DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF FINANCIAL ASSISTANCE

2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2771 / FAX (916) 263-2763 www.hcd.ca.gov



October 30, 2018

MEMORANDUM FOR: All Potential Applicants

FROM: Lisa Bates, Deputy Director

Division of Financial Assistance

SUBJECT: Notice of Funding Availability (NOFA)

No Place Like Home (NPLH) Program

Amended Noncompetitive Allocation Funds NOFA

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of approximately \$190 million in Noncompetitive Allocation funds for the No Place Like Home (NPLH) program. All Counties are eligible for an allocation of NPLH Noncompetitive Allocation funds. HCD will make individual awards, rather than on a competitive basis. For OTC funding, applications are accepted and evaluated, on a first-come, first-served basis, at any time until the specified closing date or until the available funds are exhausted. Funds are awarded to those applicants that meet the minimum threshold criteria.

The NPLH program¹ provides deferred payment loans to Counties applying independently and to Counties applying with a Development Sponsor for the development of Permanent Supportive Housing for people with a serious mental illness who are Homeless, Chronically Homeless or At-Risk of Chronic Homelessness. NPLH funds may be used to acquire, design, construct, rehabilitate, or preserve Permanent Supportive Housing, which may include a Capitalized Operating Subsidy Reserve (COSR).

All Counties are eligible to receive a minimum of \$500,000 in Noncompetitive Allocation funds. Above this amount, the funds are allocated to each County based on the County's proportional share of the state's Homeless population as measured by the U.S. Department of Housing and Urban Development's (HUD) most recent published unsheltered and sheltered Point-in-Time Count. These amounts have been amended from the version of the NOFA published on August 15, 2018. Adjusted allocation

¹ For more information on the NPLH program, please see the NPLH Program Guidelines, July 17, 2017 at Guidelines. Definitions of capitalized terms can be found in Section 101 of these NPLH Guidelines.

amounts reflect newly published 2017 Homeless Point-in-Time (PIT) Count numbers for Los Angeles County and the Tri-Cities of Pomona, Claremont, and La Verne, which have changed some Counties' proportionate share of the total statewide Homeless population. See Appendix A.

Who May Apply Under This NOFA

- All Counties wishing to access their Noncompetitive Allocation, including, but not limited to, Counties designated as Alternative Process Counties (APCs) and Counties that wish to administer NPLH funds for Shared Housing, need to submit the information specified in Section II A. of the NOFA by August 15, 2019.
- Eligible Project applications to be submitted to HCD under this NOFA are multifamily rental projects of five or more Units located in Counties that have not been designated by HCD as APCs.
- One to four Unit Shared Housing Projects located in Counties that have been designated by HCD to administer Noncompetitive Allocation funds for Shared Housing must be submitted directly to the appropriate County in accordance with the County's own application requirements.
- 4. Project applications for Projects of any size located in Counties that have been designated by HCD as APCs must be submitted directly to the appropriate County in accordance with the County's own application requirements.
- 5. Note that the Tri-Cities of Pomona, Claremont, and La Verne, and the City of Berkeley, are considered separate Counties under the NPLH program. Projects of five or more Units located in these cities should be submitted directly to HCD. If these cities are designated to administer their Noncompetitive Allocation funds for Shared Housing, applications for Shared Housing Projects located in these cities should be submitted directly to these cities in accordance with the cities' own application requirements.

This NOFA addresses the following:

- a) Requirements for all Counties to access their Noncompetitive Allocation funds and;
- b) Individual Project threshold requirements for Projects of five or more Units to be administered by HCD using the County's Noncompetitive Allocation funds.

Project applications submitted under this NOFA will be funded on an OTC basis, subject to the availability of funds within the Noncompetitive County Allocation where the Project is located. The Department's NPLH Application forms, Program Guidelines, and application training information are available on the Program website.

A complete original physical application and two electronic copies on CD or flash drive

NPLH Noncompetitive Allocation NOFA October 30, 2018 Page 3

with all applicable information must be received by HCD no later than **5:00 p.m. Pacific Standard Time on Monday, February 15, 2021**, delivered by a mail carrier service such as the U.S. Postal Service, UPS, FedEx, or other carrier service that provides a date stamped verification of delivery to the following address:

No Place Like Home Program

California Department of Housing and Community Development
Division of Financial Assistance, NOFA Section
2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833

Personal deliveries will not be accepted. No facsimiles, incomplete applications, application revisions, electronically transmitted, or walk-in application packages will be accepted.

