

File No. 190759

Committee Item No. 6

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date July 24, 2019

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

#### OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date July 19, 2019

Completed by: Linda Wong Date \_\_\_\_\_

1 [Accept and Expend Grant - Noncompetitive Alternative Process County Designation -  
2 California Department of Housing and Community Development - No Place Like Home Grant  
3 Program - \$9,519,091]

4 **Resolution authorizing and delegating to the Mayor's Office of Housing and**  
5 **Community Development, on behalf of the City and County of San Francisco, to accept**  
6 **and expend the county noncompetitive allocation award in the amount of \$9,519,091**  
7 **under the California Department of Housing and Community Development No Place**  
8 **Like Home Program, which provides funding for counties to develop multifamily**  
9 **housing specifically for persons with serious mental illness who are homeless,**  
10 **chronically homeless, or at-risk of chronic homelessness.**

11  
12 WHEREAS, The State of California, Department of Housing and Community  
13 Development ("HCD") issued a Notice of Funding Availability ("NOFA"), dated August 15,  
14 2018, as amended on October 30, 2018, under the No Place Like Home Program ("NPLH" or  
15 "Program") for approximately \$190,000,000 authorized by Government Code, Section 15463,  
16 Part 3.9 of Division 5 (commencing with Section 5849.1) of the Welfare and Institutions Code,  
17 and Welfare and Institutions Code, Section 5890; and

18 WHEREAS, The NOFA relates to the availability of Noncompetitive Allocation funds  
19 under the NPLH Program for development of permanent supportive housing; and

20 WHEREAS, The City and County of San Francisco ("County") is a County and an  
21 Applicant, as those terms are defined in the NPLH Program Guidelines, dated July 17, 2017  
22 ("Guidelines"); and

23 WHEREAS, The Board of Supervisors authorized the City and County of San  
24 Francisco acting by and through the Mayor's Office of Housing and Community Development  
25

1 (the "City") to apply for Noncompetitive NPLH Program funds and submit an Application  
2 Package through Resolution No. 110-19; and

3 WHEREAS, The funding agency (HCD) does not allow use of grant on indirect costs;  
4 now, therefore, be it

5 RESOLVED, That the City and County of San Francisco Board of Supervisors hereby  
6 determines and declares that County is authorized and delegated to accept and expend an  
7 NPLH Noncompetitive Allocation award, as detailed in the NOFA, up to the amount authorized  
8 by Section 102 of the Guidelines and applicable state law; and, be it

9 FURTHER RESOLVED, That the Director of the San Francisco Mayor's Office of  
10 Housing and Community Development ("MOHCD"), or his or her designee, is hereby  
11 authorized and delegated to act on behalf of the County in connection with the application for  
12 NPLH funding and the NPLH Noncompetitive Allocation award, and to enter into, execute, and  
13 deliver a State of California Standard Agreement ("Standard Agreement") any and all  
14 documents required or deemed necessary or appropriate as security for, evidence of, or  
15 pertaining to the NPLH Noncompetitive Allocation award, and all amendments thereto  
16 (collectively, the "NPLH Noncompetitive Allocation Award Documents"); and, be it

17 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of  
18 indirect costs in the grant budget; and, be it

19 FURTHER RESOLVED, That County shall be subject to the terms and conditions that  
20 are specified in the NPLH Noncompetitive Allocation Award Documents including the  
21 Standard Agreement; that the application in full is incorporated as part of the Standard  
22 Agreement; that any and all activities funded, information provided, and timelines represented  
23 in the application are enforceable through the Standard Agreement; and that County will use  
24 the NPLH Noncompetitive Allocation award funds in accordance with the Guidelines, other  
25

1 applicable rules and laws, the NPLH Noncompetitive Allocation Award Documents, and any  
2 and all NPLH Program requirements; and, be it

3 FURTHER RESOLVED, That for Projects funded under Article II of the Guidelines,  
4 MOHCD is hereby authorized and delegated on behalf of the County to submit one or more  
5 project applications within 30 months of the issuance of the HCD's NOFA, proposing to utilize  
6 any Noncompetitive Allocation funds awarded to the County; and, be it

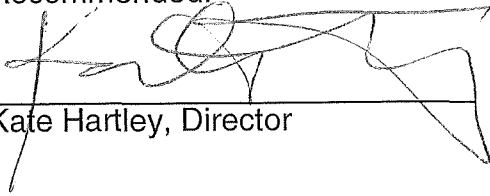
7 FURTHER RESOLVED, That for Shared Housing Projects proposed under Articles III  
8 or IV of the Guidelines, if designated by HCD to administer funds for Shared Housing,  
9 MOHCD is hereby authorized and delegated on behalf of the County to accept applications  
10 utilizing Noncompetitive Allocation funds no later than 30 months from the issuance of the  
11 HCD's NOFA; and, be it

12 FURTHER RESOLVED, That County will make mental health supportive services  
13 available to a project's NPLH tenants for at least 20 years, and will coordinate the provision of  
14 or referral to other services (including, but not limited to, substance use services) in  
15 accordance with the County's relevant supportive services plan, in accordance with Welfare  
16 and Institutions Code, Section 5849.9 (a); and, be it

17 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
18 heretofore taken are ratified, approved and confirmed by this Board of Supervisors.

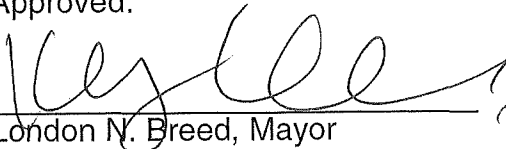
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Recommended:



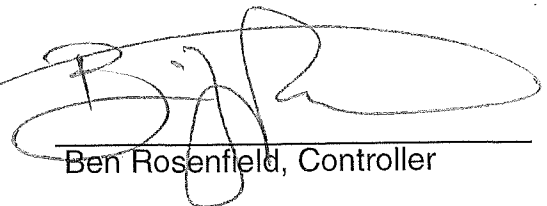
Kate Hartley, Director

Approved:



London N. Breed, Mayor

for



Ben Rosenfield, Controller

File Number: 190759  
(Provided by Clerk of Board of Supervisors)

**Grant Resolution Information Form**  
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. **Grant Title:** No Place Like Home (NPLH) Non-Competitive Grant
2. **Department:** Mayor's Office of Housing
3. **Contact Person:** Benjamin McCloskey Telephone: 415-701-5575
4. **Grant Approval Status (check one):**  
 Approved by funding agency  Not yet approved
5. **Amount of Grant Funding Approved or Applied for:** \$9,519,091
- 6a. **Matching Funds Required:** \$0  
b. **Source(s) of matching funds (if applicable):** N/A
- 7a. **Grant Source Agency:** California Department of Housing and Community Development  
b. **Grant Pass-Through Agency (if applicable):** N/A
8. **Proposed Grant Project Summary:** 1064 Mission Gap Loan
9. **Grant Project Schedule, as allowed in approval documents, or as proposed:**  
Start-Date: TBD End-Date: August 15, 2023
- 10a. **Amount budgeted for contractual services:** None; Funds will be used for Gap Loan  
b. **Will contractual services be put out to bid?** N/A  
c. **If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements?** N/A  
d. **Is this likely to be a one-time or ongoing request for contracting out?** N/A
- 11a. **Does the budget include indirect costs?**  Yes  No  
b1. **If yes, how much?** \$  
b2. **How was the amount calculated?**  
c1. **If no, why are indirect costs not included?**  
 Not allowed by granting agency  To maximize use of grant funds on direct services  
 Other (please explain):  
c2. **If no indirect costs are included, what would have been the indirect costs?** None.
12. **Any other significant grant requirements or comments:**

**\*\*Disability Access Checklist\*\* (Department must forward a copy of all completed Grant Information Forms to the Mayor's Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Existing Site(s) | <input type="checkbox"/> Existing Structure(s)       | <input checked="" type="checkbox"/> Existing Program(s) or Service(s) |
| <input type="checkbox"/> Rehabilitated Site(s)       | <input type="checkbox"/> Rehabilitated Structure(s)  | <input type="checkbox"/> New Program(s) or Service(s)                 |
| <input type="checkbox"/> New Site(s)                 | <input checked="" type="checkbox"/> New Structure(s) |   |

14. The Departmental ADA Coordinator or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor's Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:

Comments:

Departmental ADA Coordinator or Mayor's Office of Disability Reviewer:

Eugene Flannery  
(Name)

Environmental Compliance Manager  
(Title)

Date Reviewed: 7-3-19

Eugene Flannery  
(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Kate Hartley  
(Name)

Director  
(Title)

Date Reviewed: 7/5/19

Kate Hartley  
(Signature Required)

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500, 95833  
P. O. Box 952054  
Sacramento, CA 94252-2054  
(916) 263-2771 / FAX (916) 263-2763  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



June 27, 2019

Kate Hartley, Director  
San Francisco Mayor's Office of Housing and Community Development  
1 South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Kate Hartley:

**RE: Award Announcement – San Francisco Mayor's Office of Housing  
and Community Development; Contract #: 18-NPLH-12390**

The California Department of Housing and Community Development (Department) is pleased to announce that the San Francisco Mayor's Office of Housing and Community Development has been awarded a No Place Like Home (NPLH) allocation in the amount of \$18,250,554 in NPLH competitive funds and \$9,519,091 in NPLH noncompetitive funds. This letter constitutes notice of the designation of NPLH program funds for San Francisco County.

