will maintain fiscal integrity consistent with proposed rents in the Assisted Units and is feasible pursuant to the underwriting standards in C.C.R. Title 25, section 8310, which are summarized in section 303 of this NOFA;
9. If applicable, funding commitments or other reasonable assurance to cover operations and service costs with specific funding sources (government/philanthropic/private) for the proposed project and a budget which covers operations and services costs through year 15 from the recordation of the covenants.
10. Applications must include an initial supportive services plan (SSP) based on the anticipated needs of the Tribal Homekey+ Population and any proposed sub-populations to be served by the Project. Applicants may use the standard SSP, included in the application, or the alternate SSP available for Tribal Entities, located at: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/homekey/appendix-b-supportive-services-plan-sample-frt.pdf>. The initial plan shall be reasonably detailed and comprehensive, as determined by the Department in its sole and absolute discretion. A final, Department approved SSP shall be required prior to occupancy of the project. SSP requirements are specified in section 301, below.
11. Because eligibility is restricted to individuals with Behavioral Health Conditions, project service plans must reflect how behavioral health services will be provided on site and/or upon referral basis to residents as necessary to maintain individual housing stability. Services shall include, but are not limited to:
 - a. Case management
 - b. 24/7 online, telephone or in person support
 - c. Behavioral health care, e.g. assessments, crisis counseling, individual or group therapy, peer support groups available on site or upon referral basis to residents
 - d. Links to physical healthcare, e.g. preventative care, dental, medication management, wellness services.

- e. Benefits Counseling and advocacy, e.g. education or employment services, life skill training, legal assistance; and
 - f. Basic housing retention skills.
12. Projects using the shared housing model shall submit a management service plan that complies with the occupancy requirements of the shared housing model and must include provisions for cohabitant rules and expectations, as well as remedies for resolving conflict between occupants of the shared housing project.
13. A project development plan and timeline that supports acquisition of a site, development, and completion of the project in a timely manner and in accordance with Tribal Homekey+ program requirements and demonstrates evidence of strong organizational and financial capacity to develop the project. Eligible Applicants are encouraged to discuss the project timeline and related statutory authorities during the pre-application technical assistance meetings. The project development plan should also include a description of the proposed work for the project and the respective roles and responsibilities of each Applicant, as applicable.
14. For projects proposed outside of Indian Country, for the benefit of the general community population (i.e., occupied by non-Tribal members), applications must include a completed Racial Demographic Data Worksheet, which reports CoC outcomes by race and ethnicity. The completed worksheet may be submitted by the Applicant and the template can be found on the Tribal Homekey+ Program [webpage](#). For projects proposed within the boundaries of Indian Country the Racial Demographic Data Worksheet and Continuum of Care (CoC) reporting is not required.
15. Site control shall be required at time of application, or may be attained within a reasonable period, as determined by the Department. The status and nature of the Grantee's title and interest in the property shall be subject to the Department's approval. Site control may be evidenced by one of the following:
- a. Fee title which, for Tribal trust land, may be evidenced by a title status report. Note: An uncertified title status report will satisfy application requirements. A certified title status report will be required prior to disbursement of awarded funds.
 - b. A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit compliance with all Tribal Homekey+ Program requirements;
 - c. A leasehold estate of a Tribe or Tribal Entity with respect to land held in trust by the Bureau of Indian Affairs, or a valid sublease thereof that has been or will be approved by the Bureau of Indian Affairs;
 - d. An executed disposition and development agreement, or irrevocable offer of dedication to a public agency;
 - e. A sales contract, or other enforceable agreement for the acquisition of the property shall have an expiration date, including extensions, no sooner than construction loan closing and/or start of construction.

- f. An agreement with a public agency that gives the Sponsor exclusive rights to negotiate with that agency for acquisition of the site, provided that the major terms of the acquisition have been agreed to by both parties;
 - g. A letter of intent, executed by a sufficiently authorized signatory of the Eligible Applicant, that expressly represents to the Department, without condition or reservation, that, upon successful application, the Eligible Applicant shall purchase or otherwise acquire a sufficient legal interest in the property to accomplish the purpose of the award within a reasonable time period, as specified by the Department. The letter of intent may also be acknowledged by the party selling or otherwise conveying an interest in the subject property to the Applicant if the selling party has been identified at time of application. If this form of evidence is relied upon at the time of application, the Department shall impose additional milestones, in the Standard Agreement, regarding increased evidence of eventual site control not more than six months following execution of the Standard Agreement; or
 - h. Other forms of site control that give the Department assurance (equivalent to items a. through g. above) that the Applicant will be able to complete the Project in a timely manner and in accordance with all the Tribal Homekey+ Program objectives and requirements. (*Please refer to Article III, Section 302 of this NOFA for single-family scattered site project requirements.*)
16. Assisted Units and other units of the Project located outside of Indian Country must meet all applicable state or local requirements, as applicable, to rental housing, including but not limited to requirements for minimum square footage, building standards and requirements related to maintaining the project in a safe and sanitary condition.
17. Applicants and Co-Applicants must be in good standing with the State of California and all agencies and departments thereof. By way of example and not limitation, an Applicant and Co-Applicant must be qualified to do business in the State of California and must be in good standing with the California Secretary of State and the California Franchise Tax Board. Applicants that are delinquent in meeting the material requirements of previous Department awards may, in the Department's reasonable discretion, fail threshold review.
18. Applicants shall submit a concise and sufficiently detailed relocation assistance narrative to demonstrate its consideration of, and early engagement with, applicable relocation assistance laws and requirements. The relocation assistance narrative **does not** take the place of the relocation plan described in section 504 of this NOFA. At a minimum, the relocation assistance narrative shall include:
- a. A description of the proposed site including location, existing improvements (e.g., buildings, parking lots, billboards) or a statement that the land is vacant.
 - b. A description of persons, businesses or farm operations that will or may be displaced.
 - c. If any permanent or temporary relocation will be required, include an estimate of total relocation costs, and describe the methodology used to calculate these costs.

- d. An identification of the Applicant's relocation consultant and/or relocation services provider in connection with the project site. Applicant shall also submit copies of its services contract or letter of intent with or to the relocation consultant and/or relocation services provider.

19. Appraisal Requirements

- a. An appraisal is required when the land cost or value of a land donation is included in the development budget.
- b. If required, the appraisal may be submitted at time of application, prior to award, or prior to distribution of Tribal Homekey+ funds for acquisition or construction, as specified in the Standard Agreement. Applicant should discuss appraisal requirements and timing during pre-application technical assistance meetings.
- c. If required, the appraisal must support the land cost or value stated in the development budget.
- d. Any appraisal required by the Department shall be prepared by an independent third-party individual or firm which has the appropriate license and the knowledge and experience necessary to competently appraise low-income residential rental property.
- e. If the proposed project will be located within Indian Country and comparable land sales are not available, the Applicant should discuss the proposed method for valuation, which approval shall be at the sole and absolute discretion of the Department.

20. Market Study and Market Analysis Requirements

- a. For projects located within Indian Country, the Applicant shall provide a Tribe-specific Market Analysis prepared by an individual or firm which: (1) Has the knowledge and experience necessary to conduct a competent analysis of Tribal demographics (including employment, income, homeless population, family size and seniors) and housing needs for the proposed affordable rental project; (2) Is aware of, understands, and can competently describe the methodology used in performing the analysis; and (3) includes a description of the preparer's qualifications.
- b. For projects proposed outside the boundaries of Indian Country, the market study shall conform to the market study guidelines adopted by the California Tax Credit Allocation Committee (TCAC) and be prepared by an individual or firm which: (1) Has the knowledge and experience necessary to conduct a competent market study for low-income residential rental property; (2) Is aware of, understands, and correctly employs those recognized methods and techniques that are necessary to produce a credible market study; (3) In reporting the results of the market study, communicates each analysis, opinion and conclusion in a manner that is not misleading as to the true market needs for low-income residential property; (4) Is an independent third party having no identity of interest with the Sponsor, the partners of the Sponsor, the

intended partners of the Sponsor, or with the general contractor; and (5) includes supplemental information related to Tribal demographics, housing needs and demand analysis.

Section 301: Supportive Services Requirements

- A. To be eligible to receive funding, all applications must include a Project-specific Supportive Services plan that shall be consistent with any representations made in the application, and it shall meet the Tribal Homekey+ Program Requirements. HCD in its sole discretion shall make the determination (1) if the Supportive Services plan is sufficiently complete to pass threshold and (2) if the Supportive Services plan and property management plan is compliant with evidence-based practices for each unique Tribal Homekey+ Population served by the Project. Applications must include:
1. A description of the Supportive Services to be offered, how frequently each service will be offered or provided depending on the nature of the service, who is anticipated to be providing the services, and the location, whether on or off-site, and general hours of availability of the Supportive Services. Applicants must ensure that the Supportive Services are made available to Tribal Homekey+ tenants in a manner that is voluntary, flexible, and individualized, so Tribal Homekey+ tenants may continue to engage with Supportive Services providers, even as the intensity of services needed may change. Furthermore, access to or continued occupancy in housing cannot be conditioned on participation in Supportive Services or on sobriety. Adaptability in the level of services should support tenant engagement and housing retention.
- B. The following Supportive Services shall be made available to Tribal Homekey+ tenants and participants based on tenant need. The lead service provider for the Project shall coordinate the provision of or referral to services needed by individual tenants. The following required services must be provided onsite at the Project or offsite at another location easily accessible to tenants:
1. Case management performed by a Case Manager, as defined in Article VII. Definitions. For Projects with Assisted Units serving Populations that require intensive services, specifically including high acuity Homeless and Chronically Homeless populations, services to be provided must include at a minimum, on-site comprehensive case management as well as on or off-site mental health care, physical health care and substance use services.
 2. Peer support activities, including 24/7 telephone, online, or in- person support.
 3. Mental health care, such as assessment, crisis counseling, individual and group therapy, and peer support groups.
 4. Substance use services, such as treatment, relapse prevention, and peer support groups.
 5. Support in linking to physical health care, including but not limited to access to routine and preventive health and dental care, medication management and medication assisted treatment, and wellness services.

