

Affordable Housing and Sustainable Communities (AHSC) Program

November 2024



CALIFORNIA
STRATEGIC
GROWTH
COUNCIL



Welcome

Program Vision:

The Affordable Housing and Sustainable Communities (AHSC) Program funds infill projects that reduce **Greenhouse Gas (GHG)** emissions and **Vehicle Miles Traveled (VMT)** through sustainable land use, housing, and transportation practices.

Today's Vision:

- Share key dates and program timeline
- Provide a short overview of the program.
- Invite you to learn more at:

<https://sgc.ca.gov/programs/ahsc>



Round 9 Timeline

Release of Round 9 Draft Program Guidelines	November 8, 2024
Draft Guidelines Workshops and Comment Period	NOW: November 2024
Public Comment Period End	December 11, 2023
Release of Round 9 Final Guidelines	February 14, 2025
Round 9 Final Guidelines Adopted	February 26, 2025
Release of NOFA and Application	March 2025
Application Due Date	May 2025
Round 9 Awards Adopted by Council	December 2025

What does AHSC fund?

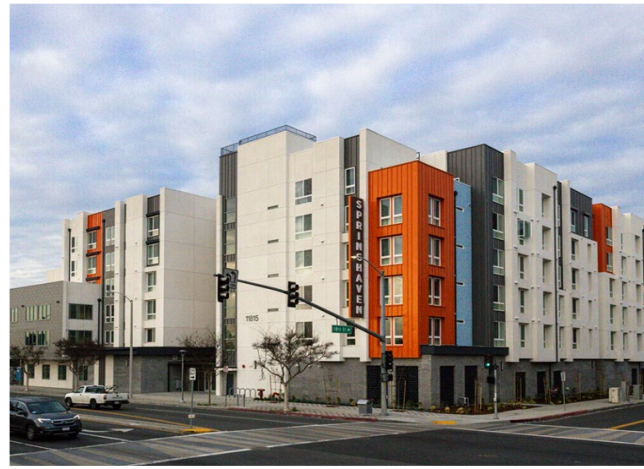
- **AHD: Affordable Housing Developments**
 - Rental Projects (loan)
 - Homeownership Projects (grant)
- **HRI: Housing-Related Infrastructure**
 - Infrastructure improvements as required as Condition of Approval
 - Factory built housing components
 - On-site energy storage (battery arrays)
- **STI: Sustainable Transportation Infrastructure**
 - Transit, Bikeways, Sidewalks, Crosswalks, Curb Ramps
 - Bike Parking, Bus Shelters, Urban Greening, Lighting
- **PGM: Programs (3 years)**
 - Active Transportation Programs, Transit Ridership Programs, Air Pollution Reduction programs, Workforce Development Programs, Low-Income Car Share, Tenant Legal Counseling

Project Area Types



TOD: Transit Oriented Development

- High-quality transit (HQT): 20 min frequency BRT or Rail
- 30 units/acre min.



ICP: Integrated Connectivity Project

- No HQT but Qualifying Transit departs 2x Peak Hours
- 20 units/acre min.



RIPA: Rural Innovation Project Area

- HQT or Qualifying Transit in a Rural Area
- 15 units/acre min.

Project Threshold



Key threshold items:

- Projects supports SCS or equivalent planning document
- Completion and approval or adoption of all necessary environmental clearances
- All necessary discretionary local land use approvals, excluding design review, have been granted
- Not party to active litigation
- Construction has not commenced
- All-electric Design
- Broadband connection
- Not on Agricultural Land – infill exemption for projects on tribal land or land owned by tribes

Scoring Criteria

AHSC is a competitive program. Scoring is based on a 100-point scale and no project is expected to get full points.

