

File No. 251108

Committee Item No. 5
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date December 3, 2025
Board of Supervisors Meeting Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <ul style="list-style-type: none">• HSH Memo 10/30/2025• MYR Memo 11/4/2025 | | |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <ul style="list-style-type: none">• Draft Standard Agreement• Draft Declaration of Restrictions | | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | PLN Approval Letter – Reissued 6/12/2025 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Project Report 10/9/2025 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Notice of Funding Availability 1/31/2025 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | HSH Statement on Retroactivity 10/30/2025 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | HSH Presentation 12/3/2025 |
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Completed by: Brent Jalipa Date November 20, 2025
Completed by: Brent Jalipa Date _____

1 [Execute Standard Agreement - Not to Exceed \$39,044,030 - Accept and Expend Homekey+
2 Grant - California Department of Housing and Community Development - Permanent
Supportive Housing for Veterans - 1035 Van Ness Avenue - Not to Exceed \$3,000,000]

3

4 **Resolution authorizing the City and County of San Francisco (“City”), through the**
5 **Department of Homelessness and Supportive Housing (“HSH”), to 1) execute a**
6 **Standard Agreement with the California Department of Housing and Community**
7 **Development (“HCD”) and co-applicants Swords to Plowshares: Veterans Rights**
8 **Organization and 1035Vets LLC for a total award not to exceed \$39,044,030 under the**
9 **Homekey+ Program, including up to \$36,044,030 disbursed by HCD as a grant to**
10 **1035Vets LLC for acquisition of real property located at 1035 Van Ness for permanent**
11 **supportive housing for veterans (the “Property”) and support of operating costs, and**
12 **up to \$3,000,000 disbursed by HCD as a grant to the City for rehabilitation of the**
13 **Property; 2) accept and expend anticipated revenue from the City’s portion of**
14 **Homekey+ grant funds in an amount up to \$3,000,000 for the rehabilitation of the**
15 **Property; 3) approving and authorizing the City to commit up to \$8,000,000 in required**
16 **matching funds for rehabilitation of the Property and a minimum of five years of**
17 **operating subsidy, additionally the City committed up to 15 years of operating**
18 **subsidies through the City’s Local Operating Subsidy Program (“LOSP”) subject to**
19 **budget appropriations; 4) authorizing the City to assume any joint and several liability**
20 **for expenditure of the Homekey+ grant under the Standard Agreement; 5) adopting the**
21 **Planning Department’s findings of consistency with the General Plan, and the eight**
22 **priority policies of Planning Code, Section 101.1; and 6) authorizing HSH to enter into**
23 **any additions, amendments, or other modifications to the Standard Agreement and the**
24 **Homekey+ Documents that do not materially increase the obligations or liabilities of**
25 **the City or materially decrease the benefits to the City.**

1 WHEREAS, The Department of Homelessness and Supportive Housing's ("HSH")
2 mission is to prevent homelessness when possible and to make homelessness a rare, brief,
3 and one-time experience in San Francisco through the provision of coordinated,
4 compassionate, and high-quality services; and

5 WHEREAS, With the enactment of Resolution No. 319-18 in October 2018, the Board
6 of Supervisors declared a shelter crisis and affirmed the City and County of San Francisco's
7 (the "City") commitment to combatting homelessness and creating or augmenting a continuum
8 of shelter and service options for those experiencing homelessness; and

9 WHEREAS, Proposition C (2018) Gross Receipts Tax for Homelessness Services
10 ("Prop C"), passed by San Francisco voters in November 2018, created the Homelessness
11 Gross Receipts Tax to fund the Our City, Our Home ("OCOH") Fund, in order to expand and
12 be complementary to existing funding and strategic efforts to prevent and end homelessness
13 for San Francisco residents; and

14 WHEREAS, In April 2023, HSH released the five-year strategic plan "Home by the
15 Bay: An Equity-Driven Plan to Prevent and End Homelessness in San Francisco" which
16 calls for 3,250 new units of permanent housing to meet the goals set out in the plan; and

17 WHEREAS, The California Department of Housing and Community Development
18 ("HCD") issued a Notice of Funding Availability, dated November 26, 2024 ("NOFA"), for the
19 Homekey+ Program ("Homekey+" or "Program"), a copy of which is on file with the Clerk of
20 the Board of Supervisors ("Clerk") in File No. 251108; and

21 WHEREAS, HCD issued the NOFA for Homekey+ grant funds pursuant to Health and
22 Safety Code, Section 50675.1.3 (Assembly Bill No. 140 (2021-2022 Reg. Sess.), Section 20.),
23 Health and Safety Code, Section 50675.1.5 (Assembly Bill No. 531 (2023-2024 Reg. Sess.),
24 Section 14184.402 of the Welfare and Institutions Code, Section 5891.5 of the Welfare and
25 Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance and Prevention

1 (HHAP) grant program (Assembly Bill No. 129 (Chapter 40, Statutes 2023) and Assembly Bill
2 No. 166 (Chapter 48, Statutes 2024), respectively; and

3 WHEREAS, HCD is authorized to administer Homekey+ pursuant to the Multifamily
4 Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of
5 the Health and Safety Code); and

6 WHEREAS, Such Homekey+ grants are comprised of Proposition 1 bond funds
7 established by the BHIBA (AB 531, Chapter 789, Statutes of 2023) and the Homeless
8 Housing Assistance, and Prevention (“HHAP”) Homekey+ Supplemental funding, made
9 available in the 2023-24 and 2024-25 state budgets; and

10 WHEREAS, According to San Francisco’s 2024 Point in Time Count (“PIT Count”)
11 there were 755 veterans experiencing homelessness in San Francisco, 633 of whom were
12 unsheltered; and

13 WHEREAS, Swords to Plowshares: Veterans Rights Organization, a California
14 nonprofit public benefit corporation (“Swords to Plowshares”), has been providing direct
15 services to veterans experiencing homelessness in the Bay Area since 1974, and Swords
16 to Plowshares has formed 1035Vets LLC, a California limited liability company (“1035Vets
17 LLC”); and

18 WHEREAS, On May 9, 2025, the Board of Supervisors adopted Resolution No. 221-
19 25, authorizing HSH on behalf of the City to jointly apply with 1035Vets LLC and Swords to
20 Plowshares as co-applicants for Homekey+ grant funds for the real property located at 1035
21 Van Ness Avenue, Assessor Parcel Block No. 0714, Lot No. 028 (the “Property”), to be used
22 as 124 units of permanent supportive housing (“PSH”) for formerly homeless households or
23 households at risk of homelessness, with priority for veterans (the “Project”); and

24
25

1 WHEREAS, On May 30, 2025, HSH and 1035Vets LLC submitted to HCD an
2 application for Homekey+ grant funding for the Project (“Application”), a copy of the
3 Application is on file with the Clerk in File No. 251108; and

4 WHEREAS, On July 9, 2025, 1035Vets LLC acquired the Property for \$27,750,000 and
5 has commenced predevelopment activities for the Project by obtaining short-term financing
6 from the San Francisco Housing Accelerator Fund (“Acquisition Loan”); and

7 WHEREAS, The Property includes a nine-story vacant building that was a former
8 assisted living facility, which 1035Vets LLC intends to rehabilitate to provide a total of 124
9 units of PSH for formerly homeless veterans; and

10 WHEREAS, In an award letter dated September 19, 2025, HCD approved the
11 Application in an amount not to exceed \$39,044,030 (“Award Letter”), which includes up to
12 \$36,044,030 to be disbursed by HCD as a grant to 1035Vets LLC, to repay the Acquisition
13 Loan and support the operating costs of the Project, and \$3,000,000 to be disbursed by HCD
14 as a grant to the City for rehabilitation of the Property, subject to the terms and conditions of
15 the Application, the NOFA, Project Report and the form of HCD-approved STD213, Standard
16 Agreement (“Standard Agreement”), and the Grant Budget; copies of the Award Letter,
17 Project Report, Grant Budget, and Standard Agreement are on file with the Clerk in File
18 No. 251108; and

19 WHEREAS, Receipt of these Homekey+ funds for the Project requires a City
20 commitment of up to \$8,000,000 in matching funds for rehabilitation of the Property and a
21 minimum of 5 years of operating costs as reflected in the Application and Project Report; and

22 WHEREAS, The Project will be restricted as PSH for formerly homeless households or
23 households at risk of homelessness, with priority for veterans, under the Mayor’s Office of
24 Housing and Community Development’s (“MOHCD”) Declaration of Restrictions and
25

1 Affordable Housing Covenants (“Declaration”), substantially in the form on file with Clerk in
2 File No. 251108; and

3 WHEREAS, Swords to Plowshares and 1035Vets LLC will have the obligation to
4 provide PSH for formerly homeless veterans under the Standard Agreement and Declaration,
5 1035Vets LLC will have the obligation and liability for the ownership and operations of the
6 Project, and 1035Vets LLC will have the obligation to hold insurance and indemnify, defend,
7 and hold harmless the City arising from the Project as a condition of receiving funds from the
8 City; and

9 WHEREAS, The Planning Department, by letter dated June 11, 2025, (“Planning
10 Letter”) has determined that the rehabilitation of the Project is eligible for ministerial project
11 approval, and is consistent, on balance, with the General Plan, and the eight priority policies
12 of Planning Code, Section 101.1 (“General Plan Findings”), and a copy of which is on file with
13 the Clerk in File No. 251108; and

14 WHEREAS, The Homekey+ grant does not include any provision for indirect costs; and

15 WHEREAS, The Homekey+ grant does not create any new positions, and does not
16 require an amendment to the Annual Salary Ordinance; and

17 WHEREAS, The San Francisco Charter, Section 9.118 requires contracts entered into
18 by a Department having anticipated revenue to the City of \$1,000,000 or more to be approved
19 by the Board of Supervisors; now, therefore, be it

20 RESOLVED, The Executive Director of HSH or their designee is hereby authorized, in
21 consultation with the City Attorney, to enter into, execute, and deliver, on behalf of the City
22 and County of San Francisco, a Standard Agreement for a total amount not to exceed
23 \$39,044,030, and any and all other documents required or deemed necessary or appropriate
24 to secure the Homekey+ grant funds from HCD and to participate in Homekey+, and all
25 amendments thereto (collectively, the “Homekey+ Documents”); and, be it

1 FURTHER RESOLVED, HSH is hereby authorized, on behalf of the City, to accept and
2 expend up to \$3,000,000 of Homekey+ grant funds to fund a portion of the rehabilitation of the
3 Property; and, be it

4 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
5 indirect costs in the Homekey+ grant budget; and, be it

6 FURTHER RESOLVED, HSH will ensure that all such funds are used in a manner
7 consistent and in compliance with all applicable state and federal statutes, rules, regulations,
8 and laws, including without limitation all rules and laws regarding Project Homekey+, as well
9 as any and all contracts HSH may have with HCD; and, be it

10 FURTHER RESOLVED, HSH is hereby authorized and directed to ensure that the
11 City's portion of grant funds awarded for capital expenditures for the Property are expended
12 pursuant to the terms of the Standard Agreement and Homekey+ program; and, be it

13 FURTHER RESOLVED, The City acknowledges and agrees that it shall be subject to
14 the terms and conditions specified in the Standard Agreement, which includes a City
15 commitment of up to \$8,000,000 in matching funds for rehabilitation of the Property and a
16 minimum of 5 years of operating costs, and that the NOFA and the Application will be
17 incorporated into the Standard Agreement by reference and made a part thereof; any and all
18 activities, expenditures, information and timelines represented in the Application are
19 enforceable through the Standard Agreement; funds are to be used for the allowable
20 expenditures and activities identified in the Standard Agreement; and, be it

21 FURTHER RESOLVED, The Board of Supervisors specifically authorizes the City to
22 assume any joint and several liability for expenditure of the Homekey+ grant required by the
23 terms of the Standard Agreement under the Homekey+ Program; and, be it

24 FURTHER RESOLVED, The Executive Director of HSH or their designee is authorized
25 to enter into any additions, amendments, or other modifications to the Standard Agreement

1 and the Homekey+ Documents that they determine, following consultation with the City
2 Attorney, are in the best interests of the City and that do not materially increase the
3 obligations or liabilities of the City or materially decrease the benefits to the City; and, be it
4 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
5 heretofore taken are ratified, approved, and confirmed by this Board of Supervisors; and, be it
6 FURTHER RESOLVED, This Board affirms the Planning Department's General Plan
7 Findings, for the same reasons as set forth in the Planning Letter, and hereby incorporates
8 such findings by reference as though fully set forth in this Resolution; and, be it
9 FURTHER RESOLVED, That within thirty days of the execution of the Standard
10 Agreement by all parties, HSH shall provide the Standard Agreement to the Clerk of the Board
11 for inclusion into the official file.

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3 RECOMMENDED:

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5 _____ /s/ _____
6 Gigi Whitley

7 Homelessness and Supportive Housing
8 Chief of Finance and Administration

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12 Approved: __/s/ __Jocelyn Quintos for _____
13 Controller's Office

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17 Approved: __/s/ Sophia Kittler for _____
18 Mayor's Office

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Items 5 & 6 Files 25-1108, 25-1147	Department: Department of Homelessness and Supportive Housing (HSH), Mayor's Office of Housing and Community Development (MOHCD)
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EXECUTIVE SUMMARY**Legislative Objectives**

- **File 25-1108** is a resolution that would authorize the Department of Homelessness and Supportive Housing (HSH) to execute a Standard Agreement with the California Department of Housing and Community Development (HCD) for an amount not to exceed \$39,044,030 for the acquisition, rehabilitation, and support of operating costs for property at 1035 Van Ness Avenue, and authorizing the City to commit up to \$8,000,000 in matching funds.
- **File 25-1147** is a resolution approving and authorizing a Loan and Grant Agreement in an amount not to exceed \$11,000,000, consisting of a loan in the amount of \$8,000,000 for a minimum term of 55 years and a grant in the amount of \$3,000,000 for the rehabilitation 1035 Van Ness into 124 units of permanent supportive housing for homeless veterans.

Key Points

- In 2025, the owner of 1035 Van Ness Avenue declared bankruptcy and HSH and the Mayor's Office of Housing and Community Development (MOHCD) selected Swords to Plowshares to purchase the property and develop it into permanent supportive housing for homeless veterans. In May 2025, the Citywide Affordable Housing Loan Committee approved a gap financing commitment for Swords to Plowshares to acquire and develop the property. In September 2025, HCD awarded the City a Homekey+ grant in the amount of \$39,044,030, of which \$32,800,000 is for the acquisition and rehabilitation of the property and \$6,244,030 is an operating subsidy.
- After restoring 15 units that had been removed by the previous owner and constructing two accessory dwelling units, the building would consist of 124 units. Units would be restricted to veterans earning below 30 percent of median income.

Fiscal Impact

- The total development cost is approximately \$334,278 per unit, of which the City subsidy is approximately \$64,516 per unit. According to the 20-year cash flow analysis of the project, the project's revenues are sufficient to cover operating costs and reserves and repay approximately \$8.1 million of the City loan over the first 20 years of operations.

Policy Consideration

- Unlike many other affordable housing and supportive housing projects to which the City has provided funding, the City will not own the land or structures at 1035 Van Ness. MOHCD and the project sponsor will enter into a purchase option agreement, which provides the City right of first refusal if the property is for sale.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT

City Administrative Code Section 10.170-1 states that accepting federal, state, or third-party grant funds in the amount of \$100,000 or more, including any City matching funds required by the grant, is subject to Board of Supervisors approval.

City Charter Section 9.118(a) states that contracts entered into by a department, board, or commission that (i) have anticipated revenues of \$1 million or more, or (ii) have anticipated revenues of \$1 million or more and require modifications, are subject to Board of Supervisors approval.

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

1035 Van Ness Avenue was developed in 2004 as the San Francisco Care Center, an assisted living facility with 122 units. In January 2025, the building owner declared bankruptcy and liquidated the property, which was purchased by the Housing Accelerator Fund in anticipation of permanent financing from the City. The Department of Homelessness and Supportive Housing (HSH) and Mayor's Office of Housing and Community Development (MOHCD) selected Swords to Plowshares to purchase the property and develop it into permanent supportive housing for homeless veterans.¹ The City decided to use the property for veterans' housing in conjunction with closing of different PSH sites for veterans operated by Swords that has struggled with high vacancies. In April 2025, the seller accepted an offer from the San Francisco Housing Accelerator Fund to purchase the property for \$27,750,000. According to Omar Masry, MOHCD Multi-Family Lending Project Manager, this ownership model was chosen because it was faster than City acquisition and time constraints associated with bankruptcy proceedings.

In May 2025, the Citywide Affordable Housing Loan Committee (Loan Committee) approved a preliminary gap commitment for Swords to Plowshares to acquire and develop the property with two financing options: (1) a combination of \$8,000,000 in City funds combined with a Homekey+ grant from the California Department of Housing and Community Development (HCD), or (2) \$30,000,000 from the City's Preservation and Seismic Safety (PASS) bond program.² In May 2025, the Board of Supervisors approved and authorized HSH to apply for a Homekey+ grant in an amount not to exceed the greater of \$37,500,000 or the maximum award available (File 25-0937). In September 2025, HCD awarded the City a Homekey+ grant in the amount of \$39,044,030, of which \$32,800,000 is for the acquisition and rehabilitation of the property and \$6,244,030 is an

¹ HSH and MOHCD selected Swords to Plowshares under Administrative Code Section 21B, which authorizes HSH to enter into certain contracts for homeless services without competitive bidding.

² Homekey is a state grant program that provides funding for the acquisition and rehabilitation of hotels, motels, apartments, and other properties for use as permanent or interim homeless housing. Homekey+ is modeled on the Homekey program and uses Proposition 1 funding to provide permanent housing for individuals who are homeless or at risk of homelessness with behavioral health needs, including mental health and substance abuse challenges.

operating subsidy. In November 2025, the Loan Committee approved a Loan and Grant Agreement of up to \$11,000,000 for the property.

DETAILS OF PROPOSED LEGISLATION

File 25-1108 is a resolution that would:

1. Authorize HSH to execute a Standard Agreement with HCD and co-applicants Swords to Plowshares and 1035Vets LLC (an affiliate of Swords to Plowshares) for a total award not to exceed \$39,044,030 under the Homekey+ program, including up to \$36,044,030 disbursed to 1035Vets LLC for acquisition of 1035 Van Ness and support of operating costs, and \$3,000,000 disbursed to the City for rehabilitation of the property;
2. Accept and expend up to \$3,000,000 from the City's portion of Homekey+ for the rehabilitation of the property;
3. Approve and authorize the City to commit up to \$8,000,000 in required matching funds for rehabilitation of the property and a minimum of five years of operating subsidy, in addition to committing up to 15 years of operating subsidies through the City's Local Operating Subsidy Program (LOSP) subject to budget appropriations;
4. Authorize the City to assume any joint and several liability for expenditure of the Homekey+ grant under the Standard Agreement;
5. Adopt the Planning Department's findings of consistency with the General Plan and Planning Code; and
6. Authorize HSH to enter into any further immaterial amendments to the Standard Agreement and Homekey+ documents.

File 25-1147 is a resolution that would:

1. Approve a Loan and Grant Agreement in an amount not to exceed \$11,000,000 with 1035Vets LLC for the purpose of rehabilitating the 1035 Van Ness property, consisting of a City loan in the amount of \$8,000,000 for a minimum term of 55 years and a City-administered grant of HCD Capital Funds in the amount of \$3,000,000;
2. Adopt findings that the project and proposed transactions are consistent with the General Plan and Planning Code;
3. Authorize the Mayor and MOHCD Director to execute the Loan and Grant Agreement, make certain modifications, and take certain actions in furtherance of the resolution; and
4. Authorize the MOHCD Director to make further immaterial amendments to the Loan and Grant Agreement.

Building Description and Rehabilitation

1035 Van Ness is a vacant, 9-story assisted living facility consisting of 122 units, 35 parking spaces, ground floor reception and commercial space, and shared outdoor space. The previous owner removed 15 residential units, which subjected the building to code violations from the

Department of Building Inspection (DBI). The purchase price of \$27,750,000 was consistent with an appraisal conducted by Colliers International in April 2025.

An MOHCD loan evaluation to the Loan Committee in May 2025 noted that the building is generally in good condition. The scope of rehabilitation had originally included restoring 15 units that were removed or modified without permits, adding two accessory dwelling units, converting units with half bathrooms into full bathrooms, adding or enlarging in-unit kitchenettes, creating a mail room on the ground floor, converting retail spaces into office spaces, and adding laundry machines on each floor. The estimated cost, including overhead and contingencies, was approximately \$6.5 million. This cost has since increased to approximately \$8.6 million due to refinements and expanding the scope with remodeling the 1st floor mailroom and 5th floor offices, exterior painting, repairing stucco cracks, and replacing failing air conditioning units. If unspent contingency funds are available, they would be used to replace rooftop mechanical equipment, exhaust fans, and air handling equipment.

MOHCD anticipates that construction would begin in January 2026 and would achieve substantial completion by July 2026. Upon completion, up to 108 tenants would be relocated from another PSH site, and HSH would terminate that lease. The remaining units would be leased through HSH's Coordinated Entry system or the U.S. Department of Veterans Affairs (VA). The project budget does not include funding for tenant relocation. Swords to Plowshares will seek VA funding for relocation costs.

Homekey+ Agreement

The proposed Standard Agreement for Homekey+ funds requires that the funding be used for permanent supportive housing or interim housing costs for people at risk of homelessness and with serious mental illness and that rents are no more than 30 percent of HCD median income. The agreement has a 15-year term but requires the proposed revenues to be spent by the City by deadlines that will be confirmed by HCD (anticipated to be February 2027 for capital funds and February 2037 for operating funds) and that the property remain income restricted housing for at least 55 years. The agreement requires the City to provide at least \$8 million in matching funds, which will be met with Proposition C funds.³

Loan and Grant Agreement

Under the proposed Loan and Grant Agreement, the City would provide 1035Vets LLC a loan of \$8,000,000 and grant of \$3,000,000. Key terms of the Loan and Grant Agreement are shown in Exhibit 1 below.

³ Proposition C, passed by San Francisco voters in November 2018, is a gross receipts tax to fund homeless services and housing.

Exhibit 1: Key Terms of Loan and Grant Agreement

Loan	
Loan Amount	\$8,000,000
Loan Term	55 Years
Interest Rate	0%
Repayment	Annual payments, equal to 2/3 of residual receipts
Grant	
Grant Amount	\$3,000,000
Grant Term	55 Years
Repayment	N/A
Units and Affordability	
Units	66 Studio Units and 58 SRO Units
Affordability Level	Units restricted to tenants under 30% of Median Income (May be increased to 50% of Median Income if the operator is unable to find tenants at the lower income level)

Source: Proposed Loan and Grant Agreement, Declaration of Restrictions, Promissory Note

Loan Documents

The proposed resolution also approves the following loan documents:

- The form of the Declaration of Restrictions, which requires the project sponsor to maintain the housing affordability levels defined in the loan agreement for at least 55 years;
- The Secured Promissory Note for the loan;
- The Deed of Trust, which secures the loan and project proceeds in favor of the City; and
- A 99-year Purchase Option Agreement, which allows the City first right of refusal if the property is for sale. The purchase price would be fair market value net of outstanding City loans on the property.

Sponsor Capacity for Project Development

According to a May 2025 memo to the Loan Committee, Swords to Plowshares is currently in the process of managing the acquisition and rehabilitation of 629 Post Street, a \$30 million project of 63 units of permanent and transitional housing for homeless veterans. The property was acquired in 2023 for \$17 million with an MOHCD loan. Construction is anticipated to begin in Summer 2026 and to be completed by September 2027. Swords to Plowshares also operates the Stanford Hotel at 250 Kearny Street. Because of Swords to Plowshares' modest experience in property ownership, MOHCD has recommended that staff take asset management and technical assistance courses from the Corporation for Supportive Housing, a national organization that offers these courses for supportive housing providers.