Questions about this NOFA and application process can be directed the NPLH email box at: NPLH@hcd.ca.gov.

Attachment

NO PLACE LIKE HOME PROGRAM 2018 Notice of Funding Availability

Noncompetitive Allocation Funds



State of California
Governor Edmund G. Brown Jr.

Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency

Ben Metcalf, Director Department of Housing and Community Development

2020 West El Camino Avenue, Suite 500, Sacramento, CA 95833 Telephone: (916) 263-2771

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

Program email: NPLH@hcd.ca.gov

August 15, 2018
Amended October 25, 2018

TABLE OF CONTENTS

I.	Overview	1
	A. Notice of Funding Availability	
	B. Noncompetitive Allocation amounts	
	C. Funds administration	
	D. Tentative program timeline	
	E. Authorizing Legislation, Program Guidelines, and Regulations	
	Dua mana na maina manata	•
II.	Program requirements	
	A. Noncompetitive Allocation threshold requirements	6
	B. Project requirements	6
	C. Project application submittal	11
	D. Disclosure of application to the public	12
	E. Award announcements and contracts	
ΑP	PENDIX A: COUNTY NONCOMPETITIVE ALLOCATIONS	14

I. Overview

A. Notice of Funding Availability

The California Department of Housing and Community Development (HCD) hereby announces the availability of approximately \$190 million in Noncompetitive Allocation funds for the No Place Like Home (NPLH) Program.¹ This funding is conditioned upon voter approval of the No Place Like Home Act of 2018, Proposition 2 on the November 2018 ballot. If approved by voters, this measure would authorize the Legislature to appropriate funds to the Mental Health Services Fund for the NPLH Program to begin making awards under this NOFA.

The outcome of the bond validation action (*California Health Facilities Financing Authority, et al. v. All Interested Persons,* Case No. 34-2017-00219002-CU-MC-GDS) and the reverse validation action (*Bernard v. The California Health Facilities Financing Authority, et al.,* Case No. 34-2016-00203224) may also affect the availability or timeline of funding.

If the measure does not pass, or if the outcome of the above-referenced litigation impacts the NPLH program, then HCD will publish a notice on its website with advisement regarding the availability of funds.

The NPLH program provides deferred payment loans to Counties applying independently as a Development Sponsor, as well as to Counties applying jointly with another entity as the Development Sponsor, to finance the development of Permanent Supportive Housing for persons with a serious mental illness who are Homeless, Chronically Homeless, or At-Risk of Chronic Homelessness. NPLH funds may be used to acquire, design, construct, rehabilitate, or preserve Permanent Supportive Housing and fund capitalized operating subsidy reserves. Funding under this NOFA is provided through the sale of bonds with interest payments on the bonds funded through the Mental Health Services Act (MHSA). NPLH funds will be made available through a Noncompetitive Allocation and a Competitive Allocation process. This NOFA addresses funds that will be available through the Noncompetitive Allocation. The NOFA for the first round of funds under the Competitive Allocation is tentatively scheduled to be released in the fall of 2018. Defined terms within the NPLH Program Guidelines (Guidelines) are capitalized in this NOFA. Definitions of capitalized terms can be found in Section 101 of the Guidelines.

B. Noncompetitive Allocation amounts:

All Counties² are eligible to receive at least \$500,000 in Noncompetitive Allocation funds. Above this amount, the funds are allocated to each County based on the County's proportional share of the state's Homeless population, as measured by the U.S. Department of Housing and Urban Development's (HUD) most recent published unsheltered and sheltered Point-in-Time (PIT) Count. See Appendix A of this NOFA for the estimated allocation available to each County. For this NOFA, the 2017 unsheltered

¹ For more information on the NPLH program, please see the NPLH Program Guidelines, July 17, 2017 at NPLH Guidelines. Definitions of capitalized terms can be found in Section 101 of these NPLH Guidelines. ² Section 5849.2, subdivision (f) of the Welfare and Institutions Code defines "County" to include, but not be limited to, a city and County, and a city receiving funds pursuant to Section 5701.5. The City of Berkeley and the Tri-Cities (Pomona, Claremont, and La Verne), qualify as Counties for No Place Like Home funding under this provision.

and sheltered PIT Count was used. These amounts have been amended from the version of the NOFA published on August 15, 2018. Adjusted allocation amounts reflect newly published 2017 homeless Point-in-Time (PIT) Count numbers for Los Angeles County and the Tri-Cities of Pomona, Claremont, and La Verne, which have changed some Counties' proportionate share of the total statewide Homeless population. See Appendix A.