The San Francisco Mayor's Office of Housing and Community Development will be able to draw down funds subject to the clearance of any general terms and conditions of the standard agreement, which must be fully executed within 90 days from receipt of the standard agreement. Failure by the San Francisco Mayor's Office of Housing and Community Development to sign and return the standard agreement within this timeframe may result in award cancellation. Expenditures may not be incurred prior to the execution date of the standard agreement.

Please be advised that the award is subject to: (1) the outcome of the bond validation action (California Health Facilities Financing Authority, et al. v. All Interested Persons, Case No. 34-2017-00219002-CU-MCGDS), (2) the reverse validation action (Bernard v. The California Health Facilities Financing Authority, et al., Case No. 34-2016-00203224), and (3) the availability of funds. These cases are currently on appeal before the Third District Court of Appeal. The Department will provide periodic updates to the County regarding status of the litigation and alternative Department strategies to meet cash flow needs. The County is nonetheless encouraged to contact the Department regarding this matter prior to committing funds to projects that will have cash flow needs in the next year.

Congratulations on your successful application. For further information, please contact Christina DiFrancesco at [Christina.DiFrancesco@hcd.ca.gov](mailto:Christina.DiFrancesco@hcd.ca.gov) or (916) 263-0415.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Stivers".

Mark Stivers  
Deputy Director



Mayor's Office of Housing and Community Development  
City and County of San Francisco



London N. Breed  
Mayor

Kate Hartley  
Director

September 4, 2018

Attn: Monique Pierre  
No Place Like Home Program  
Department of Housing and Community Development  
Division of Financial Assistance – Program Design and Development Section  
2020 West El Camino Avenue, Suite 500  
Sacramento, CA 95833  
Tel: 916-263-2771

Dear Ms. Pierre:

Enclosed please find the Alternative Process County Designation forms for the City and County of San Francisco, Mayor's Office of Housing and Community Development.

Please let us know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mara Blitzer".

Mara Blitzer  
Director of Housing Development

## **NPLH ALTERNATIVE PROCESS COUNTY DESIGNATION FORM CHECKLIST**

The following table identifies all forms and attachments required to be submitted.

### **FORMS**

<input checked="" type="checkbox"/>	I	County legislative and congressional information
<input checked="" type="checkbox"/>	II	County demographic information
<input checked="" type="checkbox"/>	III	City or public agency contact information
<input checked="" type="checkbox"/>	IV	Alternative Process County certification requirements
<input checked="" type="checkbox"/>	V	Method of distribution
<input checked="" type="checkbox"/>	VI	Uses and terms of program assistance
<input checked="" type="checkbox"/>	VII	Underwriting standards
<input type="checkbox"/>	VIII	Capitalized Operating Subsidy Reserve underwriting standards
<input checked="" type="checkbox"/>	IX	Tenant selection, rental agreements and grievance procedures

### **ATTACHMENTS**

<input checked="" type="checkbox"/>	A	Certification of application information
<input checked="" type="checkbox"/>	B	Statement of certifications
<input type="checkbox"/>	C	Countywide homelessness plan – Will submit in 2019. See Attach E9.
<input checked="" type="checkbox"/>	D	Method of distribution
<input checked="" type="checkbox"/>	E	Underwriting standards
<input type="checkbox"/>	F	Capitalized Operating Subsidy Reserve underwriting standards
<input checked="" type="checkbox"/>	G	Certification of good standing with the State of California

**FORM I: COUNTY LEGISLATIVE AND CONGRESSIONAL INFORMATION**

1. Provide the County’s Legislative and Congressional information below:

<b>Applicant Office Location</b>	<b>District #</b>	<b>First Name</b>	<b>Last Name</b>
State Assembly Member	10; 17	Phil; David	Ting; Chiu
State Senate Member	11	Scott	Weiner
U.S. House of Representatives Member	12	Nancy	Pelosi

2. Identify the entity that will administer the NPLH allocation: 10

- County Government (*proceed to Form II*)
- A City or other Public Agency Subcontractor (*proceed to Form III*)

**FORM II: COUNTY DEMOGRAPHIC INFORMATION**

<b>Name of the County Applicant</b>	
County Name: San Francisco	County Department Name: Mayor's Office of Housing and Community Development
Address: 1 SOUTH VAN NESS, 5TH FLOOR	City, State and Zip: SAN FRANCISCO, CA 94103

<b>Authorized Representative Information</b>	
Last, Middle and First Names: HARTLEY, KATE	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title: Director	
Phone Number: 415-701-5528	Email Address: KATE.HARTLEY@SFGOV.ORG

<b>Authorized Representative Information</b>	
Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	Email Address:

<b>Contact Liaison Information (i.e., CFO, Program Manager/Analyst)</b>	
Last, Middle and First Names: BLITZER, MARA	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title: Director of Housing Development	
Phone Number: 415-701-5544	E-Mail Address: MARA.BLITZER@SFGOV.ORG

**FORM III: CITY OR PUBLIC AGENCY CONTACT INFORMATION – N/A**

**Name of the City or Other Public Agency Subcontractor**

County Name:	City or Public Agency Department Name:
Address:	City, State and Zip:

**Authorized Representative Information (Per Board Resolution attached to this Application)**

Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	E-Mail Address:

**Authorized Representative Information (Per Board Resolution attached to this Application)**

Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	E-Mail Address:

**Contact Liaison Information (i.e., CFO, Program Manager/Analyst)**

Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	E-Mail Address:

**FORM IV: ALTERNATIVE PROCESS COUNTY CERTIFICATION REQUIREMENTS**

1. List the local or federally-funded affordable housing programs the County administered that resulted in four or more multifamily rental project loans in the past seven years, including at least one for Permanent Supportive Housing (PSH).

<b>Local or Federally Funded Housing Program</b>	<b>Project Name, Address, City, and Zip</b>	<b># of PSH Units</b>	<b>Year Project Loan Funded</b>
MOHCD Gap Loan	1036 Mission Family Apartments, 1036 Mission Street, San Francisco, CA 94103	40	2016
MOHCD Gap Loan	John Burton Advocates for Youth Housing Complex, 800 Presidio Ave., San Francisco, CA 94115	24	2015
MOHCD Gap Loan	1100 Ocean Family Apartments, 1100 Ocean Ave., San Francisco, CA 94112	25	2013
MOHCD Gap Loan	Kelly Cullen Community, 220 Golden Gate Avenue, San Francisco, 94102	172	2011
MOHCD Gap Loan	Broadway Sansome Family Apartments, 235 Broadway, San Francisco, CA 94111	37	2012

2. Describe the County's proposed method of distributing NPLH Program funds that meets the requirements of Section 301 of the Guidelines. Include an estimate of how frequently awards will be made. At a minimum, awards must be made on an annual basis until all funds available to the APC have been committed.

The Mayor's Office of Housing and Community Development ("MOHCD") issues a Notice of Funding Availability ("NOFA") when it has funds available to lend or grant for the acquisition of new sites or buildings for the development of affordable housing or for the preservation of existing affordable housing. Each NOFA specifies the type of funding available, target population such as seniors, homeless or transition age youth, project and borrower eligibility criteria, application procedures and the scoring and selection criteria and procedures that will be used to determine which applicants will be considered for funding.

All applications are first reviewed for basic eligibility and those that satisfy the threshold requirements are scored and ranked. Scoring is based on such criteria as applicant's or the applicant's chosen development team's experience, proximity of the project to appropriate amenities, and cost effectiveness relative to other applicants and to similar recently completed projects. Ranking determines an order of priority for funding if the total of all requests from eligible projects exceeds the funding available.

The Mayor's Office of Housing and Community Development also issues Requests for Qualifications ("RFQ") or Requests for Proposals ("RFP") when a specific development opportunity is available. These are typically for sites or buildings under MOHCD's jurisdiction or development oversight when MOHCD seeks a qualified developer to undertake the project. The RFQ or RFP will specify the desired development program, eligibility criteria, and the selection process and criteria.

MOHCD only accepts applications for funding of specific projects in response to a Notice of Funding Availability ("NOFA") or Request for Proposals ("RFP"). Currently open NOFAs and/RFPs can be found on the MOHCD website. As a rule, the NOFA or RFP will have an application or response deadline by which responses must be submitted. All applications must be made using the relevant narrative and budget application forms and all submittals must be made both in hard (paper) copy and electronically, either by email or CD submitted with the hard copy.

#### Managed Pipeline for Permanent Supportive Housing

In anticipation of the availability of State funding for permanent supportive housing, MOHCD has already selected qualifying projects through the process described above. Insofar as there are additional funds available for projects for whom a developer has not been selected to date, the availability of No Place Like Home funds and associated regulations will be included in the developer team solicitation.

#### Frequency of Awards

Loan awards will be made on an as needed basis over the next 10 years per a schedule we will submit to HCD.

### Review Process

Projects recommended for funding by MOHCD staff are reviewed first by a Peer Review group consisting of MOHCD and Office of Community Investment & Infrastructure staff, who also underwrite affordable housing developments. Once staff analysis is completed a formal Evaluation of Request for Funding is prepared and approved by the Director of Housing Development prior to being submitted to the Citywide Affordable Housing Loan Committee for review and approval at one of its bimonthly meetings. The Citywide Affordable Housing Loan Committee consists of the MOHCD Director, the Office of Community Investment and Infrastructure Executive Director, the Department of Homelessness and Supportive Housing Deputy Director for Programs. If this body approves the funding request, it forwards its recommendation for funding to the Mayor for consideration. The Mayor has ultimate approval authority over all projects seeking funding from MOHCD.