Performance and Fiscal Monitoring

HSH conducted FY 2023-24 performance monitoring of Swords to Plowshares' programs at the Stanford Hotel and identified 18 findings.⁴ FY 2023-24 monitoring did not include service and outcome objective metrics because of an HSH administrative error with the CARBON reporting system. HSH is planning a site visit in December 2025 to determine if Swords to Plowshares is in conformance with corrective actions. HSH has not completed FY 2024-25 program monitoring, but preliminary data shows that Swords to Plowshares has met all contracted service and outcome objectives.

Staff from the Office of Economic and Workforce Development reviewed Swords to Plowshares' financial documents as part of the FY 2023-24 Citywide Fiscal and Compliance Monitoring Program and identified no findings. Swords to Plowshares met all the requirements to receive a one-year waiver from the program in FY 2024-25.⁵

FISCAL IMPACT

Under the proposed Loan and Grant Agreement, the city would provide 1035Vets LLC a loan of \$8,000,000 and grant of \$3,000,000. The City would also accept a Homekey+ grant from HCD, which would provide up to \$36,044,030 disbursed to 1035Vets LLC for acquisition of 1035 Van Ness from the Housing Accelerator Fund and support of operating costs, and \$3,000,000 disbursed to the City for rehabilitation of the property. The sources and uses of funds for capital expenses are shown in Exhibit 2 below.

Exhibit 2: Sources and Uses of Capital Funds

Sources	Amount
MOHCD Loan	\$8,000,000
Homekey+ Grant	32,800,000
Swords to Plowshares Capital/Fundraising	650,482
Total Sources	\$41,450,482

⁴ The findings were: (1) no evidence of tenant assessment information, (2) no evidence property management tenant correspondences are shared with support services, (3) grantee provided a list of trainings, but it was incomplete, (4) grantee did not provide an overdose prevention policy, (5) grantee did not provide evidence of MOUs, (6) grantee provided incomplete tenant satisfaction surveys, (7) no evidence that program materials are accessible to persons with disabilities, (8) HIPAA privacy rights were not publicly displayed, (9) no evidence of written materials translated in applicable languages, (10) conflicting responses to how service delivery and activities respect the backgrounds and interests of clients served, (11) no evidence of a policy regarding how clients will be outreached to for engagement in services, (12) grantee provided a link to staff job descriptions via email but documents did not open, (13) grantee provided org chart but difficult to comprehend, (14) grantee provided a list of staff training but was missing a training log of staff attendance, (15) grantee did not meet objectives every month for service and outcome objectives for the support services agreement, (16) service and outcome objectives for property management were not set up by HSH in CARBON, (17) grantee stated that they only submit critical incident reports when someone dies, and (18) none of the fire extinguishers were documented as being inspected.

⁵ The requirements for a waiver are: (1) the contractor had no significant findings from the prior year; (2) the contractor had no major areas of concern identified by funding departments; (3) the contractor had at least two years of City funding; (4) the contractor has had an expanded monitoring within the last four years; and (5) the contractor does not receive funding from a source that mandates site visits.

Uses	Amount
Acquisition (Repayment of HAF Loan)	\$27,954,726
Construction Hard Costs (Includes 10% Contingency)	8,550,032
Soft Costs (Includes 6.6% Contingency)	2,891,991
Reserves	1,053,733
Developer Fees	1,000,000
Total Uses	\$41,450,482

Source: Proposed Grant and Loan Agreement

Construction costs include a 10 percent hard cost contingency and 6.6 percent soft cost contingency. Operating reserves total \$1,053,733, which is intended to partially cover four months of operating costs and services. Total costs include \$1,000,000 in developer fees and \$2,891,991 in soft costs.

The Homekey+ loan would also fund \$3,601,742 to replace aging boilers, water heaters, and roofing. This is characterized as an operating expenditure in the first year of operations, rather than as a capital expenditure.

Loan Funding Sources and City Subsidy

The proposed loan is funded by:

- \$5,912,794 from the 2020 Health and Recovery General Obligation Bond proceeds; and
- \$2,087,206 from Proposition C funds.

The City subsidy per unit is \$64,516, which is well below the cost of other projects. The total development cost per unit is \$334,278.

Operating Revenues and Expenditures

According to the 20-year cash flow analysis for the project, the project's revenues are sufficient to cover operating costs, reserves, and debt service (beginning in Year 6 of operations). Project revenues consist of tenant rents, Local Operating Subsidy Program (LOSP) rental assistance (for 58 units), and Veterans Administration Supportive Housing (VASH) vouchers (for 66 units). For the first five years of operations, rental assistance would be paid by the Homekey+ grant rather than LOSP payments. The budget assumes annual vacancy loss of five percent.

Over the initial 20 years, the project would generate positive cash flow of approximately \$12.1 million. Of this amount, approximately \$8.1 million would be used to repay the MOHCD loan and \$4 million would be distributed to Swords to Plowshares. The budget does not include supportive services which would be funded under a separate HSH contract. According to Dylan Schneider, HSH Legislative Affairs Manager, the estimated initial cost to provide support services at 1035 Van Ness is approximately \$422,492, which would be funded by the City's General Fund.

Exceptions from MOHCD Guidelines

- The soft cost contingency of 6.6 percent is below the standard of 10 percent.

- The annual operating expense escalation is not based on historical averages, due to no historical actuals being available for full occupancy. The loan assumes 3.5 percent annual escalation, which is a standard amount.

POLICY CONSIDERATION

Unlike many other affordable housing and permanent supportive housing projects to which the City has provided funding, the City will not own the land or structures at 1035 Van Ness. This model is similar to preservation projects under the Small Sites Program. Approximately \$29.8 million of the Homekey+ grant will be disbursed directly to Swords to Plowshares so they can pay down the Housing Accelerator Fund acquisition loan. The property will then be owned by Swords to Plowshares. As noted above, the loan documents include a purchase option agreement that provides the City first right of refusal if the property is for sale.

RECOMMENDATION

Approve the proposed resolution.

File Number: 251108
(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: Homekey+ for 1035 Van Ness Avenue - \$39,044,030

2. Department: Department of Homelessness and Supportive Housing

3. Contact Person: Dylan Schneider **Telephone:** 628.652.7742

4. Grant Approval Status (check one):

Approved by funding agency Not yet approved

5. Amount of Grant Funding Approved or Applied for: Not to exceed \$39,044,030, \$3,000,000 of which will go to the City directly for project capital costs through a loan from the Mayor's Office of Housing and Community Development. The remaining award funds will be disbursed from the state directly to the co-applicant 1035Vets LLC for the site's acquisition costs and fund initial operating costs.

6. a. Matching Funds Required: \$8,000,000 for capital and 5 years of operating subsidies (\$2,945,544). The City is also committing to 15 years of operating subsidies through the City's Local Operating Subsidy Program (LOSP) (\$8,649,977) subject to budget appropriations.

b. Source(s) of matching funds (if applicable): Capital Sources: Our City, Our Homes Fund (Prop C Homeless Gross Receipts Tax Revenue) Adult Housing funds (\$2,087,206) and 2020 Health and Recovery General Obligation Bond Funds (\$5,912,794). Operating Subsidy Source: General Fund (LOSP Program)

7. a. Grant Source Agency: California Department of Housing and Community Development

b. Grant Pass-Through Agency (if applicable): N/A. State Homekey+ grant funds are comprised of State Proposition 1 bond funds and Homeless Housing Assistance, and Prevention (HHAP) funding.

8. Proposed Grant Project Summary: Homekey+ grant funds would be used by the co-applicant 1035 Vets LLC to pay off the site's acquisition loan (provided by the San Francisco Housing Accelerator Fund), supplement local funding to rehabilitate the property located at 1035 Van Ness and support with initial operations of the site. The Project has 124 units that would be used as permanent supportive housing for formerly homeless veterans. The Capital Award will be used to reimburse the ~\$29.8 million acquisition financing loan that supported Swords to Plowshares to acquire the Property in early 2025, and support rehabilitation and lease-up of the building, supplemented with an \$8 million loan from MOHCD. Based on the affordability restrictions, the Project will receive a 15-year Local Operating Subsidy Program (LOSP) Commitment for 58 units and 20-year operating subsidies for 66 Veterans Affairs Supportive Housing (VASH) vouchers.

9. Grant Project Schedule, as allowed in approval documents, or as proposed:

Capital Start-Date: Upon execution of the Standard Agreement

Capital End-Date: 60 days and 15 months from award letter issuance

Operating Start-Date: Upon project completion/time of occupancy unless HCD approvals earlier
disbursement

Operating End-Date: 10 years from date of full occupancy (Note: grant operating funds are not coming
to the City)

10. a. Amount budgeted for contractual services: \$3,000,000

b. Will contractual services be put out to bid? No

**c. If so, will contract services help to further the goals of the Department's Local Business
Enterprise (LBE) requirements?** No

d. Is this likely to be a one-time or ongoing request for contracting out? N/A

11. a. Does the budget include indirect costs?

[] Yes No

1. If yes, how much?

2. How was the amount calculated?

3. 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): Indirect costs would only be applied to the operating award which is not part
of the City's allocation.

c. 1. If no indirect costs are included, what would have been the indirect costs? N/A.

Indirect costs would only be applied to the operating award which is not part of the City's allocation.

12. Any other significant grant requirements or comments: Please find PeopleSoft Chart of Accounts
for the State the grant below.

State

Department ID: 203646

Fund ID: 12920 - SR Human Welfare-Grants Sta

Project ID: TBD – Homekey+ 1035 Van Ness

Activity ID: 1 – Capital Award

Authority ID: 10001 – Grants

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

Cody Eliff
(Name)

ADA Coordinator, Department of Homelessness and Supportive Housing
(Title)

Date Reviewed: 11/3/2025

Signed by:


Cody A Eliff
300292D16AFF490...

(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Gigi Whitley
(Name)

Chief of Finance and Administration
(Title)

Date Reviewed: 11/3/2025

DocuSigned by:

Gigi Whitley
967F7BF0D97A4C5...

(Signature Required)



Homekey+ - 1035 Van Ness Avenue Grant Budget
Contract No. 25 - HK+-18685

City and County of San Francisco - Allocation

SOURCES:	Grant	City Match	Total
HCD Homekey+ - Proposition 1 Bond Funds & Homeless Housing Assistance and Prevention (HHAP) funds	3,000,000		3,000,000
Our City, Our Home Fund (Prop C)		2,087,206	2,087,206
2020 Health & Recovery General Obligation Bond Funds		5,912,794	5,912,794
TOTAL SOURCES	3,000,000	8,000,000	11,000,000
USES:			
Capital Rehabilitation - Loan	3,000,000	8,000,000	11,000,000
TOTAL USES	3,000,000	8,000,000	11,000,000

Swords to Plowshares/1035Vets LLC - Allocation

SOURCES:	Grant	City Match	Total
HCD Homekey+ - Proposition 1 Bond Funds & Homeless Housing Assistance and Prevention (HHAP) funds	36,044,030		36,044,030
General Fund - 5 year commitment estimate		2,945,544	2,945,544
General Fund Local Operating Subsidy Program (LOSP) - 15 year commitment estimate		8,649,977	8,649,977
TOTAL SOURCES	36,044,030	11,595,521	47,639,551
USES:			
Capital - Acquisition (including principal & interest)	29,800,000		29,800,000
Operating Subsidy - Permanent Supportive Housing Operations	6,244,030	11,595,521	17,839,551
TOTAL USES	36,044,030	11,595,521	47,639,551

EXHIBIT A**AUTHORITY, PURPOSE AND SCOPE OF WORK****1. Authority**

California Assembly Bill No. 140 (Chapter 111, Statutes of 2021) (“**AB 140**”) and California Assembly Bill No. 531 (Chapter 789, Statutes of 2023) added section 50675.1.3 and 50675.1.5 to the Multifamily Housing Program (“**MHP**”) (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Health and Safety Code section 50675.1.3 and 50675.1.5 provide the statutory basis for the Homekey+ Program (“**Homekey+**” or “**Program**”). Health and Safety Code section 50675.1, subdivision (d) authorizes the Department of Housing and Community Development (“**Department**” or “**HCD**”) to administer MHP.

The Department issued a Homekey+ Program Notice of Funding Availability on November 26, 2024, which was subsequently amended January 31, 2025 and August 7, 2025. (the “**NOFA**”). The NOFA incorporates by reference the MHP, as well as the Multifamily Housing Program Final Guidelines, dated May 18, 2023 (“**MHP Guidelines**”), both as amended and in effect from time to time. The NOFA, further, incorporates by reference, the Uniform Multifamily Regulations (UMRs) (Cal. Code Regs., tit. 25, § 8300 et seq.), effective November 15, 2017, and as subsequently amended, except to the extent that any UMR provision would be inconsistent with the provisions of the NOFA.

Homekey+ grant funds are derived primarily from Proposition 1 bond funds established by the Behavioral Health Infrastructure Bond Act (BHIBA) (AB 531, Chapter 789, Statutes of 2023). Homekey+ funds are also derived from Assembly Bill 129 (Chapter 40, Statutes 2023) and Assembly Bill 166 (Chapter 48, Statutes 2024) or Round 5 and 6, respectively, of the Homeless Housing Assistance Prevention (HHAP). In accordance with HSC Section 50232, subdivision (h), the administration of HHAP 5 funds is not subject to the rulemaking provisions of the Administrative Procedure Act (APA) ((Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code)). In accordance with HSC Section 50239, subdivision (h), the administration of HHAP 6 funds is not subject to the rulemaking provisions of the APA.

This STD 213, Standard Agreement (“**Agreement**”) is entered under the authority and in furtherance of the Program. This Agreement is the result of an Application by the Grantee, as defined below, for funding under the Program (the “**Grant**”). As such, this Agreement shall be executed by the Grantee. Where the Grantee comprises a Public Entity or Tribal Entity, as defined below, and one or more additional entities, all entities shall execute the Agreement.

Homekey+ Program

NOFA Date: 11/26/2024; as amended 1/31/2025; 08/07/2025

Project Name:

Approved Date: 09/24/2025

Prep. Date: XX/XX/XXXX

EXHIBIT A

This Agreement hereby incorporates by reference the Application, as well as the project report prepared by the Department in reliance on the representations and descriptions included in that Application. This Agreement is governed by the following (collectively, the **“Program Requirements”**), and each of the following, as amended and in effect from time to time, is incorporated hereto as if set forth in full herein:

- A. AB 140;
- B. AB 531
- C. AB 129 and AB 166 (HHAP Homekey+ Supplemental funds)
- D. The above-referenced MHP statutory scheme;
- E. The NOFA;
- F. The MHP Guidelines;
- G. The UMRs;
- H. The award letter issued by the Department to the Grantee; and
- I. All other applicable law.

2. Purpose

The Homekey+ Program is intended to provide housing for individuals and families who have a Behavioral Health Challenge as defined in the California Welfare and Institutions Code Section 5965.02 to include but not be limited to a serious mental illness, as described in subdivision (c) or (d) of Welfare and Institutions Code (WIC) Section 14184.402, or a substance use disorder, as described in WIC Section 5891.5.

Enrollment in Medi-Cal or in any other health plan shall not be a condition for accessing housing or continuing to be housed. The Homekey+ program must serve those with a Behavioral Health Challenge and who are homeless or who are at risk of homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations. Funds in the NOFA allocated to Veterans units must also serve a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable and who is experiencing or at risk of homelessness as defined in Title 24 CFR Part 578.3

(“Target Population”).

Homekey+ Program

NOFA Date: 11/26/2024; as amended 1/31/2025; 08/07/2025

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Grantee applied to the Department for the Grant to conduct one or more of the activities outlined in Paragraph 4 below. By entering into this Agreement and thereby accepting the award of Program Grant funds, the Grantee agrees to comply with the Program Requirements and the terms and conditions of this Agreement.

3. Definitions

Any capitalized terms that are not defined below shall have the definitions set forth in the NOFA, the MHP statutes, and the MHP Guidelines. In the event of any conflict, the definitions in this Agreement and the NOFA are controlling.

- A. **"Affordability Covenant"** means the legally binding 55-year instrument which
 - (a) is recorded in first position against Project real property for the benefit of the state, regional, local, or Tribal Grantee; (b) imposes use, operation, occupancy, and affordability restrictions on the real property and improvements; and (c) duly names HCD as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, (d) incorporates the Homekey+ Program Requirements by reference, and (e) is otherwise in form and substance acceptable to HCD. Upon its execution, the Affordability Covenant shall be binding, effective, and enforceable against all successors, transferees, and assignees, in accordance with Section 208 of the NOFA, after a certificate of occupancy or its equivalent has been issued for the Project, or if no such certificate is issued, from the date of initial occupancy of the Project. Affordability Covenants on Tribal trust land are addressed separately under Section 208 of the NOFA.
- B. **"Application"** means the application for Grant funds that was submitted in response to the Homekey+ NOFA.
- C. **"Area Median Income"** or **"AMI"** means the most recent applicable county area median family income published by the California Tax Credit Allocation Committee (TCAC) or HCD.
- D. **"Assisted Unit"** means a Homekey+ funded residential dwelling unit in Permanent Supportive Housing (PSH) that is subject to rent, income, occupancy, and other restrictions in accordance with the Homekey+ Program Requirements. See also **"Youth Assisted Unit."**
- E. **"At Risk of Homelessness"** has the same meaning as defined in Title 24 Code of Federal Regulations Part 578.3.

Homekey+ Program

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- F. **"Award"** means the portion of program funds available for a Grantee to expend toward the Homekey+ program Eligible Uses.
- G. **"Behavioral Health Challenge"** has the same meaning as defined in NOFA Article VII. Definitions Section (vii.).
- H. **"Capital Award"** means the portion of the Award available for a Grantee to expend toward Project acquisition, any needed Rehabilitation, new construction, master leasing, and affordability covenant costs.
- I. **"Case Manager"** is a social worker or other qualified person who has or is supervised by a person with a relevant master's degree. At its sole discretion, the Department may approve Supportive Service plans where Case Managers cannot be supervised by a person with a master's degree. A Case Manager facilitates individualized service planning, and the assessment, coordination, monitoring, referral, and advocacy of services to meet tenants' Supportive Services needs, including, but not limited to, access to medical and mental health services, substance use disorder treatment and services, vocational training, employment, home and community-based services and crisis management and interventions. Resident service coordinators are not Case Managers. For Homekey+ tenants who are also HUD-VASH program participants, the Case Manager for services will be the applicable U.S. Department of Veterans Affairs (VA) Case Manager (or third-party provider selected by the VA), in accordance with the HUD-VASH Program.
- J. **"Chronically Homeless"** means a person who is chronically homeless, as defined in Title 24 Code of Federal Regulations Part 578.3.
- K. **"City"** means a City or City and County that is legally incorporated to provide local government services to its population. A City can be organized either under the general laws of this state or under a charter adopted by the local voters.
- L. **"Co-Applicant"** means the nonprofit corporation, for-profit corporation, limited liability company (LLC), and/or limited partnership (LP) that is jointly applying for Homekey+ funds with a state, regional, or Local Public Entity, or with a Tribal Entity.
- M. **"Conditional Award Letter" or "Conditional Award Commitment and Acceptance of Terms and Conditions letter"** means a letter specifying the portion of program funds available for a Grantee to expend toward eligible program uses once the Grantee has acknowledged and fulfilled the terms and conditions.

Homekey+ Program

NOFA Date: 11/26/2024; as amended 1/31/2025; 08/07/2025

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Approved Date: 09/24/2025

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- N. **"Continuum of Care"** means the same as defined by Title 24 CFR Part 578.3.
- O. **"Coordinated Entry System"** means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program tenant intake, assessment, and provision of referrals. To satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.
- P. **"Date of Award"** means the date of the Conditional Award Commitment and Acceptance of Terms and Conditions letter issued from the Department to the Grantee.
- Q. **"Designated Payee"** means the Co-Grantee that will serve as the payee of the Program Grant funds. If applicable, the Designated Payee is identified at Exhibit E of this Agreement.
- R. **"Eligible Applicant"** means a City; county; a City and county; any other state, regional, and Local Public Entity, including a council of government, metropolitan planning organization, and regional transportation planning agency designated in Section 29532.1 of the Government Code; or a Tribal Entity(ies) as defined in this NOFA. For purposes of this definition, a "Local Public Entity" is further defined in accordance with HSC section 50079. As allowed or required by context, "Applicant" shall be interpreted to include any of the foregoing entities, as well as that entity's Co- Applicant. Upon receiving an Award of Homekey+ funds, the Eligible Applicant and any Co-Applicant(s) will, both individually and collectively, be referred to as the "Grantee" for purposes of the Homekey+ NOFA. Please see NOFA Section 200 for specific eligible applicant requirements for Homekey+ HHAP Supplemental Funds.
- S. **"Eligible Uses"** means the activities that may be funded by the Homekey+ Program Grant. Those activities are listed at Paragraph 4 below of this Agreement, and at Health and Safety Code section 50675.1.3, subdivision (a).
- T. **"Expenditure Deadline for Capital Funds"** means the date by which the capital Award must be fully expended, as noted in Exhibit E of this Agreement.
- U. **"Expenditure Deadline for Operating Funds"** means the date by which the operating Award must be fully expended, as noted in Exhibit E of this agreement.

Homekey+ Program

NOFA Date: 1/26/2024; as amended 1/31/2025; 08/07/2025

Project Name:

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- V. **“Foster Youth”** means a child or nonminor dependent, as defined by Section 475 of Title IV-E of the Social Security Act (42 U.S.C. Sec. 675(8)) and subdivision (v) of Section 11400 of the Welfare and Institutions Code, who has been removed from the custody of their parent, legal guardian, or Indian custodian pursuant to Section 361 or 726 of the Welfare and Institutions Code, and who has been ordered into any placement described in paragraphs (2) to (9), inclusive, of subdivision (e) of Section 361.2 of, or paragraph (4) of subdivision (a) of Section 727 of, the Welfare and Institutions Code.
- W. **“Grantee”** means the Eligible Applicant (and, if applicable, the Co-Applicant) that has been awarded funds under Homekey+, and that will be held responsible for compliance with and performance of all Homekey+ Program Requirements. The Grantee may comprise one or more entities, so long as the Grantee structure includes an “Eligible Applicant,” as that term is defined in this NOFA. All such entities shall, in their individual and collective capacity as the “Grantee,” be bound by the Homekey+ Standard Agreement and each and every one of the Homekey+ program terms, conditions, and requirements. On the STD 213 portion of this Agreement, the Grantee is identified as the Contractor.
- X. **“Homekey+ Program Requirements (or “Program Requirements”)**” means the following, all as amended and in effect from time to time:
- 1) the Homekey+ Program Notice of Funding Availability.
 - 2) Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code.
 - 3) the Grantee’s application for Homekey+ funding.
 - 4) the Project report prepared by HCD in reliance on the representations and descriptions included in the Grantee’s application for Homekey+ funding.
 - 5) the Conditional Award letter issued by HCD to the Grantee.
 - 6) the relevant STD 213, Standard Agreement for the Homekey+ funding; and,
 - 7) all other applicable law.
- Y. **“Homeless”** has the same meaning as defined in Title 24 CFR Part 578.3.

Homekey+ Program

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- Z. **“Homeless Youth”** means a child, a youth, or a current or former foster youth through the age of 25 who qualifies as “Homeless” under any of the relevant definitions set forth or identified in Title 24 Code of Federal Regulations Part 578.3.
- AA. **“Housing First”** has the same meaning as in Welfare and Institutions Code section 8255, including all the core components listed therein.
- BB. **“Lead Service Provider”** or **“LSP”** is the organization that has overall responsibility for the provisions of Supportive Services and implementation of the Supportive Services plan in the Project. The LSP may directly provide comprehensive case management services or contract with other agencies that provide services. For HUD-VASH tenants, the LSP will enable the applicable Veterans Affairs Case Manager to administer services in accordance with the HUD-VA Supportive Housing (VASH) Program.
- CC. **“Local Public Entity”** is defined at Health and Safety Code section 50079, and means any county, city, city and county, the duly constituted governing body of an Indian reservation or rancheria, tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5, redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24, and also includes any state agency, public district, or other political subdivision of the state, and any instrumentality thereof, that is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income. In addition, and in accord with this Health and Safety Code definition, the term **“Local Public Entity”** also includes two or more local public entities acting jointly.
- DD. **“Manager’s Unit”** is a unit in which the onsite manager of the Project resides. A Manager’s Unit will not be an Assisted Unit. Manager’s Units may be included for Homekey+ funding under the development budget; however, no Manager’s Unit may be included in funding requests for a Homekey+ operating award. Manager’s Units shall be restricted to households at or below 60% AMI.
- EE. **“Operating Award”** means the amount awarded by HCD to pay for the recurring expenses of the Project, such as utilities; maintenance; management fees; taxes; licenses; and Supportive Services costs, which may include staffing and service coordination. Operating Expenses do not include debt service or required reserve account deposits.