- **GHG Reduction Scoring (30 Points)**
 - Transit and Shared Mobility GHG - 5 pts
 - Project Area GHG - 10 pts
 - GHG Efficiency - 15 pts
- **Narrative-Based Policy Scoring (20 Points)**
 - Climate Adaptation & Community Resiliency - 7 pts
 - Community Benefit & Engagement - 6 pts
 - Collaboration & Planning - 4 pts
 - Equity & Transformation - 3 pts



Scoring Criteria



- **Quantitative Policy Scoring (QPS) (50 Points)**
 - Sustainable Transportation - 20 points
 - Location Efficiency and Local Context - 13 pts
 - Housing Affordability and Funds Committed - 9 pts
 - Anti-Displacement Strategies - 4 pts
 - Local Workforce Development & Hiring Practices - 4 pts

Frequent Questions from Tribal Applicants

- **Tribal entities:** Tribes or TDHEs, federally recognized tribes, NAHC listed tribes (pg. 79)
- **Indian Country:** following 18 USC 1151; any rancheria, reservation, trust, or acquired land (pg. 72)
- **Site control:** title status report or attorney's opinion. Projects should be in Indian Country, or located on parcel(s) owned by a Tribal Entity in fee or trust land or for which the Tribal Entity has leasehold security that satisfies the requirements of UMR 8316 (pg. 77).
- **State relocation assistance law** does not apply to tribes who are on trust land or using NAHASDA funding.
- **LWSI:** Program does not require a Limited Waiver of Sovereignty Immunity (pg. 77)
- **AB1010** Waivers (HSC Section 50460) (pg. 81)
- **Appendix B** in guidelines lay out the conditions of award (pg. 81)
- **AMI:** allowed to use HUD's income guidelines if the tribe's service area is lower than HUD's. (pg. 67)
- **Net Density Requirements:** There are allowable deductible areas, including areas that are non-developable due to natural landscape features (pg. 74)
 - 15-30 du/acre based on project area type (Rural: 15)\
- **Areas for future consideration:** Alignment with Tribal Housing Grant Program, Funding type (i.e. grant vs. loan)

Case Studies



Kashia Windsor Housing

- Round 7 Awardee – August 2023
- Partners:
 - Town of Windsor
 - Kashia Band of Pomo Indians of Stewards Point Rancheria
 - Burbank Housing
 - Sonoma-Marín Area Rail Transit (SMART) District
- 54 affordable homes
- Net Density: 23.7 du/acres
- Awarded ~\$20M
 - Housing - \$10.2M
 - Transportation \$9.2M
 - Programs – \$570K
- Mixed-use with office space for tribal headquarters, public gallery for community education



Renderings Courtesy of Burbank Housing

Shasta Lake Downtown Revitalization

- Round 6 Awardee – January 2022
- Partners:
 - Redding Rancheria Tribe (via its affiliate the Win River Company)
 - City of Shasta Lake
 - Community Revitalization and Development Corporation
- Awarded \$16.5M
 - Housing - \$8.3M
 - Transportation - \$7.9M
 - PGM - \$271K
- Did not include any transit improvements, focused on active transportation improvements and solar improvements
- 23.45 units/acre
- Includes a partnership with the SMART Resource Center and the Northern Rural Training and Employment Consortium (NoRTEC) to provide career ladder employment services in the region

Arcata 30th Street Commons Project

- Round 5 Awardee – June 2020
- Partners:
 - City of Arcata
 - Yurok Indian Housing Authority
 - Humboldt Transit Authority
- Awarded 11.4M
 - Housing - \$8.5M
 - Transportation - \$2.2M
 - PGM - \$700K
- 36 units of a mixed-use affordable housing
- Several bike lanes, walkways, one-mile trail, pedestrian bridge, and purchase an e-bus
- Net Density: 18 du/acre



Resources

- **SGC Website**
 - Past & Current Program Guidelines
 - Quantification Methodology
 - Program Eligibility Guide & Awards
 - Past Award Information
 - Workshop Recordings
- **Technical Assistance**
 - Request for Technical Assistance
 - AHSC 101 webinar recording

Starting point: <https://sgc.ca.gov/programs/ahsc/>





GRANT READINESS

Project Planning to Achieve Grant Success

Who is LACO?