For most development projects, MOHCD's initial financing will be for acquisition of a site or building and preliminary pre-construction (or "pre-development") costs such as environmental studies, zoning approvals, and basic design work needed to prepare applications to appropriate federal or State funding sources. A second round of pre-construction financing is often needed to complete architectural and engineering plans and specifications in sufficient detail to obtain bids or construction cost estimates accurate enough to identify the final cost of the project. With the final likely cost identified and all other potential sources of funding also identified, MOHCD will typically provide a final portion of "gap" financing just prior to the start of construction.

After a loan or grant is approved by the Mayor, MOHCD staff prepares loan/grant documents for a project sponsor's review. These documents include a Loan or Grant Agreement, Deed of Trust and Assignment of Rents, Declaration of Restrictions, Promissory Note for loans, and Developer Fee Agreement as appropriate (the "Loan Documents"). These documents establish long-term affordability and reporting requirements on all MOHCD-funded projects, regardless of whether MOHCD funds are repaid. The Loan Documents are reviewed by a Deputy City Attorney who approves them as to form before they are executed by the project sponsor or borrower and the Mayor. In addition to Loan Documents, MOHCD staff prepares a closing checklist specifying the additional documents required to close the loan or grant. These may include borrower formation documents such as articles of incorporation, an attorney's letter attesting to the borrower's ability to receive the loan or grant funds, a resolution from the borrower's Board of Directors authorizing the loan or grant, evidence of insurance, preliminary title report, and City vendor information.

Once an eligible application is scored and ranked, it is assigned to a MOHCD Project Manager to review and underwrite the funding request in accordance with MOHCD's Underwriting Guidelines and Policies. Starting with the information provided in the application, MOHCD staff works with the applicant to analyze and evaluate the project's overall feasibility. This may include consideration of issues such as the project's location, zoning, potential environmental issues, proposed financing, potential for leveraging of non-City sources, target population, affordability targets, and the degree to which the proposed development and operating budgets are consistent with industry standards or compare to other recent MOHCD funded projects.



While the initial focus of this underwriting process is to analyze a proposal for its consistency with MOHCD's underwriting standards and policies, the goal is to take advantage of appropriate opportunities for increasing the City's stock of affordable housing. Consequently, when appropriate MOHCD staff will work with an applicant to address aspects of a proposed project that may need to be improved or modified before it can be recommended for funding.

After a loan or grant has closed for pre-construction financing and a project sponsor has met its procurement requirements for architectural design services, a project sponsor and its development team proceed with preparing architectural and engineering plans and budgets. These generally follow the standard process of Schematic or conceptual Design, Design Development, and Construction and/or Bidding/Permitting documents.

MOHCD requires that a project sponsor submit half-size design plans and associated cost estimates for approval at the completion of the schematic design and design development phases before funds will be released for the next phase of design.

MOHCD's design approvals will take into consideration the project's proposed accessibility, suitability of services and community spaces, unit amenities and size given the target population, energy efficiency and green building elements, and available open space. The project sponsor is expected to work closely during the pre-construction period with the Department of City Planning and the Mayor's Office on Disability, as needed, to obtain necessary project approvals.

Disbursement of loan or grant proceeds is either through an escrow account (for acquisition of a site or building for example) or directly to the borrower on a reimbursement basis.

Borrower must submit a Draw Request using the Draw Processing checklist available on MOHCD's website. The draw request will not be processed until all appropriate forms, invoices or other evidence of payment of eligible costs has been submitted.

MOHCD's Loan Administrator reviews the draw package for completeness and submits the request to the appropriate MOHCD Project Manager who confirms that the request is consistent with the approved budget. MOHCD's Housing Development Director must approve the request before it is submitted to the Fiscal Department for processing. The approved disbursement may be by check (to the Borrower or Grantee) or wire transfer (to an escrow account).

#### Construction Period and Close-out

During construction payments are based on progress and must be approved by MOHCD's Construction Supervisor or the MOHCD Project Manager who attends each monthly pay draw request meeting and inspects construction progress to verify the request. After MOHCD's Construction Supervisor or Project Manager approves the pay draw request on the MOHCD Pay Application cover sheet, he/she submits it to MOHCD's Wage Compliance specialist to verify prevailing wage compliance. The approved pay application is then submitted to MOHCD's Loan Administrator for final

processing, Housing Development Director's approval and submission to the Fiscal Department.

All projects under MOHCD's purview are subject to various regulatory requirements, which may vary depending on the specific funding source being used for the project. Regulatory requirements that apply to all MOHCD funding include but are not limited to: San Francisco Administrative Code Section 14B, which outlines Local Business Hiring goals and procurement protocols for the procurement of professional services, construction services, and other goods and services; San Francisco Administrative Code Section 6.22, which outlines the First Source Hiring rules, ensuring that disadvantaged workers are hired for new construction jobs; and San Francisco Administrative Code Section 79, which requires public noticing of housing projects providing new affordable units; the California Environmental Quality Act (CEQA), which mandates environmental review of projects in partnership with the San Francisco Planning Department.

If federal funds such as CDBG or HOME Program funds are involved, federal requirements apply, including: Federal Section 3, which outlines participation of low-income residents in professional and construction trades for projects receiving Federal funds; and the Federal National Environmental Protection Act (NEPA), which requires Federal environmental and historic review for all projects receiving Federal funds.

All MOHCD funded projects are also required to comply either with federal (Davis-Bacon) or State prevailing-wage standards.

After a project has completed construction or rehabilitation and all permanent financing has closed escrow, a project sponsor must submit all documents specified in MOHCD's Close-Out Checklist by the deadlines set forth in the project's loan or grant agreement with MOHCD. Submission requirements include the MOHCD Project Completion Form, which summarizes final development data; a copy of the project completion audit or cost certification; a report on the use of local business enterprises; a lease-up report, which should include the number of applications and leases as well as tenants' or buyers' demographic and income data; evidence of property and boiler and machinery insurance required under the project's loan or grant agreement; and a HOME rental housing project completion report if the project was funded with HOME Funds.

After completion of construction or rehabilitation and MOHCD's project Close-Out process, MOHCD's Asset Management staff will monitor a project's compliance with requirements under its loan or grant agreement during the term specified in the project's Declaration of Restrictions. Monitoring is conducted annually through MOHCD's Annual Monitoring Report ("AMR") submission process. Project sponsors are required under their loan or grant agreement to submit an AMR by the deadline specified in the AMR letter or on MOHCD's website. The AMR should include the Property Activity Report and the Owner Compliance Certification Form. MOHCD's Asset Management staff also review and process residual receipts payments and waivers, project work-out requests, and loan pay-offs.

3. Describe the underwriting standards, financial management systems, reporting, and long-term monitoring systems currently in place that will be utilized in administering NPLH funds in compliance with the Guidelines and other Program requirements.

NOTE: NPLH funds must be provided in the form of a loan. Loans made by APC Counties may be provided as zero-interest deferred payment loans. Pursuant to Welfare and Institutions Code Section 5849.4(b), any interest payments, loan repayments, or other return of funds must be returned to HCD and deposited in the NPLH Fund.

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MOHCD submits the following documents that describe the current standards in place designed to underwrite and administer MOHCD loans, including those in compliance with the Guidelines and other Program Requirements:

1. E1. MOHCD Underwriting Guidelines Effective April 1, 2016
2. E2. MOHCD Multifamily Affordable Housing Operating Fees Policy Effective April 1, 2016
3. E3. MOHCD Residual Receipts Policy Effective April 1, 2016
4. E4. MOHCD Policy on Development Fees for Tax Credit Projects Effective July 29, 2016
5. E5. Technical Update to MOHCD Developer Fee Policy for Tax Credit Projects Effective July 20, 2018
6. E6. Local Operating Subsidy Program (LOSP) Policies and Procedures Manual 2018

Post-completion, the Annual Monitoring Report (AMR) collects data about project operations and fiscal performance. The report is due on May 31 for projects whose business year ends on 12/31 and on November 30 for projects whose business year ends on 6/30, and it must be submitted in electronic form only to [moh.amr@sfgov.org](mailto:moh.amr@sfgov.org).

A copy of the AMR is attached to this application as E7.

Additional resources are available on these website pages:

- Loan Underwriting: <https://sfmohcd.org/housing-development-forms-documents>
  - Asset Management: <https://sfmohcd.org/asset-management-multifamily-rental-housing>
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4. Describe the Capitalized Operating Subsidy Reserve (COSR) standards, policies or procedures that will be utilized in administering these funds in accordance with the requirements of Section 305 of the Guidelines. Include the standards for determining the COSR amount and interest rate to be charged for COSR loans.

NOTE: COSRs must be provided in the form of a loan with a term of not less than 20 years. Loans made by APC Counties may be provided as zero-interest deferred payment loans. Pursuant to Welfare and Institutions Code Section 5849.4(b), any interest payments, loan repayments, or other return of funds must be returned to HCD and deposited in the NPLH Fund.

MOHCD does not anticipate administering any COSR loans. MOHCD intends to commit local housing subsidies such as Local Operating Subsidy Program (LOSP), Continuum of Care and Project Based Section 8 contracts to No Place Like Home funded sites.

5. Provide a list of PSH projects where the County or its public agency subcontractor can demonstrate a history of committing project-based vouchers or locally funded rental assistance to Homeless or other special needs populations in PSH in the last two years. Projects may include commitments of rental or operating assistance from the County public housing authority, city public housing authorities, or other local departments within the County.