Homekey+ Program

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- FF. **"Operating Expenses"** means the amount approved by HCD that is necessary to pay for the recurring expenses of the Project, such as utilities; maintenance; management fees; taxes; licenses; and Supportive Services costs, which may include staffing and service coordination. Operating Expenses do not include debt service or required reserve account deposits.
- GG. **"Performance Milestones"** means the indicators and metrics of progress and performance that are identified as such at Exhibit E of this Agreement. Grantee's failure to satisfy any one of the Performance Milestones will constitute a breach of this Agreement and will entitle the Department to exercise all available remedies, including the recapture of disbursed Grant funds and the cancellation of this Agreement.
- HH. **"Performing Debt"** refers to non-government, long-term (or permanent) financing of a Project intended to generate a profit for a private or non-profit lender requiring ongoing mandatory debt service payments.
- II. **"Permanent Supportive Housing"** or **"PSH"** means housing with no limit on length of stay, that is occupied by the Target Population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community, as defined at California Government Code Section 65582 (g) , except that "Permanent Supportive Housing" shall include associated facilities if used to provide services to housing residents.
- JJ. **"Positive Youth Development"** or **"PYD"** is an intentional, prosocial approach that engages youth within their communities, schools, organizations, peer groups, and families in a manner that is productive and constructive; recognizes, utilizes, and enhances young people's strengths; and promotes positive outcomes for young people by providing opportunities, fostering positive relationships, and furnishing the support needed to build on their leadership strengths.
- KK. **"Project"** means a structure or set of structures with common financing, ownership, and management, which provides Permanent Supportive Housing for the Target Population, and which is subject to an appropriate Affordability Covenant in accordance with Section 208 of the NOFA.
- LL. **"Rehabilitation"** means repairs and improvements to a substandard residential structure necessary to make it meet Rehabilitation standards. As used in this section, "substandard residential structure" has the same meaning as the term "substandard building," as defined in HSC Section 17920.3. "Rehabilitation" also

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includes improvements and repairs made to a residential structure acquired for the purpose of preserving its affordability and use by the Target Population.

- MM. **“Secondary Tenant”** means 1) Veterans who are Homeless whose incomes are up to 50% AMI and are receiving income as a result of service-connected disability benefits, or 2) Veterans experiencing homelessness with an income of up to 60% AMI.
- NN. **“Scope of Work”** or **“Work”** means the work to be performed by the Grantee to accomplish the Program purpose.
- OO. **“Sponsor”** means the legal entity or combination of legal entities with continuing control of the Project. Where a Grantee is or will be organized as a limited partnership, Sponsor includes the general partner or general partners who have effective control over the operation of the partnership, or, if the general partner is controlled by another entity, the controlling entity. Sponsor does not include the seller of the property to be developed as the Project, unless the seller will retain control of the Project for the period of time necessary to ensure Project feasibility as determined by the Department.
- PP. **“Standard Agreement”** means the STD 213, STD 215, all exhibits attached thereby and any and all amendments thereto.
- QQ. **“Supportive Services”** means social, health, educational, income support, employment, and housing stability services and benefits; coordination of community building and educational activities; individualized needs assessment and case management; and individualized assistance with obtaining services and benefits.
- RR. **“Target Population”** means individuals, or households with an individual, who are experiencing homelessness or who are At Risk of Homelessness as defined under part 578.3 of Title 24 of the Code of Federal Regulations and who have or are suspected of having a Behavioral Health Challenge. These individuals and households must include a person described in Welfare and Institutions Code (WIC) subdivision (c) or (d) of Section 14184.402, or a person with a substance use disorder, as described in Section 5891.5. However, enrollment in Medi-Cal or in any other health plan shall not be a condition for accessing housing or continuing to be housed. For Veteran-serving Projects the Target Population also includes Veterans.
- SS. **“TCAC”** means the California Tax Credit Allocation Committee.

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TT. **“Tribal Entity(ies)”** means an entity that meets any of the following criteria:

- 1) Meets the definition of Indian tribe under section 4103(13)(B) of title 25 of the United States Code;
- 2) Meets the definition of Tribally Designated Housing Entity under section 4103(22) of title 25 of the United States Code;
- 3) Is not a federally recognized tribe, but is either:
 - a) Listed in the petitioner list of the Office of Federal Acknowledgment (OFA) within the Office of the Assistant Secretary – Indian Affairs of the Department of the Interior pursuant to Part 82.1 of Title 25 of the Code of Federal Regulations; or
 - b) Is an Indian tribe located in the State of California and identified on the contact list maintained by the Native American Heritage Commission for the purpose of consultation pursuant to Government Code section 65352.3.

UU. **“Veteran”** means a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable and who is experiencing or at risk of homelessness as defined in Title 24 CFR Part 578.3.

VV. **“Youth Assisted Unit”** means an Assisted Unit serving Homeless Youth or Youth at Risk of Homelessness. See also **“Assisted Unit.”**

WW. **“Youth at Risk of Homelessness”** means a child, a youth, or a current or former foster youth through the age of 25 who qualifies as “at risk of homelessness” or “homeless” under any of the relevant definitions set forth or identified at Part 578.3 of Title 24 of the Code of Federal Regulations.

4. Eligible Uses

Grantee shall apply the Awards to one or more of the following uses. All costs in connection with such Eligible Uses must be incurred on or after March 5, 2024, by the Expenditure Deadline for Capital Funds, and by the Expenditure Deadline for Operating Funds, respectively and as applicable. Grantee’s use of the funds and scope of work (**“Scope of Work”** or **“Work”**) are specified at Exhibit E of this Agreement.

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- A. Acquisition or rehabilitation, or acquisition and rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to Permanent Supportive Housing (PSH).
- B. Master leasing of properties for PSH.
- C. Conversion of units from nonresidential to residential PSH (i.e. adaptive reuse)
- D. Conversion of Interim Housing to PSH (as described in NOFA Section 502)
- E. New construction of dwelling units as described in NOFA Section 201 and 501.
- F. Gap financing as defined in NOFA Section 502.
- G. The purchase of affordability covenants and restrictions for units.
- H. Relocation costs for individuals who are being displaced as a result of the Homekey+ Project.
- I. Capitalized operating subsidies for PSH units purchased, converted, or altered with Homekey+ Grant funds provided pursuant to Health and Safety Code section 50675.1.3.

5. Rent Standards

- A. Permanent Supportive Housing. Rent limits for initial occupancy, and for each subsequent occupancy, of an Assisted Unit shall not exceed 30 percent of that Assisted Unit's designated income-eligibility level with exceptions as noted below for Veteran Units.
- B. Veteran Units may also be subject to the Department's Secondary Tenant policy, which determines that if units cannot be filled with Veterans at or below 30% AMI, Secondary Tenants can be housed. Rents for any redesignated units are determined by income that corresponds to the Secondary Tenant's household income.

6. Program Deadlines

- A. All Program deadlines begin 60 days after the Homekey+ Conditional Award letter date. HCD may, in its sole and absolute discretion, approve an extension of

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the acquisition, Rehabilitation, construction, and/or occupancy deadlines if the Grantee demonstrates, to HCD's satisfaction, that the relevant delay is caused by reasonably unforeseeable events, conditions, or circumstances. Construction labor shortages and supply chain issues do not constitute reasonably unforeseeable events, conditions, or circumstances for purposes of an extension request. Extension requests shall be submitted in electronic format on a form provided by HCD.

- B. HCD may reimburse eligible costs incurred beginning on March 5, 2024, with the exception of operating costs.
- C. Project types in NOFA Section 201 are subject to the dates in the milestones listed in Exhibit E.

7. Performance Milestones

- A. Grantee shall complete each of the Performance Milestones set forth at Exhibit E of this Agreement by the date designated for such completion therein (each, a "**Milestone Completion Date**"). The Performance Milestones shall include, but not be limited to, any applicable Expenditure Deadline for Capital Funds, Expenditure Deadline for Operating Funds, or occupancy deadline.
- B. The Department may, in its sole and absolute discretion, approve an extension of the acquisition, rehabilitation, construction, and/or occupancy deadlines if the Grantee demonstrates, to the Department's satisfaction, that the relevant delay is caused by reasonably unforeseeable events, conditions, or circumstances.
- C. In no event will the Department approve an extension request in the absence of Grantee's demonstration of good cause for said extension, along with Grantee's reasonable assurances that the extension will not result in Grantee's failure to meet other Performance Milestones or any Expenditure Deadline under this Agreement. Construction labor shortages and supply chain issues do not constitute reasonably unforeseeable events, conditions, or circumstances for purposes of an extension request.
- D. The Department may, in its sole and absolute discretion, grant an extension of the Expenditure Deadline for Operating Funds for a total of up to 15 years from occupancy in accordance with NOFA section 204 (vi).

8. Reporting Requirements

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- A. Grantee shall submit an annual Homekey+ Program Report and Homekey+ Expenditure Report, and comply with all additional reporting requirements, as set forth and specified at Section 601 of the NOFA, all in accordance with the Milestone Completion Date(s) set forth at Exhibit E of this Agreement.
- B. After satisfaction of each Performance Milestone, the Grantee shall promptly report its progress, in writing, to the Department.
- C. Upon the Department's request and as specified, the Grantee shall provide progress reports in connection with the development plan and any updates to the timeline for completion of the Project. The development plan should include the Project's completion milestones and any updates or substantial changes.
- D. In addition, the Grantee shall submit to the Department such periodic reports, updates, and information as deemed necessary by the Department to monitor compliance and/or perform Program evaluation. Any requested data or information shall be submitted in electronic format on a form provided by the Department.

9. Department Contract Coordinator

The Department's Contract Coordinator for this Agreement is the Deputy Director of the Division of State Financial Assistance, or the Deputy Director's designee. Unless otherwise informed, Grantee shall mail any notice, report, or other communication required under this Agreement by First-Class Mail to the Department Contract Coordinator at the following address or email to MultifamilyGrants@hcd.ca.gov:

California Department of Housing and Community Development
Attention: Homekey+ Program
Multifamily Grant Management Branch
651 Bannon St, Suite 400, 95811
P. O. Box 952050
Sacramento, CA 94252-2050

10. Grantee Contract Coordinator

The Grantee Contract Coordinator for this Agreement may coordinate with the Multifamily Grant Management Branch Manager for the Homekey+ Program. Unless otherwise informed, the Department shall mail any notice, report, or other communication required under this Agreement by First-Class Mail, or through a

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commercial courier, to the Grantee Contract Coordinator at the address specified at Exhibit E of this Agreement.

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EXHIBIT B**BUDGET DETAIL AND PAYMENT PROVISIONS****1. Budget Detail**

The Award set forth in this Agreement has been made available to expend toward the Homekey+ Eligible Uses per the terms set forth herein. The Department has approved the additional funding commitments leveraged against the Homekey site as named in Exhibit E, Budget Detail. Any new sources encumbered against the project site after the execution of this agreement must receive prior written approval by HCD and must, upon recordation, subordinate to the Homekey+ use restriction. Encumbrance of unapproved sources against the Homekey+ site and securing of any sources in a lien position superseding Homekey+ will constitute a breach of the Standard Agreement.

2. Conditions of Disbursement

For all project types, except New Construction Cost Containment (Section 501 of the NOFA) the Department will disburse the amount corresponding to the Grantee's request for funds after this Agreement has been fully executed and after the Department receives the Grantee's request for funds, with all required supporting documents appended thereto.

[HCD to delete this Paragraph if this is not a New Construction Project and if Section 501 of the NOFA does not apply]. For New Construction Cost Containment projects, the Department will disburse up to 80% of the Capital Award after Grantee has cleared all conditions of disbursement. The remaining 20% of the Award will be disbursed upon submission of the temporary certificate of occupancy (TCO).

The Grantee must open escrow prior to requesting Capital Award funds from the Department. The Department will disburse remaining award funds, including Operating Award funds, via check. The Grantee may only request Operating Award funds, if applicable, after providing confirmation that construction and/or Rehabilitation on the Project is completed, and the Project is ready to occupy. HCD reserves the right to disburse funds prior to construction completion if the Grantee sufficiently demonstrates need for Homekey+ operational funds prior to construction completion.

The Grantee shall append the following supporting documents to the request for funds, all in form and substance acceptable to the Department:

- A. Wire Instructions, including the name and address of the escrow company, the name of the escrow officer, and the escrow number in a form provided by the Department.

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- B. An Affordability Covenant must be submitted to the Department for review prior to the close of escrow and approved by the Department, in its sole and reasonable discretion, for recordation at the close of escrow;
- C. Payee Data Record (STD 204) or Government Agency Taxpayer ID Form, as applicable;
- D. An authorizing resolution or set of authorizing resolutions that, in the Department's reasonable determination, materially comports with the Program Requirements (if the Grantee has not already submitted same);
- E. Documentary evidence of any eligible costs incurred on or after March 5, 2024 and before the execution of this Agreement;
- F. Certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law; or for Tribal Grantees, a Tribal Wage Determination; the Grantee cannot request funds for rehabilitation or construction until they have provided a certification of compliance with prevailing wage laws signed by the Grantee and their selected general contractor, as detailed in Section 509 of the NOFA;
- G. A copy of the Department-approved relocation plan for the Project, or a copy of a Department-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement which has been duly executed by the Grantee and approved by the Department;
- H. Evidence of the insurance coverages required under the Program NOFA Section 606 and/or a written acknowledgment of self-insured status;
- I. A current title report (dated within 15 days of the request for funds); or for tribal trust land, a title status report ("TSR") or an attorney's opinion regarding chain of title and current title status; if there are any items to be cleared, paid off, or subordinated, the Department will require that all findings be resolved in escrow;
- J. Any forms, certifications, environmental clearances, NEPA, or documentation required pursuant to Paragraph 1. F – Additional Conditions Precedent to Disbursement listed in Exhibit E of this Agreement; and

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- K. Any other forms, certifications, or documentation deemed necessary by the Department prior to disbursement of Grant funds.

3. Performance

- A. After disbursement of the funds, the Grantee shall meet each Performance Milestone set forth at Exhibit E by the relevant Milestone Completion Date. After satisfaction of each Performance Milestone, the Grantee shall promptly report its progress, in writing, to the Department. Grantee may apply to the Department for an extension of a Milestone Completion Date as allowed by the NOFA and this Agreement.
- B. FAILURE TO SATISFY ANY ONE OF THE PERFORMANCE MILESTONES WILL CONSTITUTE A BREACH OF THIS AGREEMENT AND ENTITLES THE DEPARTMENT TO MANDATE THE GRANTEE TO RETURN TO THE DEPARTMENT ANY FUNDS DISBURSED; IN ANY SUCH INSTANCE, THE DEPARTMENT MAY ALSO CANCEL THIS AGREEMENT WITHOUT OWING ANY DAMAGES OR OTHER PAYMENT TO GRANTEE.

4. Fiscal Administration

- A. All Capital Award funds must be wired to an escrow company licensed to do business in the State of California and in good standing.
- B. Any Capital Award funds that have not been expended by the Expenditure Deadline for Capital Funds must be returned to the Department with accrued interest. Any Operating Award funds that have not been expended by the Expenditure Deadline for Operating Funds must be returned to the Department with accrued interest. Checks shall be made payable to the Department of Housing and Community Development and shall be mailed to the Department at the address below, no later than thirty (30) calendar days after the applicable Expenditure Deadline.

Department of Housing and Community Development
Accounting Division
651 Bannon Street, Suite 400
Sacramento, California 95811

5. Supplantation of Funds

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Grantee may not use Homekey+ funding to supplant performing debt or existing funds that have already been funded or awarded through other permanent sources, including HCD sources. Expenses that have been or will be reimbursed under any permanent public program funds are not eligible uses of Homekey+ funding, with the exception of any Homekey+ funds Awarded for reimbursement dating back to March 5, 2024.

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EXHIBIT D**HOMEKEY+ GENERAL TERMS AND CONDITIONS****1. Effective Date, Term of Agreement, Timing, and Deadlines**

- A. This Agreement, when fully executed by the Department and the Grantee, is effective upon the date of the Department representative's signature on the STD 213, Standard Agreement (such date, the "**Effective Date**").
- B. This Agreement shall terminate fifteen (15) years [If gap financing, put twenty (20) years, delete these instructions] from the Effective Date, as stated in Section 2 of the STD 213, Standard Agreement (such date, the "**Expiration Date**").
- C. Grantee will receive the disbursement of Program funds after satisfying all conditions precedent to such disbursement, as set forth under Paragraph 2 of Exhibit B and, as necessary and applicable, under Section 4 – Additional Conditions Precedent to Disbursement of Exhibit E.
- D. Any expenses incurred prior to March 5, 2024, after the Expenditure Deadline for Capital Funds, or after the Expenditure Deadline for Operating Funds, respectively and as applicable, are not eligible for payment under the Program, unless an alternate arrangement is legally permissible and has been approved by the Department in advance and in writing.
- E. Grant funds that have not been expended by the applicable Expenditure Deadlines shall revert to the Department in the absence of an alternate arrangement that has been approved by the Department in advance and in writing.

2. Termination for Cause

The Department may terminate this Agreement for cause at any time by giving at least fourteen (14) calendar days' advance written notice to the Grantee. Upon such termination, Grantee shall return any unexpended funds to the Department within thirty (30) calendar days of the date on the Department's written notice of termination, unless the Department has approved an alternate arrangement in advance and in writing, as provided below. Such termination will not limit any other remedies that may be available to the Department under this Agreement, at law, or in equity. Cause shall consist of Grantee's breach of, or failure to satisfy, any of the terms or conditions of this Agreement. Cause includes but is not limited to the following:

- A. Grantee's failure to satisfy the Performance Milestones, conditions precedent to disbursement, or to expend the Award, as specified.

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- B. Grantee's failure to timely satisfy each or any of the conditions set forth in these Homekey + General Terms and Conditions, the Project-Specific Provisions and Special Terms and Conditions set forth at Exhibit E of this Agreement (including any one of the Performance Milestones), or the award letter.
- C. Grantee's violation of any of the Program Requirements.
- D. The Department's determination of the following:
 - 1) Any material fact or representation, made or furnished to the Department by the Grantee in connection with the Application or the award letter, shall have been untrue or misleading at the time that such fact or representation was made known to the Department, or subsequently becomes untrue or misleading; or
 - 2) Grantee has concealed any material fact from the Department related to the Application or the Project.
- E. The Department's determination that the objectives and requirements of the Homekey + Program cannot be met in accordance with applicable timeframes, as memorialized by this Agreement.

In the event of this or any other breach, violation, or default by the Grantee, the Department may give written notice to the Grantee to cure the breach, violation, or default. If the breach, violation, or default is not cured to the Department's satisfaction within a reasonable time, as determined by the Department in its sole and absolute discretion, then the Department may declare a default under this Agreement and seek any and all remedies that are available under this Agreement, at law, or in equity.

3. Cancellation

- A. It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of funds appropriated by the California Legislature to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- B. The Department may cancel this Agreement, in whole or in part, if the California Legislature enacts any restrictions, limitations, or conditions that impact this Agreement or the funding of this Agreement; or cancellation is otherwise permitted under state contracting law.

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- C. To cancel this Agreement pursuant to this paragraph, the Department shall give thirty (30) calendar days' advance written notice to the Grantee. The Grantee shall return any unexpended portion of its Grant award to the Department within thirty (30) calendar days from the date on the Department's written notice of cancellation, unless (i) the parties have agreed upon an alternate arrangement in advance and in writing; or (ii) an alternate arrangement is necessary for one or both parties to remain in compliance with HHAP or other applicable law.

4. Eligible Activities

Grant funds awarded to the Grantee shall be applied to the eligible uses set forth at Exhibit A and described in greater detail at Exhibit E. Payment for any cost which is not authorized by this Agreement, or which cannot be adequately documented shall be disallowed and must be reimbursed to the Department or its designee.

5. Performance Milestones

Grantee shall timely satisfy and complete all Performance Milestones, as identified at Exhibit E of this Standard Agreement.

6. Article XXXIV

Homekey + provides Permanent Supportive Housing for persons (including Veterans and Youth) who are homeless, chronically homeless, or at risk of homelessness, and who are living with a Behavioral Health Challenge. As such, Article XXXIV, section 1 of the California Constitution is not applicable to Homekey + funded development, consistent with Health and Safety Code sections 37000-37002.

7. Appraisals

Grantee shall, at the request of the Department, provide an appraisal of any real property or any interest in real property that is acquired with the Grant funds. Any such appraisal shall be prepared in a form, and by a qualified appraiser, acceptable to the Department.

8. Environmental Compliance

Grantee shall provide a Phase I Environmental Site Assessment ("ESA") for the Project, in conformance with ASTM Standard Practice E 1527, evaluating whether the Project is affected by any recognized environmental conditions. If the Phase I ESA discloses evidence of recognized environmental conditions and Grantee desires to proceed with

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the Project, the Grantee shall provide the Department with a Phase II report and any additional reports as required by the Department and in a form acceptable to the Department. Any remediation work shall be subject to Department approval. Grantee shall also provide an asbestos assessment and a lead-based paint report for the Department's approval if the Project involves rehabilitation or demolition of existing improvements.

Projects, including phased Projects, that satisfy the requirements HSC 50675.1.5, shall be exempt from the California Environmental Quality Act (CEQA). Projects under this section are considered a "use by right", which are specifically exempt from CEQA (CA Public Resources Code section 21000 et seq.). (HSC 50675.1.5(e)(2)(A)). Moreover, HSC 50675.1.5(c) specifically exempts HCD actions taken to "provide financial assistance or insurance for the development and construction of Projects" from CEQA review. HCD encourages Eligible Applicants to fully engage with HCD's technical assistance and to review the CEQA exemption set forth at HSC section 50675.1.5 and the provision for land use consistency and conformity set forth at HSC section 50675.1.3, subdivision (i).

Applicants should consult with their counsel for legal advice in construing application of the foregoing exemptions to their Project. It is entirely within an Applicant's discretion to determine whether to use the statutory CEQA exemption, whether the exemption applies to the Applicant's proposed activity, or whether some other mechanism applies and could be used to satisfy obligations under CEQA.

The exemption from CEQA pursuant to HSC 50675.1.5 does not exempt Homekey+ Projects from the National Environmental Policy Act (NEPA). Applicants must determine if NEPA applies to the Homekey+ Project and plan to receive the relevant clearances before the Project proceeds with the acquisition or physical activities, as applicable. HCD is not responsible for determining which Projects require NEPA clearance. Nevertheless, applicants shall provide HCD a status and timeline of any required NEPA review at the time of application.

9. Insurance

A. Grantee shall obtain the insurance coverages identified in the NOFA. Grantee shall maintain such insurance coverages for either the term of this Agreement or the term of any required restrictive covenant or regulatory agreement, whichever applicable term is longer. Grantee shall name the State of California and the Department, as well as their respective appointees, officers, agents, and employees, as additional insureds on all such policies. Such policies shall

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provide for notice to the Department in the event of any lapse of coverage or insurance claim thereunder. Prior to disbursement of any Grant funds, Grantee shall provide evidence satisfactory to the Department of its compliance with these insurance requirements.

- B. If Grantee is self-insured, in whole or in part, as to any of the required types and levels of coverage, the Grantee shall provide the Department with a written acknowledgment of its self-insured status prior to disbursement of any Grant funds. If the Grantee abandons its self-insured status at any time after execution of this Agreement, the Grantee shall immediately notify the Department, and shall promptly comply with the insurance coverage requirements under the Program.

