

# **Permanent Local Housing Allocation (PLHA) Formula Allocation**

## **2020 Application**



**State of California  
Governor, Gavin Newsom**

**Lourdes Castro Ramírez, Secretary  
Business, Consumer Services and Housing Agency**

**Douglas R. McCauley, Acting Director  
Department of Housing and Community Development**

Program Design and Implementation, PLHA Program  
2020 West El Camino Avenue, Suite 150, Sacramento, CA 95833  
PLHA Program Email: [PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov)

**Final Filing Date: April 27, 2020 through July 27, 2020 at 5 P.M. PST**

## Instructions

Rev. 5/20/20

**When opening this file, a yellow banner at the top may appear with a button that says "Enable Content". It is essential that you click this box so that the macros are enabled. Enabling macros is necessary for full worksheet functionality. Macros do not work with Microsoft's Excel version for Apple Mac.**

HCD will only accept applications through a postal carrier service such as U.S. Postal Service, UPS, FedEx or other carrier services that provide date stamp verification confirming delivery to HCD's office. A complete original application and an electronic copy on a USB flash drive with all applicable information must be received by HCD via postal carrier no later than 5:00 p.m. on:

**Monday, July 27, 2020**

Applications must be on the Department's forms and cannot be altered or modified by the Applicant. Excel forms must be in Excel format and unprotected, not a .pdf document. For application errors please fill out the Application Support worksheet and email the entire workbook to Application Support for application errors at [AppSupport@hcd.ca.gov](mailto:AppSupport@hcd.ca.gov).

**General Instructions** (Additional instructions and guidance are given throughout the Supplemental Application in "red" text and in cell comments.

**Guideline references are made with "\$" and the corresponding guideline section number.**

"Yellow" cells are for Sponsor input. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score.

Required attachments are indicated in "orange" throughout the Supplemental Application. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Supplemental Application. For Example: "App1 Payee Data" for Sponsor 1 Payee Data Record/STD. 204.

Threshold items are indicated in "blue" cells.

"Red" shaded cells indicate the Sponsor has failed to meet a requirement of the program. Point cells in the Scoring worksheet shaded in "red" indicate that the Sponsor has failed to meet the minimum points required.

**Sponsor must complete the following worksheets in the PLHA Formula Allocation Application.**

**Formula Allocation Application**

**302(c)(4) Plan**

**Legislative Contacts**

## Checklist

Binder Tab #	Threshold Requirement	Electronic File Name	Document Description	Included?
1	X	<a href="#">App1 Resolution</a>	PLHA webpage for Resolution Document	
2	X	<a href="#">App1 Signature Block</a>	Signature Block - upload in Microsoft Word Document	
3	X	<a href="#">App1 TIN</a>	Taxpayer Identification Number Document	
4	X	Applicant Agreement	Legally binding agreement between Delegating and Administering Local Governments	
5		Plan Adoption	§302(c)(4)(D) Evidence that the Plan was authorized and adopted by resolution by the Local jurisdiction and that the public had an adequate opportunity to review and comment on its content.	

**Disclosure of Application (California Public Records Act Statutes of 1968 Chapter 1473):** Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act Statutes of 1968 Chapter 1473. As such, any materials provided will be disclosable to any person making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank accounts, 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."