PSH Project Name, Address, City and Zip	# Project Based Vouchers Provided	# of Projects with Locally Funded Rental Assistance or Operating Subsidies	Year Project Funded	Target Population Served (Check all that apply)
Zygmundt Arendt House, 850 Broderick, San Francisco, CA 94115	16 <i>Continuum of Care Subsidies</i>	31 Local Operating Subsidy Program (LOSP) Units	Renewal of LOSP Agreement 2018	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
10th and Mission Family Housing, 1390 Mission Street, San Francisco CA 94124		44 LOSP Units	Renewal of LOSP Agreement 2018	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
Railton Place, 242 Turk Street, San Francisco, CA 94102	15 VASH <i>Subsidies</i>	40 LOSP Units	2018	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
Parkview Terraces, 871 Turk Street, San Francisco, CA 94102		20 LOSP Units	2018	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
John Burton Advocates for Youth Housing Complex, 800 Presidio Ave., San Francisco, CA 94115		24 LOSP Units	2017	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
Armstrong Place, 5600 3rd Street, San Francisco, CA 94124		23 LOSP units	2017	<input checked="" type="checkbox"/> Homeless

				<input type="checkbox"/> Other special needs populations
Arnett Watson Apartments, 650 Eddy Street, San Francisco, CA 94109	4 <i>Continuum of Care Subsidies</i>	79 LOSP Units	Renewal of LOSP Agreement 2017	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
Mosaica Family, 680 Florida Street, San Francisco, CA 94110	4 <i>Continuum of Care Subsidies</i>	20 LOSP Units	Renewal of LOSP Agreement 2017	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
Mosaica Senior, 655 Alabama Street, San Francisco, CA 9410		11 LOSP Units	Renewal of LOSP Agreement 2017	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
Hotel Essex, 684 Ellis Street, San Francisco, CA 94109	4 <i>Continuum of Care Units</i>	79 LOSP Units	Renewal of LOSP Agreement 2017	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
990 Polk Senior Housing, 990 Polk Street, San Francisco, CA 94109		50 LOSP Units	Renewal of LOSP Agreement 2017	<input checked="" type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations

6. Provide a list of projects where the County or its public agency subcontractor is currently providing or coordinating the provision of supportive services to the Target Population.

Project Name, Address, City, and Zip	Description of the Type of Support Services	Financing Sources of the Supportive Services Offered	Services Provided on Site or Off-Site (Check all that apply)
10th & Mission Family Housing, 1390 Mission Street, San Francisco, CA 94103	Support services for formerly homeless families include assistance with a smooth transition from experiencing homelessness to placement in permanent supportive housing. The goals of the services are to empower families to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Staffs outreach to and offer onsite services and/or referrals to all tenants who display indications of housing instability, and they provide tenants with opportunities to participate in organized gatherings and events. Linkages to activities and services in the community targeted towards the needs and interests of the children and youth in the program are provided. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
1180 4th Street Family Apartments, 1180 4th Street, San Francisco, CA 94158	Support services for formerly homeless families include assistance with a smooth transition from experiencing homelessness to placement in permanent supportive housing. The goals of the services are to empower families to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Staffs outreach to and offer onsite services and/or referrals to all tenants who display indications of housing instability, and they provide tenants with opportunities to participate in organized gatherings and events. Linkages to activities and services in the community targeted towards the needs and interests of the children and youth in the program are provided. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site

149 Mason Street Apartments, 149 Mason Street, San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. This site has an on-site RN, whose services include medical case management and help with medication adhere. Program staff has bilingual capacity	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
5th Street Apartments, 374 5th Street, San Francisco, CA 94107	Support services for formerly homeless Transition Age Youth (TAY) include education, technology and employment training, healthcare, including mental health and substance abuse treatment, HIV services and case management. The goals of these services are to empower tenants to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
990 Polk Street Apartments, 990 Polk Street, San Francisco, CA 94109	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Aarti Hotel, 391 Leavenworth Street, San Francisco, CA 94102	Support services for formerly homeless Transition Age Youth (TAY) include education, technology and employment training, healthcare, including mental health and substance abuse treatment, HIV services and case management. The goals of these services are to empower tenants to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Program staff has bilingual capacity.	General Fund, Mental Health Services Act	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site



<p>Ambassador Hotel, 55 Mason Street, San Francisco, CA 94102</p>	<p>Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.</p>	<p>General Fund</p>	<p><input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site</p>
<p>Arlington Residence, 481 Ellis Street, San Francisco, CA 94102</p>	<p>Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.</p>	<p>General Fund</p>	<p><input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site</p>
<p>Armstrong Place Senior Housing, 5600 3<sup>rd</sup> Street, San Francisco, CA 94124</p>	<p>Support services for formerly homeless seniors include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.</p>	<p>General Fund</p>	<p><input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site</p>
<p>Arnett Watson Apartments, 650 Eddy Street, San Francisco, CA 94109</p>	<p>Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity. Support services for formerly homeless families include assistance with a smooth transition from experiencing homelessness to placement in permanent supportive housing. The goals of the services are to empower families to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Staffs outreach to and offer onsite services and/or referrals to all</p>	<p>General Fund</p>	<p><input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site</p>

	tenants who display indications of housing instability, and they provide tenants with opportunities to participate in organized gatherings and events. Linkages to activities and services in the community targeted towards the needs and interests of the children and youth in the program are provided. Program staff has bilingual capacity.		
Bayview Hill Gardens, 1075 Le Conte Ave., San Francisco, CA 94124	Support Services for formerly homeless families include assistance with a smooth transition from experiencing homelessness to placement in permanent supportive housing. The goals of the services are to empower families to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Staffs outreach to and offer onsite services and/or referrals to all tenants who display indications of housing instability, and they provide tenants with opportunities to participate in organized gatherings and events. Linkages to activities and services in the community targeted towards the needs and interests of the children and youth in the program are provided.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Bishop Swing Community House, 275 10 <sup>th</sup> Street, San Francisco, CA 94103	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Cadillac Hotel, 380 Eddy Street, San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Cambridge, 473 Ellis Street, San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community	General Fund, Mental Health Services Act	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site

	building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.		
Cecil Williams Glide Community House, 333 Taylor Street, San Francisco, CA 94102	Support Services for formerly homeless families include assistance with a smooth transition from experiencing homelessness to placement in permanent supportive housing. The goals of the services are to empower families to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Staffs outreach to and offer onsite services and/or referrals to all tenants who display indications of housing instability, and they provide tenants with opportunities to participate in organized gatherings and events. Linkages to activities and services in the community targeted towards the needs and interests of the children and youth in the program are provided Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Civic Center Residence, 44 McAllister, San Francisco, 94102	Support services for formerly homeless seniors include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Services are tailored for Seniors and program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Casa Quezada, 35 Woodward Street, San Francisco, CA 94103	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Edward II, 3155 Scott Street, San Francisco, CA 94123	Support services for formerly homeless Transition Age Youth (TAY) include education, technology and employment training, healthcare, including mental health and	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site

	substance abuse treatment, HIV services and case management. The goals of these services are to empower tenants to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence. Program staff has bilingual capacity.		
Essex Hotel, 684 Ellis Street, San Francisco CA 94109	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Folsom Dore, 75 Dore Street, San Francisco, CA 94103	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Iroquois Hotel, 835 O'Farrell Street, San Francisco, CA 94109	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Program staff has bilingual capacity. Program staff has bilingual capacity.	General Fund, Mental Health Services Act	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Island Bay Homes, Flounder Court, San Francisco, CA 94130	Support Services for formerly homeless families include assistance with a smooth transition from experiencing homelessness to placement in permanent supportive housing. The goals of the services are to empower families to become self-sufficient and retain their housing or move to other appropriate housing, promote community building and tenant participation, and maintain a safe, supportive and stable environment that fosters independence.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site

	Staffs outreach to and offer onsite services and/or referrals to all tenants who display indications of housing instability, and they provide tenants with opportunities to participate in organized gatherings and events. Linkages to activities and services in the community targeted towards the needs and interests of the children and youth in the program are provided Program staff has bilingual capacity.		
Richardson Apartments, 365 Fulton Street, San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Program staff has hilingual capacity.	General Fund, Short Doyle MediCal	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Kelly Cullen Community, 220 Golden Gate Ave., San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Plaza Apartments, 988 Howard Street, San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Program staff has bilingual capacity.	General Fund, Short Doyle MediCal	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Rene Cazenave Apartments, 25 Essex, San Francisco CA 94105	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to	General Fund, Short Doyle MediCal	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site

	and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Program staff has bilingual capacity.		
Ritz Hotel, 216 Eddy Street, San Francisco, CA 94102	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund,	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Senator Hotel, 519 Ellis Street, San Francisco, CA 94109	Support services for formerly homeless adults include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. Program staff has bilingual capacity.	General Fund, Mental Health Services Act	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Veterans Commons, 150 Otis Street, San Francisco, CA 94103	On-site Support services for formerly homeless veterans include case management and care coordination, mental health and substance abuse services, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointment and vocational services. On-site RN assists with medication management and medical case management. Services are tailored for veterans and program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site
Willie B. Kennedy Senior Housing, 1239 Turk Street, San Francisco, CA 94115	On-site Support services for formerly homeless seniors include case management and care coordination, social support, community building, weekly food pantry, housing stabilization and eviction prevention, referral to and follow up with other necessary services such as benefit appointments, money management, medical appointments, health care providers, vocational services. Services are tailored for Seniors and program staff has bilingual capacity.	General Fund	<input checked="" type="checkbox"/> On-site <input type="checkbox"/> Off-site

7. Provide evidence of an operational Coordinated Entry System (CES) addressing the following:
    - Describe how the CES will prioritize the most vulnerable within the Target Population for the available Assisted Units;
    - Describe the program participant intake, assessment, and the provision of referrals;
    - Address how the CES is easily accessed and well-advertised for individuals and families seeking housing or services;
    - Describe the comprehensive and standardized assessment tool; and
    - Address how the CES will comply with the above requirements by the time HCD designates the County as an APC if these requirements are not already in place.
- 

a. Describe how the CES will prioritize the most vulnerable within the Target Population for the available Assisted Units;

The San Francisco Department of Homelessness and Supportive Housing (HSH) is responsible for the governance, design, and management of San Francisco's Coordinated Entry (CE). The Local Homeless Coordinating Board (LHCB) advises HSH on CE development and HSH's partners in the service provider community provide essential input to help refine the CE implementation.