10. Granted Funding Commitments

Grantee shall demonstrate its capacity to provide the development and operating funding commitments represented to the Department, as set forth in Exhibit E, Budget Detail. The Department reserves the right to request that Grantee provides additional documentary evidence of such capacity at any point.

11. Relocation

Grantee must comply with all applicable federal, state, and local relocation law. Pursuant to relocation law, a Grantee must have a relocation plan approved by the Department prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. To ensure that displaced persons and entities do not suffer a disproportionate impact as a result of Projects which benefit the public, all notices to vacate and relocation services must be provided to them in accordance with applicable law. In addition, before the Homekey + award will be disbursed, Grantee must have either of the following:

- A. Department-approved relocation plan; or
- B. Department-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, which has been duly executed by the Grantee and approved by the Department.

12. One-for-One Replacement of Assisted Units

One-for-one replacement of Assisted Units is permissible if approved in advance by the Department per Section 300 of the NOFA, after the Department's determination, in its sole and absolute discretion, that such replacement will not reduce the inventory of units

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that are already available at affordable rents to households that are at or under 30 percent AMI.

13. Site Control

Unless and except as otherwise expressly approved in writing by the Department or provided at Exhibit E to this Agreement, the Grantee shall have control of the property at all times, and such control shall not be contingent on the approval of any other party. The status and nature of the Grantee's title and interest in the property must be acceptable to the Department. Site control may be evidenced by one of the following:

- A. Fee title.
- B. A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit compliance with, and satisfaction of, all Program objectives and requirements, including, without limitation, those set forth in this Agreement. If the Grantee's interest in the property is a leasehold, and the lessee and the lessor are affiliated or related parties, then the Department may require both the lessee and the lessor to execute this Agreement.
- C. An executed disposition and development agreement, or irrevocable offer of dedication to a public agency.
- D. A sales contract, or other enforceable agreement for the acquisition of the property. If this form of evidence was relied upon at the time of Application, the Department may impose additional Performance Milestones (e.g., presentation of additional or supplemental evidence of eventual site control closer to any projected close of escrow).
- E. A letter of intent, executed by a sufficiently authorized signatory of the Grantee, that expressly represents to the Department, without condition or reservation, that, upon successful application, the Grantee shall purchase or otherwise acquire a sufficient legal interest in the property to accomplish the purpose of the award. The letter of intent must also be duly acknowledged by the party selling or otherwise conveying an interest in the subject property to the Grantee. If this form of evidence was relied upon at the time of Application, the Department may impose additional Performance Milestones (e.g., presentation of additional or supplemental evidence of eventual site control closer to any projected close of escrow).

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- F. Other evidence of site control that gives the Department assurance (equivalent to A-E above) that the Grantee will be able to complete the Project in a timely manner and in accordance with the Program's objectives and requirements, including, without limitation, those set forth or referenced in this Agreement.

14. Adaptability and Accessibility

The Project shall comply with all applicable federal, state and local laws regarding adaptability and accessibility, including, without limitation, the requirements set forth in the Homekey+ NOFA Section 508.

15. Title Status and Reports

Grantee shall provide a current title report for the real property on which the Project is located. If Grantee's interest in the property is leasehold, then Grantee shall provide a current title report for the leasehold interest and the fee interest. For tribal trust land, Grantee shall provide a TSR or an attorney's opinion regarding chain of title and current title status. As set forth and specified at Exhibit B of this Agreement, Grantee shall provide such title report or documentation of title status prior to disbursement of any Homekey+ Grant funds.

16. Title Insurance

Grantee shall provide evidence of title insurance and an ALTA As-Built Survey that are acceptable to the Department. The condition of title, the insurer, the liability amount, the form of policy, and the endorsements shall be subject to Department approval. The policy shall ensure that Grantee holds good and marketable title (fee simple or leasehold).

17. Property Management Plan

Grantee shall submit a property management plan to the Department for its review and approval. Such management plan shall be consistent with any representations made in the Application, and it shall meet the Homekey+ Program Requirements.

18. Supportive Services Plan

Grantee shall submit a Supportive Services plan to the Department for its review and approval. Such Supportive Services plan shall be consistent with any representations made in the Application, and it shall meet the Homekey+ Program Requirements (e.g., provide for delivery of housing stability services and benefits).

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EXHIBIT D**19. Nondiscrimination**

Grantee shall adopt a written nondiscrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with Homekey + funds.

Statutes and regulations prohibiting discrimination are applicable to this Agreement and include, without limitation, the following:

- A. Grantee and any of its contractors, subcontractors, successors, transferees, and assignees shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement. Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement;
- B. Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of "federally assisted construction contract" in [41 CFR Part 60–1.3](#) must include the equal opportunity clause provided under [41 CFR 60–1.4\(b\)](#), in accordance with Executive Order [11246](#), "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at [41 CFR part 60](#), "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.";

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- C. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.); Grantee shall affirmatively further fair housing, in accordance with the Civil Rights Act of 1964 (42 U.S.C. § 2000a, et seq.), and the Fair Housing Act (42 U.S.C. § 3601, et seq.), according to 42 U.S.C. § 5306, et seq. and in compliance with California statute (Gov. Code sections 65583, et seq.). Grantee shall comply with the Fair Housing Amendment Act of 1988 (Public Law 100-430). Grantee shall develop and implement an affirmative fair housing marketing plan that is satisfactory to the Department. Appropriate aspects of the initial plan shall be incorporated into the ongoing management plan to ensure positive outreach and informational efforts to those who are least likely to know about and apply for Interim Housing or Permanent Housing. Grantee is encouraged to refer to the guidelines for Affirmative Fair Housing Marketing Plans issued by the U.S. Department of Housing and Urban Development ("HUD"). Grantee shall comply with all applicable state and federal fair housing laws;
- D. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794); prohibiting recipients of federal funds from discrimination against persons with disability; the Americans With Disabilities Act of 1990 prohibiting all public discrimination against persons with disabilities; the Age Discrimination Act of 1975 prohibiting age-based discrimination in federally funded activities; Executive Order 11063 prohibiting discrimination in disposition of properties owned or financed with federal funds, as amended by Executive Order 12259; and Executive Order 11246 regarding fair employment, as amended by Executive Orders 11375, 11478 and 12086; and HUD regulations heretofore issued or to be issued to implement these authorities relating to civil rights;
- E. The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.); The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.); prohibiting age-based discrimination in federally funded activities.

Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. § 12101 et seq.); Americans With Disabilities Act of 1990 prohibiting all public discrimination against persons with disabilities. The State of California nondiscrimination statutes, regulations, and standards set forth and identified in the NOFA and at Exhibit C of this Agreement.

20. Affirmative Fair Housing Marketing Plan and Fair Housing Compliance

- A. Grantee shall affirmatively further fair housing, in accordance with the Civil Rights Act of 1964 (42 U.S.C. § 2000a, et seq.), and the Fair Housing Act (42 U.S.C. § 3601, et seq.), according to 42 U.S.C. § 5306, et seq. and in compliance with California statute (Gov. Code sections 65583, et seq.). Grantee shall comply with

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the Fair Housing Amendment Act of 1988 (Public Law 100-430).

- B. Grantee shall develop and implement an affirmative fair housing marketing plan that is satisfactory to the Department. Appropriate aspects of the initial plan shall be incorporated into the ongoing management plan to ensure positive outreach and informational efforts to those who are least likely to know about and apply for Interim Housing or Permanent Housing. Grantee is encouraged to refer to the guidelines for Affirmative Fair Housing Marketing Plans issued by the U.S. Department of Housing and Urban Development ("HUD"). Grantee shall comply with all applicable state and federal fair housing laws.

21. Grantee Acknowledgment of the Pet Friendly Housing Act of 2017

By executing this Agreement, Grantee acknowledges that the Pet Friendly Housing Act of 2017 (California Health & Safety Code, § 50466) requires each housing development, if it is financed on or after January 1, 2018 pursuant to Division 31 of the California Health and Safety Code, to authorize a resident of the housing development to own or otherwise maintain one or more common household pets within the resident's dwelling unit, subject to applicable state laws and local governmental ordinances related to public health, animal control, and animal anticruelty.

22. Final Certificate of Occupancy

Grantee shall provide a final certificate of occupancy (or an equivalent form of occupancy certification or approval) issued by the local agency having jurisdiction over such certificates.

23. Occupancy

The Assisted Units shall be occupied by the Target Population, and such units shall be in decent, safe, and sanitary condition at the time of their occupancy. In addition, the Grantee shall certify, upon occupancy, that it will employ the core components of Housing First (as set forth at Welfare and Institutions Code section 8255) as part of its property management plan and Supportive Services plan.

24. Tenant Selection

Referrals to Assisted Units shall be made through the local Coordinated Entry System ("CES"), or another comparable prioritization system based on greatest need shall be

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used. All referral protocols for Assisted Units shall be developed in collaboration with the local Continuum of Care and implemented consistently with the Program Requirements.

25. Participation in Statewide HDIS/HMIS

Grantee shall support Continuum of Care participation in the statewide Homeless Data Integration System ("HDIS"). As required by and in accordance with state and federal law (including all applicable privacy law), Grantee shall further disclose relevant data to the local Homeless Management Information System ("HMIS") and comparable data collection systems.

26. Affordability Covenant

- A. An Affordability Covenant shall be recorded against the Project real property in accordance with Section 208 of the NOFA and this Agreement.
- B. The Public Entity or Tribal Entity shall prepare and cause a 55-year Affordability Covenant to be recorded against the Project real property except in the event that the Permanent Housing Project is located on tribal trust land, in which case a 50-year Affordability Covenant shall be recorded against the Project real property.
- C. The Affordability Covenant shall require integration of the Target Population within all entrances, common areas, and buildings that comprise the Project.
- D. The Affordability Covenant shall include occupancy and rent restrictions that maintain the Project's accessibility to the Target Population over the full term of the Affordability Covenant.
- E. All Affordability Covenants are subject to the advance written approval of the Department, and shall be acceptable to the Department in form, substance, and priority. Project-specific requirements and deadlines are set forth at Exhibit E of this Agreement.

27. Restrictions on Sales, Transfers, and Encumbrances

Grantee shall not, for the duration of this Agreement, sell, assign, transfer, or convey the Project, or any interest therein or portion thereof, without the express prior written approval of the Department.

The Grantee who garnered the experience points at the application stage must be the entity who controls the owner of the Project, through close of escrow, and into

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management and operation of the project. Organizational documents demonstrating that the experienced Grantee has the authority to exercise control of the borrowing entity in compliance with Section 8301(s) of the Uniform Multifamily Regulations (UMR) must be submitted to the Department for review and approved by the Department prior to execution of the Standard Agreement.

28. Retention, Inspection, and Audit of Records

- A. Grantee is responsible for maintaining records which fully disclose the activities funded by the Grant. Grantee shall retain all records for a period of five (5) years after the expiration of this Agreement, unless a longer retention period is stipulated. If any litigation, claim, negotiation, audit, monitoring, inspection or other action commences during this required retention period, all records must be retained until a full and final resolution of the action.
- B. At any time during the term of this Agreement, the Department may perform or cause to be performed a financial audit of any and all phases of the Project. At the Department's request, the Grantee shall provide, at its own expense, a financial audit prepared by a certified public accountant. The audit shall be performed by a qualified state, local, independent, or Department auditor. Where an independent auditor is engaged, the audit services agreement shall include a clause which permits the Department to have access to the independent auditor's relevant papers, records, and work product.
- C. If there are audit findings, the Grantee shall submit a detailed response to the Department for each audit finding. The Department will review the response. If the Department determines, in its sole and absolute discretion, that the response is satisfactory, the Department will conclude the audit process and notify the Grantee in writing. If the Department determines, in its sole and absolute discretion, that the response is not satisfactory, the Department will contact the Grantee, in writing, and explain the action required to cure any audit deficiencies. Such action could include the repayment of ineligible costs or other remediation.
- D. If so directed by the Department upon the termination or expiration of this Agreement, the Grantee shall deliver all records, accounts, documentation, and other materials that are relevant to this Agreement to the Department as depository.

29. Site Inspection

The Department reserves the right, upon reasonable notice, to inspect the Project to determine whether it meets the Program Requirements. If the Department reasonably

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determines that the site is not acceptable for the Project in accordance with] the Program Requirements, the Department reserves the right to rescind the award and the Grant. Nothing in this paragraph is intended to create or imply any obligation of the Department to inspect the Project.

30. Compliance with State and Federal Laws, Rules, Guidelines, and Regulations

- A. Grantee, its agencies or instrumentalities, contractors, sub-grantees, and subrecipients shall comply with all local, state, and federal laws, statutes, and regulations, as well as policies and guidelines established by the Department for the administration of the Homekey + program.

31. Updated Information

If there is any change in the information that has been provided to the Department, Grantee shall promptly provide the Department with updated documentation (e.g., updated sources and uses). All changes shall be subject to Department approval. In addition, Grantee shall promptly notify the Department, in writing, of any changes in Grantee or Co-Grantee organization, authorization, or capacity.

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EXHIBIT D**32. Survival of Obligations**

The obligations of the Grantee, as set forth in this Agreement, shall survive the termination or expiration of this Agreement.

33. Litigation

Grantee shall notify the Department immediately of any claim or action undertaken by or against it which affects or may affect this Agreement or the Department and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement, the Program Requirements, the interests of the Department, and the objectives of the Homekey + Program.

34. Entire Agreement; Severability

This Agreement constitutes the entire agreement between the Grantee and the Department. All prior representations, statements, negotiations, and undertakings with regard to the subject matter hereof are superseded hereby. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remaining terms and provisions of this Agreement, or the application of such terms or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

35. Modification or Waiver under AB 1010

The Department reserves the right to waive or modify any requirement under this Agreement, or any Program Requirement, as authorized by and in accordance with California Assembly Bill No. 1010 (Chapter 660, Statutes of 2019) ("AB 1010"), which is codified at California Health and Safety Code section 50406, subdivision (p).

36. Waivers

No waiver of any breach, violation, or default under this Agreement shall be held to be a waiver of any other or subsequent breach or violation thereof or default thereunder. The Department's failure, at any time, to enforce the provisions of this Agreement or to require the Grantee's performance under this Agreement shall in no way be construed as a waiver of such provisions or performance, and it shall not affect the validity of this Agreement or the Department's right to enforce this Agreement.

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EXHIBIT D**37. Disputes**

In the event of any conflict between this Agreement and any Grantee documents or side agreements, this Agreement and the Program Requirements shall prevail, are applicable, and shall be enforceable by the Department even if the Department provided review or approval of such documents and side agreements.

38. Consent

The parties agree that wherever the consent or approval of the Department or Grantee is required under this Agreement, such consent or approval shall not be unreasonably withheld, conditioned, or delayed, unless the same is specified as being in that party's sole and absolute discretion, or other words of similar import.

39. Grantee Liability

Grantee shall remain liable to the Department for performance under this Standard Agreement and compliance with all Program Requirements regardless of any Department-approved transfer or assignment of interest, or of any designation of a third party for the undertaking of all or any part of the Scope of Work. Likewise, each Co-Grantee shall remain jointly and severally liable to the Department for performance under this Standard Agreement and compliance with all Program Requirements regardless of any Department-approved transfer or assignment of interest; any designation of a third party for the undertaking of all or any part of the Scope of Work; or the Co-Grantees' identification of a Designated Payee.

40. Defense and Indemnification

Grantee agrees to defend, indemnify, and hold harmless the Department, and its appointees, agents, employees, and officers, from any losses, damages, liabilities, claims, actions, judgments, court costs and legal or other expenses (including attorneys' fees), which may arise in connection with Grantee's use of the Grant funds and performance under this Agreement. If any attorney, including the California Attorney General, is engaged by the Department to enforce, construe, or defend any provision of this paragraph, with or without the filing of any legal action or proceeding, Grantee shall, individually or jointly, pay to the Department, immediately upon demand, the amount of all attorneys' fees and costs incurred by the Department in connection therewith.

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41. Time Is of the Essence

Time is of the essence under this Agreement, and in the performance of every term, covenant, and obligation contained herein.

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PROJECT-SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONSGap Financing

[HCD Gap Financing sub-header is only added if the Project is a gap financing Project, otherwise, delete]

INSTRUCTIONS: HCD will add and delete yellow text as driven by the facts of this Project. Text is marked green for the purpose of differentiating selection options or Boilerplate text from the nearby instructions in the yellow fields.

1. PROJECT-SPECIFIC PROVISIONS

Project Name:

Address:

Assessor Parcel Numbers (APNs):

[Repeat as needed for Scattered sites]

A. Award, Payee and Eligible Use(s)

The Department issued the Grantee a Homekey+ Program **Conditional Award Letter** dated [Date]. The **Award** is a grant in the amount of \$[_____.00]. The [Select “Payee” if Eligible Applicant, or “Designated Payee” if the Eligible Applicant designates one of the Co-Applicants.] Payee/Designated Payee] of these funds is [Full legal name of the Public Entity or Tribal Entity/Full legal name of the Co-Applicant]. Grantee will use the funds to provide Permanent Supportive Housing for the Target Population and subpopulations in the Homekey+ Assisted Units as specified in the unit mix chart included herein. Specifically, the Grantee will apply these funds towards the following eligible use(s): [Delete according to the facts of the Project.]

- 1) [Example: Acquisition and rehabilitation, acquisition, or rehabilitation [Select one of the prior 3] of a hotel or motel [or delete and enter what type of prior building use] to provide Permanent Supportive Housing for the Target Population].
- 2) [Example: Master lease of a property to provide Permanent Supportive Housing for the Target Population].

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- 3) [Example: Capitalized operating subsidy for the Homekey+ Assisted Units]
- 4) [Example: Relocation costs for individuals who are being displaced as a result of the Homekey+ Project. This amount represents one-half of the relocation cost per unit. The Grantee is responsible for paying the balance of any and all relocation costs necessitated by the Project].
- 5) [Example: New construction of dwelling units to provide Permanent Supportive Housing for the Target Population].

B. Homekey+ Award.

The Homekey+ Award is comprised of:

Total Award	\$0,000,000.00
Capital Award	\$
Acquisition	\$
Rehabilitation	\$
Master Leasing	\$
New Construction	\$
Affordability Covenants	\$
Relocation Award	\$
Operating Award	\$
Veteran Units Additional Operating Award [Delete if Project does NOT have veteran-serving units]	\$

C. Unit Mix [see next page]

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Table 1: Homekey+ Unit Mix [To be completed by HCD from the Awarded Application].

Number of Bedrooms	Number of Homekey + Assisted Units	AMI% or Manager Unit [“30%” for Homekey, “Manager Unit”, or other AMI “X %” from Application Unit Mix]	Homekey+ Population [“Veteran with a Behavioral Health Challenge”, or “Homekey+ General Population”]	Restriction to Subset of Homekey+ Population [“Chronically Homeless”, “Homeless”, “At-Risk of Homelessness”, “Homeless Youth”, “Youth At-Risk of Homelessness”] [“All foregoing subpopulations must include behavioral health challenge.”] [“Enter below and delete this highlighted text after completion”]
0 Bedroom/ Studio				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4 Bedroom				
Veterans Units Total				
Homekey+ General Population Total				
Youth Units Total				
Manager Units Total				
Total Homekey+ Units				
Non-Homekey+ Units- See Table 2				

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Table 2: Non-Homekey+ Unit Mix [To be completed by HCD from the Award Application
ONLY IF the unit mix has non-HK+ units, otherwise put Non-Applicable & delete].

Non-Homekey+ Units Number of Bedrooms [Delete this table if there are NO Non-HK Units]	Number of Non-Homekey+ Units	Non-Homekey+ AMI % or Manager Unit [“XX %” for AMI or “Manager”]	Funding Program Name [Add HCD before Name if HCD, use acronym]	Restriction to Subset of Population
0 Bedroom/ Studio				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4 Bedroom				
Non-Homekey+ Units Total				
PROJECT GRAND TOTAL:				

Unit Mix Notes: [HCD to enter relevant details about Manager Unit or other nuances in the Homekey+ or Non-Homekey+ Units. If there are no notes, put “None” and delete highlighted text once done.]

Referrals to Homekey+ Assisted Units shall be made through the local Coordinated Entry System (CES), or another comparable prioritization system based on greatest need for housing and services, to determine the most appropriate referral. Grantees must demonstrate efforts to coordinate with their local county behavioral health department, to ensure the referral process to the Homekey+ units is aligned with the requirements of the Homekey+ program. Homekey+ Assisted Units should be reserved for serving the Target Population where households are more appropriately served by Permanent Supportive Housing, including referrals from persons exiting encampments. Households with lower levels of need may be better served by other housing and less intense service interventions.

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2. PROJECT DETAILS

- A. **Project Narrative.** [HCD will provide a lean description of the Project including if Homekey+ contributed gap financing and project type (acquisition rehab, new construction modular or stick built, etc.) gap financing projects should list the existing HCD funding source include whether Homekey initially funded an Interim Housing Project to be converted with Homekey+ to PSH. Describe the property physical layout (# of buildings, stories, or unique historic uses) that is not duplicative from what is already in this SA. Briefly describe any physical features, services, or amenities that are unique to this Project such as pet friendly, or interesting community spaces such as a meeting room, a community room, or a communal kitchen. Describe other amenities that will be supplied, such as free high speed internet service, manager and/or residential service offices, proximity to public transit, and other essential services, etc.]
- B. **Units Serving Veterans.** This Project received funding for [Enter # of Veterans units] Homekey+ Veterans units. Grantee shall abide by all additional representations in the Application that qualified the Grantee for funding for Veterans Assisted Units. Projects with units allocated for Veterans Projects must provide housing for Veteran households that include at least one Veteran experiencing or At Risk of Homelessness with a Behavioral Health Challenge. If units cannot be filled with Veterans at or below 30% AMI, Secondary Tenants can be housed, in accordance with NOFA Section 500. Secondary Tenants are defined as either: 1) Veterans who are At Risk of or Experiencing Homelessness whose incomes are up to 50% AMI and are receiving income as a result of service-connected disability benefits, or 2) Veterans experiencing homelessness with an income of up to 60% AMI. Rents for any redesignated units are determined by income that corresponds to the Secondary Tenant's household income.

[HCD will delete the paragraph above if the project does not include any Veteran-serving units.]

This Project received an additional operating award of \$30,000 per unit for X [Enter # of units] units, totaling \$X [Enter Veteran Units Additional Operating Award amount out to as \$000,000.00]. This funding is Awarded to pay for qualifying Operating Expenses and it must be expended no later than ten (10) years from initial occupancy.

[HCD will delete this paragraph if Project did not receive additional funds for veteran-serving units]

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- C. **Units Serving Homeless Youth or Youth at Risk of Homelessness.** This Project received funding from the Youth At Risk of or Experiencing Homelessness allocation for [Enter # of units]. The Grantee shall have jointly applied and/or partnered with a nonprofit corporation with experience serving the foregoing subpopulation; and the Project shall provide Supportive Services for Youth Assisted Units using a Positive Youth Development (PYD) model and trauma-informed care. Grantee shall abide by all additional representations in the Application that qualified the Grantee for funding for Youth Assisted Units [HCD will delete this paragraph if the Project does not include any Youth-serving units.]

3. SCOPE OF WORK

- A. Acquisition, Construction and/or Rehabilitation Detail:

[HCD to include a clear description of the development work to be performed based on the Applicant's submitted Development Plan; identifying the construction activities, rehabilitation activities, and site modifications to be completed.]

- B. Supportive Services and Staffing Detail:

Grantee shall assure that the Case Manager ratio(s) for this Project will be maintained at [HCD to INSERT ratio from the Application SSP Tab] for the [INSERT Population] for [INSERT number of units]. [Add different ratios, unit counts, and populations or sub-populations as necessary from Application]. [HCD to CHOOSE ONE: Grantee will manage the Project OR [coordinate with third-party property manager [INSERT NAME IF IDENTIFIED].]