- Native-owned consulting firm
- Founded in 1954 in Eureka, California
- Core Services:
 - Civil Engineering, Land Use/Environmental Planning, Land Surveying, Grant Writing
- Tribal Clients: 33
- Active Tribal Projects: 33
- Total Tribal Projects Supported: 219



Presenters



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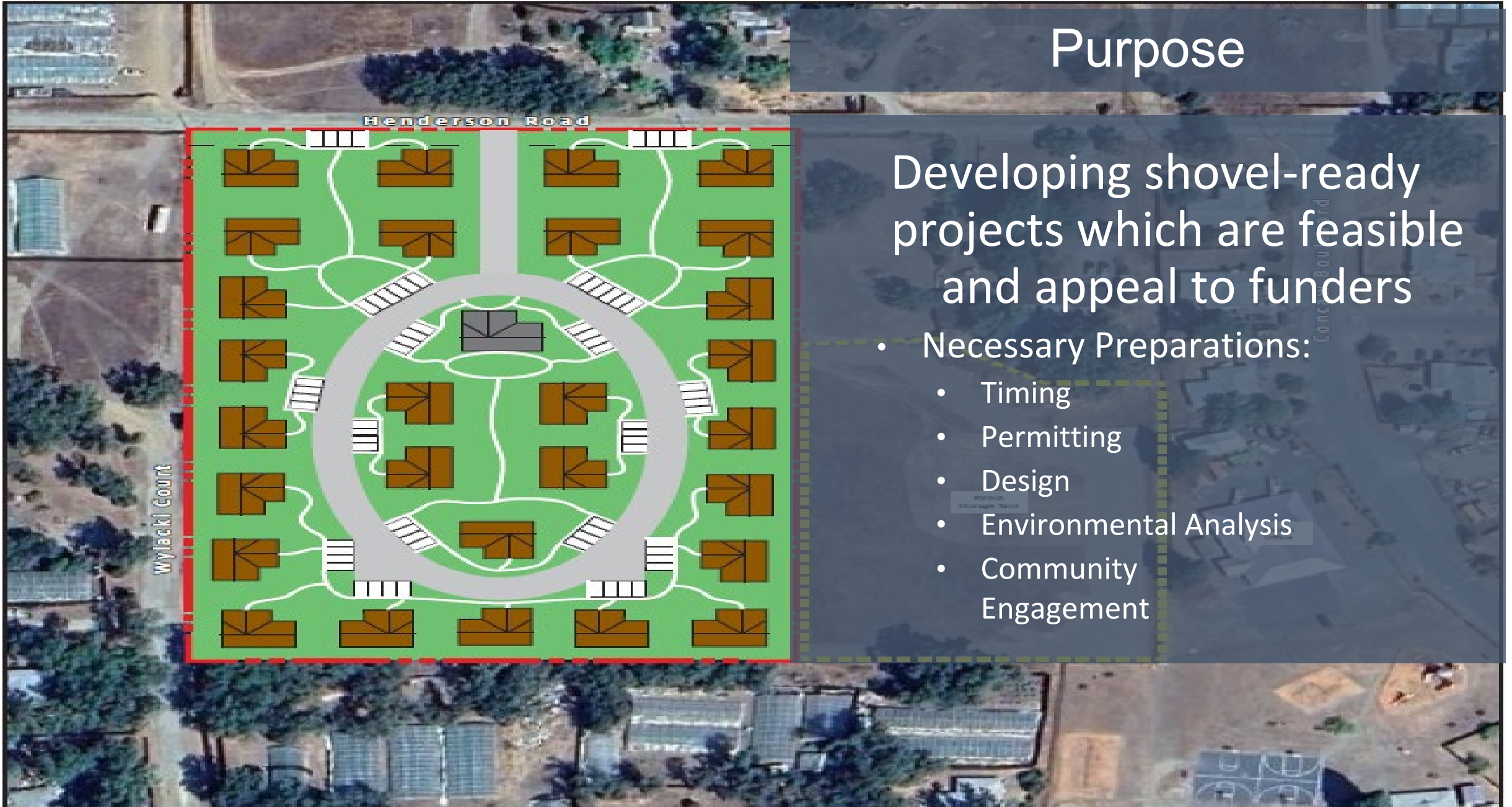