San Francisco CE provides activities and services at places where homeless people live or where they seek entry to the system. CE is designed to serve all people experiencing homelessness. In San Francisco, there is a unique comprehensive standardized assessment tool for adults and families with children. CE is already implemented for families and adults; youth currently access services through the family and adult systems. In January 2018, additional access points for youth may open based on the outcome of current youth needs assessment.

Single adults with serious mental illness who are chronically homeless and highly vulnerable will be prioritized for available NPLH units through the CE system for adults. In this system, there is a two-step assessment process used to identify those who are the most vulnerable and match them to the most appropriate housing intervention. The primary assessment is a locally-designed tool that asks 17 questions designed to assess an individual's chronicity of homelessness, vulnerability, and barriers to securing housing. While there are unique primary assessments for adults without children and families with children, they are both similarly structured and tailored to the special needs of families and adults experiencing homelessness in San Francisco. Responses to the 17 prioritization questions are scored and those individuals who score above a set threshold are deemed to be in Priority Status for a referral to permanent supportive housing. Priority Status individuals then are assessed using a secondary assessment, the Vulnerability Assessment Tool (VAT), which is an interview tool administered by trained assessors. The VAT is used to determine an individual's service needs for the purpose of determining what level of services they require and match them to a

PSH placement, which could be an NPLH unit or other PSH program. Individuals who are not assessed as being in Priority Status will be able to access Problem Solving services (see below for more information on Problem Solving).

b. Describe the program participant intake, assessment, and the provision of referrals;

San Francisco Coordinated Entry is implemented by Access Points which are located in regions of San Francisco in which there is a high prevalence of households experiencing homelessness. Access Points are the locus of assessment, housing problem solving, housing navigation, mainstream system connections and matching and referral to housing opportunities and other programs and resources for people experiencing homelessness. Mobile outreach teams are able to provide all the same functions as Access Points in the field for unsheltered individuals who cannot come to an Access Point.

There are four primary CE operating functions provided via the Access Points or mobile outreach:

- (1) Initial Screening. The initial step is a brief assessment to determine that an adult is experiencing homelessness and is a San Francisco resident household.
- (2) Problem Solving. All people experiencing homelessness that are determined to meet the initial screening criteria have a problem-solving conversation with a trained staff person to determine if there is an immediate housing solution that can be identified. The overarching goal of Problem-Solving is to prevent people from entering the Homelessness Response System if possible and safe. This collaborative process helps an adult identify potential solutions, including personal social networks that can aid the individual in quickly securing alternative housing.
- (3) Assessment & Prioritization. For any adult for whom problem solving does not result in a solution, the 17 question primary assessment is conducted to determine chronicity of homelessness, vulnerability, and housing barriers. The primary assessment is used to determine which adults will be in Priority Status for matching to a housing intervention. A secondary assessment is administered for those in Priority Status to understand their service needs for the purpose of matching to the most appropriate permanent supportive housing program.
- (4) Housing Navigation and Housing. Adults matched to a housing intervention receive support with housing navigation, including assembling needed documents, program enrollment, housing search (if a tenant-based program), and move in.

At all steps of the CE process, data is gathered and entered into San Francisco's Online Entry Navigation System (ONE System). Launched in June 2017, ONE is the data system used for all housing and services for homeless people in San Francisco.

c. Address how the CES is easily accessed and well-advertised for individuals and families seeking housing or services;



Coordinated Entry processes are easily accessible, located in the neighborhoods with the highest concentrations of households seeking services, and close to public transportation. Coordinated Entry is also mobile, and Coordinated Entry is connected to street outreach. Coordinated Entry is widely marketed and advertised to ensure all San Francisco households have fair and equal access to the coordinated entry process, regardless of the location or method by which they access the system. Marketing materials clearly convey that the access points are accessible to all sub-populations. Marketing materials also specifically target individuals and families who are least likely to apply in the absence of special outreach, including:

- Chronically Homeless households, veterans, parenting youth, and survivors of domestic violence, and
- Eligible persons regardless of race, color, national origin, religion, sex, age, familial status, disability, sexual orientation, gender identity, marital status or Limited English Proficiency (LEP).

HSH and Access Points follow the steps below to market and advertise Coordinated Entry:

- At least quarterly email updates to the general community, Program Providers, City and County of San Francisco departments, and other key stakeholder organizations,
- Annually create brochures/flyers on the coordinated entry system,
- Provide announcements at monthly LHCB meetings, Coordinated Entry/ONE System Committee Meetings, and other meetings routinely attended by Program Provider staff, and
- Regularly post updates on HSH and Access Points websites.

San Francisco Coordinated Entry is easily accessed by all households experiencing homelessness through geographically distributed Access Points. As noted above, Access Points are the locus of assessment, housing problem solving, housing navigation, mainstream system connections and matching and referral to housing opportunities and other programs and resources for people experiencing homelessness. Access Points serve as the community connector to Coordinated Entry and the Homelessness Response System. To further streamline access, CE also integrates mobile teams that seek out unsheltered people and provide assistance to those unable to engage without extra support. CE promotes transparency and clarity for people experiencing homelessness by providing system-wide real-time information about the availability of housing, shelter and other services and giving people the information they need to make the best decisions on their own behalf.

Access Points operate in accordance with the following standards:

- **Collaborative Approach:** Access Points build and maintain strong and effective working partnerships with shelters and housing partners, neighborhoods, community services partners, and clients utilizing Coordinated Entry.
- **Communication:** Access Points clearly and effectively communicate with clients, households experiencing homelessness, Program Providers, and the public on how Coordinated Entry works, including polices, processes, goals and the ONE System.
- **Data Informed:** Coordinated Entry is a critical source of information about who enters the Homelessness Response System. The Access Point operators have strong data management capacity and use data to inform and improve practices.
- **Objectivity:** Access Points demonstrate consistency, transparency, and fairness when applying the Coordinated Entry policies, procedures and tools, in an effort to successfully achieve client acceptance and utilization, and garner community support.
- **Racial Equity:** Access Points are expected to combat racism and integrate racial equity in staffing, including staff development and training; programming; and designing methodologies for evaluating data and performance outcomes.
- **Systems Thinking:** Coordinated Entry is an essential component of the Homelessness Response System. The Access Point operators embrace a systems-thinking approach with the understanding that the main purpose of the Coordinated Entry process is to provide accessibility and streamline access to housing for households experiencing homelessness with the greatest needs.

d. Describe the comprehensive and standardized assessment tool; and

HSH has worked with Focus Strategies to develop the Primary Assessment tool to support the implementation of the Coordinated Entry (CE) System for adults experiencing homelessness. The Primary Assessment is one of several steps in the CE process. It provides a standardized and consistent method for assessing adults experiencing homelessness and identifying who will be prioritized to receive an HSH-funded housing resource.

The Primary Assessment for adults is a custom San Francisco questionnaire which asks a short set of questions that capture information about a person's current housing status, history of homelessness and length of time experiencing homelessness, health conditions, vulnerability, and barriers to obtaining housing. The questions are written to be as minimally personally intrusive as possible while capturing key information. Many questions are not designed to be yes/no but provide answer choices that reflect a range of current conditions and acuity.

Each question in the Primary Assessment is scored. Responses are weighted such that higher levels of vulnerability, longer homeless histories, and greater housing barriers receive higher scores. The resulting composite score generates a *relative* priority distribution based on all the people who have been assessed. The score is **not** intended to indicate a need for a specific type of housing intervention. A higher score indicates higher priority compared to others assessed, but no specific score is intended to indicate that someone can only benefit from or is appropriate for only one type of housing or program model.

*Priority Status* refers to the people who score on the Primary Assessment at a level that makes them likely to receive a referral to HSH-funded housing within 2-3 months. The threshold score that determines Priority Status is not pre-determined and can change based on the amount of housing inventory available and the target maximum amount of time people will be expected to wait for a housing referral.

The Primary Assessment was developed by HSH and Focus Strategies, drawing upon experience with tools Focus Strategies has developed in other communities, lessons learned from the San Francisco Continuum of Care Coordinated Entry Pilot, San Francisco community input, as well as HSH's experience with developing and implementing the Assessment used in San Francisco's Coordinated Entry for families with children. The tool design was tested in October and November 2017 using a test data set collected from approximately 250 adults experiencing homelessness. The testing process evaluated whether the Primary Assessment generated a normal distribution of scores that is sufficient to make meaningful distinctions. The testing showed that chronic homelessness, disability and number of disabilities are positively correlated with higher scores, as intended by the design of the assessment. It is also analyzed disparities in results based on race, ethnicity, age, gender and sexual orientation.

e. Address how the CES will comply with the above requirements by the time HCD designates the County as an APC if these requirements are not already in place.