C. Funds administration

NPLH Noncompetitive Allocation funds can be administered in three different ways:

- 1. <u>HCD Projects</u>: Funds from a County's Noncompetitive Allocation can be administered by HCD for Projects of five or more Units located in Counties not designated as Alternative Process Counties (APCs).³ As the project lender, HCD will select Projects of five or more Units and administer NPLH funds based on the requirements in Articles I and II of the Guidelines.
- 2. Alternative Process Counties: If a County with five percent or more of the state's homeless population wants to administer its Noncompetitive Allocation funds, it can be designated by HCD as an APC. Once the County has been designated as an APC, the County, as the project lender, will use its Noncompetitive Allocation funds to select Projects of any number of Units based on a method of distribution approved by HCD, and will monitor these Projects for the required period of affordability. Articles I and III of the Guidelines address NPLH requirements governing APCs.

For 2018, four Counties are eligible to be APCs: Los Angeles, San Diego, San Francisco, and Santa Clara Counties. Once a County has been designated by HCD to administer funds as an APC, proposed Projects located in the County, other than Projects located in the cities of Claremont, La Verne, and Pomona, must apply for NPLH funds through the County pursuant to the terms of the County's application process. HCD will not accept applications for Projects located in APCs under this NOFA, except for proposed Projects of five or more Units located in the cities of Claremont, La Verne, and Pomona.⁴

The designation process for Counties to administer Noncompetitive Allocation funds as an APC is currently underway. The APC Designation Form is located on the NPLH <u>Program website</u>. As Counties are approved, HCD will post an updated contact list on the NPLH program website.

3. <u>Shared Housing Projects:</u> Counties may use their Noncompetitive Allocation funds for Shared Housing Projects of one to four Units. Counties interested in using Noncompetitive Allocation funds for Shared Housing must complete the Shared Housing Designation Form and be approved by HCD. Once approved, Counties may choose to administer some or all of their Noncompetitive Allocation funds for Shared Housing.

A Shared Housing County acts as the project lender and selects Shared Housing

³ For more information on the NPLH program, please see the NPLH Program Guidelines, July 17, 2017 at NPLH Guidelines. Definitions of capitalized terms can be found in Section 101 of these NPLH Guidelines.

⁴ See footnote 2 above.

Projects based on a method of distribution approved by HCD. The County is responsible for monitoring these projects for the required period of affordability. Articles I and IV of the Guidelines address NPLH requirements governing Shared Housing.

If the County has been designated by HCD to administer funds for Shared Housing, proposed Shared Housing Projects must apply for NPLH funds through the County pursuant to the terms of the County's application process. **HCD will not accept Shared Housing Project applications**.

The designation process for Counties to administer funds for Shared Housing is currently underway. The Shared Housing Designation Form is located on the NPLH <u>Program website</u>. As Counties are approved, HCD will post an updated contact list on the NPLH program website.

Step I: Accept Noncompetitive Allocation

ALL COUNTIES Must accept Noncompetitive Allocation

Counties submit complete Noncompetitive Allocation Acceptance form to HCD no later than August 15, 2019.

Step II: Submit Project Applications

HCD PROJECTS APC COUNTIES SHARED HOUSING **PROJECTS** Project Size: 5+ Units Project size: Any size and Project size: 1-4 Units located in Counties not located in APC Administered by: Counties designated by HCD to use designated as Alternative Administered by: Counties Process Counties (APC) designated by HCD as NPLH funds for SH Administered by: HCD APC Applicant: County or Applicant: Development Applicant: Developer Sponsor County with Development Forms: County-provided Sponsor Forms: County-provided Submit to: County Forms: Universal Submit to: County Due: TBD by the County Application and Project Due: TBD by the County but no later than February Supplemental Application but no later than February 15. 2021 Submit to: HCD 15, 2021 Due: February 15, 2021

Note: Welfare and Institutions Code section 5849.2, subdivision (f) defines "County" to include, but not be limited to, "a city and county, and a city receiving funds pursuant to Section 5701.5." The City of Berkeley and the Tri-Cities (Pomona, Claremont, La Verne) qualify as Counties for NPLH funding.

