## 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 <u>www.hcd.ca.gov</u>



**September 27, 2019** 

**MEMORANDUM FOR:** 

All Potential Applicants and Interested Parties

FROM:

Jennifer Seeger, Acting Deputy Director

Division of Financial Assistance

**SUBJECT:** 

**Round 2 Notice of Funding Availability** 

No Place Like Home Program

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of approximately \$622 million in Round 2 funds for the No Place Like Home (NPLH) Program. Approximately \$178 million of this amount is available through the HCD Competitive Allocation. The remaining approximately \$444 million (including possible advances of Round 3 funds) is available under the Alternative Process County (APC) Allocations.¹ The NPLH Program provides deferred payment loans to Counties applying independently and to Counties applying with a Development Sponsor for the development of Permanent Supportive Housing for persons living with a serious mental illness who are Chronically Homeless, 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. The definition for terms used in this memorandum can be found in the attached Notice of Funding Availability and the NPLH Program Guidelines.

## **HCD Competitive Allocation**

Eligible project applications to be submitted to HCD under the Competitive Allocation are multifamily rental housing projects of five or more Units located in Counties other than Los Angeles, San Diego, San Francisco, and Santa Clara, except as specified below.<sup>2</sup> Project applications submitted under this Competitive Allocation will be funded on a competitive basis, subject to the availability of funds.

<sup>&</sup>lt;sup>1</sup>Counties with 5 percent or more of the state's homeless population can be designated by HCD to administer their own allocation of NPLH funds as Alternative Process Counties (APCs). The counties of Los Angeles, San Diego, San Francisco and Santa Clara have been approved as APCs.

<sup>&</sup>lt;sup>2</sup>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. Therefore, pursuant to Welfare and Institutions Code 5849.2 (f), the City of Berkeley and the Tri-Cities (Pomona, Claremont, and La Verne), qualify as Counties for No Place Like Home funding.

For Projects funded under this Competitive Allocation, Counties compete for available funds with other Counties of a similar population size.

Large County (population greater than 750,000) <sup>3</sup>	\$90,871,339
Medium County (population between 200,000 to 750,000)	\$52,445,511
Small County (population less than 200,000) <sup>4</sup>	\$34,654,638
Total Amount Available to the Competitive Allocation County Population Groups	\$177,971,488

For a list of Counties within each population group, see Appendix A in the NPLH Notice of Funding Availability (NOFA).

## Alternative Process Counties Allocation

The Counties of Los Angeles, San Diego, San Francisco, and Santa Clara are designated as APCs. APCs need not apply for Round 2 funding. The allocations are automatic provided that the County's NPLH program complies with all applicable NPLH Guideline requirements. An APC wishing to receive an advance of future round funding shall make a request to HCD per Guidelines Section 102 (e) (4).

County	Round Two Formula Allocation	Amount Available as Advance <sup>5</sup>	Total Amount Available Under Round 2
Los Angeles	\$155,230,056	\$155,230,056	\$310,460,112
San Diego	\$28,069,001	\$28,069,001	\$56,138,002
Santa Clara	\$20,478,901	\$20,478,901	\$40,957,802
San Francisco	\$18,250,554	\$18,250,554	\$36,501,108
TOTAL	<b>\$222,028,512</b>	\$222,028,512	\$444,057,024

<u>NOTE</u>: 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 must be submitted directly to HCD.

<sup>&</sup>lt;sup>3</sup> As permitted under Guidelines Section 204 (d) (6) (D), the amount for the Large County allocation reflects amounts subtracted due to additional amounts provided to this allocation under the previous funding round.

<sup>&</sup>lt;sup>4</sup> As permitted under Guidelines Section 204 (d) (6) (D), the amount for the Small County allocation reflects amounts added to this allocation due to amounts previously transferred from this allocation under the prior funding round.

<sup>&</sup>lt;sup>5</sup> As permitted under Guidelines Section 102 (e) (4), Alternative Process Counties may receive an advance of up to 100 percent of their Round 2 allocation. Any amounts advanced will be deducted from amounts available in the following funding round(s).

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The NPLH Program Guidelines, application forms, and application training information for Projects submitted to HCD are available on the NPLH Program webpage.

A complete original application and one electronic copy 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 January 8, 2020, 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
Division of Financial Assistance, NOFA Section
California Department of Housing and Community Development
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833

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

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

Attachment