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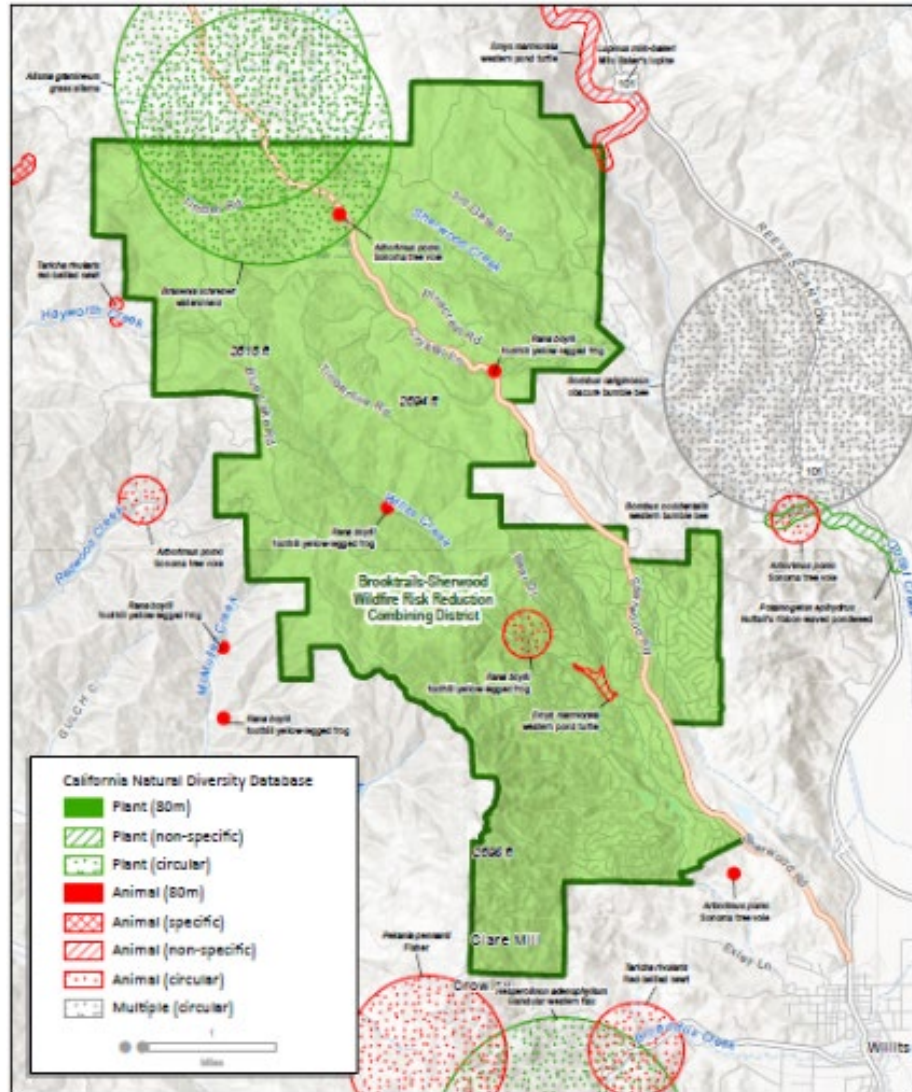
Purpose

Developing shovel-ready projects which are feasible and appeal to funders

- Necessary Preparations:
 - Timing
 - Permitting
 - Design
 - Environmental Analysis
 - Community Engagement



Early Stages: Concept



- Project Scoping
 - Define the project as thoroughly as possible at this stage
- Project Site Considerations
 - Trust vs Fee Land
 - Size
 - Utility Access
 - Proximity to other services
- Building Consensus
 - Tribal Council
 - Community
 - Other Stakeholders?
- Identifying Necessary Expertise
 - Cultural resources? Biological/botanical study? Well Analysis? Civil Design? Architecture?

An aerial photograph of a construction site. In the foreground, the steel skeleton of a building is under construction, showing a grid of columns and beams. The ground is a mix of dirt and concrete. In the background, there are other structures and materials, including a large white sheet of material. The overall scene is a busy construction area.