Local Government Formula Allocation						Rev. 5/20/20	
Eligible Applicant Type:		Entitlement					
Local Government Recipient of PLHA Formula Allocation:				San Francisco			
Approximate PLHA Formula Allocation Amount:		\$8,718,035		Allowable Local Admin (5%):		\$435,901	
<p>Instructions: If the Local Government Recipient of the PLHA Formula Allocation delegated its PLHA formula allocation to a Local Housing Trust Fund or to another Local Government, the Applicant (for which information is required below) is the Local Housing Trust Fund or administering Local Government. The PLHA award will be made to the Applicant (upon meeting threshold requirements) and the Applicant is responsible for meeting all program requirements throughout the term of the Standard Agreement.</p> <p>The 302(c)(4) Plan template worksheet requires first choosing one or more of the Eligible Activities listed below. If "Yes" is clicked, the 302(c)(4) Plan worksheet opens a series of questions about what precise activities are planned. Some specific activities, such as providing downpayment assistance to lower-income households for acquisition of an affordable home, could be included under either Activity 2 or 9. Please only choose one of those Activities; don't list the downpayment assistance under both Activities.</p> <p>If the PLHA funds are used for the same Activity but for different Area Median Income (AMI) level, select the same Activity twice (or more times) and the different AMI level the Activity will serve. Please enter the percentage of funds allocated to the Activity in only the first Activity listing to avoid double counting the funding allocation.</p>							
<b>Eligible Applicants §300</b>							
<p>§300(a) and (b) Eligible Applicants for the entitlement and Non-entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC, Section §5306 and Non-entitlement local governments.</p>							
Applicant:		City and County of San Francisco					
Address:		1 South Van Ness Avenue, 5th Floor					
City:	San Francisco	State:	CA	Zip:	94103	County:	San Francisco
<p>§300(d) Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds? <span style="float: right;">N/A</span></p> <p>§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)? <span style="float: right;">N/A</span></p>							
File Name:	App1 Resolution	PLHA webpage for Resolution Document			Attached and on USB?		
File Name:	App1 Signature Block	Signature Block - upload in Microsoft Word Document			Attached and on USB?		
File Name:	App1 TIN	Taxpayer Identification Number Document			Attached and on USB?		
File Name:	Applicant Agreement	Legally binding agreement between Delegating and Administering Local Governments			Attached and on USB?		
<b>Eligible Activities, §301</b>							
§301(a) Eligible activities are limited to the following:						Included?	
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.						<input checked="" type="checkbox"/> YES	
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.						<input type="checkbox"/> YES	
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.						<input type="checkbox"/> YES	
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.						<input type="checkbox"/> YES	
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.						<input type="checkbox"/> YES	
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.						<input type="checkbox"/> YES	
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.						<input type="checkbox"/> YES	
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.						<input type="checkbox"/> YES	
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.						<input type="checkbox"/> YES	
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.						<input type="checkbox"/> YES	
<b>Threshold Requirements, §302</b>							
§302(a) Housing Element compliance: Applicant or Delegating Local Government's Housing Element was adopted by the Local Government's governing body by the application deadline and subsequently determined to be in substantial compliance with state Housing Element Law pursuant to Government Code Section 65585.						Yes	
§302(b) Applicant or Delegating Local Government has submitted the current or prior year's Annual Progress Report to the Department of Housing and Community Development pursuant to Government Code Section 65400.						Yes	
§302(c)(2) Applicant certifies that submission of the application was authorized by the governing board of the Applicant.						Yes	
§302(c)(3) Applicant certifies that, if the Local Government proposes allocation of funds for any activity to another entity, the Local government's selection process had no conflicts of interest and was accessible to the public.						Yes	
§302(c)(4) Does the application include a Plan in accordance with §302(c)(4)?						Yes	
§302(c)(4)(D) Applicant certifies that the Plan was authorized and adopted by resolution by the Local Government and that the public had an adequate opportunity to review and comment on its content						Yes	
§302(c)(5) Applicant certifies that the Plan submitted is for a term of five years. Local Governments agree to inform the Department of changes made to the Plan in each succeeding year of the term of the Plan.						Yes	
§302(c)(6) Applicant certifies that it will ensure compliance with §302(c)(6) if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects.						N/A	
§302(c)(7) Applicant certifies that it will ensure that the PLHA assistance is in the form of a low-interest, deferred loan to the Sponsor of the Project, if funds are used for the development of an Affordable Rental Housing Development. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust.						N/A	
§302(c)(8) Has Applicant attached a program income reuse plan describing how repaid loans will be reused for eligible activities specified in Section 301?						N/A	
<b>Administration</b>							
Applicant agrees to adhere to §500, Accounting Records.						Yes	
Applicant agrees to adhere to §501, Audits/Monitoring of PLHA Files.						Yes	
Applicant agrees to adhere to §502, Cancellation/Termination.						Yes	
Applicant agrees to adhere to §503, Reporting.						Yes	
<b>Certifications</b>							
On behalf of the entity identified below, I certify that: The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct and I possess the legal authority to submit this application on behalf of the entity identified in the signature block.							
Eric D. Shaw		Director					
Authorized Representative Printed Name		Title		Signature		Date	
Entry name:		City and County of San Francisco, Mayor's Office of Housing a		Phone Number: 415-701-5555			
Entry Address		1 South Van Ness Avenue, 5th Floor		City San Francisco		State CA Zip 94103	

**§302(c)(4) Plan**

Rev. 5/20/20

**§302(c)(4)(A)** Describe the manner in which allocated funds will be used for eligible activities.

The City and County of San Francisco (City) Mayor's Office of Housing and Community Development (MOHCD) intend to use the PLHA allocation for project based rental assistance to subsidize households at 15% and 25% AMI levels. Specifically, MOHCD intends to subsidize units that are restricted to 50% AMI to 60% AMI rents in the City portfolio in order to support households at 15% and 25% AMI levels. PLHA funds will be used to pay the delta between the 50% and 60% AMI rents and the 15% or 25% AMI household's portion of rent, for a period of 15 years. The PLHA funds would also be used to fund a transition reserve for projects identified to utilize the PLHA funds. The reserve is equal to year 16 subsidy amounts for the project.