6. Benefits counseling and advocacy, including assistance in accessing and maintaining federal Indian assistance programs, as applicable, and
 7. Basic housing retention skills (such as unit maintenance and upkeep, cooking, laundry, and money management).
 8. Supportive Services for persons with co-occurring mental and physical disabilities or co-occurring mental and substance use disorders not listed above.
 9. Recreational and social activities, including peer-led groups and events.
 10. Educational services, including assessment, GED, school enrollment, assistance accessing higher education benefits and grants, and assistance in obtaining reasonable accommodations in the education process.
 11. Employment services, such as supported employment, job readiness, job skills training, job placement, and retention services, or programs promoting volunteer opportunities for those unable to work, and
 12. Obtaining access to other needed services, such as civil legal services, or access to food and clothing.
- C. Projects serving 16 or more units in a single site must include an onsite manager, maintenance, or other responsible person, as required by California law 25 CCR §42. Applicants seeking an exemption from this requirement must demonstrate that they will provide an equivalent number of desk or security staff, who are not tenants, capable of responding to emergencies for the hours when property management staff is not working.
- D. Linkages to the following enhanced services shall also be offered to Tribal Homekey+ tenants:
1. Potential out-placements, should they become appropriate alternatives for current Tribal Homekey+ residents and participants, either because a higher level of care is required (i.e., residential treatment facilities and hospitals), or because Permanent Supportive Housing is no longer required (i.e., other affordable housing or market rate housing).
 2. Representative payee.
 3. Legal assistance.
 4. Attendant care.
 5. Adult day care.
 6. Parenting education, childcare, and family legal and counseling services including, but not limited to, family reunification.
 7. Financial counseling, and
 8. Domestic violence support, including but not limited to access to temporary shelter, family and individual counseling, and legal support.

E. Applicants shall provide written policies and procedures covering:

1. Payment of rent by residents during periods of hospitalization.
2. Coordination with property management for resolution of complaints from tenants or on behalf of tenants.
3. Use of best practices in service delivery for each unique Tribal Homekey+ Population served by the Project, including but not limited to critical time intervention; trauma-informed care and de-escalation; motivational interviewing; peer support; case conferencing; and providing care in a culturally competent manner.
 - a. Supportive Services for Youth Assisted Units must also include a Positive Youth Development (PYD) model and trauma-informed care. Services may include, but are not limited to, case management, income supports, educational and employment counseling, life skills, legal assistance, health and wellness, and family connection services.
 - b. Youth Assisted Units occupied by a tenant over age 25 shall be replaced with a comparable unit in the same project, if available. When a tenant older than 25 moves out of a unit restricted for Youth, the Youth Assisted Unit shall go back to serving Homeless Youth.
4. Initial and periodic staff training in all of the above, and in the operator's program philosophy, values, and principles.
5. Description of each unique Tribal Homekey+ Population to be served by the Project, and identification of any additional subpopulation target or occupancy preference for the Tribal Homekey+ Project that the Applicant wishes to undertake beyond what is permitted under the Tribal Homekey+ Population requirements.
 - a. The property manager and Supportive Services provider shall have three or more years of experience serving persons of each unique Tribal Homekey+ Population. If a property manager or Supportive Services provider is not yet selected for the proposed Project, the Eligible Applicant shall certify that this requirement will be reflected in any future solicitation or memorandum of understanding (MOU) that pertain to the provision of Supportive Services. Projects with Youth Assisted Units may jointly apply and/or partner with a nonprofit corporation(s), including community-based organization(s), with at least three years of experience serving current or former Foster Youth, Homeless Youth, or Youth at Risk of Homelessness.
6. A tenant engagement plan (i.e., plan to encourage voluntary tenant participation in services as well as in community building, such as resident councils or similar forums) including a description of tenant outreach, engagement, and retention strategies to be used. A tenant satisfaction survey shall be conducted at least annually to inform and improve services, building operations, and property management.
7. A description of plans and measures to ensure the safety and security of residents and staff (e.g., guest and visitor policies, policies on the violation of safety rules, staff training, and building design features intended to promote security);

- a. For Supportive Services provided offsite, the plan must describe what public or private transportation options will be offered to tenants in order to provide them reasonable access to these services. Reasonable access is access that does not require walking more than one-half mile. Reasonable access should also include a plan for transportation to off-site Supportive Services where tenants are not able to walk less than one-half mile.
- b. Description of how the Supportive Services will be culturally and linguistically competent for the Tribal Homekey+ population. This includes explaining how services will be provided to Tribal Homekey+ tenants who do not speak English, or have other communication barriers, including sensory disabilities, and how communication among the services providers, the property manager and these tenants will be facilitated. Culturally competent also includes the culture shared by each unique Tribal Homekey+ population served by the Project. The services need to include reasonable accommodation and auxiliary aids and services for effective communications.
- c. A staffing plan with staffing levels sufficient to meet the needs of each unique Tribal Homekey+ population served by the Project. Where one or more of the Restricted Units are limited under HCD Affordability Covenant to occupancy by Homeless Youth, or Youth at Risk of Homelessness, services must be provided with a household to staffing ratio not exceeding 15 to 1. Where one or more of the Restricted Units are limited under HCD Affordability Covenant to occupancy by Homeless persons with disabilities, services must be provided with a household to staffing ratio not exceeding 25 to 1. Where one or more of the Restricted Units are limited under HCD Affordability Covenant to occupancy by other special needs populations, services must be provided with a household to staffing ratio not exceeding 40 to 1.
- d. Estimated itemized budget, and sources of funding for Supportive Services.
- e. Identification of outcome measures to be tracked, description of the data to be collected for each measure, and explanation of the methods for data collection and entry. Sample forms may be requested by HCD.
- f. Other information needed by HCD to evaluate the Supportive Services to be offered consistent with the Program.
- g. If a service provider has been selected, a letter(s) of intent or MOU(s) documenting how the complete development and management team (which includes the Applicant, developer, property manager, lead service provider, etc.) are connected and will work together on the Project. If lead service provider and property manager are the same entity, Applicant must demonstrate distinction between roles. Designated Supportive Services staff must not be combined with property management staff. HCD may request additional information to further demonstrate the distinction between roles.

- h. HCD may request necessary updates to the Supportive Services plan or related documents, including fully executed written agreements. All updates must be approved prior to occupancy as determined by milestones listed in the Standard Section 302. Single-Family Scattered Site Housing Requirements

Section 302. Single-Family Scattered Site Housing Requirements

HCD may conditionally award up to \$12 million per Single-Family Scattered Site Project for acquisition, Rehabilitation, and operating costs. Applications may include up to five (5) sites each. Applicants for this Project type must meet all requirements identified in section 203 (D) of this NOFA, and UMR Section 8303(b). Additionally, applications must:

A. Submit all documents required in Article III with the following exceptions:

1. Eligible Projects under this Project type must meet the following threshold requirement, sixty (60) days from the date of the Conditional Award to be considered for an Award. Failure to meet this requirement may rescind the Conditional Award.
 - a. Evidence of site control for each site, as defined in Section 300 (G)(15).
 - b. A preliminary title report for each site, dated within 90 days of submittal.
2. Eligible Projects under this Project type must meet the following threshold requirements, ninety (90) days from the date of the Conditional Award to be considered for an Award. Failure to meet these requirements may rescind the Conditional Award.
 - a. Relocation Assistance Narrative, as defined in Section 300 (G)(18).
 - b. Appraisal for each site, as noted in Section 300 (G)(19).
3. All Projects seeking funding for Rehabilitation must submit the following:
 - a. Rehabilitation narrative of current condition of structure(s) and overall scope of work; and
 - b. Physical needs assessment (PNA) or equivalent evidence of rehabilitation costs prepared by a qualified independent third-party contractor for each site.
4. All Projects seeking funding for Rehabilitation and new construction are required to comply with the environmental clearances, as described in section 507 of this NOFA.
5. Eligible Projects under this Project type must submit updates to the following threshold documents, previously submitted at the time of application as required by Article III, ninety (90) days from the date of the Conditional Award. Updates

are limited to those pertaining to the identification of Project sites.