The CE system for families and adults are already in place.

Please see the following attachments:

- 7.1 San Francisco CE Sample Assessment Tool
  - 7.2 San Francisco CE Interviewer Feedback and Comments
-

8. If the existing CES system is not equipped to assess the needs of, provide housing navigation services to, or locate supportive housing for persons At-Risk of Chronic Homelessness, describe what alternate system the County will be put in place to ensure that the most vulnerable persons among this group will be prioritized for available housing, including the approximate date the alternative system will be in place.

NOTE: This alternative system, if used, must be in place prior to rent-up of the County's first NPLH funded Project.

City of San Francisco will prioritize chronically homeless referrals. Insofar as there are fewer chronically homeless eligible referrals than available units, MOHCD will work with HSH to modify the CES to develop a system of referrals that would capture these eligible referrals.

9. Describe the processes the County will have in place to ensure that funded projects will meet federal, state, and local fair housing, accessibility, and nondiscrimination requirements, ensuring that projects are not excluding any potential tenants based on their disability.

---

Twelve months prior to lease-up, periodic (leading to weekly) planning and lease-up meetings should occur with the developer, property manager, service provider, HSH and MOHCD or OCII. The purpose of the meetings is to establish lease-up schedule, review marketing plan and tenant selection criteria, furnishing needs for homeless units, and begin applicant processing and lease-up. After lease-up, regular operations meetings should be used to review program operations monthly or quarterly.

All providers must submit a Marketing Plan and Tenant Selection Criteria to MOHCD for review and approval at least six months prior to the end of construction.

The goal of the review is to promote uniform property management standards and to reduce barriers to housing. Review also includes review of associated documents such as the tenant lease, application, and house rules as well as flyers and letters used to communicate with applicants.

The City's goal with permanent supportive housing (and all affordable housing) is to screen tenants in to low barrier housing. This goal to provide low barrier supportive housing goes beyond the obligations to comply with applicable federal, state and local civil rights laws, including fair housing laws, reasonable accommodation and limited English proficiency (LEP), the applicable provision of the Violence Against Women Act (VAWA) and the Fair Chance Ordinance.

A sample approved Marketing Plan is attached as Attachment E8. Also attached are sample Tenant Selection Criteria for a LOSP funded site and a sample Tenant Selection Criteria Plan Policy, as E10 and E11.

---

10. Will Projects funded by the County be restricted to receiving NPLH funds for no more than 49 percent of their units?

Yes (*skip Question 11*)

No (*respond to Question 11*)

11. Describe specific measures the County will undertake to ensure the requirements of *Olmstead v. L.C.* (527 U.S. 581 (1999)) are being met with the implementation of the County's NPLH Program.

N/A

**FORM V: METHOD OF DISTRIBUTION**

Provide a copy of the County’s proposed method of distribution (MOD) for NPLH funds (**submitted as Attachment D**). Identify the page number(s) within the MOD that satisfy the requirements as indicated in the table below.

The proposed MOD evaluates or contains all of the following:	Page Number located in MOD
1. Compliance with the requirements of Section 302 of the Guidelines relating to eligible uses of funds and program terms	Page 1
2. The development team’s capacity to develop, own, and operate Permanent Supportive Housing for the Target Population through examination of the experience and qualifications of the Sponsor, service providers, and property manager	Page 1
3. The criteria to be used, including project underwriting standards, to evaluate project financial feasibility for the required period of affordability <sup>3</sup>	Page 1
4. The suitability of each Project’s location for the Target Population, including proximity to transportation, services, and other amenities in a manner that ensures integration of the Target Population within the community	Page 1
5. The criteria and process used to evaluate and ensure that the Project site is free from severe adverse environmental conditions, such as the presence of toxic waste that is economically infeasible to remove and that cannot be mitigated	Page 1
6. The process used to evaluate that all assisted units and other units of the Project be on a permanent foundation and 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	Page 1
7. The criteria to be used to evaluate Project readiness to proceed with the proposed development activity	Page 1
8. Capital, operating subsidy and supportive services leverage requirements	Page 1
9. Proposed supportive services plan requirements that Projects must meet prior to the award of funds which satisfy the requirements of Section 203 of the Guidelines	Page 1
10. Proposed measures for integrating the Target Population within the	Page 2

<sup>3</sup> All Projects of five or more units must remain affordable for a minimum of 55 years. Shared Housing Projects must remain affordable for a minimum of 20 years. All Projects must meet the income, Rent, occupancy, and underwriting restrictions in Sections 303 and 304.

<p>community. At a minimum:</p> <ul style="list-style-type: none"> <li>▪ Assisted units must be integrated with other units in the Project and not separated onto separate floors or areas of the building; and</li> <li>▪ Funded Projects must encourage social interaction through community-building activities, and architectural design as feasible depending on the scope of the construction or rehabilitation activity</li> </ul>	
<p>11. The process to be used to evaluate compliance with the requirements in Section 202(n)(3) of the Guidelines relating to property management practices</p>	<p>Page 2</p>
<p>12. The process to be used to evaluate compliance with the requirements in Section 301(a)(12) of the Guidelines relating to scattered sites and Shared Housing</p>	<p>Page 2</p>
<p>13. The process to be used to evaluate to evaluate compliance with applicable state and federal relocation requirements including California Government Code Section 7260 et seq. and 25 CCR Section 6000 et seq.</p>	<p>Page 2</p>
<p>14. The process to be used to evaluate will evaluate Project compliance with Article XXXIV Section 1 of the California Constitution, as clarified by Public Housing Election Implementation Law (H&amp;S Code Section 37000 et seq.)</p>	<p>Page 2</p>



## **FORM VI: USES AND TERMS OF PROGRAM ASSISTANCE**

1. Describe how the County will allocate NPLH funds by addressing the following in compliance with Section 302 of the Guidelines:

- The County's intention to either provide multifamily rental projects of five or more units and/or shared housing projects;
- The eligible use of program funds consistent with Section 200 (a) of the Guidelines and 302 (b);
- Whether program funds will be provided as predevelopment, construction, or post-construction permanent financing. (NOTE: Program funds used for predevelopment or construction financing must convert to post-construction permanent financing); and
- The interest rate and terms for capital loans.

NOTE: Program funds for eligible uses in Projects of five or more Units shall be provided in the form of a deferred payment loan that must have an initial affordability period of 55 years or longer commencing on the date of recordation of the regulatory agreement. The loan may bear a zero percent interest rate.

Shared Housing Projects must be provided in the form of a deferred payment loan and have an initial affordability period of 20 years or longer commencing on the date of recordation of the regulatory agreement.

The COSR portion of the loan may be forgivable pursuant to Section 305 (c) of the Guidelines.

Pursuant to Welfare and Institutions Code Section 5849.4(b), any interest payments, loan repayments, or other return of funds must be returned to the HCD and deposited in the NPLH Fund established by Welfare and Institutions Code Section 5849.4.

- The percentage of program funds the County will use for program administration, and the amount of the monitoring fee charged to cover costs of Project, in accordance with the requirements of Section 302(g) of the Guidelines.

1. Please see response to Form 4, Question 2. MOHCD does not intend to charge a monitoring fee to cover the costs of administering the NPLH program.

**FORM VII: UNDERWRITING STANDARDS**

Provide a copy of the County’s proposed underwriting standards, including method and timeframe of when County will underwrite projects consistent with Section 304 of the Guidelines (*submitted as Attachment E*). Identify the page number(s) within the document that satisfy the requirements as indicated in the table below.

Minimum Underwriting Standards – The proposed underwriting standards evaluate or contain all of the following:	Page Number referenced in document
1. The reasonableness of projected construction and operating expenses	Pages 3-7
2. Income and expense escalators	Page 7
3. Vacancy rate assumptions	Page 7
4. Debt coverage ratio requirements	Page 3
5. Operating and replacement reserve requirements	Page 3
6. Budgeted construction contingency	Page 4
7. Limits on development costs, developer fees, asset management and partnership fees	Please see Attachment E2, Operating Fees Policy, Pages 1-4
8. Required use of operating cash flow	Please see Attachment E2, Operating Fees Policy
<p>9. The methodology utilized to calculate the maximum amount of NPLH funding provided per assisted unit. The methodology should consider the number of bedrooms per unit or other measures of unit size, as well as the level of affordability provided per unit, with more affordable units being provided more subsidy</p> <p><u>NOTE:</u> The total amount of Program funding to a Project must not exceed the eligible costs associated with Assisted Units in accordance with a methodology that allocates costs among the Assisted and non-Assisted Units in reasonable proportion to their anticipated share of costs</p>	MOHCD anticipates providing maximum NPLH funds on a case-by-case basis, in accordance with our gap funding policy.
10. The process to be used for determining prevailing wage compliance pursuant to the requirements of Section 304(f) of the Guidelines	City of San Francisco Office of Labor Standards Enforcement determines prevailing wage compliance for MOHCD funded projects.
11. The process to be used for determining compliance with accessibility requirements in compliance with Section 304(g) of	City of San Francisco

Minimum Underwriting Standards – The proposed underwriting standards evaluate or contain all of the following:	Page Number referenced in document
the Guidelines	Mayor's Office on Disability determines compliance with accessibility requirements for MOHCD funded projects.
12. Transition reserve requirements in compliance with Section 304(h) of the Guidelines	MOHCD does not require Transition Reserves. Projects receiving LOSP funds are eligible for the Citywide Transition Reserve, described in the LOSP Manual (Exhibit E7) on page 8.