[CHOOSE ONE: Grantee will [be Lead Service Provider on the Project] [or] [coordinate with a third-party service provider [INSERT NAME IF IDENTIFIED] to act as Lead Service Provider. Services include those required in NOFA Section 302 (1-24). [Delete or edit next sentence according to whether the LSP and/or PM name was identified at time of application.] If Lead Service Provider or Property Manager not selected at time of application, Grantee must ensure that they meet the experience requirements of NOFA Section 302 (1.)(a.)(i.).]

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C. GRANTEE CONTRACT COORDINATOR(S)

Authorized Representative Name:	
Authorized Representative Title:	
Entity Name:	
Address:	
Telephone No.:	
E-Mail Address:	

[HCD will replicate table, as appropriate, for additional co-applicants. Ensure the entire table is on one page per each applicant, do not cut off information.]

4. ADDITIONAL CONDITIONS PRECEDENT TO DISBURSEMENT

- A. [HCD to enter conditions prior-to-disbursement here or type "None."]

5. BUDGET DETAIL

- A. Grantee represented to the Department the following commitments for the development and construction of the Homekey+ Project:

Development Sources: [Include the Homekey+ capital award. Also list each government, philanthropic, and private funding source by its full legal name, the terms of the source (for example if a loan) and the amount committed. For gap funded projects, include the HCD Program Name, APN, contract number and funded eligible activity (e.g.) Acquisition, Construction, etc. under the HCD Program's prior award.] [see list below for formatting guidance and delete template text once completed. Discuss how to enter more complex funding sources with your manager. Obtain dollar figures for the funding sources from the Enforceable Funding Commitments (EFC) and cross-reference the cash flow for funding years and terms]

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- 1) Homekey+ Award letter dated XXX for a funding commitment of \$00.00 for [Specify: acquisition, construction, rehabilitation, Capitalized Operating Subsidy Reserve (COSR), relocation, etc. Please break out the \$00.00 relocation amount from the capital amount if there is an award for relocation and include the total of relocation plus capital at the end].
- 2) Construction Source Example: [Full name of funding entity] letter dated Month XX, 20XX, for \$00.00 of [name funding program source being used] funding to acquire and rehabilitate the property for the construction period.
- 3) Existing HCD Commitment: Existing HCD Commitment: [Name of Program, Standard Agreement Contract number, award letter date, award letter amount.]

- B. Grantee shall maintain the ongoing affordability of the Project by leveraging the following non-Homekey+ sources for operating expenses:

Operating Sources: [HCD to include the Homekey+ operating award. HCD to list each government, philanthropic, and private funding source by its full legal name, the terms of the source (for example if a loan) and the amount committed.]

- 1) Homekey+ Award letter dated XXX for a funding commitment of \$00.00 for operating. [Delete item 1 if there is no HK+ Operating Award.]
- 2) Committed Permanent Source Example: [Full name of funding entity] letter dated Month XX, 20XX, committing an [operating, rental subsidy, reserves, debt services, supportive services, Capitalized Operating Subsidy Reserve (COSR) etc.] subsidy of \$0.00 per year for Project years XX through XX, for a total funding commitment of \$00.00 provided by the [name of funding program source being used].
- 3) Intent to Pursue Permanent Source Example: [Full name of funding entity] letter dated Month XX, 20XX, committing an intent to pursue \$00.00 for Project years XX through XX in [operating, rental subsidy, reserves, supportive services, etc.] funding by applying to

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and/or utilizing the [name of funding program(s) source(s) or bond measure(s) being pursued].

- 4) Existing HCD Commitment: [Name of Program, Standard Agreement Contract number]

- C. **Master Lease.** Grantee shall abide by its obligation and 15-year plan from the recordation of the Affordability Covenant to cover the Project operations and service costs. Grantee shall satisfy this obligation by leveraging the following funding sources:

[HCD to list each government, philanthropic, and private funding source by its full legal name]. [HCD to delete this Master Lease term if it is not applicable to this Project.]

6. PERFORMANCE MILESTONES

[HCD to add, customize, or delete rows as required by the facts of this Project contract and the date on the signed award letter. Milestones are determined using the date calculator here(Insert link) Please delete this instruction before routing this Exhibit E.]

Performance Milestones	Milestone Completion Date
<p>Expenditure Deadline for Capital Funds.</p> <p>[Link to Date Calculator, use the date on the award letter, If the date falls on a weekend, use the next business day. Delete this instruction after completing this table]</p>	<p>Month DD, YYYY which includes 60 days from the date of the Award letter [delete if no extensions granted] and an XX day/month extension approved by the Department.</p> <p>[If property is an acquisition or rehabilitation project, then insert the date which is 60 days and fifteen months from the date of the Award letter]</p> <p>[If property is a new construction project, then insert the date which is 60 days and 27 months from the date of the Award letter]</p>

Homekey+ Program

NOFA Date: 11/26/2024, as amended 01/31/2025; 08/07/2025

Project Name:

Approved Date: 09/24/2025

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Performance Milestones	Milestone Completion Date
<p>[Select one and edit into sentence: Gap Financing; New Construction]</p> <p>Project must initiate construction.</p> <p>[Or: Interim to Permanent Gap Financing] Project must initiate conversion.</p>	<p>Month XX, XXXX, which includes 60 days from the date of the Award letter [delete if no extensions granted] and an XX day/month extension approved by the Department.</p> <p>[Insert date which is 60 days and 6 months from the date on the Award letter]</p>
<p>Complete construction of the</p> <p>[select one and edit into sentence: New Construction, Rehabilitation]</p> <p>Homekey+ Project must be achieved.</p>	<p>Month DD, YYYY, which includes 60 days from the date of the Award letter [delete if no extensions granted] and an XX day/month extension approved by the Department.</p> <p>[For New Construction and Gap Financing]: Insert date which is 60 days and 24 months from the date on the Award letter]</p> <p>[For Rehabilitation: Insert date which is 60 days and 12 months from the date on the Award letter]</p>

Homekey+ Program

NOFA Date: 11/26/2024, as amended 01/31/2025; 08/07/2025

Project Name:

Approved Date: XX/XX/2025 Prep. Date:
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EXHIBIT E

Full occupancy by the Target Population must be accomplished in accordance with the descriptions and representations set forth in the Application.	<p>Month DD, YYYY, which includes 60 days from the date of the Award letter.</p> <p>[If Project has Rehabilitation, then insert the date which is 60 days and 15 months from the date of the Award letter]</p> <p>[If New Construction Project, then insert the date which is 60 days and 27 months from the date of the Award letter]</p> <p>[If Acquisition only Project, obtain the acquisition date from the development plan, then add the date which is 60 days and 6 months from the date of the Award letter]</p> <p>[If HCD has approved an extension for Veteran-serving projects with more than 50% Veterans Units or for large projects (over 75 units) then insert that date here]</p>
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REFERENCE ONLY.

Homekey+ Program

NOFA Date: 11/26/2024, as amended 01/31/2025; 08/07/2025

Project Name:

Approved Date: XX/XX/2025 Prep. Date:

XX/XX/XXXX

EXHIBIT E

Performance Milestones	Milestone Completion Date
<p>[Delete entire row if the Applicant does NOT have any federal funding provided in their sources, note, you may copy/paste milestones from Full occupancy edits above]: NEPA Authorization to Use Grant Funds (AUGF) must be submitted upon construction completion.</p>	<p>Month DD, YYYY, which includes 60 days from the date of the Award letter [delete if no extensions granted] and an XX day/month extension approved by the Department.</p> <p>[If Project has Rehabilitation, then insert the date which is 60 days and 12 months from the date of the Award letter]</p> <p>[If New Construction Project, then insert the date which is 60 days and 24 months from the date of the Award letter]</p> <p>[If Acquisition only Project, obtain the acquisition date from the development plan, then add the date which is 60 days and 6 months from the date of the Award letter]</p>
<p>A complete Supportive Services Plan must be received by HCD.</p>	<p>Month DD, YYYY [Date is 120 days prior to full occupancy milestone above]</p>
<p>Grantee must have an approved Supportive Services Plan by full occupancy.</p>	<p>Month DD, YYYY</p> <p>[Insert milestone that matches full occupancy]</p>
<p>A copy of Grantee's written nondiscrimination policy (in accordance with <u>Exhibit D</u> of this Agreement) must be submitted to the Department.</p>	<p>Month DD, YYYY, which includes 60 days from the date of the Award letter.</p> <p>[Insert date which is 60 days and 8 months from date of Award]</p>
<p>A copy of the Notice of Exemption from the California Environmental Quality Act (CEQA) filed with the Office of Planning and Research (OPR) as applicable.</p>	<p>Month DD, YYYY, which includes 60 days from the date of the Award letter.</p> <p>[Insert date which is 60 days and 8 months from date of Award]</p>

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Performance Milestones	Milestone Completion Date
Expenditure Deadline for Operating Funds.	Month DD, YYYY, which is 10 years from the date of full occupancy [Insert date which is ten (10) years from the date of full occupancy above.]
A Homekey+ Program and Report must be submitted to the Department as specified and described in the NOFA.	March 31 – Each year for five (5) years following the Effective Date of this Agreement. The annual report is required for at least five years following full occupancy of the Project and until the Homekey+ operating funds are fully expended.
A Homekey+ Expenditure Report must be submitted to the Department.	July 31 – Each year until the full Homekey+ Award has been fully expended.

7. TERMS AND CONDITIONS

The following Special Terms and Conditions are applicable to this Project and shall control notwithstanding anything to the contrary herein:

A. Affordability Covenant

[INSTRUCTIONS: This Section is for Projects that are NOT Tribal or NOT Master Lease. HCD will delete this specific “Affordability Covenant” paragraph if it a Tribal or Master Lease Project If this paragraph does apply to this Project, HCD will delete the three foregoing “Master Lease” and “Affordability Covenant-Tribal” Sections below.]

- 1) The state, regional, local, or tribal Grantee shall ensure that the Project is duly encumbered with a 55-year Affordability Covenant that **(a)** is recorded in first position against the Project for the benefit of the state, regional, local, or tribal Grantee; **(b)** restricts the use, operation, occupancy, and affordability of the Project in accordance with this Homekey+ Agreement and the applicable Program Requirements in the NOFA; **(c)** duly names the Department as a third-party beneficiary with the right and privilege, but

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not the obligation, of enforcement thereof; (d) incorporates the Homekey+ Program Requirements by reference and (e) is otherwise in form and substance acceptable to the Department.

- 2) The Affordability Covenant must be recorded against the real property of the Project site prior to the disbursement of funds as specified in Exhibit B. The Grantee shall obtain the Department's express written approval of the Affordability Covenant prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Affordability Covenant and a title report to confirm lien priority.
- 3) All Homekey+ funds must be wired to an escrow company as specified in Exhibit B. The Applicant shall identify the name and address of the escrow company, the name of the escrow officer, the escrow number, and any other information requested by HCD. The appropriate Affordability Covenant must be on file and approved by HCD to be included in the escrow transaction for recordation.
- 4) The Affordability Covenant must be recorded as a lien against the Project in first position, and must remain in first position, over all other Project agreements, covenants, or other matters of record on the real property for the period of affordability required by the Program.

B. Affordability Covenant – Tribal Trust Land

[HCD will put Non-Applicable this section if the Project is NOT a Tribal Project, if it is a Tribal Project, then HCD will delete the "Affordability Covenant" Section above, as well as the "Master Lease" and "Affordability Covenant-Master Lease" Sections below.]

- 1) The tribal Grantee shall ensure that the Project is duly encumbered with a 50-year Affordability Covenant that (a) is recorded in first position against the Project for the benefit of the tribal Grantee; (b) restricts the use, operation, occupancy, and affordability of the Project in accordance with this Agreement and the applicable Program Requirements; (c) duly names the Department as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof; (d) incorporates the Homekey+ Program Requirements by reference, and (e) is otherwise in form and substance acceptable to the Department.

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- 2) The Affordability Covenant must be recorded against the real property of the Project site. The Affordability Covenant shall be recorded against the estate in land (fee estate or leasehold estate) as indicated by the site control specified in the Project's Homekey+ application and no changes shall be considered or permitted. Any permitted recordation of the Affordability Covenant against a leasehold estate shall comply Uniform Multifamily Regulations section 8316. The Grantee shall obtain the Department's express written approval of the Affordability Covenant prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Affordability Covenant and a title report to confirm lien priority.
- 3) The Affordability Covenant must be recorded as a lien against the Project in first position, and must remain in first position, over all other Project agreements, covenants, or other matters of record on the real property for the period of affordability required by the Program.

C. Master Lease

[Payee/Designated Payee] shall apply the funds towards a lump sum pre-payment of all lease payment obligations for the Project calculated over the Project's full Homekey+ term of affordability and reduced to net present value (NPV). [Please delete this paragraph if the Project is not a master lease.]

D. Affordability Covenant- Master Lease

[HCD will determine if Project is a master lease use, if it is, HCD will keep the above paragraph "Master Lease" and this section and delete the "Affordability Covenant" and "Tribal" Sections above the Master Lease Sections.]

- 1) The state, regional, local, or tribal Grantee shall ensure that the Project is duly encumbered with a 55-year Affordability Covenant that **(a)** is recorded in first position against Project real property for the benefit of the state, regional, local, or Tribal Grantee; **(b)** imposes use, operation, occupancy, and affordability restrictions on the real property and improvements; and **(c)** duly names HCD as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, **(d)** incorporates the Homekey+ Program Requirements by reference, and **(e)** is otherwise in form and substance acceptable to HCD

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- 2) The Affordability Covenant must be recorded against the real property of the Project site prior to the disbursement of funds. The Grantee shall obtain the Department's express written approval of the Affordability Covenant prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Affordability Covenant and a title report to confirm lien priority.
- 3) All Homekey+ funds must be wired to an escrow company. The Applicant shall identify the name and address of the Escrow Company, the name of the Escrow officer, the escrow number, and any other information requested by HCD. The appropriate Affordability Covenant must be on file and approved by HCD to be included in the escrow transaction for recordation.
- 4) The Affordability Covenant must be recorded as a lien against the Project in first position, and must remain in first position, over all other Project agreements, covenants, or other matters of record on the real property for the period of affordability required by the Program.

8. Project-Specific Special Terms and Conditions**A. Application Scoring Terms and Conditions**

- 1) [HCD will include this paragraph if Grantee scored at least 10 points on Scoring for this NOFA Section] Grantee application was prioritized for receiving at least 10 points per NOFA Section 305, Application Scoring Criteria, (3)(a), for sustained operating leverage evidenced by Project rental or operating subsidies.

Grantee has committed to non-Homekey+ rental or operating subsidies (including funded services) to maintain the ongoing affordability and sustainability of Project operations that are outlined in Section 6, Budget Detail. Any budget modifications must be submitted to HCD for approval and must address how the Project affordability and sustainability will be maintained.
- 2) Grantee received 10 points by committing to Mental Health Services Act or Behavioral Health Services Act funds as evidenced by a letter as per NOFA Section 305, Application Scoring Criteria, (3)(c). Any budget modifications must be submitted to HCD for approval. [HCD will delete this

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paragraph if Grantee **did not** score 10 points Scoring for this NOFA Section

- 3) Grantee received 10 points for committing that at least 25 percent of the Assisted Units in the Project are two-bedroom or larger units as per NOFA Section 305, Application Scoring Criteria (5)(a). [HCD may delete this paragraph, as required by the facts of this Project].
- 4) Grantee has committed to a 55-year use restriction for the Project and has waived any potential accommodation by the Department to increase income limits, as per NOFA Section 305, Application Scoring Criteria, (5)(b), for [at least 25 percent of the Assisted Units] [or] [at least 50 percent of the Assisted Units] [or] [at least 75 percent of the Assisted Units] [or] [100 percent of the Assisted Units]. HCD may delete this paragraph, or any portion of this paragraph, as required by the scoring awarded to this NOFA Section.] .]
- 5) Grantee has committed to the following accessibility details for the Project, as per NOFA Section 305, Application Scoring Criteria, (5)(c), the Project will exceed the state and federal accessibility requirements set forth in the NOFA. [At least 15 percent of the Project's Assisted Units must have features accessible to persons with mobility disabilities [or] [and] at least 10 percent of the Project's units must have features accessible to persons with hearing or vision disabilities. [HCD will delete this paragraph, or any portion of this paragraph, as determined by the points awarded in this NOFA Section.] .]
- 6) Grantee has committed to provide high speed internet service, as per NOFA Section 305, Application Scoring Criteria, (6)(g), with a minimum average speed of 25 megabits/second must be made available to each Unit for a minimum of 15 years, free of charge to the tenants, and available within six months of the Project's placed-in-service date. [HCD will delete this paragraph if the Applicant did not receive any score in the threshold and scoring checklist for high-speed internet service.]

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EXHIBIT E**B. New Construction Cost Containment Terms and Conditions**

[HCD will delete this section if this is NOT a new construction cost containment Project (NOFA Section 501).]

Per NOFA Section 501, the Department will disburse up to 80% of the Capital Award after Grantee has cleared all conditions of disbursement. The remaining 20% of the Award will be disbursed upon submission of the temporary certificate of occupancy (TCO).

Grantee commits to a Total Development Cost of \$XXX,XXX per unit [HCD will insert total development cost per unit from Project Report and Application Development Budget total cost.].

C. Gap Financing Project Terms and Conditions

[HCD will delete if this section if this is not a gap-funded Project, edit otherwise as needed with your manager.]

D. Tribal Project Terms and Conditions

[For Tribal Projects: If the Project is subject to AB 1010, HCD will indicate that here, and describe any waivers and modifications of the Program Requirements, or delete this text otherwise.]

E. Supportive Services Plan Terms and Conditions

HCD may request necessary updates to the Supportive Services plan or related documents, including fully executed written agreements. All updates must be approved prior to occupancy as determined by the milestones listed in this Standard Agreement.

[HCD will delete this paragraph if the SSP was approved by the time of SA routing to LAD]

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EXHIBIT E**F. Environmental Terms and Conditions**

- 1) [HCD will delete if there are NO environmental report conditions to add or if the condition was cleared prior to routing to LAD].

G. Site Control Terms and Conditions

- 1) HCD to edit example as necessary and delete instructions when done, and must include this term in every Agreement copy: Grantee demonstrated site control by providing evidence of [Select: fee title or leasehold interest or development agreement or sales contract or letter of intent or other (describe).] at the time of Application.
- 2) [Add other site control terms and conditions here or delete if none.]

H. Miscellaneous Terms and Conditions

[HDC may enter special terms or conditions here from the Project Report that are NOT satisfied and documented by the time of SA Routing to LAD. If no special conditions apply, this will be removed. Do not include special condition that are due prior to disbursement here, these are entered in section 4 Additional Conditions Precedent to Disbursement above.] HCD to edit example language as needed: Prior to [insert milestone such as disbursement, or number of days before a milestone such as standard agreement, or occupancy, etc.] Grantee shall [HCD to insert requirement and required documentation to satisfy the condition.]

9. Project Development Budget: (Please see the next page for the development sources and uses budget from the application that was approved by HCD's Awards Committee.)

Budget detail included for the purpose of showing the Homekey+ Award details, including project reserves and developer fee. Other budget sources and uses will not be monitored by HCD.

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Homekey Approved Development Sources & Uses Budget

(SAMPLE ONLY- HCD to Copy/Paste actual Project Budget S&U Tab

Columns A through I below from the Application. Sources names must be complete and deferred developer fee columns may be deleted if they are not a source of income.)

Residential Sources and Uses Budget							
USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity.	Developer Fee Contribution
LAND COST/ACQUISITION							
Land Cost or Value	\$422,307	\$422,307					
Demolition	\$0						
Legal	\$0						
Land Lease Rent Prepayment	\$0						
Total Land Cost or Value	\$422,307	\$422,307	\$0	\$0	\$0	\$0	\$0
Existing Improvements Cost or Value							
Off-Site Improvements							
Total Acquisition Cost							
Total Land Cost / Acquisition Cost							
Predevelopment Interest/Holding Cost							
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)							
Excess Purchase Price Over Appraisal							
REHABILITATION							
Site Work							
Structures							
General Requirements							
Contractor Overhead							
Contractor Profit							

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Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity.	Developer Fee Contribution
Prevailing Wages							
General Liability Insurance							
Urban Greening							
Labor Compliance							
Construction Monitor							
Site Security							
Total Rehabilitation Costs							
Total Relocation Expenses							
NEW CONSTRUCTION							
Site Work							
Structures							
General Requirements							
Contractor Overhead							
Contractor Profit							
Prevailing Wages							
General Liability Insurance							
Urban Greening							
Other New Construction (Specify)							
Total New Construction Costs							

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Residential Sources and Uses Budget		Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity.	Developer Fee Contribution
USES OF FUNDS								
ARCHITECTURAL FEES								
Design								
Supervision								
Total Architectural Costs								
Total Survey & Engineering								
CONSTRUCTION INTEREST & FEES								
Construction Loan Interest								
Origination Fee								
Credit Enhancement/Application Fee								
Bond Premium								
Cost of Issuance								
Title & Recording								
Taxes								
Insurance								
Employment Reporting								
Other Construction Int. & Fees (Specify)								
Total Construction Interest & Fees								
PERMANENT FINANCING								
Loan Origination Fee								
Credit Enhancement/Application Fee								
Title & Recording								
Taxes								
Insurance								
Other Perm. Financing Costs (Specify)								
Other Perm. Financing Costs (Specify)								
Total Permanent Financing Costs								
<i>Subtotals Forward</i>								
LEGAL FEES								
Legal Paid by Applicant								
Managing General Partner Legal								
Other Attorney Costs (Specify)								
Other Attorney Costs (Specify)								
Total Attorney Costs								

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Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity.	Developer Fee Contribution
RESERVES							
Operating Reserve							
Replacement Reserve							
Transition Reserve Pool Fee							
Rent Reserve							
Project Funded Capitalized Operating Subsidy Reserve							
Debt Service (including all HCD 0.42% Fees and Bond Issuer Fee)							
Other Reserve Costs (Specify)							
Total Reserve Costs							
CONTINGENCY COSTS							
Construction Hard Cost Contingency							
Soft Cost Contingency							
Total Contingency Costs							
OTHER PROJECT COSTS							
TCAC App/Allocation/Monitoring Fees							
Environmental Audit							
Local Development Impact Fees							
Permit Processing Fees							
Capital Fees							
Marketing							
Furnishings							
Market Study							
Accounting/Reimbursable							
Appraisal Costs							
Broadband Readiness							
Pre-Stabilization Payroll							
Utilities							
Other Costs (Specify)							
Total Other Costs							
SUBTOTAL PROJECT COST							

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Residential Sources and Uses Budget							
USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity.	Developer Fee Contribution
SUBTOTAL PROJECT COST							
DEVELOPER COSTS							
Developer Overhead/Profit							
Consultant/Processing Agent							
Project Administration							
Broker Fees Paid to a Related Party							
Construction Oversight by Developer							
Managing General Partner Compliance							
Total Developer Costs							
TOTAL PROJECT COST							
TOTAL PROJECT COSTS							
Explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reasonable.							

REFERENCE ONLY

Homekey+ Program

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XX/XX/XXXX

No recording fee pursuant to
Government Code Section 27383

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City and County of San Francisco
Mayor's Office of Housing
and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Loan Administrator

APN#: Block 0741, Lot 028
Address: 1035 Van Ness Avenue,
San Francisco, CA 94109

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

DECLARATION OF RESTRICTIONS AND AFFORDABLE HOUSING COVENANTS

**THIS DECLARATION OF RESTRICTIONS AND AFFORDABLE HOUSING
COVENANTS** (this “Declaration”) is dated as of [_____, 2025], by **1035Vets LLC**, a California limited liability company (“**DECLARANT**”), in favor of the **CITY AND COUNTY OF SAN FRANCISCO**, represented by the Mayor, acting through the Mayor's Office of Housing and Community Development (the “**City**”) and the California Department of Housing and Community Development (the “**Department**” or “**HCD**”).