- a. Authorizing resolutions, as described in Section 300 (G)(5);
 - b. Supportive Services Plan including budget, as described in Section 301 (E)(7)(d).
 - c. Overview of plan and timeline for any required entitlements, permits, and environmental clearances, as described in Section 507 of this NOFA and supported by updated Local and Environmental Verification forms for each site, as required by the application.
 - d. Engaging the Tribal Homekey+ Population statement, as described in Section 301 (E)(6).
 - a. Development plan, as described in Section 300 (G)(13).
 - e. Rehabilitation description, as defined in Article VII (JJ).
 - f. Enforceable Funding Commitment(s), as defined in Article VII (M).
 - g. Application workbook. Including unit mix, development and operating budgets, and all other necessary areas to complete the application package.
6. All Grantees must coordinate disbursement of funds into an escrow account. Funds shall only be disbursed once all special conditions of disbursement are satisfied and HCD has determined that the Project has sufficiently demonstrated the unification of all sites into one Project, with a single owner and property manager.

Section 303. Feasibility and Fiscal Integrity of Project

A. Applications submitted pursuant to this Tribal Homekey+ NOFA shall be subject to the provisions of 25 CCR, commencing with section 8300, except as specified herein. Commonly known as the Uniform Multifamily Regulations (UMR) [uniform-multifamily-regulations-2017.pdf](#), these regulations provide uniform standards and program rules for multifamily rental housing projects assisted by the Department. In the event of a conflict between this NOFA and the UMR, the provisions of this NOFA are controlling. Because feasibility and the fiscal integrity of the project are threshold requirements, as set forth in section 300 of this NOFA, key provisions are summarized below. Applicants are encouraged to become familiar with and refer to the UMR while preparing an application.

B. Section 8308. Capitalized Operating Reserve

An Operating Reserve shall be established to defray operating shortfalls that may occur after occupancy of the project. The initial deposit must be funded with development funds in an amount equal to at least 4 months of Operating Expenses (not including supportive services), 4 months of mandatory Replacement Reserves and 4 months of mandatory debt service, if applicable.

C. Section 8309. Replacement Reserve

1. A Replacement Reserve shall be established to repair or replace failed capital items or when extraordinary maintenance costs for infrequent major repairs or replacements are too costly to be absorbed by the project's annual operating budget. The reserve shall be funded from development sources, operating income, or a combination of both.
2. For new construction projects, an initial deposit equal to the lesser of .6 percent of cost of structures or \$500 per unit is required. For Rehabilitation projects and initial amount of \$500 per unit shall be assumed but may be adjusted based upon a third-party physical needs assessment.

D. Section 8310. Underwriting Standards

The Department shall consider the following when analyzing a project's fiscal integrity:

1. Residential Vacancy rate of 10 percent.
2. Operating expenses are reasonable when considering the size, scope and unique needs of the tenant population.
3. The first-year debt coverage ratio (DCR) shall not be less than 1.10:1, nor higher than 1.20:1, OR project first-year cash flow after debt service and required reserve deposits equal to or less than 12 percent of operating expenses. Projects receiving operating or rental subsidies may be structured to allow for breakeven operation.
4. The project must demonstrate a positive cash-flow for 15 years. Please note that this is a minimum requirement. To ensure long-term fiscal integrity, Applicants should also be aware of, and have a plan to address shortfalls occurring after 15 years.
5. The development budget must include construction contingencies equal to at least 5 percent of construction costs for new construction projects or at least 10 percent of construction costs for Rehabilitation projects.

E. Rents and Unit Mix:

The rents and unit mix are determined based upon the household sizes and income of the potential residents and must be supported by a Market Study or Market Analysis, as applicable. To the extent possible, rents should be aligned with household income. Applicants are encouraged to discuss the proposed rents and unit mix during technical assistance meetings.

1. Restricted Rents refers to the maximum gross rent permitted based upon the units' income restriction. Restricted rents are reduced by the applicable utility allowance to determine the net rent counted as Operating Income.
2. Proposed Rents refers to the proposed net rents charged to tenants and is not reduced by the utility allowance. To the extent possible, proposed rents should be comparable to the restricted net rents.

3. Subsidies may include rental assistance, such as Section 8 or Tenant Based Rental Assistance (TBRA), or operating subsidies intended to cover operating shortfalls. The application must identify the type, source, and dollar amount of the annual subsidy. In the case of project-based rental assistance, the contract rent must be included.
- F. Operating Budget: The Operating Budget includes the anticipated income and costs to operate the project for the first year after initial occupancy. Costs must be reasonable and sufficient, based on the project size and needs of the Tribal Homekey+ population.

Section 304. Other Requirements

- A. All Units must serve people experiencing homelessness, or At Risk of Homelessness, and are living with a Behavioral Health Challenge and must meet the AMI to be eligible for funding.
- B. Tribal Homekey+ may fund all units in a proposed project or a portion of the units. If seeking Tribal Homekey+ funding for only a portion of the units in a project, Applicants must identify committed sources for the non-Tribal Homekey+ units by evidence of funding commitment prior to construction start. The non-Tribal Homekey+ units are not required to serve the Tribal Homekey+ Population.
- C. If, at the time of acquisition, an existing tenant's household income is at or below the Extremely Low Income (ELI) limit, but the tenant does not qualify as a member of the Tribal Homekey+ Population served, the tenant may remain in place and the unit may still be funded by Tribal Homekey+. When, during normal tenant turnover, the ineligible household moves from the unit, the unit shall thereafter be occupied by the Tribal Homekey+ Population. There should be no more than 49 percent of the Assisted Units that do not meet the Tribal Homekey+ Population. An existing household who meets the Tribal Homekey+ Population definition or was a member of the Tribal Homekey+ Population at the time they moved into the property will not be counted towards the 49 percent cap. Evidence confirming that existing tenants qualify as the Tribal Homekey+ Population will be required of the Applicant.
- D. At year 15 from the recordation of the use restriction, in circumstances where the Grantee has exhausted available operating funding and demonstrated to the Department that the Project is no longer feasible, the Department may approve an increase in income levels, to the minimum extent required for fiscal integrity, in five (5) percent increments of Assisted Units up to 60 percent AMI.
- E. The Department reserves the right to set restrictions on the unit mix, rent levels, and other factors deemed necessary. To the maximum extent possible, these changes shall minimize the impact on the lowest income Project residents and shall be phased in as gradually as possible. If, following any increase in rents and income limits, or modification of Tribal Homekey+ Population occupancy requirements, new resources become available, or market demand changes, allowing reversion to the former income and rent limits or Tribal Homekey+ Population occupancy requirements, the Department may re-impose these income limits and rent limits or Tribal Homekey+ Population occupancy requirements, in whole or in part, subject to an analysis of Project feasibility.

Article IV. Application Submission, Review, and Award Process

Section 400. Application Process and Submission

- A. Applications will be accepted on an over the counter (OTC) basis, and evaluated on a first come, first-reviewed basis, beginning late January 2025, and continuing until the available funds are exhausted. Funds will be awarded to those Applicants who meet all minimum threshold criteria and demonstrate Project feasibility as described in this NOFA.
- B. Tribal Homekey+ application materials must be submitted electronically through the application portal on the Department's [Tribal Homekey+ Program website](#).
- C. Requirements for uploading the Tribal Homekey+ application and required supporting documentation, including naming conventions, are described in the Tribal Homekey+ application instructions and checklist tabs. Applicants must upload the Tribal Homekey+ application and supporting documentation to the Department's website Applications will be processed by the Department to the extent that funds remain available.
- D. Applications must be made on the Department's forms which shall not be altered or modified by the Applicant. Excel forms must be submitted in Excel format, not as a PDF document.
- E. Within 45 business days following receipt of the application, and continuing throughout the application review, the Department shall notify the Applicant/Co-Applicant of outstanding items and/or necessary corrections needed. Staff shall work closely with Applicants to ensure all outstanding requirements are met prior to an award of funds or will be met within a reasonable period as specified in the Standard Agreement.
- F. Applications shall include the total capital grant funds requested and specify the amounts to be used to complete threshold requirements or to secure site control/acquisition, which must be consistent with the proposed development budget.
- G. Applicant shall certify that it is able to obtain the insurance coverages outlined in section 800.
- H. The Application is a public record, which is available for public review pursuant to the California Public Records Act (CPRA) (Chapter 3.5, commencing with section 6250 of Division 7 of Title 1 of the Government Code). After final Tribal Homekey+ awards have been issued, the Department may disclose any materials provided by the Applicant to any person making a request under the CPRA. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, personal phone numbers, and home addresses. 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.
- I. The Department reserves the right to request clarification of unclear or ambiguous statements made in an application or request additional clarifying documentation or information.

Section 401. Pre-Application Meetings and Technical Assistance

The Department requires all Applicants to engage in a pre-application meeting with the Department prior to applying. The meeting is offered as technical assistance and provides the prospective Applicant an opportunity to discuss their housing needs, the proposed project, along with other applicable programmatic considerations, including but not limited to those related to site acquisition, CEQA, land use and land entitlements, supportive services, contracting and partnerships, and long-term financing approaches. Pre-application meetings will be available upon release of this NOFA and may be requested by emailing HK Tribal@hcd.ca.gov.