This NOFA addresses the following:

- a) Requirements for all Counties to access their Noncompetitive Allocation funds, and
- b) Individual Project threshold requirements for Projects of five of more Units to be administered by HCD using County Noncompetitive Allocation funds (see C.1. above).

D. Tentative program timeline

NOFA release	August 15, 2018
Deadline for Counties to submit documentation to accept their Noncompetitive Allocation Funds	August 15, 2019
Application deadline for Projects of five or more Units	Feb 15, 2021, or earlier, depending on the availability of funds
Award announcements	90 days from receipt of all documents required to make a Project award
Expenditure deadline	August 15, 2023

E. Authorizing Legislation, Program Guidelines, and Regulations

The NPLH program furthers the purposes of AB 1618, (Chapter 43, Statutes of 2016), as amended by AB 1628, (Chapter 322, Statutes of 2016, effective September 13, 2016), and the 2018 No Place Like Home Act (AB 1827, Assembly Budget Committee). Guidelines implement, interpret, and make specific the NPLH statutes. These Guidelines establish terms, conditions and procedures for the award of funds under the Noncompetitive Allocation.

Except as otherwise provided in the Guidelines, multifamily Rental Housing Projects of five or more Units underwritten by HCD are also subject to HCD's current Uniform Multifamily Regulations (UMRs). The Guidelines are available on the NPLH program website at <u>Guidelines</u>. The current UMRs are located at <u>UMRs</u>.

Applicants are responsible for complying with the NPLH program requirements set forth in the Guidelines and UMRs, as applicable. Applicants are advised to carefully review the Guidelines, UMRs, and information contained in this NOFA before submitting applications.

II. Program Requirements

The following is provided as a summary and is not to be considered a comprehensive representation of the eligibility, threshold, and other requirements or terms and conditions of the NPLH program. Terms that are defined in the Guidelines are capitalized.

A. Noncompetitive Allocation threshold requirements

Counties wishing to access their Noncompetitive Allocation funds must be awarded these funds by HCD. In order to be awarded their Noncompetitive Allocation funds, Counties must meet the documentation requirements of Section 201 of the Guidelines. These documents must be submitted to HCD no later than **August 15, 2019.**

B. Project requirements

Once a County has been awarded its Noncompetitive Allocation funds, Projects are eligible to receive funding through the County's Noncompetitive Allocation, if they meet the requirements of Section 202 of the Guidelines.

1. Eligible Applicants

Applications must be submitted by a single County independently as the Development Sponsor, or by a single County jointly with another entity as the Development Sponsor. Two or more Counties may apply together as joint Applicants if there is a commitment to collaborate in the provision or coordination of supportive services or other resources to the Project and if NPLH tenants from each of the Applicant Counties are expected to reside in the Project.

If a County does not want to be the borrower on any NPLH loan documents, then it must apply jointly with a Development Sponsor.

2. Development Team Experience

The minimum experience requirements set forth in Section 202 (e) of the Guidelines must be met collectively among the members of the Project team consisting of the Applicant (i.e., the County applying independently or the County applying jointly with a separate Development Sponsor), the property manager, and the lead service provider, if the lead service provider is not the County. The experience requirements in Section 202 (e) vary based on County population size.

3. Uses and Terms of Program Assistance

NPLH funds will be provided as post-construction permanent loans. All NPLH funds shall be used for the development costs in California Code of Regulations, title 25, section 7304, subdivision (b), and to refinance loans used to cover such costs.

NPLH funds may be used to capitalize operating subsidy reserves for NPLH Assisted Units pursuant to the requirements of Section 209 of the Guidelines. (The capitalized reserves permitted under Section 209 are hereafter referred to as COSRs.) NPLH funds may also be used to capitalize the operating reserve required under Section 8308 of the UMRs.

NPLH funds may be used to rehabilitate existing affordable housing. Projects proposed for rehabilitation will be underwritten based on the number of NPLH tenants the Project will house upon completion of the rehabilitation. The proposed Project can be comprised of vacant Units or Units currently occupied with tenants meeting the occupancy and income requirements under Section 206 of the Guidelines.

Proposed Projects involving new construction and requiring the demolition of existing residential space are eligible only if the number of bedrooms in the new Project is at least equal to the total number of bedrooms in the demolished structures. The new Units may exist on separate parcels if all parcels are part of the same Rental Housing Development and meet the requirements of Scattered Site Housing described in Section 202 (i) of the Guidelines.