RECITALS

A. Unless otherwise defined herein, capitalized terms used herein are defined in Article 1 of this Declaration.

B. The Homekey+ Program is intended to sustain and rapidly expand the inventory of permanent supportive housing for Veterans, young people, and other individuals and their households who are at-risk of or experiencing homelessness as defined under part 578.3 of Title 24 of the Code of Federal Regulations, and have a “Behavioral Health Challenge” as defined by California Welfare and Institutions Code Section 5965.02 to include but not be limited to a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402, or a substance use disorder, as described in Section 5891.5 (“**Homekey+ Program**”).

C. The Department issued a Notice of Funding Availability for the Homekey+ Program dated November 26, 2024, as amended on January 31, 2025, and August 7, 2025, and as may be amended from time to time (“**NOFA**”), for Homekey+ Program grant funds pursuant to Health and Safety Code Section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20.), Health and Safety Code Section 50675.1.5 (Assem. Bill No. 531 (2023-2024 Reg. Sess.), Section 14184.402 of

the Welfare and Institutions Code; Section 5891.5 of the Welfare and Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance and Prevention (HHAP) grant program. (Assem. Bill No. 129 (Chapter 40, Statutes 2023) and Assem. Bill No. 166 (Chapter 48, Statutes 2024). The NOFA incorporates by reference the Multifamily Housing Program under Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the California Health & Safety Code (“MHP”), as well as the MHP Final Guidelines dated May 18, 2023 (“MHP Guidelines”), both as amended and in effect from time to time.

D. The City and County of San Francisco and Swords to Plowshares: Veterans Rights Organization (“Swords to Plowshares”) received a Homekey+ Program grant in the amount of \$39,044,030.00 (the “Homekey+ Grant”). The City and Swords to Plowshares intend to use the Homekey+ Grant to provide Permanent Supportive Housing for the Homekey+ Target Population, and Swords to Plowshares formed DECLARANT, of which Swords to Plowshares is the sole manager and member, to perform such obligations. HCD, the City, DECLARANT, and Swords to Plowshares entered into Standard Agreement No. [] dated as of _____ (the “Standard Agreement”), which sets out the obligations of the City, Swords to Plowshares, and Declarant in the use of the Homekey+ Grant. The Standard Agreement is incorporated herein by reference as though fully set forth in this Declaration. Definitions and rules of interpretation set forth in the Standard Agreement apply to this Declaration.

E. DECLARANT owns that certain real property located at 1035 Van Ness Avenue, San Francisco, California, as more particularly described in Exhibit A (the “Property”), consisting of an approved 124-unit multifamily residential building for permanent supportive housing of the Homekey+ Target Population with 24 hour front desk service for residents.

F. The City has made a loan in the amount of \$8,000,000 (the “Loan”) and a grant of \$[3,000,000] of Homekey+ Funds (the “City Grant”) to DECLARANT to rehabilitate the Property. The Loan and Grant are evidenced by, among other documents, a Loan and Grant Agreement between the City and DECLARANT dated as of [, 2025], as it may be amended from time to time (the “MOHCD Agreement”). The MOHCD Agreement is incorporated herein by reference as though fully set forth in this Declaration. Definitions and rules of interpretation set forth in the MOHCD Agreement apply to this Declaration.

G. Pursuant to the Standard Agreement and the MOHCD Agreement, DECLARANT has agreed to comply with certain affordability covenants and other use and occupancy restrictions set forth in the Standard Agreement and the MOHCD Agreement. The Parties intend that the Department and the City are intended beneficiaries of this Declaration.

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated herein by this reference, and in consideration of the City providing the Loan and City Grant in accordance with the City Documents and of HCD providing the Homekey+ Grant in accordance with the Standard Agreement, DECLARANT hereby agrees as follows:

Article I. DEFINITIONS

Section 1.01 Definitions. When used in this Declaration, the following terms have the following meanings:

(a) "Assisted Units" shall mean the 124 units of permanent supportive housing made available to the Homekey+ Target Population.

(b) "DECLARANT" means 1035Vets LLC, a California limited liability company, whose sole member and manager is Swords to Plowshares.

(c) "Effective Date" means the date that this Declaration is recorded in the Official Records of the City and County of San Francisco.

(d) "HCD" or "Department" means the State of California Department of Housing and Community Development.

(e) "HCD Median Income" means the median income for San Francisco County published by HCD on an annual basis, adjusted for household size, under California Health & Safety Code section 50093(c) and the California Code of Regulations, Title 25, Section 6932.

(f) "Homekey+ Program Requirements" means the following, all as amended and in effect from time to time: (1) the Homekey+ Program Notice of Funding Availability; (2) Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code; (3) the application for Homekey+ Funds submitted by the City and Borrower; (4) the Project report prepared by HCD in reliance on the representations and descriptions included in the application for Homekey+ Funds submitted by the City and Borrower; (5) the award letter issued by HCD to the City and Borrower; (6) the Standard Agreement for Homekey+ Funds; and (7) all other applicable laws for the Homekey+ program.

(g) "Homekey+ Target Population" means the following: (1) Veterans, or households with a Veteran, who are experiencing homelessness or who are At Risk of Homelessness as defined under part 578.3 of Title 24 of the Code of Federal Regulations and who have or are suspected of having a Behavioral Health Challenge (as defined under paragraph (vii) of Article VII (Definitions) of HCD's Homekey+ Program Notice of Funding Availability; (2) these individuals and households must include a person described in Welfare and Institutions Code (WIC) subdivision (c) or (d) of Section 14184.402, or a person with a substance use disorder, as described in WIC Section 5891.5; and (3) enrollment in Medi-Cal or in any other health plan will not be a condition for accessing housing or continuing to be housed.

(h) "Project" means the Property and the 124 Assisted Units, and attendant site improvements thereon.

(i) "Qualified Tenant" means a household who is a member of the Target Population earning no more than the maximum permissible annual income level specified in Section 2.07 of this Agreement.

(j) "Swords to Plowshares" means Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation.

(k) "Term" means the term of this Declaration which shall commence on the Effective Date and shall continue for the Life of the Project, but no less than fifty-five (55) years from the Effective Date.

- (l) “VASH” means Veterans Affairs Supportive Housing program administered by the United States Department of Veterans Affairs.
- (m) “Veteran Tenant” a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable and who is experiencing or At Risk of Homelessness as defined in Title 24 CFR Part 578.3.

Article II. OPERATION OF THE PROJECT

Section 2.01 Residential Use. During the Term of this Declaration, 124 units shall be used as permanent supportive housing available for occupancy to the Homekey+ Target Population, and such units shall be in decent, safe, and sanitary condition at the time of their occupancy. In addition, DECLARANT shall certify, upon occupancy, that it will employ the core components of Housing First (as set forth at Welfare and Institutions Code section 8255) as part of its property management plan and Supportive Services plan.

Section 2.02 Covenants to Run with the Land. The provisions of this Declaration shall run with the land and shall bind all successors in title to the Project and bind successors and assigns of DECLARANT and any non-borrower owner of the Property to provide 124 units for Permanent Supportive Housing; provided, however, that on the expiration of the Term, said covenants and restrictions shall expire.

Section 2.03 Term. The term of this Declaration shall commence on the Effective Date and shall continue for Life of the Project, but no less than fifty-five (55) years from the Effective Date for any obligation related to the Assisted Units under the Standard Agreement and the Homekey+ Program Requirements.

Section 2.04 Accessibility. The Project will be operated at all times in compliance with all applicable federal, state, and local disabled persons accessibility requirements including, but not limited to the applicable provisions of the Standard Agreement.

Section 2.05 Tenant Selection. Referrals to units shall be made through the local Coordinated Entry System ("CES"), in conjunction with the Housing Authority of the City and County of San Francisco ("SFHA") for Assisted Units subsidized by project based vouchers under the VASH program, or another comparable prioritization system based on greatest need shall be used. All referral protocols for Assisted Units shall be developed in collaboration with the local Continuum of Care and implemented consistent with the Homekey+ Program Requirements.

Section 2.06 Compliance with State and Federal Laws, Rules, Guidelines, and Regulation. DECLARANT agrees to comply with all state and federal laws, rules, guidelines, and regulations that are applicable to the Project, including those that pertain to construction, health and safety, labor, fair employment practices, and equal opportunity.

Section 2.07 Affordability of the Project. DECLARANT agrees as follows, subject to additional terms as set forth in the Agreement:

- (a) All 124 Units in the Project will at all times be leased only to tenants who qualify as Qualified Tenants, specifically:

Unit Size	No. of Units	Maximum HCD Income Level	Maximum MOHCD Income Level	Designation
Studio	66	30% of HCD Median Income	50% of Median Income	VASH
SRO	58	30% of HCD Median Income	50% of Median Income	LOSP
Total Units	124			

All Assisted Units will be made available to chronically homeless or those at risk of homelessness during the period in which the City's LOSP program is in operation, and the City provides such subsidy to the Project, as prioritized through the City's Coordinated Entry System.

In addition, all Assisted Units will be concurrently Homekey+ units and targeted to Tenants who meet the Homekey+ Target Population for a period of fifty-five (55) years. Homekey+ units are restricted to 30% of HCD Median Income as determined by Homekey+ Program Requirements, however such income limit for the Homekey+ units may be increased to a maximum of 50% of HCD Median Income subject to the Homekey+ Program Requirements and demonstrated good faith efforts by Borrower to lease Homekey+ units to the Homekey+ Target Population. On an annual basis, Borrower will convert to the HCD Median Income and maximum rent to the corresponding published MOHCD maximum income level and maximum rent level, respectively, and provide MOHCD with supporting documentation.

Homekey+ units will be operated under the Homekey+ Program Requirements, as set forth in the Standard Agreement. In addition, Borrower will certify, upon occupancy, that it will employ the core components of Housing First (as set forth at Welfare and Institutions Code section 8255) as part of its property management plan and Supportive Services plan. If there is any conflict between the Homekey+ Program Requirements and this Agreement, the Homekey+ Program Requirements will control.

(b) The total amount for rent and utilities (with the maximum allowance for utilities determined by SFHA) charged to a Qualified Tenant may not exceed:

(i) thirty percent (30%) of the applicable maximum income level, adjusted for household size; or

(ii) the tenant paid portion of the contract rent as determined by the San Francisco Housing Authority for Qualified Tenants holding Section 8 vouchers or certificates.

(c) Under the Standard Agreement with HCD for Homekey+ funds, the City is required to provide an operating subsidy for the first five (5) years of the Project. If after 5 years, the LOSP subsidy is terminated, discontinued or reduced at no fault of DECLARANT with respect to the Project, then the rent restrictions above may be altered but only to the extent necessary for the Project to remain financially feasible, as determined in City's reasonable discretion; provided that one hundred percent (100%) of the Units formerly under the LOSP must at all times be occupied by Qualified Tenants whose gross income does not exceed the lesser of fifty percent (50%) of MOHCD Median Income or 30% of HCD median income and the monthly rent paid by the Qualified Tenants may not exceed (a) the lesser of thirty percent (30%) of fifty percent (50%) of MOHCD Median

Income or thirty percent (30%) of HCD Median Income (b) less utility allowance. In such event, the City will use good faith efforts to meet with DECLARANT within fifteen (15) days after DECLARANT's request to meet. To the extent financially feasible, as mutually determined by the parties, any such rent increase will be limited to (or will be first implemented with) any vacant units. Notwithstanding Section 2.05, the requirements of Article 6 of the Loan Agreement shall apply to any units under this Section 2.07(c). The relief provided by the paragraph will not be construed as authorizing DECLARANT to exceed any income or rent restriction imposed on the Project by any other agreement. DECLARANT covenants and warrants that it will obtain all necessary approvals or relief from any other applicable income or rent limitations before implementing the relief provided in this paragraph.

Section 2.08. Incorporation of Loan Agreement. For the avoidance of any doubt, notwithstanding any repayment of the Loan or otherwise satisfied or if the Deed of Trust is reconveyed, Borrower will comply with the applicable terms of the Agreement as if fully set forth herein, including, without limitation, Article 6 (Marketing), Article 7 (Affordability and Other Leasing Restrictions), Article 8 (Maintenance and Management of the Project), Article 9 (Governmental Approvals and Requirements), Article 10 (Project Monitoring, Reports, Books and Records), Article 11 (Use of Income From Operations), Article 12 (Required Reserves), Article 16 (Transfers), Article 17 (Insurance and Bonds; Indemnity), Article 18 (Hazardous Substances), and Article 19 (Default).

Section 2.09 Enforcement.

(a) If DECLARANT fails to (i) comply with this Declaration to the City's satisfaction, in its sole discretion, and (ii) cure such default as set forth in Section 19.1(c) of the MOHCD Agreement, the City will have the right to pursue any available remedy at equity or in law, including as set forth in Section 19.2 of the Agreement, to enforce this Declaration. During the Compliance Term, the City may rely on the Deed of Trust and/or this Declaration, in the City's discretion, to enforce any of the City's rights under the City Documents. DECLARANT will pay the City's reasonable costs in connection with the City's enforcement of the terms of this Declaration, including, without limitation, the City's attorneys' fees and costs.

(b) The parties acknowledge and agree that the Department is an express beneficiary of this Declaration, that the Department has made the Homekey+ Grant in reliance on this Declaration, and that the Department has a direct and independent right of enforcement against the DECLARANT (and Swords to Plowshares: Veterans Rights Organization, if applicable) in the event of the DECLARANT's breach, default, or other non-compliance under this Declaration, which right is exercisable in the Department's sole and absolute discretion.

Article III. MISCELLANEOUS

Section 3.01 Governing Law. This Declaration is governed by the laws of the State of California.

Section 3.02 Waiver of Requirements. Any of the requirements of this Declaration may be expressly waived by the City in writing, but no waiver by the City of any requirement of this Declaration shall, or shall be deemed to, extend to or affect any other provision of this Declaration.

Section 3.03 Recording and Filing. The City shall cause this Declaration, and all amendments and supplements to it, to be recorded against the Property in the Official Records of the City and County of San Francisco.

Section 3.04 Amendments. This Declaration may be amended only by a written instrument executed by DECLARANT and the City with the prior written consent of HCD and duly recorded in the Official Records of the City and County of San Francisco.

Section 3.05 Subordination. This Declaration shall be recorded in first lien position. This Declaration may only be subordinated with the approval of HCD and in compliance with San Francisco Administrative Code Chapter 120.

[SIGNATURES ON FOLLOWING PAGE]

DECLARANT

1035Vets LLC,
a California limited liability company

By: Swords to Plowshares: Veterans Rights Organization,
a California nonprofit public benefit corporation
Its Sole Member/Manager

By: _____
[Tramecia Garner]
Its Executive Director

[SIGNATURES TO BE NOTARIZED]

EXHIBIT A
(Legal Description of the Property)

PROPERTY SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

Beginning at a point on the Westerly line of Van Ness Avenue, distant thereon 30.00 feet Southerly from the Southerly line of Geary Street; running thence Southerly along the said Westerly line of Van Ness Avenue 90.00 feet to the point of intersection of the Westerly line of Van Ness Avenue with the Northerly line of Myrtle Street; thence at a right angle Westerly along said line of Myrtle Street 137.25 feet; thence at a right angle Northerly 90.00 feet; thence at a right angle Easterly 137.25 feet to the Point of Beginning.

BEING a portion of Western Addition Block No. 82

Assessor's Lot 028; Block 0714

Street Address:

1035 Van Ness Avenue, San Francisco, CA 94109



City and County
of San Francisco

Homekey+ Projects: 835 Turk Street and 1035 Van Ness Avenue

Budget and Finance Committee | December 3, 2025



Leveraging State Homekey Grant Funds

Homekey Program

~\$235 million awarded to San Francisco

~897 new units of PSH for adults, families and young adults across 8 sites

Homekey+ Program

\$56.3 million awarded to projects in San Francisco

~230 units of PSH for veterans and adults across 2 sites

- **Homekey+** is the permanent housing component of the Behavioral Health Bond under Proposition 1 and is administered by HCD.
- Focuses on **quick delivery of permanent affordable housing**, generally within 12 months of award.



City and County
of San Francisco

835 Turk Street

- Homekey+ Accept and Expend
- Ground Lease and Loan & Grant Agreement



835 Turk Street

- **Acquired by the City** in 2022, has been operated as permanent supportive housing (PSH) for adults exiting homelessness since 2023.
- Operated by **Five Keys Schools and Programs (Sponsor)** acting through its affiliate 835 Turk LLC (Borrower)
- Homekey+ grant funds will support **capital** and **operations**.
- Rehabilitation:
 - **106 units**, including **6 ADA units**
 - Critical structural improvements, including Seismic retrofit
 - Ground floor remodeling
 - Window replacement



835 Turk: Accept and Expend Resolution

Resolution authorizes HSH to:

- Execute a **Standard Agreement** for a total amount not to exceed **\$17,291,506** with co-applicants 835 Turk LLC and Five Keys with the State of California's Department of Housing and Community Development (HCD).
- **Retroactively accept and expend \$13,729,907** in Homekey+ grant funds.
 - The remaining funds will be disbursed from HCD directly to 835 Turk LLC to support initial operating costs for the 53 Homekey+ units.
- Approves the City to commit **\$16,270,093** in capital and **5 years** of operating subsidies for **required matching funds**.
 - Additionally, the City has committed to 15 years of operating subsidies through the LOSP program.

835 Turk: Funding Overview

Homekey+ City Portion

- \$12.7 million for Capital (Rehabilitation)
- \$1 million for Capital (Relocation)

Homekey+ 835 Turk LLC

- \$3.6 million for Operating

Required Match: Capital (\$16.2 million)

- \$6.6 million Our City, Our Home (Prop C)
- \$9.6 million 2020 Health & Recovery GO Bond Funds

Required Match: Operations

- \$16.3 million OCOH
- \$29.4 million LOSP (Additional Commitment)

835 Turk Homekey+ Grant -
\$17.3 million

Capital Award: \$13.7 million

Operating Award: \$3.6 million

835 Turk: Ground Lease and Loan & Grant Agreement

Ground Lease

- **Leasee:** 835 Turk LLC
- **Term:** 55-years
- **Cost:** \$1 total rent
- **Scope:** Responsible for ongoing management, maintenance, rehabilitation and operation of the Project as PSH.

Loan & Grant Agreement

- **Loan:** \$12,922,000 to 835 Turk LLC
- **Grant:** \$13,729,907 in Homekey+ funds from HCD
- **Term:** 55 years
- **Interest Rate:** 0%
- **Recommended** by the Citywide Affordable Housing Loan Committee on November 7, 2025.



City and County
of San Francisco

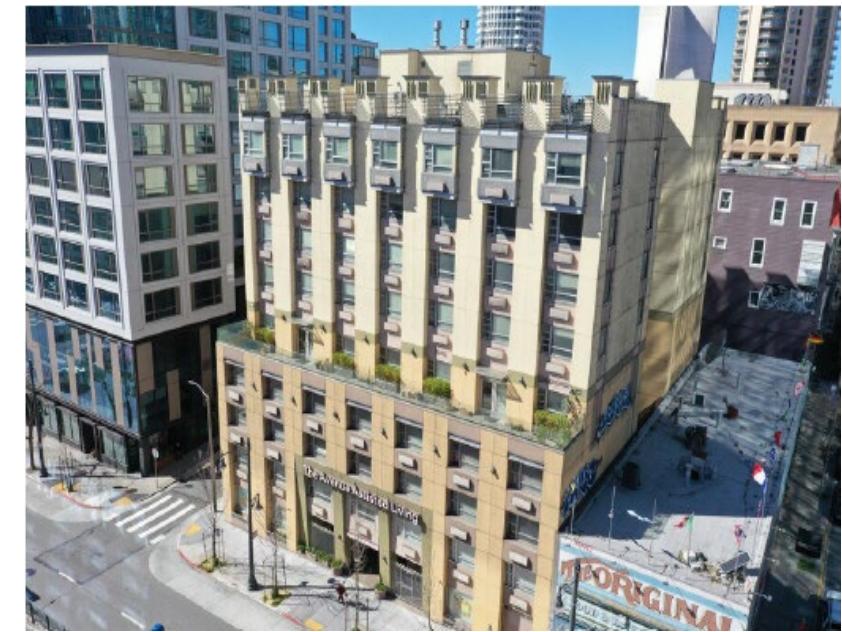
1035 Van Ness Avenue

- Homekey+ Accept and Expend
- Loan & Grant Agreement



1035 Van Ness Avenue (1035 VN)

- Former assisted living facility, 9-story building with 107 private baths and small kitchenettes.
- **Swords to Plowshares** (1035Vets LLC) acquired the property in June 2025, and in partnership with MOHCD and HSH will operate the site as permanent supportive housing (PSH) for veterans.
- **124 units of PSH** following rehab, with 58 units supported by Local Operating Subsidy Program (LOSP) and 66 units supported by Veterans Affairs Supportive Housing (**VASH**) vouchers.
- **Homekey+ grant** will support **rehabilitation and operations**.



1035 Van Ness: Accept and Expend Resolution

Resolution authorizes HSH to:

- **Execute a Standard Agreement** for a total amount not to exceed **\$39,044,030** with co-applicant 1035Vets LLC, with the State of California's Department of Housing and Community Development.
- **Accept and expend \$3,000,000** in Homekey+ grant funds for rehabilitation.
 - Additional funds will be disbursed from HCD to pay \$29.8M in acquisition financing and remaining \$6.2M will be disbursed to 1035Vets LLC, to support initial operating costs.
- Approves the City to commit **\$8,000,000** in capital and **5 years** of operating subsidies for **required matching funds**.
 - Additionally, the City has committed to 15 years of operating subsidies through the LOSP program.

1035 VN: Funding Overview

Homekey+ City Portion

- \$3 million for Capital (Rehabilitation)

Homekey+ 1035Vets LLC

- \$29.8 million for Capital (Acquisition)
- \$6.2 million for Operating

Required Match: Capital (\$8 million)

- \$2.1 million Our City, Our Home (Prop C)
- \$5.9 million 2020 Health & Recovery GO Bond Funds

Required Match: Operations

- \$2.9 million General Fund
- \$8.7 million LOSP (Additional Commitment)

1035 Van Ness Homekey+ Grant - \$39 million

Capital Award: \$32.8 million

Operating Award: \$2.5 million

Veteran Units Additional
Operating Award: \$3.7 million

1035 Van Ness: Loan and Grant Agreement

Loan & Grant Agreement

- **Loan:** \$8,000,000 City loan to 1035Vets LLC
- **Grant:** \$3,000,000 in Homekey+ funds from HCD, managed by MOHCD
- **Loan Term:** 55 years
- **Loan Interest Rate:** 0%
- **Recommended** by the Citywide Affordable Housing Loan Committee on November 7, 2025.



City and County
of San Francisco

Thank you.

Department of
Homelessness and
Supportive Housing

Mayor's Office of Housing
and Community
Development



PLANNING APPROVAL LETTER

Date: June 11, 2025
Planning Record No. 2025-004242PRJ
Project Address: 1035 VAN NESS AVE
Zoning: RC-4 (RESIDENTIAL- COMMERCIAL, HIGH DENSITY) Zoning District
Van Ness Special Use District
130-V Height and Bulk District
Block/Lot: 0714 / 028
Project Sponsor: Mimi Sullivan
77 Van Ness Avenue, Suite 202
San Francisco, CA 94102
mimi@saidasullivan.com
(415)777-0991
Staff Contact: Carly Grob
Carly.grob@sfgov.org

Project Description

This project would convert an existing residential care facility (institutional use) into 100% affordable permanent supportive housing rental units. The project will result in 124 dwelling units¹ from the conversion of 106 existing care facility rooms, recreation of 16 care facility rooms that were removed without a permit, and the creation of two (2) new rooms which were previously support spaces. All 124 units will include a bathroom, and will be furnished with refrigerators, stove tops, and sinks. The project will also make minor alterations to the existing amenity spaces on the fifth floor for use as resident services and property management offices, as well as alterations at the ground floor to construct a compliant mail room and to restore the demising wall between building storage and the retail spaces.

Project Approval

This project is approved pursuant to Government Code section 65650, commonly known as AB 2162. AB 2162 requires the ministerial approval of eligible supportive housing projects. For additional details on AB 2162, please see Government Code section 65650 et. seq., or Director's Bulletin 5.