Section 402. Award Process

- A. Priority will be given on a first submitted, first reviewed basis to eligible projects that demonstrate the highest degree of readiness to proceed upon application submission. "Readiness" shall be evaluated based on site control, the extent to which threshold and feasibility requirements are met, and extent to which the application is complete and correct.
- B. The Department will send a Conditional Award Commitment and Acceptance of Terms and Conditions letter (Conditional Award letter) to the successful Applicant. Funds will be disbursed in accordance with Article VI, section 602 of this NOFA, and after a Standard Agreement has been fully executed by the Department, unless the Standard Agreement specifies conditions precedent to disbursement.
- C. The Department is committed to disbursing Tribal Homekey+ funds in a timely manner. To avoid any expenditure delays, funds disbursed toward acquisition costs shall be issued directly to an escrow company that has been approved by the Department. The Applicant shall identify the name and address of the escrow company, the name of the escrow officer, the escrow number, and any other information requested by the Department.

Section 403. Appeals

- A. Basis of Appeals.
 - 1. In accordance with paragraph (B). of this section, Eligible Applicants may appeal the Department's written determination that an application is incomplete, has failed threshold review, or has otherwise been determined to provide an insufficient basis for an award.
 - 2. No Applicant shall have the right to appeal a decision of the Department relating to another Applicant's application (e.g., eligibility, award, or denial of award).
 - 3. The appeal process provided herein applies solely to decisions of the Department made pursuant to this NOFA.
- B. Appeal Process and Deadlines.
 - 1. Process: To file an appeal, Applicants must submit to the Department a written appeal, which sets forth all relevant facts, arguments, and evidence in support of the appeal. In addition, the Applicant must specify the area(s) of the application that are relevant to or

provide context for the appeal. New or supplemental information must be limited and necessary to provide clarification or to address the insufficiencies identified in the subject application. No new or supplemental information will be considered if it would result in an unfair competitive advantage to the Applicant. Appeals are to be submitted to the Department at HKTribal@hcd.ca.gov.

2. **Deadline:** Appeals must be received by the Department no later than five business days from the date of the Department's written determination regarding the subject application.
3. **Decision:** The requirements of this NOFA and all other applicable law will govern the Department's determination. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of the Department.

Article V. Additional Program Requirements

Section 501. Housing First

- A. To the extent possible, Applicant's shall employ the core components of Housing First, as set forth at Welfare and Institutions Code section 8255, in its property management and tenant selection practices.
- B. Notwithstanding subparagraph (A) of this section, Federally Recognized Tribes are exempt from application of the Housing First Core Components where a Tribe has established written policies, consistent with NAHASDA/Indian Housing Block Grant (IHBG) federal laws, which have been adopted in accordance with Tribal law regulating the tenant selection and operation of Tribal affordable rental housing, which may include the Tribal Admissions and Occupancy Standards (TAOS).

Section 502. Tenant Selection

- A. Referrals to Tribal Homekey+ Assisted Units shall be made through the local Coordinated Entry System (CES). Where a CES is not available, or the Grantee is a Federally Recognized Tribe, another comparable prioritization system, based on the greatest need, shall be used. If referrals will be made using a prioritization system other than CES, the Applicant must describe the plan for tenant selection, and it shall be reasonably detailed and comprehensive, as determined by the Department in its sole and absolute discretion.
- B. For projects located within Indian Country, Federally Recognized Tribes may use their own TAOS that provides for Tribal preference, or other comparable priority system, which has been duly adopted and set forth in a Tribal Resolution or ordinance. For projects located outside Indian Country, Federally Recognized Tribes may use their TAOS to the extent authorized by law.

Section 503. Data Collection Systems

- A. All Tribal Homekey+ Grantees shall support Continuum of Care (CoC) participation in the statewide Homeless Data Integration System (HDIS), and in accordance with state and federal law (including all applicable privacy law), disclose relevant data to the local Homeless Management Information System (HMIS).
- B. The foregoing notwithstanding, Federally Recognized Tribe's use of another comparable data collection system is permissible. The Tribe may use its own data integration and management information systems, provided that such systems have been duly adopted in accordance with Tribal law and implemented by the Tribe prior to receiving an award of grant funds.

Section 504. Relocation

- A. For Projects located outside Indian Country, a copy of the Department-approved relocation plan for the Project, or a copy of a Department-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement which has been duly executed by the Grantee and approved by the Department, as applicable. For projects located within Indian Country, certification of compliance with applicable relocation requirements under federal law;

- B. Grantee must comply with all applicable federal, state, and local relocation law. Pursuant to relocation law, a Grantee must have a Department-approved relocation plan prior to proceeding with any phase of a project or other activity that will result in the displacement of persons, businesses, or farm operations. To ensure that displaced persons and entities do not suffer a disproportionate impact as a result of projects which benefit the public, all notices to vacate and relocation services must be provided to them in accordance with applicable law;
- C. State relocation is not applicable to projects located in Indian Country;
- D. Except for funds awarded for predevelopment costs, disbursement of Tribal Homekey+ funds shall be conditioned upon receipt of one of the following, as may be applicable pursuant to subsection A, above:
 - 1. A Department-approved relocation plan; or
 - 2. For projects where relocation is not required, a Department issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, which has been duly executed and approved by the Department; or
 - 3. Certification of relocation compliance under federal law.
- E. The Department will identify its form, substance, and submittal requirements for these relocation documents in the Tribal Homekey+ application materials. Where the Grantee's activities will or may result in displacement, the Grantee's development budget shall include enough funds to pay all costs of relocation benefits and assistance. Any modifications to the foregoing process requirements must be approved in advance by the Department in writing.

Section 505. Accessibility and Non-Discrimination

- A. As applicable, all developments shall adhere to the accessibility requirements set forth in California Building Code Chapter 11A and 11B and the Americans with Disabilities Act (ADA), Title II. In addition, developments shall adhere to either the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 8, or HUD's modified version of the 2010 ADA Standards for Accessible Design (Alternative 2010 ADAS), HUD-2014-0042-0001, 79 F.R. 29671 (5/27/14) (commonly referred to as "the Alternative Standards" or "HUD Deeming Memo"). Accessible units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout the Project and be available in a sufficient range of sizes and amenities consistent with 24 C.F.R Part 8.26.
- B. As applicable, Grantees shall adopt a written non-discrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to

discrimination under, any program or activity funded in whole or in part with Program funds made available pursuant to this NOFA. Notwithstanding the foregoing, Grantees may implement a tribal preference for tenancy, procurement and contracting for (i) projects located within Indian Country, and (ii) projects located outside Indian Country to the extent authorized by law.

- C. As applicable, Grantees shall comply with the requirements of the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Civil Rights Act, Government Code Section 11135, Section 504 of the Rehabilitation Act of 1973, and all regulations promulgated pursuant to those statutes, including 24 C.F.R. Part 100, 24 C.F.R. Part 8, and 28 C.F.R. Part 35.

Section 506. Prevailing Wages

- A. There are two prevailing wage laws that govern minimum labor standards for public works, the Federal Davis Bacon Act (DBA) and the California Prevailing Wage Law (PWL). Where both DBA and PWL apply, the higher of the wage standards is generally required.
- B. NAHASDA applies DBA to public work projects including federally assisted projects (loans and grants) and requires that Federally Recognized Tribes that do not have their own Tribal Wage Determination (TDW) pay prevailing wage rates as determined by the Secretary of Labor through the DBA.
1. NAHASDA exemption: Federally Recognized Tribes using any portion of their Indian Housing Block Grant allocation for an affordable housing project may apply the Tribe's duly adopted Tribally Determined Wage (TDW). The TDW is included in the Tribe's contracts and agreements for the development and operation of affordable housing in place of DBA. For a TDW to be applied to the Project instead of the DBA and HUD wage determination, a Tribe must submit the following information to the Department:
 - a. a duly adopted Tribal Resolution or Ordinance authorizing the use of the TDW; and,
 - b. the methodology used to calculate the TDW in compliance with 24 C.F.R. Part 1000.16, which demonstrates that the TDW requires the payment of not less than those wage rates the Tribe determines to be prevailing.
 - c. When submitted in accordance with this NOFA, the Tribe is exempt from compliance with DBA and HUD wage determined rate requirements in their contract or agreement, to the extent authorized by law.
 - d. Where a project located outside of Indian Country is solely funded with state funds, PWL applies.
- C. Applicant's contemplated use of Tribal Homekey+ funds is subject to PWL (Lab. Code, § 1720 et seq.,) certification of compliance with PWL, as well as all applicable DBA. The certification must verify that prevailing wages have been or will be paid, and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by the general contractor(s) and the Grantee.

Section 507. Environmental Clearances

- A. Awarded projects including phased projects that satisfy the requirements of HSC 50675.1.5, shall be exempt from the California Environmental Quality Act (CEQA).
- B. CEQA requirements do not apply to Indian Country.
- C. Applicants should consult with their legal counsel regarding application of the foregoing exemptions to their Project. It is entirely within an Applicant's discretion to determine whether to use the statutory CEQA exemption, whether the exemption applies to the Applicant's proposed activity, or whether some other mechanism applies and could be used to satisfy obligations under CEQA.
- D. National Environmental Policy Act (NEPA): For Projects receiving federal funds subject to review under the NEPA, a copy of the Project's Authority to Use Grant funds must be provided prior to the start of construction. It is not necessary to have the Authority to Use Grant Funds at time of application.

Article VI. Program Operations

Section 600. Program Oversight

- A. As specified by the Department and upon request, Grantees shall provide progress reports in connection with the development plan and any updates to the timeline for completion of the Project. The development plan should include the Project's completion milestones and any updates or substantial changes.
- B. Grantees shall promptly notify the Department in writing of any changes in Grantee organization, authorization, or capacity, which includes an Eligible Applicant's governing body.