Program assistance shall have an initial term of 55 years or longer to match the period of affordability restrictions under the Low Income Housing Tax Credit Program, commencing with the date of recordation of HCD's NPLH regulatory agreement. Program loans shall be secured by the Project's real property and improvements, subject only to liens, encumbrances, and other matters of record approved by HCD consistent with Section 8315 of the UMRs.

Other loan terms are described in Section 200 of the Guidelines. Additional requirements governing supportive services, tenant selection, and income and rent restrictions are discussed in the other sections of the NOFA below.

4. 2018 Maximum Loan Amounts and Per-Unit Subsidy Limits

The maximum loan amount per Project, including all eligible capital and COSR costs, shall be \$20 million. Funds from the County's Noncompetitive Allocation and the Competitive Allocation may be used on the same multifamily Project as long as HCD's NPLH Per-Unit subsidy limits are not exceeded.

5. Capital Per-Unit Limits

Counties and Project Development Sponsors should consult the NPLH Per-Unit subsidy limits table for **9 percent tax credits Projects** and **Projects without 9 percent tax credits** for the current Per-Unit subsidy limits for Projects based on the Area Median Income (AMI) levels being targeted and number of bedrooms per Unit. NPLH per subsidy limits are located at: http://www.hcd.ca.gov/grants-funding/docs/2018MTSPRegularLimits.pdf. The NPLH capital Per-Unit subsidy limits begin on page 61 of the document hyperlinked above.

COSR Per-Unit Limits

For 9 percent tax credit Projects, the COSR Per-Unit subsidy limit cannot exceed 100 percent of the applicable Per-Unit limit for capital found on the 9 percent tax credit table hyperlinked above. For Projects not using 9 percent tax credits, the COSR Per-Unit limit for projects underwritten in 2018 cannot exceed \$180,492 Per-Unit.

The Per-Unit capital and COSR amounts listed above are maximum amounts available. The actual amount that a Project receives is subject to the individual Project underwriting performed prior to the award of funds and at loan closing. The Universal Rental Project Application form contains a COSR calculation worksheet that calculates the amount of each Project's COSR consistent with COSR underwriting requirements in Section 209 of the Guidelines.

7. Financial Feasibility

Projects shall meet the underwriting requirements of HCD's UMRs, as well as the Occupancy, Income, Rent Limits, and Transition Reserve requirements discussed below. Where there is a difference between the UMRs and the NPLH Program Guidelines, the provisions of the Guidelines shall prevail. See Sections 206, 207, and 208 of the Guidelines for more information.

8. Site and Unit Requirements

All Project sites must be free from severe adverse environmental conditions, such as the presence of toxic waste that is economically infeasible to remove and that cannot be mitigated.

All Project sites must be reasonably accessible to public transportation, shopping, medical services, recreation, schools, and employment in relation to the needs of the Project tenants and what is typically available in that County.

Upon Project completion, all Assisted Units and other Units of the Project must be on a permanent foundation and must meet all applicable state and local requirements pertaining to rental housing, including, but not limited to, requirements for minimum square footage, and requirements related to maintaining the property in a safe and sanitary condition.

Upon Project completion, all Projects must be accessible to persons with disabilities pursuant to the requirements set forth under Section 213 (b) of the Guidelines.

9. Supportive Services

For a minimum of 20 years, Counties must commit to make mental health services available to the Project's NPLH tenants, and to coordinate the provision or referral to other services, including, but not limited to, substance use services.

Each application for NPLH funds shall include a Project-specific supportive services plan developed by the County in partnership with the Project Development Sponsor, supportive service providers, and the property manager.

Participation in available supportive services by NPLH tenants shall be voluntary. Access to or continued occupancy in housing cannot be conditioned on participation in services or on sobriety. The supportive services plan must describe the services to be made available to NPLH tenants in a manner that is voluntary, flexible and individualized, so that NPLH tenants may continue to engage with supportive services providers, even as the intensity of services needed may change. Adaptability in the level of services should support tenant engagement and housing retention.

See Section 203 of the Guidelines regarding supportive services that must be made available and information that must be provided in the supportive services plan.

10. Tenant Selection

At least one person residing in each NPLH Assisted Unit must qualify as having a Serious Mental Disorder or as being a Seriously Emotionally Disturbed Child or Adolescent as defined under Welfare and Institutions Code section 5600.3. That person must also be Homeless, Chronically Homeless, or At-Risk of Chronic Homelessness as defined under Section 101 of the Guidelines.