Consultant Selection

- What to look for when selecting a consultant
 - Subject matter expertise
 - Experience with Trust/Fee lands
 - One stop shop or piecemeal?
- Ensuring consistent understanding across the project team
- Team coordination

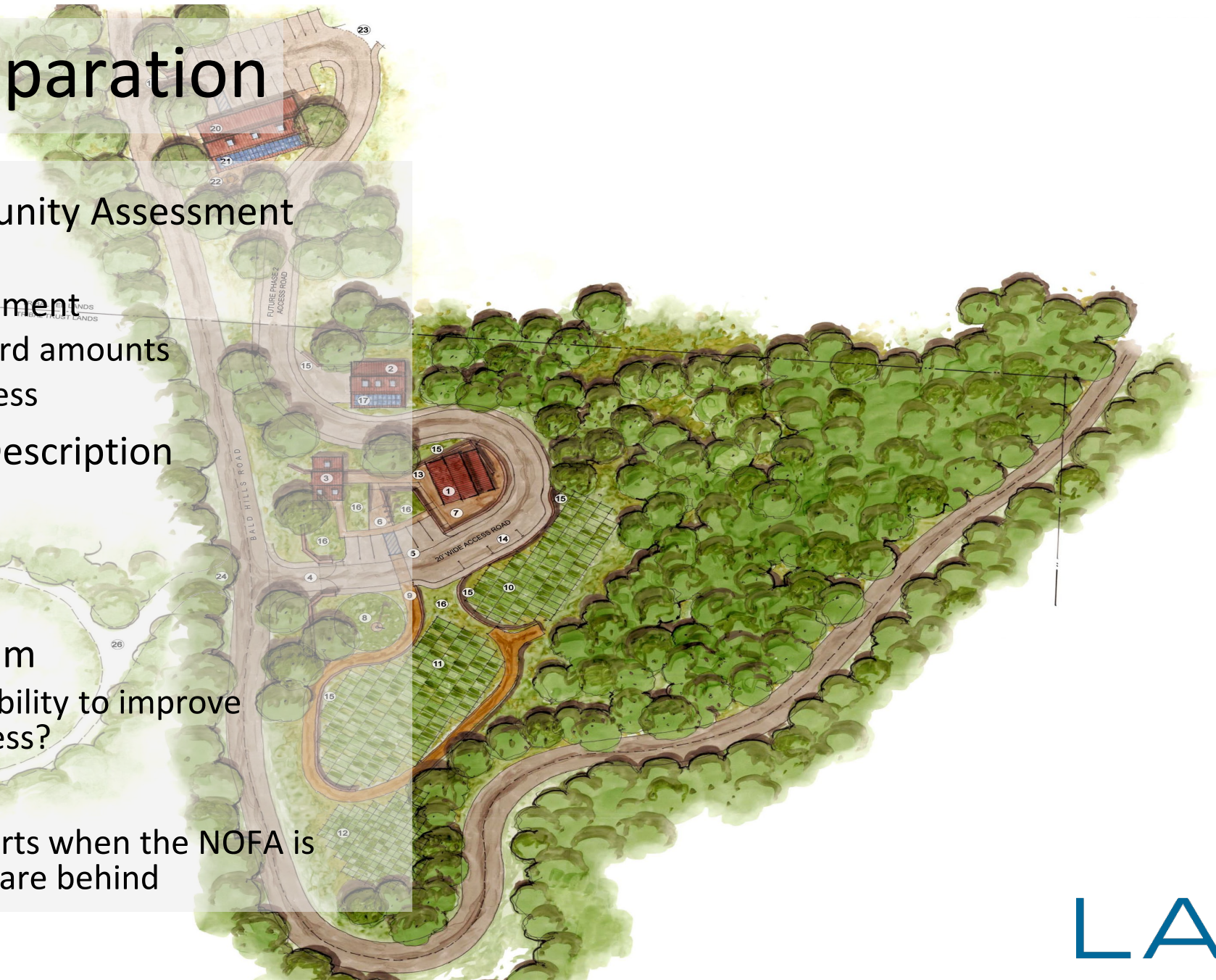
Site Analysis



- Master Plan?
- Special Studies
 - Consider necessary survey timing
- Entitlements and Approvals
 - Land use authority?
 - Application and processing timelines?
- Resource Agency Permits
 - State Water Resources Control Board
 - California/US Dept. of Fish and Wildlife
 - Army Corp of Engineers
- Environmental Clearance
 - NEPA, CEQA, or Both?