**FORM VIII: CAPITALIZED OPERATING SUBSIDY RESERVE UNDERWRITING STANDARDS – N/A**

1. Provide a copy of the County’s proposed COSR underwriting standards, policies and procedures consistent with Section 305 of the Guidelines (**submitted as Attachment F**). Identify the page number(s) within the document that satisfy the requirements as indicated in the table below.

Minimum COSR Underwriting Standards	Page Number referenced in document
<p>1. The interest rate charged for COSR loans.</p> <p><u>NOTE:</u> COSRs must be provided in the form of a loan for a term of not less than 20 years, but the loan may be a zero percent interest deferred payment forgivable loan. Pursuant to Welfare and Institutions Code Section 5849.4(b), any interest payments, loan repayments, or other return of funds must be returned to HCD and deposited in the NPLH Fund established by Welfare and Institutions Code Section 5849.4.</p>	N/A
<p>2. The methodology utilized to determine the size of the project’s 20-year COSR. The methodology should consider such things as:</p> <ul style="list-style-type: none"> <li>a. The maximum percentage of Units it will assist per Project;</li> <li>b. Anticipated Project vacancy rates;</li> <li>c. The anticipated percentage of Assisted Units that will have other operating or rental subsidy and the term of that operating or rental subsidy contract;</li> <li>d. The anticipated percentage of households that are expected to be receiving SSI/SSP or other sources of stable income; and</li> <li>e. Operating expenses that the County will consider ineligible for payment from the COSR.</li> </ul> <p><b>NOTE:</b> Not more than 100 percent of the total amount provided per-Assisted Unit for capital may be provided for a COSR to address Project operating deficits attributable to Assisted Units. The other requirements of Section 305 of the Guidelines must also be met.</p>	N/A

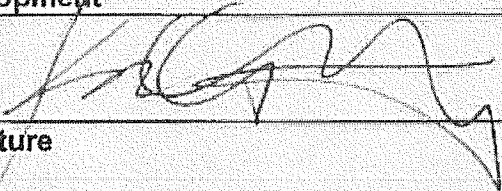
2. Provide a copy of the County's proposed COSR disbursement policies or describe the COSR disbursement procedures below, including the annual review process of each project COSR balance.

NOTE: The disbursement of amounts from the COSR to the Project must be based on the results of an independent audit bifurcated between assisted units and the other Project units prepared by a certified public accountant. The bifurcated audit should establish the amount of Project operating deficit, if any, attributable to the NPLH assisted units.

N/A

**ATTACHMENT A: CERTIFICATION OF APPLICATION INFORMATION**

I, Kate Hartley, am authorized\* to submit this APC Designation Form on behalf of City and County of San Francisco, and attest that all information contained in this Designation Form is accurate and complete to the best of my knowledge.

<b>STATEMENT OF CERTIFICATIONS</b>	
<b>Kate Hartley</b>	
<b>Printed name of County's Authorized Representative</b>	
<b>Director, San Francisco Mayor's Office of Housing and Community Development</b>	
<b>Title</b>	
<b>Signature</b>	
<b>9/4/2018</b>	
<b>Date</b>	

\*pending approval of Board Resolution to be introduced on 9/11/18.

**FORM IX: TENANT SELECTION, RENTAL AGREEMENTS and GRIEVANCE PROCEDURES**

Describe the County's proposed standards for Project rental agreements, property management plans and tenant grievance procedures consistent with the Housing First requirements and core components set forth in Welfare and Institutions Code Section 8255(b). These standards must also comply with basic tenant protections established under federal, state, and local law.

NOTE: Tenants shall be accepted regardless of sobriety, participation in services or treatment, history of incarceration, credit history, or history of eviction, in accordance with practices permitted pursuant to WIC Section 8255 or other federal or State Project funding sources.

San Francisco is committed to the Housing First model with low barrier entry and oversees the marketing and tenant selection plans developed for all affordable housing projects financed by the City. Tenant selection criteria and leasing requirements are outlined in exhibits to the MOHCD Loan Agreements and in exhibits to the LOSP Grant Agreements. These include Exhibit H, "Tenant Selection Plan Policy" which outlines requirements surrounding the application process, reasonable accommodation policy, and mandated appeal process (attached as Attachment E10); and Exhibit I, "Tenant Screening Criteria Policy", outlines the San Francisco Fair Chance Act that does not permit housing providers to automatically bar applicants who have a criminal record (attached as Attachment 11). These requirements are also summarized in the City's LOSP Manual (2018), attached as Exhibit E6. Please see especially section 3.5 on page 17, which includes a description of the City's goal to screen tenants in to permanent supportive housing, and also Attachment C, which describes compliance with San Francisco's Fair Chance Ordinance. Please also see Attachment E8, a sample of a Rental Marketing Plan that was recently approved by MOHCD, as well as Attachments E10 and E11.



## **ATTACHMENT B: STATEMENT OF CERTIFICATIONS**

In accordance with the applicable statutes and the Guidelines governing the NPLH Program, the County commits to the following:

- a. Providing mental health services, and coordinating the provision of or referral to other supportive services, including but not limited to substance use treatment services, to NPLH tenants for a minimum of 20 years. The County's obligations pursuant to this requirement begins when a Project receives its certificate of occupancy, or other evidence of Project completion for Projects already occupied;
- b. If using a public agency subcontractor to administer the County's NPLH funds, the public agency subcontractor shall administer the Program county-wide;
- c. Developing a Method of Distribution for NPLH funds in compliance with the requirements of Section 301 of the Guidelines;
- d. Adherence to the requirements pertaining to the uses and terms of program assistance contained in Section 302 of the Guidelines;
- e. Adherence to the occupancy, income, and rent limit requirements specified in the Section 303 of the Guidelines;
- f. Adherence to the requirements of Sections 304, 305, and 306 of the Guidelines pertaining to underwriting standards, capitalized operating subsidy reserves, operating budgets, and other requirements contained in these sections;
- g. Adherence to the requirements of Section 307 of the Guidelines pertaining to tenant selection, rental agreements, and grievance procedures;
- h. Adherence to the disbursement, reporting and monitoring requirements contained in Sections 308, 309, and 311 of the Guidelines;
- i. Adherence to the County requirements pertaining to defaults and cancellations contained in Section 312 of the Guidelines, and rescission of an APC Designation contained in Section 313 of the Guidelines;
- j. NPLH Competitive Allocation funds provided to the APC that are not committed by the County to Projects within 24 months of award by the Department must be returned to the Department. Evidence of committed funds may include award letters, commitment letters, or other written agreements evidencing a commitment of funds; and
- k. Pursuant to Welfare and Institutions Code Section 5849.9(a), projects utilizing the County's Noncompetitive Allocation must prioritize persons with mental health supportive service needs who are Homeless or At-Risk of Chronic Homelessness, and meet the expenditure deadlines pertaining to the Noncompetitive Allocation contained in Section 102(c) of the Guidelines.

### **ATTACHMENT C: COUNTYWIDE HOMELESSNESS PLAN**

Attach a copy of the Countywide Plan to Combat Homelessness that meets the requirements of Section 201(b) (3) of the Guidelines. If the plan is **not yet available**, indicate when the County intends to submit a compliant plan.

NOTE: If the County intends to use its Noncompetitive Allocation funds, the plan must be received prior to award of these funds by the Department (no later than August 15, 2019).

San Francisco intends to submit our Countywide Plan to Combat Homelessness that meets NPLH Guidelines on/before March 30, 2019. It is our intention to use our Noncompetitive Allocation funds as soon as possible.

We are submitting a copy of our *Five-Year Strategic Framework*, developed by the Department of Homelessness and Supportive Housing in October 2017, which includes the City's specific goals to reduce homelessness across diverse homeless populations, for reference. This is included as Attachment E9. MOHCD's Strategic Plan for 2016-2020 provides the City's framework for housing development, and is attached as Attachment E12.

**ATTACHMENT D: METHOD OF DISTRIBUTION**

Attach a copy of the County's proposed MOD for NPLH funds that contains the **Required Elements** listed in the table in **Application Form V - Method of Distribution**.

**ATTACHMENT D: METHOD OF DISTRIBUTION**

Please see response to Form 4, Question 2, for a description of San Francisco’s proposed Method of Distribution for NPLH funds. Funds will be used for predevelopment, construction, or post-construction permanent financing per the terms of the MOHCD Underwriting Guidelines and other applicable policies (see Attachments E1-7). Additionally, please see the attached sample Loan Evaluation template, attached as Attachment D1, and the Application Proforma, submitted as Attachment D2. D1 and D2 are submitted to the Loan Committee for approval and form the basis for the terms outlined in key loan documents such as the Loan Agreement and the Regulatory Agreement.