Pursuant to Section 5849.9 of the Welfare and Institutions Code, Projects utilizing funds from a County's Noncompetitive Allocation shall prioritize persons with mental health supportive services needs who are Homeless or At-Risk of Chronic Homelessness.

Referrals to NPLH Assisted Units shall be made through the local Coordinated Entry System (CES) for persons who are Chronically Homeless or Homeless. For persons At-Risk of Chronic Homelessness, CES or another comparable prioritization system based on greatest need shall be used.

Projects shall accept tenants regardless of sobriety, participation in services or treatment, history of incarceration, credit history, or history of eviction in accordance with practices permitted pursuant to Housing First practices set forth in Welfare and Institutions Code section 8255, or other federal or state Project funding sources. See Section 211 of the Guidelines for more information regarding tenant selection requirements.

11. Occupancy and Income Requirements

Total household income at time of move-in shall not exceed 30 percent of the County AMI. HCD has published the current income limits at 30 percent AMI and below http://www.hcd.ca.gov/grants-funding/docs/2018MTSPRegularLimits.pdf. The NPLH income limits begin on page one of the document hyperlinked above. Documentation requirements for income and tenant eligibility are referenced in Section 206 of the Guidelines.

Household income may increase above 30 percent AMI over time, and households above 30 percent AMI can continue to reside in their Units. Counties can also choose to continue offering supportive services to tenants residing in these Units. However, Units with household income above 30 percent AMI shall no longer be designated by HCD as NPLH Assisted Units, unless the reason for the increase in income was due to changes in the Supplemental Security Income/State Supplementary Payment (SSI/SSP) rate or cost of living adjustment. See Section 207 of the Guidelines for more information concerning changes in tenant income.

12. Rent Limits

At initial occupancy, tenant-paid Rents for NPLH Assisted Units shall be restricted to no more than 30 percent AMI or below, as specified in the Project regulatory agreement. HCD has published the current Rent limits at 30 percent AMI and below based on the County and the number of bedrooms Per-Unit at: http://www.hcd.ca.gov/grants-funding/docs/2018MTSPRegularLimits.pdf. The NPLH 30 percent AMI and below Rent limits begin on page 16 of the document hyperlinked above.

Projects shall have a transition reserve in the event that any Project-based rental assistance is not renewed, or in the event that the Project COSR is exhausted and the Project cannot secure other sufficient rental or operating subsidies to continue without immediately raising Rents on the NPLH Assisted Units. The minimum amount of the transition reserve shall be the amount sufficient to prevent Rent increases for one year following the loss of the rental assistance or exhaustion of the COSR. In no event shall Rents on Assisted Units be increased above 50 percent AMI.

See Section 207 of the Guidelines for more information on permitted rent increases and required actions after exhaustion of the transition reserve.

13. Integration

All Projects must demonstrate integration in accordance with the requirements of Section 202 (g) of the Guidelines. To promote integration of NPLH tenants with other Project tenants, in Projects of greater than 20 Units, HCD will fund no more than 49 percent of a Project's Units as NPLH Units. This limitation shall not be interpreted to preclude occupancy of any Project Units by persons with disabilities, or restrictions by other funding sources, including, but not limited to, restrictions imposed by the California Tax Credit Allocation Committee (CTCAC), that result in more than 49 percent of the total Project Units being restricted to persons with disabilities. See Section 202 (g) of the Guidelines for additional requirements.

14. Article XXXIV

All Projects shall comply with article XXXIV, section 1 of the California Constitution, as clarified by the Public Housing Election Implementation Law (Health & Saf. Code, §§ 37000 - 37002). Article XXXIV documentation for loans underwritten by HCD shall be subject to review and approval by HCD prior to the execution of HCD's Standard Agreement.

15. Relocation

All persons who are displaced as a direct result of the development of an NPLH Project shall be entitled to relocation benefits and assistance as provided in California relocation assistance law (Gov. Code, § 7260 et seq., Cal. Code Regs., tit. 25, § 6000 et seq.).

A relocation plan conforming to the provisions of California Code of Regulations, title 25, section 6038 shall be prepared. The relocation plan or other relocation documentation shall be subject to the review and approval by HCD prior to the beginning of any construction or activity that will result in displacement.