Grant Preparation

- Funding Opportunity Assessment
 - Eligibility
 - Program Alignment
 - Max/Min award amounts
 - Competitiveness
- Strong Project Description
- Budgeting
 - Comprehensive
 - Confident
- Fit to the Program
 - Potential flexibility to improve competitiveness?
- Start Early
 - If planning starts when the NOFA is released, you are behind



Other Notes

- Take advantage of TA opportunities
- Build relationships with funders and potential partners consistently
- Take a discerning approach to selecting funding sources
- Long-term planning leads to confident decision making



THANK YOU

Questions?



2024 Tribal Homekey+ NOFA

Overview

Stacy Hernandez, State Tribal Program Manager

November 2024



Homekey Tribal Team

- Stacy Hernandez, Program Manager
- Deborah Lindfeldt, Program Section Chief
- Josephine Hernandez, HKT Program Representative
- Katherine Yang, HKT Program Representative
- Jared Murti, HKT Program Representative
- Laura Bateman, Specialist II



2023 Homekey Tribal NOFA

- Department's 1st Tribal-specific NOFA
- \$81 million dedicated to Tribal Entities
- First time oversubscribed
 - 14 applications received totaling approximately \$110 million
- Most funds awarded
 - 10 awards to date
 - Approximately \$71 million in grant funding to Tribal Entities
 - 172 Units of permanent affordable housing



2024 Tribal Homekey+ NOFA

- Retains many Tribal Homekey provisions
- Increased funding
- Improved application and review processes



2024 Tribal Homekey+ NOFA

NOFA Overview and Timeline

Funds Available

- Approximately \$121 Million
 - \$89.4M Behavioral Health Infrastructure Bond Act (Proposition 1, 2024) approved by voters on March 5, 2024, and
 - \$32.3M Homeless Housing, Assistance and Prevention (HHAP) supplemental funding



Funding Type and Purpose

- Grants will be awarded through a non-competitive, over-the counter process to provide funding for Permanent Supportive Housing for households:
 - Experiencing, or At Risk of Homelessness, **and**
 - Having a Behavioral Health Challenge, including mental illness, or substance use challenge



NOFA TIMELINE

Fall 2024

- DRAFT NOFA RELEASE
- STAKEHOLDER FEEDBACK

Winter 2024-2025

- FINAL NOFA RELEASE
- APPLICATION RELEASE
- NOFA WORKSHOPS
- PREAPPLICATION MEETINGS

Spring 2025

- AWARD ANNOUNCEMENTS
- ONGOING UNTIL FUNDS ARE EXPENDED

Summer 2025

- STANDARD AGREEMENTS ISSUED



2024 Tribal Homekey+ NOFA

Eligible Applicant, Uses & Activities

Tribal Entities, including:

- Federally Recognized Tribes
- Tribally Designated Housing Entities (TDHE), or
- California Tribes which are:
 - Listed on the Bureau of Indian Affairs (BIA) petitioner list, **or**
 - Listed on the California Native American Heritage Commission contact list, **and**
 - Has formed a separate legal entity, which is controlled by the Tribal applicant



Eligible Co-applicants

- Eligible Tribal Entities may apply individually or jointly with other Tribal Entities, local jurisdictions, for-profit or non-profit corporations, limited liability companies or limited partnerships as co-applicants.