For any site anticipated to use No Place Like Home funds, MOHCD will insure the following:

1. Compliance with the requirements of Section 302 of the Guidelines relating to eligible uses of funds and program terms
2. The development team’s capacity to develop, own, and operate Permanent Supportive Housing for the Target Population through examination of the experience and qualifications of the Sponsor, service providers, and property manager
3. The criteria to be used, including project underwriting standards, to evaluate project financial feasibility for the required period of affordability. This includes: All Projects of five or more units must remain affordable for a minimum of 55 years. Shared Housing Projects must remain affordable for a minimum of 20 years. All Projects must meet the income, Rent, occupancy, and underwriting restrictions in Sections 303 and 304.
4. The suitability of each Project’s location for the Target Population, including proximity to transportation, services, and other amenities in a manner that ensures integration of the Target Population within the community
5. The criteria and process used to evaluate and ensure that the Project site is free from severe adverse environmental conditions, such as the presence of toxic waste that is economically infeasible to remove and that cannot be mitigated
6. The process used to evaluate that all assisted units and other units of the Project be on a permanent foundation and 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
7. The criteria to be used to evaluate Project readiness to proceed with the proposed development activity
8. Capital, operating subsidy and supportive services leverage requirements
9. Proposed supportive services plan requirements that Projects must meet prior to the award of funds which satisfy the requirements of Section 203 of the Guidelines

<p>10. Proposed measures for integrating the Target Population within the community. At a minimum:</p> <ul style="list-style-type: none"><li>▪ Assisted units must be integrated with other units in the Project and not separated onto separate floors or areas of the building; and</li><li>▪ Funded Projects must encourage social interaction through community-building activities, and architectural design as feasible depending on the scope of the construction or rehabilitation activity</li></ul>
<p>11. The process to be used to evaluate compliance with the requirements in Section 202(n)(3) of the Guidelines relating to property management practices</p>
<p>12. The process to be used to evaluate compliance with the requirements in Section 301(a)(12) of the Guidelines relating to scattered sites and Shared Housing</p>
<p>13. The process to be used to evaluate to evaluate compliance with applicable state and federal relocation requirements including California Government Code Section 7260 et seq. and 25 CCR Section 6000 et seq.</p>
<p>14. The process to be used to evaluate will evaluate Project compliance with Article XXXIV Section 1 of the California Constitution, as clarified by Public Housing Election Implementation Law (H&amp;S Code Section 37000 et seq.).</p>

## **ATTACHMENT E: UNDERWRITING STANDARDS**

Attach the proposed underwriting standards meeting the requirements listed in the table in **Application Form VII – Underwriting Standards**.

MOHCD submits the following documents that describe the current standards in place designed to underwrite and administer MOHCD loans.

Attached are the following, labeled E1-E6:

- E1. MOHCD Underwriting Guidelines Effective April 1, 2016
- E2. MOHCD Multifamily Affordable Housing Operating Fees Policy Effective April 1, 2016
- E3. MOHCD Residual Receipts Policy Effective April 1, 2016
- E4. MOHCD Policy on Development Fees for Tax Credit Projects Effective July 29, 2016
- E5. Technical Update to MOHCD Developer Fee Policy for Tax Credit Projects Effective July 20, 2018
- E6. Local Operating Subsidy Program (LOSP) Policies and Procedures Manual 2018

Post-completion, the Annual Monitoring Report (AMR) collects data about project operations and fiscal performance. The report is due on May 31 for projects whose business year ends on 12/31 and on November 30 for projects whose business year ends on 6/30, and it must be submitted in electronic form only to [moh.amr@sfgov.org](mailto:moh.amr@sfgov.org).

A copy of the AMR is attached to this application as E7.


Additional resources are available on these website pages:

Loan Underwriting: <https://sfmohcd.org/housing-development-forms-documents>

Asset Management: <https://sfmohcd.org/asset-management-multifamily-rental-housing>

**ATTACHMENT G: CERTIFICATION OF GOOD STANDING WITH THE STATE OF CALIFORNIA**

Counties applying for the Alternative County Process must be in good standing with the State of California. The certification below must be completed and include a list of any known instances of breach or default.

<b>CERTIFICATION OF GOOD STANDING</b>	
The County through its duly authorized signatory that executes the herein application, represents, warrants, and hereby certifies under penalty of perjury under the law of the State of California, that except for the matters listed below, all of its contractual obligations owed to the State are current and not in breach of default. Please Note: Existence of as well as the failure to identify any of the foregoing contractual breach or defaults shall allow the department to retain discretion over the release of funds associated with this application until such matters are remedied.	
Peg Stevenson (for Ben Rosenfield, Controller)	
Printed name of County's Authorized Representative	
City Performance Director	
Title	
Signature	
9/4/2018	
Date	

Irregularities: none.

**ATTACHMENT F: CAPITALIZED OPERATING SUBSIDY RESERVE  
UNDERWRITING STANDARDS**

Attach the proposed underwriting standards meeting the requirements listed in the table in **Application Form VIII – Capitalized Operating Subsidy Reserve Underwriting Standards.**

N/A



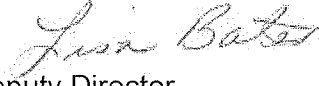
**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2771 / FAX (916) 263-2763  
[www.hcd.ca.gov](http://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 program<sup>1</sup> 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

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<sup>1</sup> 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.

## NPLH Noncompetitive Allocation NOFA

October 30, 2018

Page 2

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

1. 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**.
2. 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.
3. 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

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](mailto: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](mailto:NPLH@hcd.ca.gov)

**August 15, 2018  
Amended October 25, 2018**

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## 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.<sup>1</sup> 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 Counties<sup>2</sup> 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

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<sup>1</sup> 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.

<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. 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. HCD Projects: 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).<sup>3</sup> 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.**<sup>4</sup>

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 [Program website](#). As Counties are approved, HCD will post an updated contact list on the NPLH program website.

3. Shared Housing Projects: 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

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<sup>3</sup> 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.

<sup>4</sup> 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 [Program website](#). As Counties are approved, HCD will post an updated contact list on the NPLH program website.

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## 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**

- **Project Size:** 5+ Units located in Counties not designated as Alternative Process Counties (APC)
- **Administered by:** HCD
- **Applicant:** County or County with Development Sponsor
- **Forms:** Universal Application and Project Supplemental Application
- **Submit to:** HCD
- **Due:** February 15, 2021

**APC COUNTIES**

- **Project size:** Any size and located in APC
- **Administered by:** Counties designated by HCD as APC
- **Applicant:** Developer
- **Forms:** County-provided
- **Submit to:** County
- **Due:** TBD by the County but no later than February 15, 2021

**SHARED HOUSING PROJECTS**

- **Project size:** 1-4 Units
- **Administered by:** Counties designated by HCD to use NPLH funds for SH
- **Applicant:** Development Sponsor
- **Forms:** County-provided
- **Submit to:** County
- **Due:** TBD by the County but no later than 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 or 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 [Guidelines](#). The current UMRs are located at [UMRs](#).

**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.

## 6. 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

1. 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. Universal Rental Project Application Form – 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. Disclosure of application to the public

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](mailto:NPLH@hcd.ca.gov).

**APPENDIX A: COUNTY NONCOMPETITIVE ALLOCATIONS<sup>5</sup>**

<b>NPLH Formula Estimates for the Noncompetitive Allocation Program</b>				
	<b>COUNTY</b>	<b>Pop Est. as of 1/1/2018</b>	<b>2017 PIT Count</b>	<b>Estimated Allocation</b>
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
<b>Total</b>		<b>16,236,353</b>	<b>77,639</b>	<b>\$107,755,360</b>
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
<b>Total</b>		<b>16,334,190</b>	<b>25,322</b>	<b>\$35,157,309</b>
1	Butte	227,621	<b>1195</b>	\$1,659,786
2	Marin	263,886	<b>1117</b>	\$1,551,535
3	Merced	279,977	<b>454</b>	\$631,401
4	Monterey	443,281	<b>2837</b>	\$3,938,610
5	Placer	389,532	<b>663</b>	\$921,458
6	San Luis Obispo	280,101	<b>1125</b>	\$1,562,638
7	Santa Barbara	453,457	<b>1860</b>	\$2,582,696
8	Santa Cruz	276,864	<b>2249</b>	\$3,122,563
9	Solano	439,793	<b>1232</b>	\$1,711,136
10	Sonoma	503,332	<b>2835</b>	\$3,935,834
11	Stanislaus	555,624	<b>1661</b>	\$2,306,517
12	Tri-Cities (Claremont, La Verne, Pomona)	225,393	821	\$1,140,736
13	Tulare	475,834	<b>666</b>	\$925,621
14	Yolo	221,270	<b>459</b>	\$638,340
<b>Total</b>		<b>5,035,965</b>	<b>19,174</b>	<b>\$26,628,871</b>

<sup>5</sup> 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**

	<b>COUNTY</b>	<b>Pop Est. as of 1/1/2018</b>	<b>2017 PIT Count</b>	<b>Estimated Allocation</b>
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
<b>Total</b>		<b>2,203,185</b>	<b>9,397</b>	<b>\$20,458,460</b>
	<b>State Total</b>	<b>39,809,693</b>	<b>131,532</b>	<b>\$190,000,000</b>

Total NPLH Noncompetitive Allocation

\$200,000,000

Noncompetitive Allocations to Counties

\$190,000,000

HCD Administration of Noncompetitive Allocation

\$10,000,000

Mayor's Office of Housing and Community Development  
City and County of San Francisco



**London N. Breed**  
Mayor

**Kate Hartley**  
Director

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**FROM:** Benjamin McCloskey, Deputy Director Mayor's Office of Housing and Community Development

**DATE:** July 3, 2019

**SUBJECT:** Accept and Expend Resolution for No Place Like Home (NPLH) Non-Competitive Grant

**GRANT TITLE:** No Place Like Home (NPLH) Non-Competitive Grant

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Attached please find the original and 2 copies of each of the following:

- Proposed resolution; original signed by Department, Mayor, Controller
- Grant information form
- Grant award letter from funding agency
- Other (Explain):

Departmental representative to receive a copy of the adopted resolution:

Name: Benjamin McCloskey  
Phone: 701-5575  
Interoffice Mail Address: Benjamin.McCloskey@sfgov.org  
Certified copy required Yes  No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