Section 601. Reporting

- A. After the initial/final disbursement of funds, Grantees shall submit an annual Tribal Homekey+ Program and Expenditure Report to the Department for five years, beginning 2026, except where a longer term is specified in the Standard Agreement. The report will be due no later than March 31 for the prior calendar year of January 1 to December 31. The annual report shall be in such form and contain such information as required by the Department in its sole and absolute discretion. At minimum, the report shall include the following data:
 - 1. The amount of funds expended for the project.
 - 2. The location of any properties for which the funds are used.
 - 3. The number and size of habitable housing units produced, or planned to be produced, using the funds.
 - 4. The number and demographics of individuals housed, or likely to be housed, using the funds.
 - 5. The number of units, and the location of those units, for which operating subsidies have been, or are planned to be, capitalized using the funds.
 - 6. Any lessons learned from the use of the funds.
 - 7. Proposed changes to the program to address lessons learned.
- B. An explanation of how funding decisions were made for acquisition, conversion, or rehabilitation projects, or for capitalized operating subsidies, including what metrics were considered in making those decisions. If a project received an award for an operating subsidy, Grantees shall also report their operating expenditures in the annual report.
- C. In addition to the foregoing, the Grantee shall submit to the Department such periodic reports, updates, and information as deem necessary by the Department to monitor compliance and/or perform Program evaluation. Any requested data or information shall be submitted in electronic format on a form provided by the Department.

- D. The Grantee shall ensure that the expenditure of Tribal Homekey+ funds is consistent with the requirements of the Program. The Department shall monitor the expenditures to ensure that those expenditures comply with this NOFA.
- E. The Department may request the repayment of funds or pursue any other remedies available, at law or in equity, for failure to comply with Program requirements.

Section 602. Disbursement of Grant Funds

- A. The Department may disburse funds to cover Tribal Homekey+ expenditures that were incurred beginning January 1, 2024, in accordance with section 202 of this NOFA, as approved by the Department.
- B. Tribal Homekey+ Program funds will be disbursed to the Grantee after the Department has approved the relocation plan or issued a certificate of no-relocation, received a request for funds from the Grantee, received and approved an Affordability Covenant for recordation at close of escrow and an approved Standard Agreement signed by the Grantee and the Department. Upon meeting the requirements of this paragraph, the Grantee may request up to 100 percent of the awarded funds for disbursement, subject to conditions or limits specified in the Standard Agreement.
- C. The Standard Agreement will set forth the general conditions of disbursement, any conditions precedent to disbursements (e.g., documentation requirements for pre-Standard Agreement expenditures or conditional performance measures), and the Department's remedies upon an event of default. The Standard Agreement will also identify the payee. Except for acquisition funds, if Grantees wish to receive the grant award outside of escrow, they must identify, and memorialize in the Standard Agreement, which Grantee will serve as the designated payee for all award amounts. Acquisition funds shall be disbursed through escrow only.
- D. All Homekey+ funds must be wired to an escrow company. The Applicant shall identify the name and address of the escrow company, the name of the escrow officer, the escrow number, and any other information requested by HCD. The appropriate Affordability Covenant must be on file and approved by HCD to be included in the escrow transaction for recordation. The Grantee may only request awarded operating funds, if applicable, after providing confirmation that construction and/or rehabilitation on the project is completed, and the project is ready to begin leasing up. HCD reserves the right to disburse funds prior to construction completion if the Grantee sufficiently demonstrates need for Homekey+ operational funds prior to construction completion

Section 603. Legal Documents

- A. Upon the award of Tribal Homekey+ funds to a Project, the Department shall enter into one or more agreements with the Grantee(s), including a Standard Agreement, Affordability Covenant, and a lease rider in the event of a leasehold interest, which shall encumber funds from the Tribal Homekey+ Program, subject to specified conditions. The agreement or agreements shall include, and not be limited to:
 - 1. A description of the approved Project and the permitted uses of funds;
 - 2. The amount and terms of the Program grant;

3. The use, income, occupancy, and rent restrictions, to be imposed on the Project through a use restriction (e.g., covenant) recorded against the property of the project;
 4. Performance milestones, and other progress metrics, governing the completion of the project, along with the remedies available to the Department in the event of a failure to meet such milestones or metrics;
 5. Provisions governing the manner, timing, and conditions of the disbursement of the Program grant;
 6. Special conditions imposed as part of the Department's approval of the project;
 7. Terms and conditions required by federal and state law;
 8. Requirements for reporting to the Department;
 9. Remedies available to the Department in the event of a violation, breach, or default of the agreement;
 10. Provisions regarding Grantee liability. Specifically, the Grantee will remain liable to the Department for compliance with and the performance of all Program requirements regardless of any Department-approved transfer or assignment of interest. Likewise, each co-Grantee will remain jointly and severally liable to the Department for compliance with and the performance of all Program requirements regardless of any Department-approved transfer or assignment of interest, and notwithstanding the co-Grantees' identification of a designated payee;
 11. Limited waiver of sovereign immunity (see attached Appendix A); and,
 12. Jurisdiction and venue (see attached Appendix A).
- B. The Standard Agreement will also include such other provisions as are necessary to ensure adherence to the objectives and requirements of the Tribal Homekey+ Program.

Section 604. Sales, Transfers, and Encumbrances

An Applicant(s) shall not sell, assign, transfer, or convey the awarded Project, or any interest therein or portion thereof, without the express prior written approval of the Department, which may be granted, delayed, or withheld in the Department's reasonable discretion.

Section 605. Defaults and Grant Cancellations

Funding commitments may be canceled by the Department under any of the following conditions:

- A. The objectives and requirements of the Tribal Homekey+ Program cannot be met, and the implementation of the Project cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement or the Affordability Covenant.
- B. In the event of a breach or violation by the Grantee, the Department may give written notice to the Grantee to cure the breach or violation. If the breach or violation is not cured to the satisfaction of the Department within a reasonable time period, the Department, at its

option, may declare a default under the relevant document and may seek legal remedies for the default including the following:

1. The Department may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the Project in accordance with Tribal Homekey+ Program requirements; and
2. The Department may seek such other remedies as may be available under the relevant agreement or at law, or in equity.

Article VII. Definitions

Below are the definitions for purposes of this Tribal Homekey+ Program Tribal NOFA:

- A. "Affordability Covenant" means the legally binding instrument which (a) is recorded in first position against Project real property and/or the leasehold, as may be applicable, in consideration for the Tribal Homekey+ Program award to the Grantee; (b) imposes use, operation, occupancy, and affordability restrictions on the real property and improvements; and (c) incorporates the Tribal Homekey+ Program Requirements by reference. Upon its execution, the Affordability Covenant shall be binding, effective, and enforceable against all successors, transferees, and assignees, in accordance with Section 208 of this NOFA, after a certificate of occupancy or its equivalent has been issued for the Project, or if no such certificate is issued, from the date of initial occupancy of the Project.
- B. "Applicant" means the "Eligible Applicant," as that term is defined in this NOFA, as well as the Eligible Applicant's nonprofit or for-profit corporation Co-Applicant(s), if applicable. As allowed or required by context, the term "Applicant" shall refer to all such entities in their individual and/or collective capacity.
- C. "Area Median Income" or "AMI" means the most recent applicable county median family income published by the California Tax Credit Allocation Committee (TCAC) or the Department; it also includes the greater of the median income for the United States or the median income of the counties or their equivalent in which the Grantee is located. Applicants may determine which AMI is most appropriate for the Project, subject to Program requirements.
- D. "Assisted Unit" means a unit that is affordable to a lower income household as a result of a loan or grant provided pursuant to HSC 50675. In order to ensure consistency with the Low-Income Housing Tax Credit Program, occupancy of assisted units shall be limited to households whose income does not exceed the limits specified by the California Tax Credit Allocation Committee.
- E. "At Risk of Homelessness" has the same meaning as defined in Title 24 C.F.R. Part 578.3, or as defined in the Tribal Admissions and Occupancy standards.
- F. "Behavioral Health Challenge" has the same meaning as defined within the California Welfare and Institutions Code to include but not limited to mean a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402, or a substance use disorder, as described in Section 5891.5."
- G. "Case Manager" is a social worker or other qualified person who is supervised by a person with a master's degree. At its sole discretion, the Department may approve Supportive Service plans where Case Managers cannot be supervised by a person with a master's degree. A Case Manager assists in individualized service planning, and the assessment, coordination, monitoring, referral, and advocacy of services to meet tenants' Supportive Services needs, including, but not limited to, access to medical and mental health services, substance abuse services, vocational training, employment, home and community-based services and crisis management and interventions. Resident service coordinators are not Case Managers. For Homekey+ tenants and program participants with HUD-VASH vouchers, the Case

Manager for services will be the applicable U.S. Department of Veterans Affairs (VA) Case Manager (or third-party provider selected by the VA), in accordance with the HUD-VASH Program.