Development of Permanent Supportive Housing projects serving the Target Population including:

- New construction of dwelling units
- Acquisition and Rehabilitation of existing units
- Conversion of existing non-residential buildings to residential housing
- Scattered Site Housing
- Shared Housing



Multifamily Rental Housing Projects

- Having at least 5 units
- “Unit” is an individual residential dwelling space (apartments, townhouses, multi-plexes or single-family homes)
- “Assisted Units” are those units receiving Tribal Homekey+ funding and subject to the income, rent, and occupancy requirements of the program
- Occupancy is restricted to the Target Population



Target Population

- Households experiencing, or At Risk of Homelessness **and** experiencing a Behavioral Health Challenge, with incomes at or below 60% of Area Median Income (AMI):
 - Homeless or At Risk of Homelessness as defined in 24 CFR 578.3, or the Tribal Admissions and Occupancy Standards, as applicable
 - Behavioral Health Challenge means a serious mental health illness or dependency addiction
 - Household income at or below 60% AMI
 - “AMI” means the current TCAC median income for the county where the project is located, or the United States median income
 - Applicants may choose which AMI is most beneficial to the project
 - For projects proposing Low Income Housing Tax Credits (LIHTC), incomes may exceed 60%, subject to LIHTC rules for income averaging



2024 Tribal Homekey+ NOFA

Funding Maximums, Subsidy and Match Requirements

The Capital Funding grant amount shall be the lesser of

- A base amount of \$300,000 per Assisted Unit, adjusted for bedroom size and deeper affordability;
- Gap funding, not to exceed total eligible costs required, when considered with other available financing and assistance, including the full amount of any tax credit equity; or
- \$10,000,000 per project
 - Grants are calculated based on the number of Tribal Homekey+ Assisted Units
 - Up to 100% Homekey+ funding if 100% of units are Tribal Homekey+ Assisted Units



Up to 10% for Extraordinary Costs:

- Local Government conditions of approval
- Remote location or geographic challenges requiring extensive infrastructure, costs of housing and transporting workers, or labor force shortages
- Other unique project-specific circumstances



The Capital Grant may exceed the baseline limit if:

- The applicant demonstrates that the project is infeasible without supplemental assistance
- The Total Development Cost (TDC) does not exceed 130% of NAHASDA TDC limits (PIH Notice 2022-16)
- The total Grant, including baseline plus supplemental funding, does not exceed \$12 million



Operating Subsidy & Match

- Basic requirements:
 - 3 years match + 3 years Homekey+ = 6-year duration
 - 4 years match + 4 years Homekey+ = 8-year duration
 - 5 years match + 5 years Homekey+ = 10-year duration
- Exceptions:
 - HCD may waive the match requirement
 - HCD may extend the duration
 - AB1010 waiver not required



2024 Tribal Homekey+ NOFA

Application Process & Requirements

Over-the-Counter

- Non-competitive
- First submitted, first reviewed
- Corrections and completion prior to award
- Mandatory pre-app meeting and technical assistance throughout process
- Complete, accurate and timely submission encouraged
- Continuous awards until funds are exhausted



Affordability Term

- 55 years if subject to CEQA & seeking exception under HSC 50675.1.5; otherwise
- 30 years if outside Indian Country or on fee land within Indian country; or
- 25 years if on trust land, subject to long-term ground lease requiring BIA approval



Local, State and Federal Laws

- Applicants must comply with local, state and federal laws, as applicable
- Understanding which laws are applicable will vary depending upon several factors including:
 - Project location within or outside Indian Country
 - Sources of project funding
 - The Tribal Entity's status
 - Tribal Law adopted by constitution, ordinance or resolution



Federally Recognized Tribes

Applicable Exemptions

Tenant selection and operations	Building codes and enforcement
Prevailing wages and Tribally Determined Wages	Accessibility and Nondiscrimination
Environmental clearances	Relocation



Limited Waiver of Sovereign Immunity

- Required for all Tribal Homekey+ awards
- Provisions that ensure compliance with Program Award
- Included in NOFA and Standard Agreement
- Applicants may be required to submit a Resolution to adopt



Disbursements

- Standard Agreement Executed
- Conditions precedent to disbursement met
- Request for Funds submitted
 - Up to 100% of total grant funds may be disbursed, subject to conditions specified in the standard agreement
 - May include costs incurred no earlier than January 1, 2024



Contact Information

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Homekey Grant Awards to Create 533 Permanent Supportive Homes

Funding awarded to nine projects in nine communities statewide.

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Homekey Round 3