The Department has determined that the project is eligible for AB 2162 and has concluded its design review of the project, including that it complies with the objective standards of the Planning Code. The Department therefore approves the project in accordance with the provisions of Government Code section 65650 et. seq.

¹ Pursuant to an interpretation of Planning Code Section 102, published 3/21, "Permanently Supportive Housing," may be determined to be Dwelling Units even when providing only limited cooking facilities due to the unique nature of such housing.

(AB 2162), as recorded in Planning Record No. 2025-004242PRJ. The project shall comply with the standard conditions of approval for an AB 2162 project, attached. The property owner shall record Notice of Special Restrictions prior to the issuance of a site or building permit for the project. The plans for the approved project are attached to this approval.

The Project Sponsor will record the Notice of Special Restrictions before issuance of the building permit.

Project Timeline

Action	Date
Applicant submitted a Development Application	May 14, 2025
Department staff issued Incomplete Application Notice (IAN)	May 16, 2025
Applicant responded to Incomplete Application Notice (IAN)	May 21, 2025
Department staff deemed Application Complete (CAN)	May 22, 2025
Department staff determined that the proposed project was eligible for AB 2162	May 22, 2025

Compliance with the State Density Bonus Law

The Project Sponsor seeks to proceed pursuant to Planning Code Section 206.6, Individually Requested State Density Bonus Law, Government Code Section 65915 et seq (the “State Law”). Under subsection 65915(b)(1)(G) of the State Law, a housing development that provides 100% of the total units for lower income households, except that up to 20% of the total units in the development may be for moderate-income households and exclusive of a manager’s unit(s), is entitled to five concessions and incentives that result in identifiable and actual cost reductions to provide for affordable housing costs. Such project, when located within one-half mile of a major transit stop, shall be relieved of maximum density controls and shall also receive a height increase of up to three additional stories, or 33 feet, and unlimited waivers from development standards that might otherwise preclude the construction of the project are permitted under this subsection of the State Law.

The Project Sponsor is providing 124 units of housing affordable to low- and very low-income households, and the project is located within one-half mile of a major transit stop; therefore, the project is not subject to any maximum control on density, and is entitled to receive up to five concessions/incentives and an additional three stories, or 33 feet of height and unlimited waivers. The project sponsor is requesting a concession/incentive from the development standards for active uses at the street frontage (Planning Code Section 145.1(c)(3), bicycle parking (Planning Code Section 155.1-2), and car share (Planning Code Section 166). The project has requested waivers from the development standards for rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), and dwelling unit exposure (Planning Code Section 140).

Planning Code Findings

Planning Code Section 206.6

The Department finds that the project is consistent with the findings set forth in 206.6 as further described below.

Before approving an application for a Density Bonus, Incentive, Concession, or waiver, for any Individually Requested Density Bonus Project, the Planning Commission or Director shall make the following findings as applicable.

- A. The Housing Project is eligible for the Individually Requested Density Bonus Program.

The Project qualifies for the State Density Bonus Program by providing 100% of the units, excluding manager's units, as affordable to lower-income households.

- B. The Housing Project has demonstrated that any Concessions or Incentives reduce actual housing costs, as defined in Section 50052.5 of the California Health and Safety Code, or for rents for the targeted units, based upon the financial analysis and documentation provided.

The project has requested concessions/incentives from the development standards for active uses at the street frontage (Planning Code Section 145.1(c)(3), bicycle parking (Planning Code Section 155.1-2,) and car share (Planning Code Section 166).

Ground Floor Active Uses. Planning Code Section 145.1(c)(3) requires active uses for the first 25 feet of building depth on the ground floor. There are two vacant retail spaces at the ground floor of the existing building. The project would restore a demising wall between the retail space and residential building storage. The retail would be less than 25 feet in building depth along the Van Ness frontage, and the residential storage facing Myrtle would not be considered an active use. The requested incentive from the Planning Code requirement to provide active uses at the street frontage would result in actual and identifiable cost reductions. Without the requested incentive, the Project would be required to lease space currently slated for residential use for another non-residential, active use. The loss of units or other residential spaces would impact Project's funding availability and overall operating costs.

Bicycle Parking. Planning Code Section 155.2 requires one Class 1 bicycle parking space for every dwelling unit, and for buildings with more than 100 units, one Class 1 space for every four dwelling units over 100. The Planning Code also requires One Class 2 space for every 20 units. The project would require 106 Class 1 spaces and 6 Class 2 spaces. The requested incentive from Class 1 and Class 2 bicycle parking requirements would result in cost reductions to construct bicycle parking, as well as the indirect costs incurred from the loss of other residential or supportive service uses in the building.

Car Share. Planning Code Section 166 requires car-share spaces be provided in any building being converted to residential uses with existing off-street parking. Providing a public car share space in the

secure garage would be a major security risk that could negatively impact the operations of the proposed permanent supportive housing. Providing a higher level of security would be prohibitively expensive, especially for a housing type with strict maintenance and operational demands. The requested incentive from car share allows the Project to avoid the initial expense and maintenance of increased security.

- C. If a waiver or modification is requested, a finding that the Development Standards for which the waiver is requested would have the effect of physically precluding the construction of the Housing Project with the Density Bonus or Concessions and Incentives permitted.

The project has requested waivers from the development standards for rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), and dwelling unit exposure (Planning Code Section 140).

Rear Yard. *The requested waiver from the rear yard requirements of Planning Code Section 134 result in increased residential density. In the RC-4 Zoning District, a 25% rear yard is required at the first floor containing a dwelling unit, and at each subsequent story. Per an interpretation of Planning Code Section 188(a), converting a noncomplying rear yard building to residential use would add a new discrepancy, and would not comply with Section 134. Establishing new residential uses in a building which does not provide a code-compliant rear yard would substantially decrease the residential density of the project, resulting in the loss of approximately 46 of the 124 proposed units.*

Usable Open Space. *Planning Code Section 135 requires that 48 square feet of common usable open space be provided for each dwelling unit within the RC-4 Zoning District, and that common usable open space be 15' in every horizontal dimension with a minimum area of 300 square feet. The project requires 5,952 square feet of common usable open space. While the project provides approximately 1,679 square feet of existing open space within the rear yard, in the light well, and on a deck facing Van Ness, none of these spaces meet the 15'x15' minimum dimension. Furthermore, the rooftop is currently unavailable to be converted into usable open space due to cost and operational constraints. The requested waiver from the rear yard requirements of Planning Code Section 135 result in the residential density permitted under the State Density Bonus Law.*

Dwelling Unit Exposure. *In the RC-4, dwelling units may meet exposure by facing onto code-compliant a rear yard, a 25' x 25' open area, or a public street or alley that is at least 25 feet wide. Providing a code-compliant rear yard would substantially decrease the residential density of the project, resulting in the loss of approximately 51 of the 124 proposed units face onto a rear yard that is not code-compliant or onto a lightwell along the north property line. The requested waiver from the exposure requirements of Planning Code Section 140 result in increased residential density.*

- D. If the Density Bonus is based all or in part on donation of land, a finding that all the requirements included in Government Code Section 65915(g) have been met.

The requested Density Bonus is not based on donation of land.

- E. If the Density Bonus, Concession or Incentive is based all or in part on the inclusion of a Child Care Facility, a finding that all the requirements included in Government Code Section 65915(h) have been met.

The requested Density Bonus and concessions/incentives are not based on inclusion of a Child Care facility.

- F. If the Concession or Incentive includes mixed-use development, a finding that all the requirements included in Government Code Section 65915(k)(2) have been met.

The requested concessions/incentives are for residential use only.

General Plan Compliance

As described below, the Project is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with the Objectives and Policies of the General Plan.

Note: General Plan Objectives are shown in **BOLD UPPER CASE** font; Policies are in **Bold** font; staff comments are in *italic* font.

HOUSING ELEMENT

Policy 8

Expand permanently supportive housing and services for individuals and families experiencing homelessness as a primary part of a comprehensive strategy to eliminate homelessness.

Policy 15

Expand permanently affordable housing investments in priority equity geographies to better serve american indian, black, and other people of color within income ranges underserved, including extremely-, very low-, and moderate-income households.

OBJECTIVE 4.A

SUBSTANTIALLY EXPAND THE AMOUNT OF PERMANENTLY AFFORDABLE HOUSING FOR EXTREMELY LOW- TO MODERATE-INCOME HOUSEHOLDS.

Policy 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting state- and local-required timelines, especially for 100% affordable housing and shelter projects.

Policy 32

Promote and facilitate aging in place for seniors and multi-generational living that supports extended families and communal households.

OBJECTIVE 4.C

DIVERSIFY HOUSING TYPES FOR ALL CULTURES, FAMILY STRUCTURES, AND ABILITIES.

The project will provide 124 permanent supportive housing (PSH) rental units within an existing building, which expands the City's supply of housing and supportive services for formerly homeless veterans. The units will remain affordable for the life of the project. The subject property is just outside of the Priority Equity Geography SUD across Van Ness Avenue, and will provide access housing and supportive services for formerly homeless veterans from various backgrounds. AB 2162 and the State Density Bonus Law have provided a simplified, streamlined approval path for the project. The project is consistent with the General Plan.

Planning Code Section 101.1(b) establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project complies with said policies in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The project site does not possess any neighborhood-serving retail uses. The Project provides 124 new supportive housing units, which will enhance the nearby retail uses by providing new residents, who may patron these businesses.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The project would not impact the neighborhood character, and would enhance the economic diversity of our neighborhoods. The project would convert an residential care facility, an institutional use, with 124 permanent supportive housing units, thus resulting in an overall increase in the affordable housing stock. The units will be affordable for the life of the project, which ensures that formerly homeless individuals will have access to housing opportunities within the neighborhood in perpetuity. The project scope not include any exterior alterations. For these reasons, the Project would protect and preserve economic diversity of the neighborhood.

3. That the City's supply of affordable housing be preserved and enhanced,

The Project creates 124 permanent supportive housing units within an existing building, thereby increasing the stock of affordable housing units in the City.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project Site is served by nearby public transportation options. The Project is located along Van Ness Avenue, which is a bus rapid transit corridor (BRT) and is the north/south route for the MUNI 49 busline and on the same block as the east/west line for the MUNI 38 and 38 rapid bus lines along Geary Avenue. The project is also within ¼ mile of MUNI lines 2, 19 and 31. Future residents would be afforded proximity to a bus line.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not include commercial office development and will not displace any industrial uses. The project will replace a residential care facility that is mostly vacant with permanent supportive housing, which is a priority for the City.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project does not propose any exterior alterations. The proposed interior alterations will be designed and constructed to conform to the structural and seismic safety requirements of the Building Code. As such, this Project will not impact the property's ability to withstand an earthquake.

7. That landmarks and historic buildings be preserved.

Currently, the Project Site does not contain any City Landmarks or historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project does not propose any exterior alterations, and would therefore not have any impact to access to sunlight or vistas.

Attachments:

Conditions of Approval for 100% Affordable AB 2162 Projects
Approved Plans

CONDITIONS OF APPROVAL FOR A 100% AFFORDABLE AB 2162 PROJECTS

Authorization

This authorization to allow the conversion of an existing residential care facility into 124 permanent supportive housing units and supportive services, located at 1035 Van Ness Avenue, 0714/028 within the RC-4 (Residential-Commercial, High Density) Zoning District, a 130-V Height and Bulk District, and the Van Ness Special Use District; in general conformance with plans, dated May 12, 2025, included in the case file for Planning Record No. 2025-004242PRJ. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

Recordation of Conditions of Approval

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Department on June 11, 2025 under Planning Record No. 2025-004242PRJ

Severability

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

Changes and Modifications

Changes to the approved plans may be approved administratively by Planning Staff if the modifications to the Project are compliant with the objective provisions of the Planning Code in effect at the time of the original Planning approval.

State Law Provisions

1. **Expiration.** The authorization and right vested by virtue of this action does not expire.
2. **Affordable Housing.** 100% of the units, excluding managers' units, within the development are restricted to lower income households, as defined in CA Health and Safety Code Section 50079.5, and are or will be receiving public funding to ensure affordability of the housing to lower income Californians. The rents in the development shall be set at an amount consistent with the rent limits

stipulated by the public program providing financing for the development. All units within the development are subject to a recorded affordability restriction for 55 years.

3. **Regulatory Agreement.** The Project was approved ministerially in accordance with the provisions of California Government Code Section 65650, since 100% of the units, excluding managers' units, within the project are restricted to lower income households for a period of at least fifty-five years, are or will be receiving public funding to ensure affordability of the housing to lower income Californians, and provides a minimum number of Supportive Housing units. In addition, the Project was approved in accordance with the provisions of California Government Code Section 65915 ("State Density Bonus Law"). The Project is eligible for decontrolled density, three stories above the zoned height limit, up to four incentives and concessions, and unlimited waivers from development standards. The Department has granted incentives/concessions from the development standards for active uses at the street frontage (Planning Code Section 145.1(c)(3) and car share (Planning Code Section 166, and waivers for rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), dwelling unit exposure (Planning Code Section 140), and bicycle parking (Planning Code Section 155). Prior to the issuance of the first construction document for the Project, the property owner must enter into a regulatory agreement with the City pursuant to the provisions of Planning Code Section 206.6(f).

State Law Design Requirements

4. **Amenities.** Pursuant to California Government Code Section 65651(a)(7), units within the development, excluding managers' units, shall include at least one bathroom and a kitchen or other cooking facilities, including, at minimum, a stovetop, a sink, and a refrigerator.
5. **Supportive Services.** Pursuant to California Government Code Section 65651(a)(5), at least 3% of the total nonresidential floor area shall be provided for on-site supportive services as defined in California Government Code Section 65582, that are limited to tenant use, including, but not limited to, community rooms, case management offices, computer rooms, and community kitchens.

State Law Operational Requirements

6. **Supportive Housing.** Pursuant to California Government Code Section 65651(a)(3), at least 25% of the units in the development or 12 units, whichever is greater, are restricted to residents in supportive housing who meet criteria of the target population. If the development consists of fewer than 12 units, then 100% of the units, excluding managers' units, in the development shall be restricted to residents in supportive housing.

Pursuant to California Government Code Section 65651(c), the local government shall, at the request of the project owner, may reduce the number of residents required to live in supportive housing if the project-based rental assistance or operating subsidy for a supportive housing project is terminated through no fault of the project owner, but only if all of the following conditions have been met:

- (1) The owner demonstrates that it has made good faith efforts to find other sources of financial support.
- (2) Any change in the number of supportive housing units is restricted to the minimum necessary to maintain the project's financial feasibility.
- (3) Any change to the occupancy of the supportive housing units is made in a manner that minimizes tenant disruption and only upon the vacancy of any supportive housing units.

City Provisions

7. **Inclusionary Affordable Housing Program.** As currently proposed in the Project Sponsor's application and affidavit, the Project is intended to be a 100% affordable housing project with rents that will be regulated by a government unit, agency, or authority, except those unsubsidized or unassisted units insured by the US Department of Housing and Urban Development pursuant to Section 415.3(f)(4). As of the date of this approval, the Project does not satisfy the requirements under Section 415.3(f)(4) and is not exempt from the Inclusionary Affordable Housing Program. To comply with Section 415.3(f)(4), the Project Sponsor shall (i) execute an affordable housing regulatory agreement with the City or other government agency in form and substance acceptable to the Planning Department, MOHCD, and the City Attorney's Office, and (ii) record such regulatory agreement on title to the real property of the Project in the official records of the City and County of San Francisco. Project Sponsor shall deliver a copy of such recorded regulatory agreement to the Planning Department prior to issuance of the Site Permit or Building Permit for the Project.

If the Project Sponsor no longer intends to develop a 100% affordable housing project, or does not execute and record an affordable housing regulatory agreement as described above, the Project Sponsor shall comply with the applicable inclusionary housing requirements set forth in Planning Code Section 415 *et seq.*, or any successor provision, and the requirements of the then-applicable Inclusionary Affordable Housing Program Monitoring and Procedures Manual, as amended from time to time, published by MOHCD. To comply with Planning Code Section 415 *et seq.*, the Project Sponsor shall: (i) obtain from the Planning Department a supplemental letter setting forth the applicable inclusionary housing requirements for the Project, and (ii) execute and record a new notice of special restrictions or any amendment to this NSR, as well as any related regulatory agreement, in form and substance approved in writing by the Planning Department and MOHCD prior to issuance of the Site Permit or Building Permit for the Project.

If, at any point during the life of the Project, the Project no longer qualifies as a 100% affordable housing project under Section 415.3(f)(4), the Project Sponsor shall comply with the applicable inclusionary housing requirements set forth in Planning Code Section 415 *et seq.*, or any successor provision, and the requirements of the then-applicable Inclusionary Affordable Housing Program Monitoring and Procedures Manual, as amended from time to time, published by MOHCD. To comply with Planning Code Section 415 *et seq.*, the Project Sponsor shall execute and record a new notice of special restrictions or any amendment to this NSR, as well as any related regulatory agreement, in form and substance approved in writing by the Planning Department and MOHCD.

8. **Anti-Discriminatory Housing.** The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.
9. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

For information about compliance, contact the First Source Hiring Manager at 415.581.2335, www.onestopSF.org.

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Signature



Consultants

Project & Owner

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PRIORITY PERMIT

ISSUE INFORMATION

Issued For

AB 2162 APPLICATION

05/12/2002

No. Description Date

PLOT DATE: 05/12/25
PROJECT NO: 2506
PHASE: SD
Sheet Title:

UNIT MIX SUMMARY

Sheet No:
G002

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1035 VAN NESS HOUSING

1035 VAN NESS, SAN FRANCISCO, CA

ABBREVIATIONS

&	AND	KITCHEN
@	ANGLE	LAU. LAUNDRY
A.B.	ANCHOR BOLT	LAND'G LANDSCAPE
ABV	ABOVE	LAVATORY
A.C.	ACCESSIBLE	L.T. LIGHT
ACC	ACCESSORY CONC	MAX. MAXIMUM
ACOUS.	ACOUSTICAL	MEDICINE CABINET
ACOUS.	ACOUSTICAL	MECH. MECHANICAL
A.D.	AREA DRAIN	MTL. METAL
ADU	ADDITIONAL	MFR. MANUFACTURER
ALUM.	ALUMINUM	MIN. MINIMUM
APL.	ASSUMED PROPERTY LINE	MTD. MOUNTED
AUTO.	AUTOMATIC	MULL. MULLION
BALC.	BALCONY	NOT APPLICABLE
BD.	BOARD	N.I.C. NOT IN CONTRACT
BLDG.	BUILDING	NOT TO SCALE
BLDG.	BUILDING	OVER
BM.	BEAM	ON CENTER
B.O.C.	BOTTOM OF CURB	OFF. OFFICE
BTM.	BOTTOM	OVH. OVERHANG
B.S.W.	BACK OF SIDEWALK	OPNG. OPENING
BTWN.	BETWEEN	OPP. OPPOSITE
CAB.	CABINET	OPP'. PERFORATED
CEM.PLAS.	CEMENT PLASTER	PLATE
C.J.	CONTROL JOINT	PROPERTY LINE
C.L.	CENTERLINE	PLAS. LAM. PLASTIC LAMINATE
CL.G.	CLADDING	P.C. PRE-CURVED
CLKG.	CAULKING	P.T. PRESSURE TREATED
CL.	CLOSET	OR POST TENSIONED
CLR.	CLEAR	P.TD. PARTITION
C.M.U.	CONCRETE MASONRY UNIT	PLYWD. PLYWOOD
COL.	COLUMN	R. RISER
CONN.	CONCRETE	REC. RECESSED
CONN.	CONNECTION	REF. REFRIGERATOR
CONT.	CONTINUOUS	REIN. REINFORCED
CONST.	CONSTRUCTION	REQD. REQUIRED
CTR.	CENTRE	ROOM
CSMT.	CASEMENT	R.O. ROUGH OPENING
DBL.	DRYER	R.W.L. RAINWATER LEADER
DET.	DETAIL	S.D. SEE DRAWINGS
DIA.	DIA. DIAMETER	S.C. SEE CIVIL DRAWINGS
DR.	DRUM	S.D.D. SEE STRUCTURAL DRAWINGS
D.S.	DOOR	SCH. SCHEDULE
DVG.	DRAVING	SEC. SECTION
EA.	EACH	SECT. SECTION
E.J.	EXPANSION JOINT	S.F. SUBFLOOR
ELEV.	ELEVATION	S.G. SAFETY GLAZING
ELC.	ELC. ELC	SHELF
ENCL.	ENCLOSURE	SHLV. SHELVES
E.P.	ELECTRIC PANEL	SHT. SHEET
E.Q.	EQUIPMENT	SIM. SIMILAR
EXT.	EXTERIOR	S.L. SEE LANDSCAPE DRAWINGS
F.A.I.	FIRE AIR INTAKE	S.M. SHEET METAL
F.D.	FLOOR DRAIN	S.M.D. SEE MECHANICAL DRAWINGS
F.E.	FOUNDATION	STD. STANDARD
F.E.C.	FIRE EXTINGUISHER CABINET	STRUCT. STRUCTURAL
F.F.	FINISHED FLOOR	SV. SHEET VINYL
FIN.	FINISH OR FINISHED	T.G. TONGUE & GROOVE
FLASH'G	FLASHING	T.H. TUBE HEAT
FLEX.	FLEXIBLE	T.S. TUBE STEEL
F.L.R.	FLOOR	T.T. TUBULAR
F.O.B.	FACE OF BEAM	TPH. TUBE HOLDER
F.O.C.	FACE OF CONCRETE	TREAO. TRED (OR TEMPERED)
F.O.F.	FACE OF FINISH	TEL. TELEPHONE
F.O.S.	FACE OF STUD	TEMP.G. TEMPERED GLASS
F.O.W.	FACE OF WALL	TP. TYPING
FT.	FOOT	U.O.N. UNLESS OTHERWISE NOTED
FTG.	FOOTING	V.C. VINYL COMPOSITION TILE
GA.	GAZE	VERT. VERTICAL
GAR.	GARAGE	VERT. VERTICLE
G.B.	GRAB BAR	V.G.D.F. VERTICAL GRAIN DOUG. FIR
GL.	GLASS	V.I.F. VERIFY IN FIELD
GLAZ.	GLAZING	W. WANDER
G.S.M.	GALVANIZED SHEET METAL	W/ WITH
G.W.B.	GYPSUM WALL BOARD	W.C. WATER CLOSET
G.Y.P.	GYPSUM	WDW. WINDOW
H.B.	HOSE BIB	W.H. WATER HEATER
HDWR.	hardware	W/O. WITHOUT
H.M.	HEAVY METAL	W.O. WATER OCCURS
HORIZ.	HORIZONTAL	W.P. WATERPROOF
HPR.	HOPPER	W.S. WHEELSTOP
H.R.	HORN	
H.R.	HORANAIL	
HT.	HEIGHT	
IN.	INCHES	
INSUL.	INSULATION	
INT.	INTERIOR	
INTERM.	INTERMEDIATE	
JT.	JOINT	

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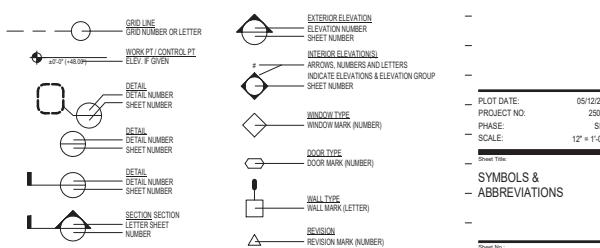
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AB 2162 APPLICATION