- H. "Co-Applicant" means another Tribal Entity, Urban Indian Organization, city, county, Local Public Entity or a nonprofit or for-profit corporation, a limited liability company (LLC), and/or a limited partnership (LP) that is jointly applying for Tribal Homekey+ funds with an Eligible Applicant.
- I. "Continuum of Care" or "CoC" means the same as defined by the United States Department of Housing and Urban Development at title 24 C.F.R. Part 578.3.
- J. "Department" means the California Department of Housing and Community Development.
- K. "Eligible Applicant" means a Tribal Entity(ies), as defined in subparagraph PP of this section. Upon receiving an award of Tribal Homekey+ funds, the Eligible Applicant and any Co-Applicant(s) will, both individually and collectively, be referred to as the "Grantee" as defined in subparagraph N. of this section.
- L. "Extremely Low Income" or "ELI" has the same meaning as in title 24 C.F.R. Part 93.2.
- M. "Enforceable Funding Commitment" means a letter or other document, in form and substance satisfactory to the Department, which evidences an enforceable commitment of funds or a reservation of funds by a Project funding source, and which contains the following:
 - 1. The name of the Applicant or Grantee;
 - 2. The Project name;
 - 3. The Project site address, assessor's parcel number, or legal description; and
 - 4. The amount, interest rate (if any), and terms of the funding source.The Enforceable Funding Commitment may be conditioned on certain standard underwriting criteria, such as appraisals, but may not be generally conditional. Examples of unacceptable general conditions include phrases such as "subject to senior management approval," or a statement that omits the word "commitment," but instead indicates the lender's "willingness to process an application" or indicates that financing is subject to loan committee approval of the Project. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed.
- N. "Federally Recognized Tribe" has the same meaning as Indian Tribe.
- O. "Grantee" means the Eligible Applicant (and, if applicable, the Co-Applicant) that has been awarded funds under the Program, and that will be held responsible for compliance with and performance of all Tribal Homekey+ Program requirements. The Grantee may comprise one or more entities, so long as the Grantee structure includes an "Eligible Applicant," as defined in this subparagraph J) of this section. All such entities shall, in their

individual and collective capacity as the “Grantee,” be bound by this NOFA, the Tribal Homekey+ Standard Agreement and the Tribal Homekey+ terms, conditions, and requirements.

- P. “HDIS” means the statewide Homeless Data Integration System.
- Q. “HMIS” means the Homeless Management Information System.
- R. “Tribal Homekey+ Program Requirements” means the following, all as amended and in effect from time to time:
1. the 2024 Tribal Homekey+ NOFA and Guidelines;
 2. Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the HSC;
 3. the Grantee’s Application for 2024 Tribal Homekey+ funding;
 4. the project report prepared by the Department in reliance on the representations and descriptions included in the Grantee’s Application for 2024 Tribal Homekey+ funding;
 5. the award letter issued by the Department to the Grantee;
 6. the relevant STD 213, Standard Agreement for the 2024 Tribal Homekey+ funding; and,
 7. all other applicable law.
- S. “Homeless” has the same meaning as defined in Title 24 C.F.R. part 578.3, or as defined in the Tribal Admissions and Occupancy Standards.
- T. “Homeless Youth” or “Youth At Risk of Homelessness” has the same meaning as defined in Title 24 C.F.R. Part 578.3, or as defined in the Tribal Admissions and Occupancy Standards.
- U. “Housing First” has the same meaning as in Welfare and Institutions Code section 8255, including all the core components listed therein.
- V. “HUD” means the U.S. Department of Housing and Urban Development.
- W. “Indian Country” means (1) all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation, (2) all dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a state, (3) all Indian allotments, the Indian titles to which have not been extinguished, including rights-of-way running through the same as provided at 18 U.S.C. 1151, (4) all lands within the limits of a Rancheria under the jurisdiction of the United States Government, (5) lands held in trust by the United States for an Indian Tribe or individual, and (6) land held by an Indian Tribe or individual subject to a restriction by the United States against alienation.
- X. “Indian Tribe” has the same meaning as defined pursuant to Title 25 U.S.C. section 4103(13)(B).

- Y. “Lead Service Provider” means
- Z. “Limited waiver of sovereign immunity” means a limited waiver of an Indian Tribe or arm of an Indian Tribe, including a TDHE, sovereign immunity to unconsented suit to permit suit against the waiving Tribe in any forum of competent jurisdiction over the subject matter.
- AA. “Local Public Entity” is defined in accordance with HSC section 50079, and means any county, city, city and county, the duly constituted governing body of an Indian reservation or rancheria, Tribally Designated Housing Entity as defined in Section 4103 of Title 25 of the U.S.C. and Section 50104.6.5, redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24, and also includes any state agency, public district, or other political subdivision of the state, and any instrumentality thereof, that is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income. “Local Public Entity” also includes two or more local public entities acting jointly.
- BB. “Manager’s Unit” is a unit in which the onsite manager of the Project resides. A Manager’s Unit will not be an Assisted Unit. Manager’s Units may be included for Tribal Homekey+ funding under the development budget, however no Manager’s Unit may be included in funding requests for a Tribal Homekey+ operating award. Manager’s Units shall be restricted to households at or below 60% AMI.
- CC. “NAHASDA” means the “Native American Housing Assistance and Self-Determination Act of 1996” set forth at 25 U.S.C. Section 4101 et seq.
- DD. “NOFA” means this Notice of Funding Availability.
- EE. “Operating Expenses” means the amount approved by the Department that is necessary to pay for the recurring expenses of the Project, such as utilities, maintenance, management fees, taxes, licenses, and supportive services costs, but not including debt service or required reserve account deposits.
- FF. “Permanent Housing” means a housing unit where the landlord does not limit length of stay in the housing unit, the landlord does not restrict the movements of the tenant, and the tenant has a lease and is subject to the rights and responsibilities of tenancy.
- GG. ““Permanent Supportive Housing” means housing with no limit on length of stay, that is occupied by the Tribal Homekey+ Population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community, as defined at California Government Code Section 65582 (g) , except that "Permanent Supportive Housing" shall include associated facilities if used to provide services to housing residents. .
- HH. “Program” means the Tribal Homekey+ Program.
- II. “Project” means a structure or set of structures providing housing or shelter with common financing, ownership, and management.

- JJ. "Rehabilitation" means repairs and improvements to a substandard residential structure necessary to make it meet Rehabilitation standards. As used in this section, "substandard residential structure" has the same meaning as the term "substandard building," as defined in HSC Section 17920.3. "Rehabilitation" also includes improvements and repairs made to a residential structure acquired for the purpose of preserving its affordability and use by the Tribal Homekey+ population. .
- KK. "Rental Housing Development" means a structure or set of structures with common financing, ownership, and management, and which collectively contains five or more dwelling units, including efficiency units, as defined in HSC section 50675.2, subdivision (d). No more than one of the project units may be occupied as a primary residence by a person or household who is the owner of the structure or structures. For the purpose of these Program guidelines, "Rental Housing Development" does not include any "health facility" as defined by HSC section 1250 or any "alcoholism or drug abuse recovery or treatment facility" as defined in HSC section 11834.02. A Rental Housing Development includes, without limitation, the real property, the improvements located thereon, and all fixtures and appurtenances related thereto.
- LL. "Rural Area" in accordance with HSC section 50199.21, means an area, which, on January 1 of any calendar year satisfies any of the following criteria:
1. The area is eligible for financing under the Section 515 program, or successor program, of the Rural Development Administration of the United States Department of Agriculture.
 2. The area is located in a nonmetropolitan area as defined in HSC section 50090; or
 3. The area is either:
 - a. An incorporated city having a population of 40,000 or less as identified in the most recent Report E-1 published by the Demographic Research Unit of HCD of Finance; or
 - b. An unincorporated area which adjoins a city having a population of 40,000 or less, provided that the city and its adjoining unincorporated area are not located within a census tract designated as an urbanized area by the United States Census Bureau. HCD shall assist in determinations of eligibility pursuant to this subdivision upon request. With respect to areas eligible under subdivision (b) and this subdivision, the committee may rely upon the recommendations made by HCD. Any inconsistencies between areas eligible under subdivisions (a) and (b), and this subdivision, shall be resolved in favor of considering the area a Rural Area. Eligible and ineligible areas need not be established by regulation.
- MM. "Standard Agreement" means the STD 213, Standard Agreement, and all exhibits thereto.
- NN. "Supportive Services" means social, health, educational, income support, employment, and housing stability services and benefits; coordination of community building and educational activities; individualized needs assessment and case management; and individualized assistance with obtaining services and benefits
- OO. "Tribal Homekey+ Population" means individuals and families who are experiencing Homelessness, or At Risk of Homelessness (Homeless Populations), and experiencing a

Behavioral Health Challenge, whose incomes are at or below the AMI level specified for each Assisted Unit. Eligible Homeless Populations may be inclusive of homeless Veterans or Homeless Youth; however, all assisted units must be reserved for individuals having a Behavioral Health Challenge, as defined in subsection (F), above. Tribal Homekey+ Population also includes individuals and families who are experiencing Homelessness or At Risk of Homelessness as determined by an Eligible Applicant when applying their formally and Tribal-adopted Tribal Admissions and Occupancy Standards.