**§302(c)(4)(B)** Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

Given the estimated amount of funds available for the PLHA in the first year, this activity could subsidize, at minimum, 38 units of housing at 15% or 25% AMI levels in the 1st year at 60% AMI levels. Subsequent years of allocation could subsidize another 170 units. MOHCD expects to bring on 413 of new housing units in 2020, of which 85% are estimated at between 50% and 60% AMI rents. Only 53 units are below @ 30% AMI, and very few of these units are served by an operating subsidy. The City's housing portfolio could easily target lower income AMIs in conjunction with the PLHA subsidy. This will open up housing opportunities for households that generally have been underserved within the current housing market and also due to the higher income targeting of the City's traditional affordable housing financing limitations.

**§302(c)(4)(C)** Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.

This plan is consistent with the City and County of San Francisco's Housing Element plan as well as the City's 5 year Consolidated plan. As noted in the 2014 Housing Element, low income household tend to overpay as more of their income is spent on housing, particularly as housing costs rise. This is exacerbated for extremely low income households. Project-based rental assistance will allow households to limit their rent contributions to a reasonable level.

**Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))**

**§301(a)(1)** The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.

**§302(c)(4)(E)(i)** Provide a description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.

In 2020, MOHCD has approximately 352 units of affordable housing coming on line for households earning between 50% AMI and 60% AMI. As affordable housing projects approach construction completion, MOHCD and the project sponsor will identify units between 50% and 60% AMI rents that will be marketed to households making 15-20% AMI. MOHCD will provide the rental subsidy directly to the Sponsor through an agreement for 15 years, including a 1 year transition reserve. As is standard City policy, all developments will have a 55 year Declaration of Restriction placed on the property to ensure ongoing affordability.

Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2019	2020	2020	2021	2021	2022	2022	2023	2023					
<b>§302(c)(4)(E)(i)</b> Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	49.00%	46.00%	49.00%	46.00%	49.00%	46.00%	49.00%	46.00%	49.00%	46.00%					
<b>§302(c)(4)(E)(ii)</b> Area Median Income Level Served	15%	25%	15%	25%	15%	25%	15%	25%	15%	25%					<b>TOTAL</b>
<b>§302(c)(4)(E)(ii)</b> Unmet share of the RHNA at the AMI Level	4619	6214	4606	6189	4589	6160	4572	6132	4555	6105					53741
<b>§302(c)(4)(E)(ii)</b> Projected Number of Households Served	13	25	17	29	17	28	17	27	17	26					216

<b>§302(c)(4)(E)(iv)</b> Period of Affordability for the Proposed Affordable Rental Housing Activity ( <b>55 years required for rental housing projects</b> )	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	
<b>§302(c)(4)(E)(iii)</b> A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.																
MOHCD has extensive experience developing, funding and implementing other City funded project based rental subsidies, most notably the Local Operating Subsidy Program (\$12 million annually in City Funds in 2020-2021). Under this program, MOHCD would: 1) identify projects under construction currently, 2) obtain approval from lenders/investors, 3) seek Board of Supervisors approval, if applicable, 4) amend marketing, services and Fair Housing plans and 5) execute necessary contract(s) before lease up start, in order to market units at the 15% and 25% AMI levels.																
<b>§301(a)(2)</b> The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.																
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<b>File Name:</b>	<b>Plan Adoption</b>	<b>§302(c)(4)(D)</b> Evidence that the Plan was authorized and adopted by resolution by the Local jurisdiction and that the public had an adequate opportunity to review and comment on its content.										Attached and on USB?				

**Legislative and Congressional Information**

Rev. 5/20/20

*Provide the Legislative and Congressional information for the applicant and each activity location, (if different than applicant location), included in this application.*

*To locate or verify the Legislative and Congressional information, click on the respective links below and enter the applicant office location zip code, the activity location site zip code(s) (i.e. zip code(s) where activities are performed), and any additional activity location site(s), as applicable.*

[California State Assembly](#)

[California State Senate](#)

[U.S. House of Representatives](#)

Applicant Office Location			
	District #	First Name	Last Name
State Assembly Member	District 17	David	Chiu
State Senate Member	District 11	Scott	Wiener
U.S. House of Representatives	District 12	Nancy	Pelosi
Activity Location 1 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 2 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 3 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 4 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 5 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 6 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 7 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 8 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 9 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 10 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 11 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 12 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			

State Senate Member			
U.S. House of Representatives			
<b>Activity Location 13 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 14 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 15 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 16 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 17 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 18 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 20 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 21 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 22 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 23 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 24 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
<b>Activity Location 25 (if different from applicant location)</b>			
	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

**Application Development Team (ADT) Support Form**

Rev. 5/2020

Please complete the "yellow" cells in the form below and email a copy to: [AppSupport@hcd.ca.gov](mailto:AppSupport@hcd.ca.gov). A member of the Application Development Team will respond to your request within ASAP.

Full Name:		Date Requested:		Application Version Date:	
Organization:		Email:		Contact Phone:	
Justification:					

Issue #	Program Name &	Tab	Section	Cell#	Update/Comment	Urgency	ADT Status	Status Date
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