16. State Prevailing Wages

Funds awarded under this NOFA are subject to California prevailing wage law (Lab. Code, §§ 1771, 1720-1781), and require the payment of prevailing wages unless the Project meets one of the exceptions of Labor Code section 1720 as determined by the Department of Industrial Relations. **Applicants are encouraged to seek professional advice as to how to comply with state prevailing wage law**.

C. Project application submittal

The Noncompetitive Allocation Project application consists of the following documents available on the Program website

- NPLH Program Supplement This form contains information needed to evaluate application threshold compliance for Projects of five or more Units underwritten by HCD. The Program Supplement also contains information Counties must submit in order to utilize their Noncompetitive Allocation funds.
- 2. <u>Universal Rental Project Application Form</u> This form contains information needed to evaluate Project financial feasibility for Projects of five or more Units underwritten by HCD.

Project applications submitted under this NOFA will be funded on an OTC basis, subject to the availability of funds within the Noncompetitive County Allocation where the Project is located. The Department's NPLH Application forms, Program Guidelines, and application training information are available on the Program website.

A complete original physical application and two electronic copies on CD or flash drive with all applicable information must be received by HCD no later than **5:00 p.m. Pacific Standard Time on Monday, February 15, 2021**, delivered by a mail carrier service such as the U.S. Postal Service, UPS, FedEx, or other carrier service that provides a date stamped verification of delivery to the following address:

No Place Like Home Program California Department of Housing and Community Development Division of Financial Assistance, NOFA Section 2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833

Personal deliveries will not be accepted. No facsimiles, incomplete applications, application revisions, electronically transmitted, or walk-in application packages will be accepted.

Modification of the application forms by the applicant is prohibited. It is the applicant's responsibility to ensure the application is clear, complete and accurate. After the application has been submitted, HCD staff may request clarifying information to determine compliance with NPLH program requirements.

D. <u>Disclosure of application to the public</u>

Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (Act) (Gov. Code, § 6250 et seq.). As such, any materials provided may be disclosed to any person making a request under this Act. HCD 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 HCD, the applicant is waiving any claim of confidentiality as to the submitted information, and consents to HCD's disclosure of such information upon a request under the Act.

E. Award announcements and contracts

1. Award announcements

This funding is conditioned upon voter approval of the No Place Like Home Act of 2018, Proposition 2 on the November 2018 ballot. If approved by voters, this measure would authorize the Legislature to appropriate funds to the Mental Health Services Fund for the NPLH Program to begin making awards under this NOFA.

The outcome of the bond validation action (*California Health Facilities Financing Authority*, et al. v. All Interested Persons, Case No. 34-2017-00219002-CU-MC-GDS) and the reverse validation action (*Bernard v. The California Health Facilities Financing Authority*, et al., Case No. 34-2016-00203224) may also affect the availability or timeline of funding.

If the measure does not pass, or if the outcome of the above-referenced litigation impacts the NPLH program, then HCD will publish a notice on its website with advisement regarding the availability of funds.

Subject to the above conditions, award announcements will be made 90 days after receipt of all documents required to make an award.

2. Contracts

Successful Applicants will enter into a Standard Agreement with HCD. The Standard Agreement contains all the relevant state requirements, as well as specific information about the award and the work to be performed. HCD will enter into a regulatory agreement with the County Applicant and/or a separate Development Sponsor that will contain specific provisions governing Project operations in accordance with NPLH requirements. See Guidelines Section 215 for a description of these two agreements.

A condition of award will be that a Standard Agreement must be executed by the Awardee(s) within 90 days (Contracting Period) of the Awardees' receipt of the Standard Agreement(s). Failure to execute the Standard Agreement(s) within the Contracting Period may result in award cancellation. The Awardee(s) shall remain a party to the Standard Agreement for the entire term of the Standard Agreement; removal of the Awardee(s) shall be prohibited.

Questions on this NOFA and application process can be directed to the NPLH email at: NPLH@hcd.ca.gov.