PP. "Tribal Entity(ies)" means an Applicant that is any of the following:

1. Applicant meets the definition of Indian Tribe under U.S.C. section 4103(13)(B);
2. Applicant meets the definition of Tribally Designated Housing Entity under Title 25 U.S.C. 4103(22);
3. Applicant that is either of the following:
 - a. Applicant is listed in the Bureau of Indian Affairs Office of Federal Acknowledgement petitioner list pursuant to Title 25 C.F.R. Part 83 et seq.; or,
 - b. Applicant is an Indian Tribe located in California that is on the contact list maintained by the California Native American Heritage Commission for the purposes of consultation pursuant to section 65352.3 of the Government Code; and,
 - c. Has organized a separate legal entity, either a non-profit or for-profit entity, in compliance with CCR Title 25, Section 8301(s) and it has demonstrated to the satisfaction of the Department that the separate legal entity is controlled by the Tribal Applicant.

QQ. "Tribal Admissions and Occupancy Standards" or "TAOS" means those admissions and occupancy standards adopted by the Federally Recognized Tribe by resolution or ordinance in accordance with Tribal law.

RR. "Unit" means a residential unit that is used as a primary residence by its occupants, including individual units within the Project.

SS. "Urban Indian Organization" means a nonprofit corporate body situated in an urban center, governed by an urban Indian controlled board of directors, and providing for the maximum participation of all interested Indian groups and individuals, which body is capable of legally cooperating with other public and private entities for the purpose of performing the activities described in 25 U.S.C. section 1653(a).

TT. "Veteran" means a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable.

Article VIII. Insurance Requirements

Section 800. Insurance Requirements

A. Commercial General Liability

1. Applicants shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. **The policy must name the State of California and the California Department of Housing and Community Development, as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract.**
2. **If available in the open market at a reasonable cost, the policy shall also include an endorsement for physical abuse and child/sexual molestation coverage.** Coverage shall include actual or threatened physical abuse, mental injury, sexual molestation, negligent hiring, employment, supervision, investigation, reporting to proper authorities, and retention of any person for whom the Applicant is responsible. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. Coverage shall include the cost of defense and the cost of defense shall be provided outside the coverage limit.
3. **If available in the open market at a reasonable cost, the policy shall also include an endorsement for assault and battery.**

B. Automobile Liability

1. Applicant shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. **The policy must name the "State of California and the (California) Department of Housing and Community Development", as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract.**
2. If the Applicant will not have or use any commercially owned vehicles during the term of the Standard Agreement, by signing the Standard Agreement, the Applicant certifies that the Applicant and any appointees, employees, subcontractors, or servants possess valid automobile coverage in accordance with California Vehicle Code sections 16450 to 16457, inclusive. The Department reserves the right to request proof at any time.

C. Workers' Compensation and Employer's Liability

Applicant shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the contract. In addition, employer's liability limits of \$1,000,000 are required. By signing the Standard Agreement, Applicant acknowledges compliance with these regulations. **A Waiver of Subrogation or**

Right to Recover endorsement in favor of the State of California and the California Department of Housing and Community Development must be attached to the certificate.

D. Builder's Risk/Installation Floater

If there is installation or construction of property/materials on or within the facility at any time during the term of the Standard Agreement, the Applicant shall maintain in force, at its own expense, a Builders Risk/Installation Floater covering the labor, materials, and equipment to be used for completion of the work performed under this contract against all risks of direct physical loss, excluding earthquake and flood, for an amount not less than the full amount of the property and/or materials being installed and/or constructed on or within the facility. The Applicant agrees as a provision of the contract to waive all rights of recovery against the state.

E. Property Insurance

The Applicant shall maintain fire, lightning and extended coverage insurance on the facility which shall be in a form of a commercial property policy, in an amount equal to one hundred percent (100%) of the then current replacement cost of the facility, excluding the replacement cost of the unimproved real property constituting the site. The extended coverage endorsement shall, as nearly as practicable, include but not be limited to loss or damage by an explosion, windstorm, riot, aircraft, vehicle damage, smoke, vandalism, and malicious mischief and such other hazards as are normally covered by such endorsement.

F. Self-Insured

If a state, regional, or Local Public Entity is the sole Applicant, and if that entity is self-insured in whole or in part as to any of the above-described types and levels of coverage, then that entity shall provide the Department with a written acknowledgment of this fact before execution of the Standard Agreement. If, at any time after the execution of the Standard Agreement, the state, regional, or Local Public Entity abandons its self-insured status, that entity shall immediately notify the Department of this fact and shall comply with all the terms and conditions of this section pertaining to insurance requirements. In its sole and absolute discretion, the Department may accept evidence of self-insurance from Eligible Applicants.

Appendix A: Limited Waiver of Sovereign Immunity and Jurisdiction and Venue

As described in section 603 of this NOFA, upon award of Tribal Homekey+ funds to a Project, the Department shall enter into one or more agreements with the Grantee(s), including but not limited to a Standard Agreement, which incorporates exhibits for a Limited Waiver of Sovereign Immunity and Jurisdiction and Venue. The exhibit language is included in this NOFA for informational purposes only, and is as follows:

Limited Waiver of Sovereign Immunity

“Except as otherwise expressly provided below, [INSERT NAME OF TRIBE] reserves all of its inherent sovereign rights, including sovereign immunity from unconsented suit or legal proceedings. However, [INSERT] irrevocably grants to the Department solely, and to no other party other than another California state agency responsible for the management and enforcement of the Department’s obligations and responsibilities pursuant to the [INSERT NAME OF PROGRAM] program requirements, and this Standard Agreement and exhibits hereto (collectively, this “Agreement”) governing the Project, a limited waiver of sovereign immunity (and any defense based thereon) from any suit, action, claim or proceeding or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution, exercise of contempt powers, or otherwise) to seek the following rights and remedies: (i) the enforcement of any provision of this Agreement; (ii) any claim, action or legal proceeding arising under or related to this Agreement; (iii) any determination, judgment, order or award issued by a court of competent jurisdiction, including without limitation, an award of actual damages, an order requiring [INSERT NAME OF TRIBE] to pay direct and actual damages resulting from any breach of this Agreement, or an order from a court of competent jurisdiction for injunctive relief requiring or prohibiting [INSERT] to take certain action; (iv) claim or action to interpret and/or enforce the provisions of this Agreement and to resolve disputes, controversies, or claims arising or related to any of the foregoing; (v) any counterclaims against or relating to claim(s) brought in connection with this Agreement; and (vi) injunctive relief pursuant to this Agreement. [INSERT] expressly, unequivocally, and irrevocably waives its sovereign immunity from unconsented suit (and any defense based thereon) for the rights, remedies, and actions identified in this paragraph, but no others.

This limited waiver of sovereign immunity does not extend to tort claims or other types of damages, including indirect, special, incidental, non-compensatory, consequential, or punitive damages, whether by way of indemnification or otherwise. [INSERT TRIBE] does not waive sovereign immunity for lawsuits by third parties or disputes between the parties not arising from this Agreement. This waiver does not allow, and the Department separately agrees not to bring, any claims, actions, or lawsuits against any [INSERT TRIBE] individual, including [INSERT TRIBE] officials, employees, agents, and others acting on behalf of [INSERT]. The Department will sue only [INSERT TRIBE] as an entity. This limited waiver shall not, under any circumstances, allow the cumulative award against [INSERT TRIBE] to exceed the [INSERT PROGRAM FUNDING AMOUNT] and in no instance shall any enforcement of any kind whatsoever be allowed against any assets of [INSERT TRIBE] other than the [INSERT PROGRAM FUNDING AMOUNT], revenues from the Project, and the real property on which the Project is located.

[INSERT TRIBE] represents and warrants its limited waiver of sovereign immunity is valid and binding and is in compliance with all applicable law, including the laws of [INSERT TRIBE], and

that all approvals, required under said laws, including procedural requirements, to effectuate said waiver have been duly issued and no other approvals or actions of [INSERT TRIBE] is required. [INSERT] further represents and warrants that the remedies set forth in this Agreement allowed by or pledged against its limited waiver of sovereign immunity are allowed by, and in compliance with, the laws of [INSERT TRIBE].

Jurisdiction and Venue

Except as otherwise expressly provided in this Agreement, the parties intend that any cause of actions to enforce, construe, and determine any disputes or claims regarding this Agreement as well as any default, breach of contract, injunctive relief, or specific performance remedies, regarding the Property, to be brought and prosecuted to completion as described below:

[INSERT TRIBE] hereby consents to the jurisdiction of the [INSERT COURT: TRIBAL/FEDERAL/STATE] courts, to the extent they have jurisdiction, over all subject matters described herein, including but not limited to any breach of contract action brought by any of the parties to enforce the terms of this Agreement, or any other appropriate action brought by any of the parties to prosecute any other rights available to the parties hereto arising under or related to the Agreement. [INSERT] acknowledges that such consent is given without in any way limiting its other rights and remedies, and the Department shall be entitled in the [INSERT COURT] courts where appropriate, to pursue, among other things, specific performance, declaratory judgment, injunctive relief (mandatory or prohibitive), mandamus (or a remedy in the nature of mandamus) to prevent or stop violations of any covenants and other provisions hereof, actual and direct damages, receiverships, or to generally protect the Property and the rights and interests of any tenants or occupants thereof or the Department's interests therein. Any right, power, or principle requiring deferral to or exhaustion of remedies in [INSERT] courts to the extent they have jurisdiction or other governmental body of the [INSERT TRIBE] or federal government, is hereby waived and deemed satisfied by [INSERT TRIBE], and [INSERT TRIBE] and the Department shall not assert the same in [INSERT COURT] court to the extent they have jurisdiction, as a bar or abatement to the claims of the other.

[INSERT TRIBE] agrees that any judicial action, suit, or counterclaim initiated by [INSERT TRIBE] against the Department will be in either, [INSERT COURT] courts to the extent they have jurisdiction, over all subject matters described herein, unless otherwise required by federal Indian law. Such waiver is limited to the rights, remedies, default, and enforceability of the provisions of this Agreement, and transfer or assignment of [INSERT TRIBE] interest in the [IN

Appendix B: Health and Safety Code 50675.1.5

(a) (1) Notwithstanding any other law, projects to provide housing pursuant to paragraph (1) or (2) of subdivision (a) of Section 5965.04 of the Welfare and Institutions Code, shall be a use by right and shall be subject to the streamlined, ministerial review process, pursuant to subdivision (b), if it meets all of the following criteria:

(A) It is located in a zone where multifamily residential use, office, retail, or parking are a principally permitted use.

(B) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses.

(C) It satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4 of the Government Code.

(D) It is not on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.

(E) The development will meet the following objective zoning standards, objective subdivision standards, and objective design review standards:

(i) The applicable objective standards shall be those for the zone that allows residential use at a greater density between the following:

(I) The existing zoning designation for the parcel if existing zoning allows multifamily residential use.

(II) The zoning designation for the closest parcel that allows residential use at a density deemed appropriate to accommodate housing for lower income households in that jurisdiction as specified in paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code.

(ii) The applicable objective standards shall be those in effect at the time that the development application is submitted to the local government pursuant to this section.

(iii) A development proposed pursuant to this section shall be eligible for the same density bonus, incentives or concessions, waivers or reductions of development standards, and parking ratios applicable to a project that meets the criteria specified in subparagraph (G) of paragraph (1) of subdivision (b) of Section 65915 of the Government Code.

(F) No housing units were acquired by eminent domain.

(G) The housing units will be in decent, safe, and sanitary condition at the time of their occupancy.

(H) The project meets the labor standards contained in Sections 65912.130 and 65912.131 of the Government Code.

(I) The project provides housing for persons who meet the criteria specified in subdivision (a) of Section 5830 of the Welfare and Institutions Code and their families.

(J) Long-term covenants and restrictions require the housing units to be restricted to persons who meet the criteria specified in subdivision (a) of Section 5830 of the Welfare and Institutions Code for no fewer than 30 years.

(2) (A) For purposes of this subdivision, parcels only separated by a street or highway shall be considered to be adjoined.

(B) For purposes of this subdivision, “dedicated to industrial use” means any of the following:

(i) The square footage is currently being used as an industrial use.

(ii) The most recently permitted use of the square footage is an industrial use.

(iii) The site was designated for industrial use in the latest version of a local government’s general plan adopted before January 1, 2022.

(b) The project shall be subject to the following streamlined, ministerial review process:

(1) (A) If the local government determines that a development submitted pursuant to this section is consistent with the objective planning standards specified in this section, it shall approve the development.

(B) If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in this section, it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, within the following timeframes:

(i) Within 60 days of submission of the development proposal to the local government if the development contains 150 or fewer housing units.

(ii) Within 90 days of submission of the development proposal to the local government if the development contains more than 150 housing units.

(C) If the local government fails to provide the required documentation pursuant to subparagraph (B), the development shall be deemed to satisfy the required objective planning standards.

(D) (i) For purposes of this section, a development is consistent with the objective planning standards if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(ii) For purposes of this section, a development is not in conflict with the objective planning standards solely on the basis that application materials are not included, if the application contains substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(E) The determination of whether a proposed project submitted pursuant to this section is or is not in conflict with the objective planning standards is not a “project” as defined in Section 21065 of the Public Resources Code.

(2) Design review of the development may be conducted by the local government’s planning commission or any equivalent board or commission responsible for design review. That design

review shall be objective and be strictly focused on assessing compliance with criteria required for streamlined, ministerial review of projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submittal of the development to the local government and shall be broadly applicable to developments within the jurisdiction. That design review shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development proposal to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development proposal to the local government pursuant to this section if the development contains more than 150 housing units.

(c) Division 13 (commencing with Section 21000) of the Public Resources Code shall not apply to actions taken by the Department of Housing and Community Development, the State Department of Health Care Services, or a local agency to provide financial assistance or insurance for the development and construction of projects built pursuant to this section.

(d) The applicant shall file a notice of exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152 of the Public Resources Code.

(e) For purposes of this section, the following definitions shall apply:

(1) "Objective zoning standards," "objective subdivision standards," and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances.

(2) "Use by right" means a development project that satisfies both of the following conditions:

(A) The development project does not require a conditional use permit, planned unit development permit, or other discretionary local government review.

(B) The development project is not a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

Appendix C: Tribal Homekey+ Organizational Document

	Documents to submit with Application
All Applicants	Certification & Legal Disclosure
	Signature Block (in Word document format)
	Payee Data Record (STD 204)
	EIN Verification (IRS form SS-4)
	Tax-Exempt Status from IRS and FTB (if applicable)
Eligible Applicant or Co-Applicant	Project Ownership Structure (<i>only one needed</i>)
Eligible Applicant (Jurisdiction)	Authorizing Resolution
	Taxpayer Identification Number (FI\$Cal TIN Form)
Tribal Entity	Authorizing Resolution
	Tribe Formation Documents (constitution, charters, etc.)
	Federal Register of Indian Entities Recognized (if applicable)
Corporation	Authorizing Resolution
	Articles of Incorporation
	Certificate of Amended Articles of Incorporation, if applicable
	Corporate Bylaws (all amendments and/or restatements)
	Restated Articles of Incorporation
	Cert of Good Standing (dated within 30 days of app due date)
	Statement of Information
	Shareholder Agreements (if applicable)
Limited Liability Company	Authorizing Resolution
	Articles of Organization including restatements (LLC-1)
	Certificate of Amended Articles of Organization (LLC-2) if applicable
	Operating Agreement
	Cert of Good Standing (dated within 30 days of app due date)
Limited Partnership	Authorizing Resolution
	Certificate of Limited Partnership (LP-1)
	Amendment to Certificate of Limited Partnership (LP-2)
	Limited Partnership Agreement
	Cert of Good Standing (dated within 30 days of app due date)
LLC: Manager of LLC, if applicable	See org doc requirement based on organization type
Limited Partnership: MGP	See org doc requirement based on organization type
Limited Partnership: AGP	See org doc requirement based on organization type
Limited Partnership: LP or GP	See org doc requirement based on organization type

Appendix D: Tribal Homekey+ Grantee Publicity Guidelines

Grantees are required to acknowledge HCD in all publications, websites, signage, invitations, and other media-related and public-outreach products and events related to the Tribal Homekey+ Project. HCD staff will provide their respective logo file(s) and guidance on their usage directly to the Grantees.

- A. Long-form written materials, such as reports, must include the following standard language about HCD and Tribal Homekey+:
1. Housing stability is vital to mental health wellness. With safe, affordable housing and supportive services to address Behavioral Health Challenges California's most vulnerable residents will have the foundation they need to thrive. With funding allocated from the passage of Proposition 1 and HHAP Supplemental funds, HCD will expand on the success of its Tribal Homekey program through Tribal Homekey+ to help support the development of PSH for individuals (or households with individuals) who are At Risk of or experiencing homelessness and with mental health or substance use challenges.
- B. Informational materials that do not qualify as long-form, but include at least a paragraph of text, such as press releases, media advisories, short case studies, some flyers, etc., should include the following language:
1. Long version: Tribal Homekey+ is funded by almost \$2.145 billion from Proposition 1 bond and HHAP supplemental funds, allowing HCD to expand on the success of its Tribal Homekey program to help support the development of permanent supportive housing for individuals At Risk of or experiencing homelessness and with mental health or substance use challenges.
 2. Short version: Funded by Proposition 1 and HHAP, Tribal Homekey+ creates permanent supportive housing for Californians with Behavioral Health Challenges.
- C. Grantees may at times produce promotional materials that are primarily visual in nature, such as banners, signage, certain flyers, and sharable images for social media. In such cases, when including the boilerplate language acknowledging Tribal Homekey+ support is not practical, Grantees should instead include the official logo of HCD preceded by the words "Funded by."
- D. Grantees are required to identify a point of contact for all press inquiries and communications needs related to the Project and provide the name, phone number, and email address of this individual to HCD.
- E. Grantees are encouraged to distribute a press release after grant decisions are made public by the HCD or Governor's Office and any embargo lifted, and for other major milestones throughout the lifecycle of the project. All press releases must be approved by HCD prior to distribution, and HCD must be alerted and invited to participate in any and all groundbreakings, grand openings, and press conferences related to the Award by emailing HCD Homekey@hcd.ca.gov.

- F. Grantees are required to prepare one or more two- to four-page documents that provide a summary of the Project components and tell the story of the Homekey+ development process and/or implementation. All such materials must be approved by HCD prior to distribution. These materials may be displayed on the Homekey+ website.
- G. Applicants and Grantees are encouraged to use social media to share the process of creating a Homekey+ proposal and to inform the public throughout implementation. @California_HCD and @CAbcsh should be tagged on all posts related to the Homekey+ grant. Use of the hashtags #Homekey+ and #WhereFoundationsBegin is encouraged.