APPENDIX A: COUNTY NONCOMPETITIVE ALLOCATIONS⁵

NPLH Formula Estimates for the Noncompetitive Allocation Program				
	COUNTY	Pop Est. as of 1/1/2018	2017 PIT Count	Estimated Allocation
1	Los Angeles	10,058,336	54,227	\$75,259,413
2	San Diego	3,337,456	9,160	\$12,713,886
3	San Francisco	883,963	6,858	\$9,519,091
4	Santa Clara	1,956,598	7,394	\$10,262,970
Total		16,236,353	77,639	\$107,755,360
1	Alameda	1,538,328	4,657	\$6,464,468
2	Contra Costa	1,149,363	1,607	\$2,231,574
3	Fresno	1,007,229	1,572	\$2,183,000
4	Kern	905,801	810	\$1,125,469
5	Orange	3,221,103	4,792	\$6,651,830
6	Riverside	2,415,955	2,406	\$3,340,454
7	Sacramento	1,529,501	3,665	\$5,087,737
8	San Bernardino	2,174,938	1,866	\$2,591,023
9	San Joaquin	758,744	1,542	\$2,141,364
10	San Mateo	774,155	1,253	\$1,740,281
11	Ventura	859,073	1,152	\$1,600,109
Total		16,334,190	25,322	\$35,157,309
1	Butte	227,621	1195	\$1,659,786
2	Marin	263,886	1117	\$1,551,535
3	Merced	279,977	454	\$631,401
4	Monterey	443,281	2837	\$3,938,610
5	Placer	389,532	663	\$921,458
6	San Luis Obispo	280,101	1125	\$1,562,638
7	Santa Barbara	453,457	1860	\$2,582,696
8	Santa Cruz	276,864	2249	\$3,122,563
9	Solano	439,793	1232	\$1,711,136
10	Sonoma	503,332	2835	\$3,935,834
11	Stanislaus	555,624	1661	\$2,306,517
12	Tri-Cities (Claremont, La Verne, Pomona)	225,393	821	\$1,140,736
13	Tulare	475,834	666	\$925,621
14	Yolo	221,270	459	\$638,340
Total		5,035,965	19,174	\$26,628,871

⁵ Allocation adjustments reflect changes in the published 2017 homeless Point-in-Time (PIT) Count numbers for Los Angeles County and the Tri-Cities of Pomona, Claremont, and La Verne which have changed some Counties' proportionate share of the total statewide homeless population. The LA County PIT number includes the LA City and County CoC, and the Long Beach, Pasadena, and Glendale CoCs. It excludes the PIT numbers for the Tri-Cities *of Pomona, Claremont, and La Verne*, since the Tri-Cities is its own County under Section 5849.2, subdivision (f) of the Welfare and Institutions Code.

NPLH Formula Estimates for the Noncompetitive Allocation Program				
	COUNTY	Pop Est. as of 1/1/2018	2017 PIT Count	Estimated Allocation
1	Alpine	1,154	0	\$500,000
2	Amador	38,094	149	\$500,000
3	City of Berkeley	121,874	972	\$1,350,299
1	Alpine	1,154	0	\$500,000
2	Amador	38,094	149	\$500,000
3	City of Berkeley	121,874	972	\$1,350,299
4	Calaveras	45,157	19	\$500,000
5	Colusa	22,098	5	\$500,000
6	Del Norte	27,221	128	\$500,000
7	El Dorado	188,399	602	\$836,801
8	Glenn	28,796	94	\$500,000
9	Humboldt	136,002	759	\$1,054,690
10	Imperial	190,624	1,154	\$1,602,885
11	Inyo	18,577	120	\$500,000
12	Kings	151,662	187	\$500,000
13	Lake	65,081	401	\$557,845
14	Lassen	30,911	107	\$500,000
15	Madera	158,894	444	\$617,522
16	Mariposa	18,129	38	\$500,000
17	Mendocino	89,299	1,238	\$1,719,462
18	Modoc	9,612	12	\$500,000
19	Mono	13,822	1	\$500,000
20	Napa	141,294	315	\$500,000
21	Nevada	99,155	316	\$500,000
22	Plumas	19,773	47	\$500,000
23	San Benito	57,088	527	\$732,713
24	Shasta	178,271	640	\$889,538
25	Sierra	3,207	0	\$500,000
26	Siskiyou	44,612	0	\$500,000
27	Sutter	97,238	331	\$500,000
28	Tehama	64,039	124	\$500,000
29	Trinity	13,635	77	\$500,000
30	Tuolumne	54,740	161	\$500,000
31	Yuba	74,727	429	\$596,705
Total		2,203,185	9,397	\$20,458,460
	State Total	39,809,693	131,532	\$190,000,000

Total NPLH Noncompetitive Allocation	\$200,000,000
Noncompetitive Allocations to Counties	\$190,000,000
HCD Administration of Noncompetitive Allocation	\$10,000,000