05/12/2025

No. Description Date

SYMBOLS



G003

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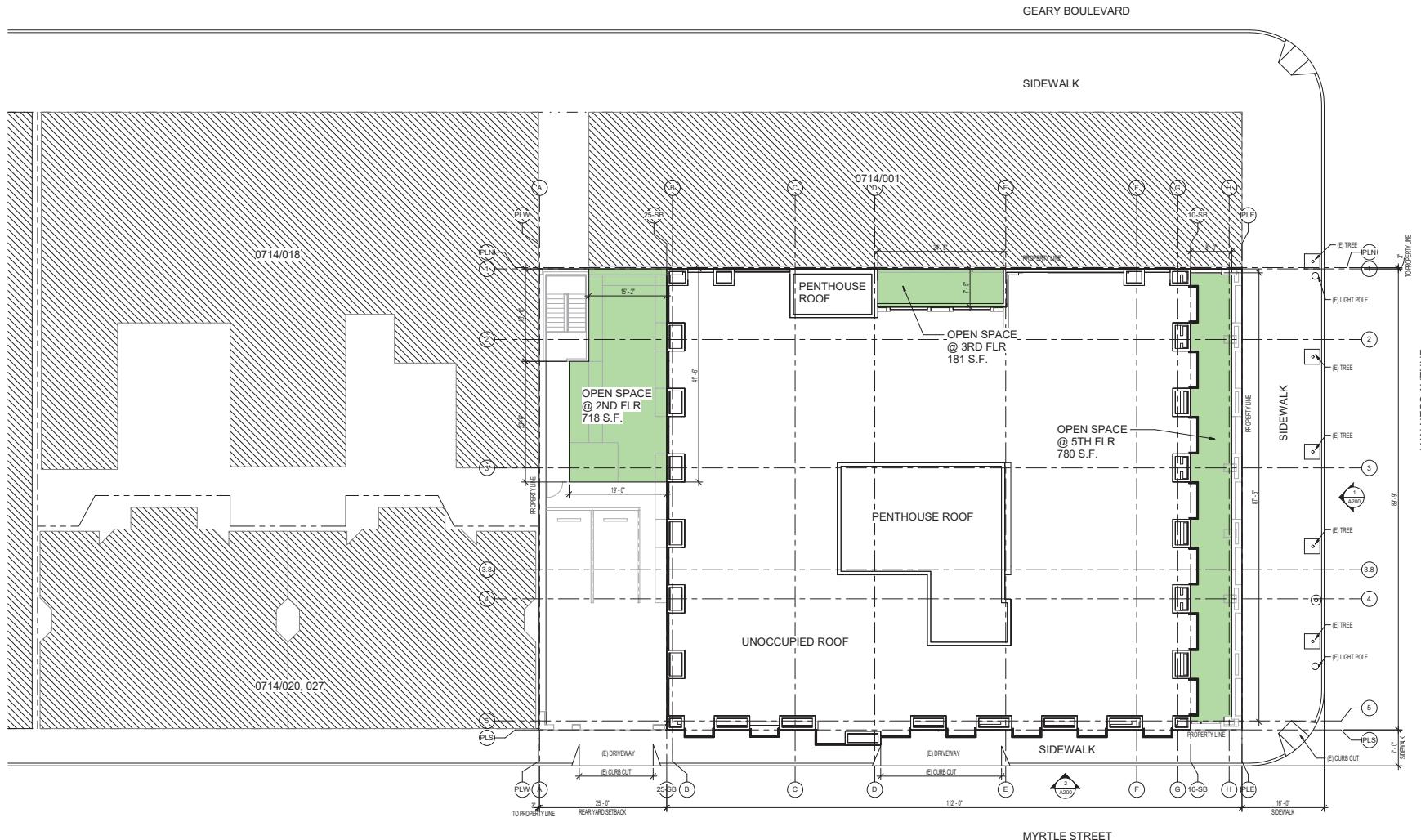
05/12/2015

No. Description Date

PLOT DATE: 05/12/25
PROJECT NO: 2506
PHASE: SD
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Sheet No:

A100A



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Architectural Services

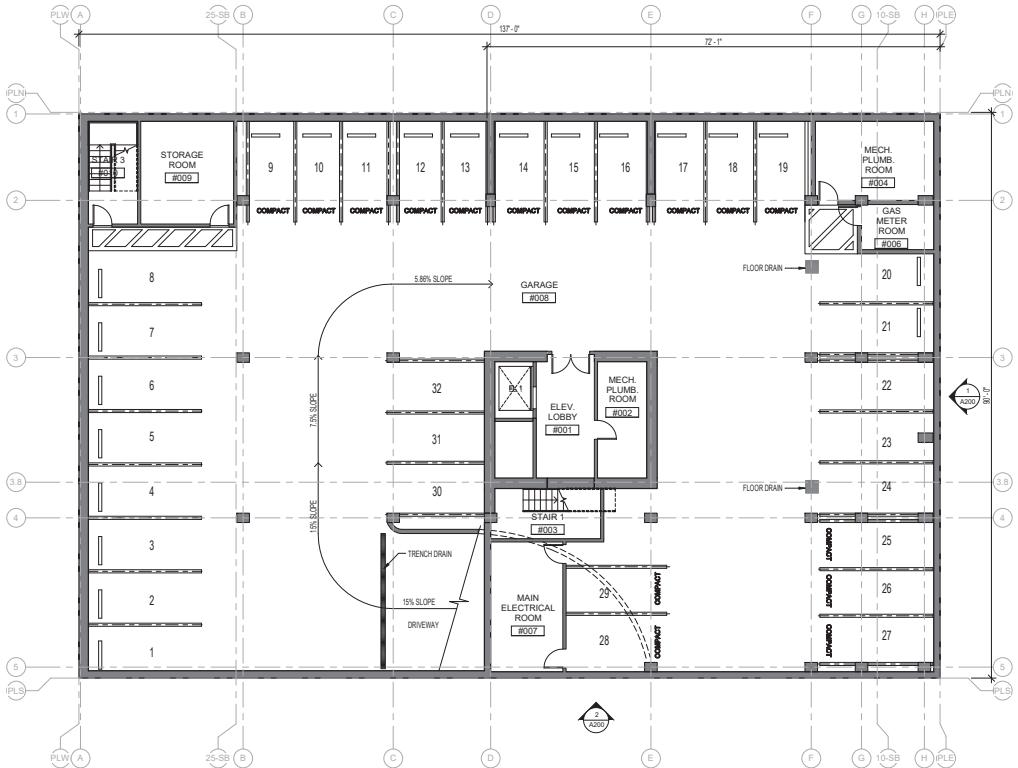
Michelle Anne Sullivan, AIA, LEED AP
C-030
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FLOOR PLAN LEGEND:

- (B) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION




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AB 2162 APPLICATION

05/12/2002

No. Description Date

PLOT DATE: 05/12/25

PROJECT NO: 2506

PHASE: SD

SCALE: As indicated

Sheet Title

BASEMENT FLOOR

PLAN - PROPOSED

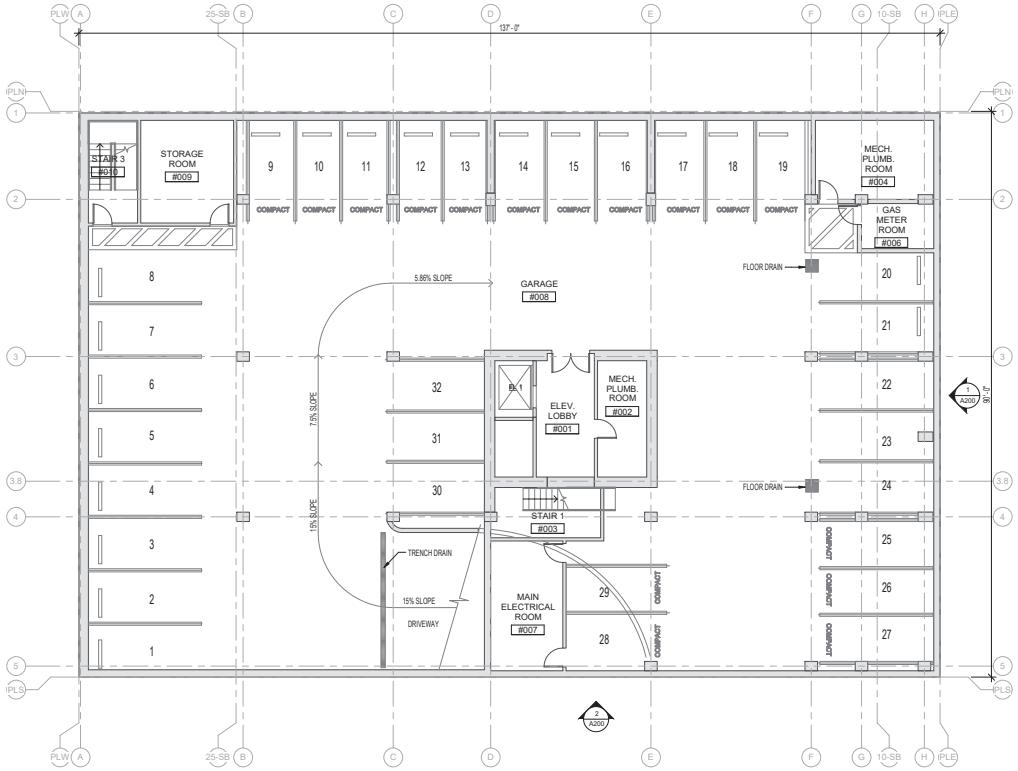
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A110B

05/12/2002

FLOOR PLAN LEGEND:

- (A) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (B) PARTITION TO REMAIN
- (N) PARTITION



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FLOOR PLAN LEGEND:

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- (B) PARTITION TO REMAIN
- (N) PARTITION

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PLOT DATE: 05/12/25

PROJECT NO: 2506

PHASE: SD

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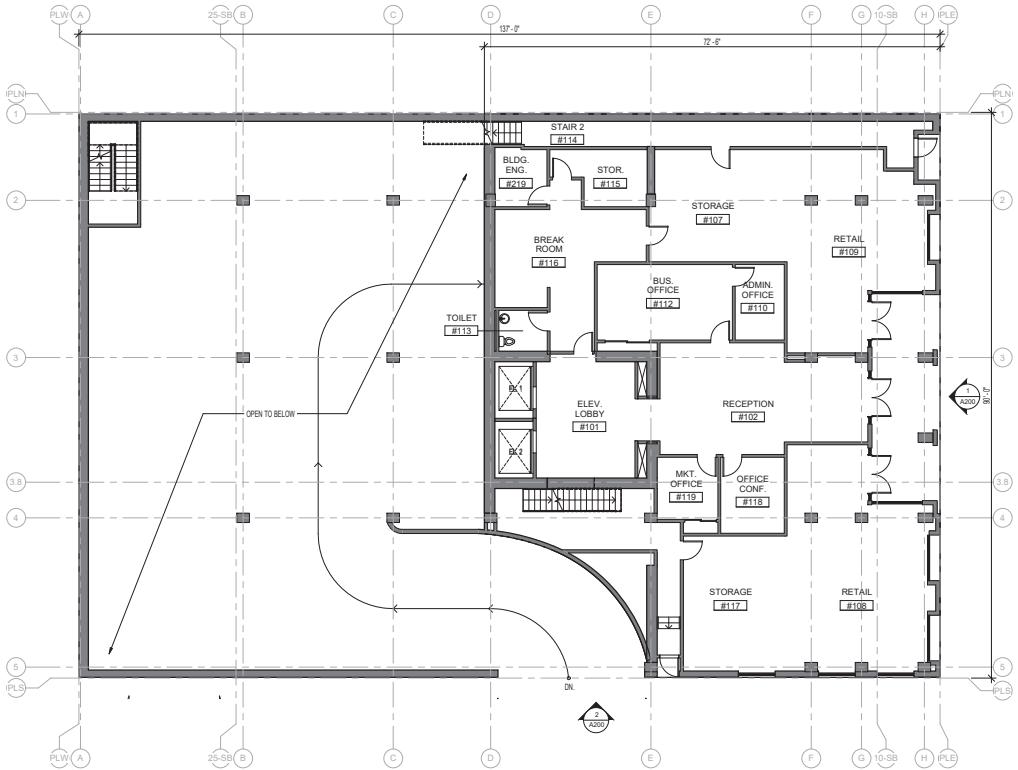
LEVEL 01 FLOOR PLAN

EXISTING

Sheet No.:

Sheet No.:

A111A



LEVEL 01 - EXISTING
A111A
SCALE: 1/8" = 1'-0"



0' 4' 8' 16'



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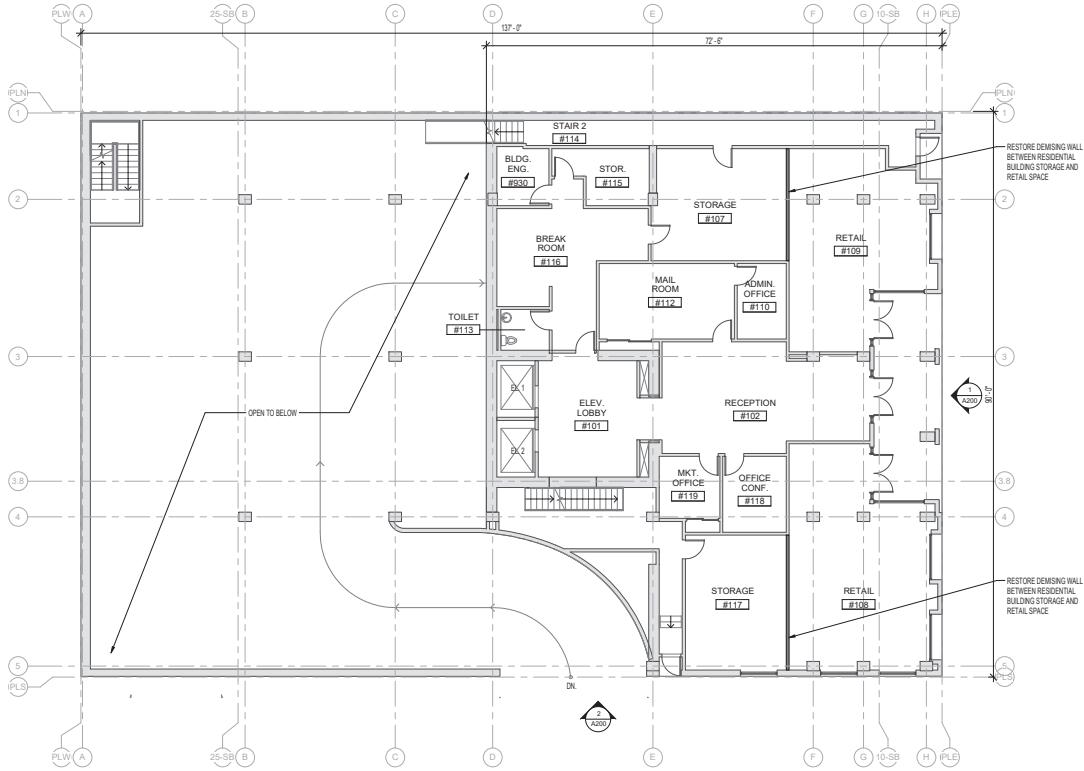
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- PROPOSED

Sheet No:

A111B

FLOOR PLAN LEGEND:

	(E) PARTITION OR OTHER ELEMENT TO BE REMOVED
	(B) PARTITION TO REMAIN
	(N) PARTITION





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PROJECT NO: 2506
PHASE: SD
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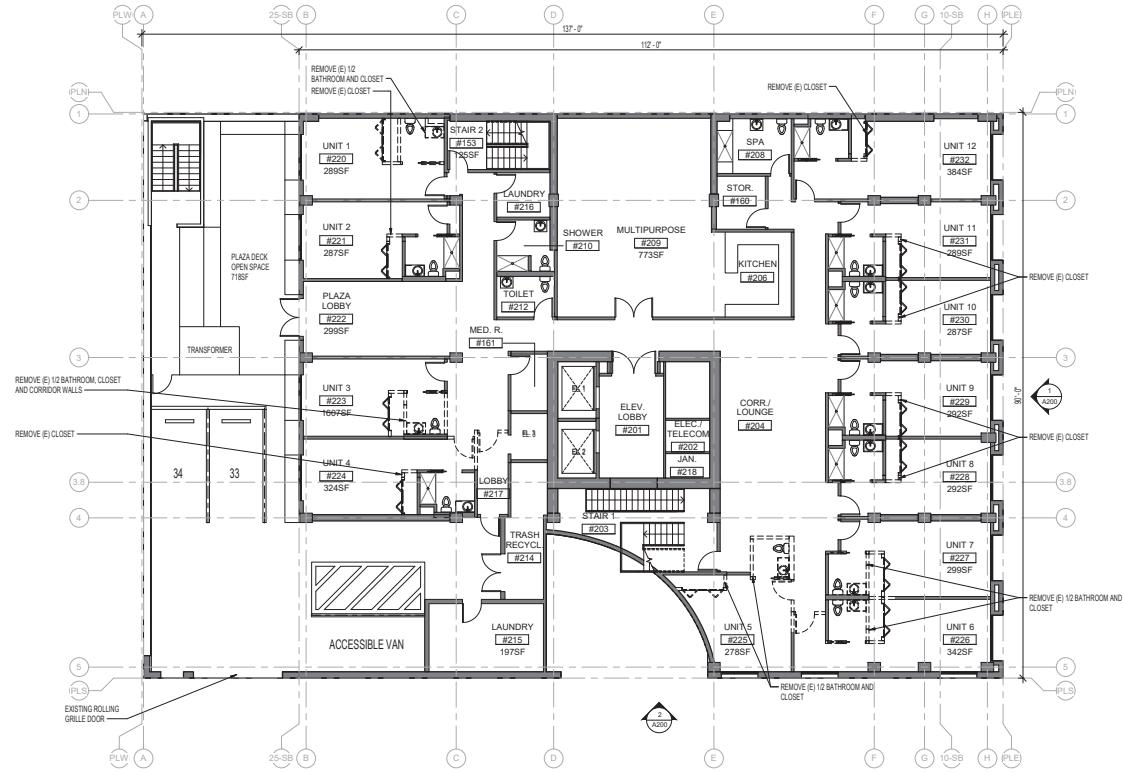
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0' 4' 8' 16'

A112A

FLOOR PLAN LEGEND:

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- (R) PARTITION TO REMAIN
- (N) PARTITION



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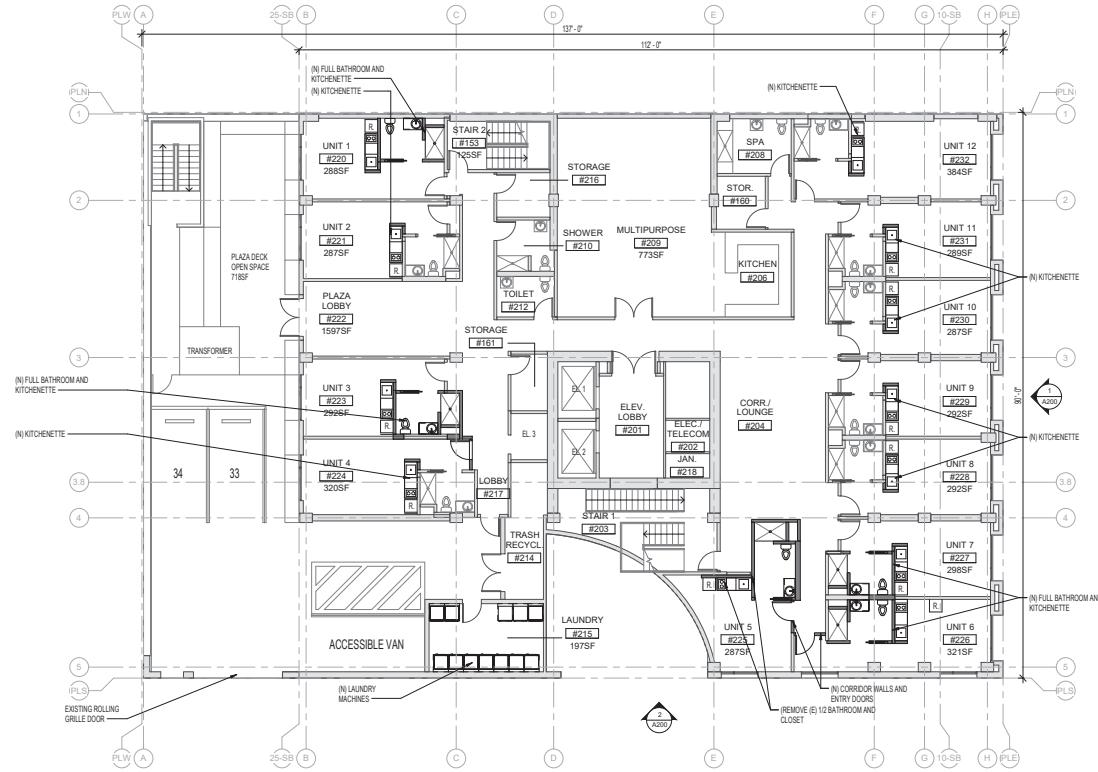
Architectural Services
Structural Engineering
Mechanical Engineering
Electrical Engineering
Plumbing Engineering

Interior Design
Sign & Graphics
Consultants

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FLOOR PLAN LEGEND:

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No. Description Date

PLOT DATE: 05/12/25
PROJECT NO: 2506
PHASE: SD
SCALE: As indicatedSheet Title: LEVEL 03 FLOOR PLAN
- EXISTING

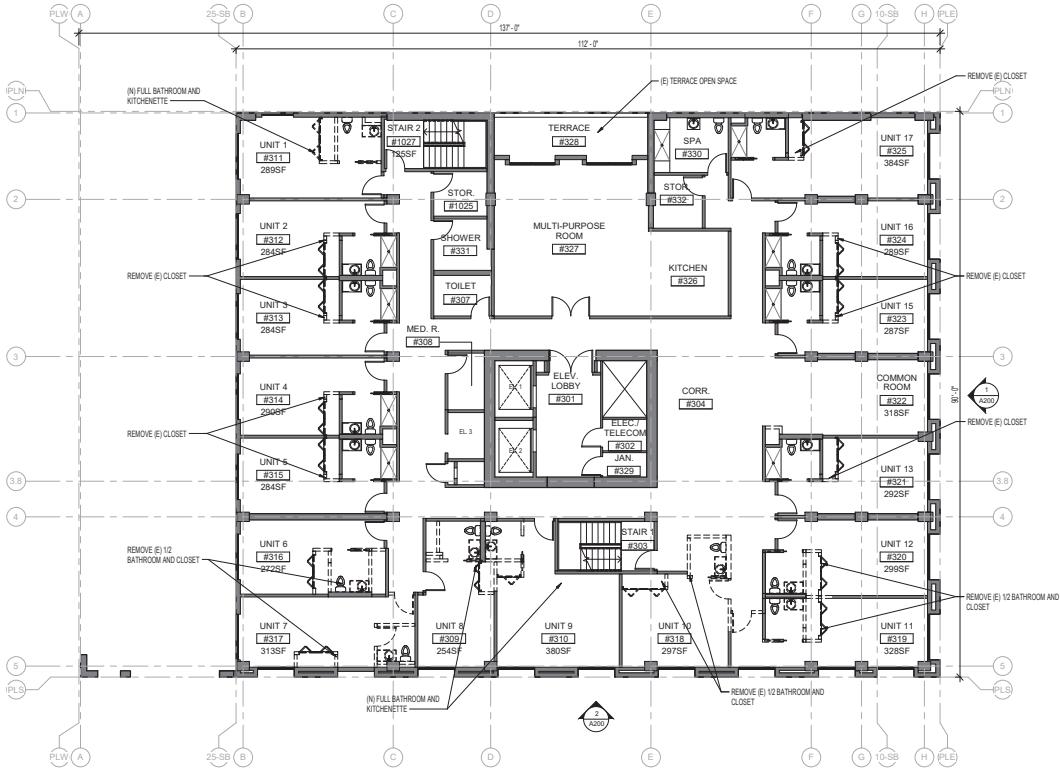
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Sheet No:

A113A

FLOOR PLAN LEGEND:

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- (R) PARTITION TO REMAIN
- (N) PARTITION



0' 4' 8' 16'



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No. Description Date

 PLOT DATE: 05/12/25
 PROJECT NO: 2506
 PHASE: SD
 SCALE: As indicated

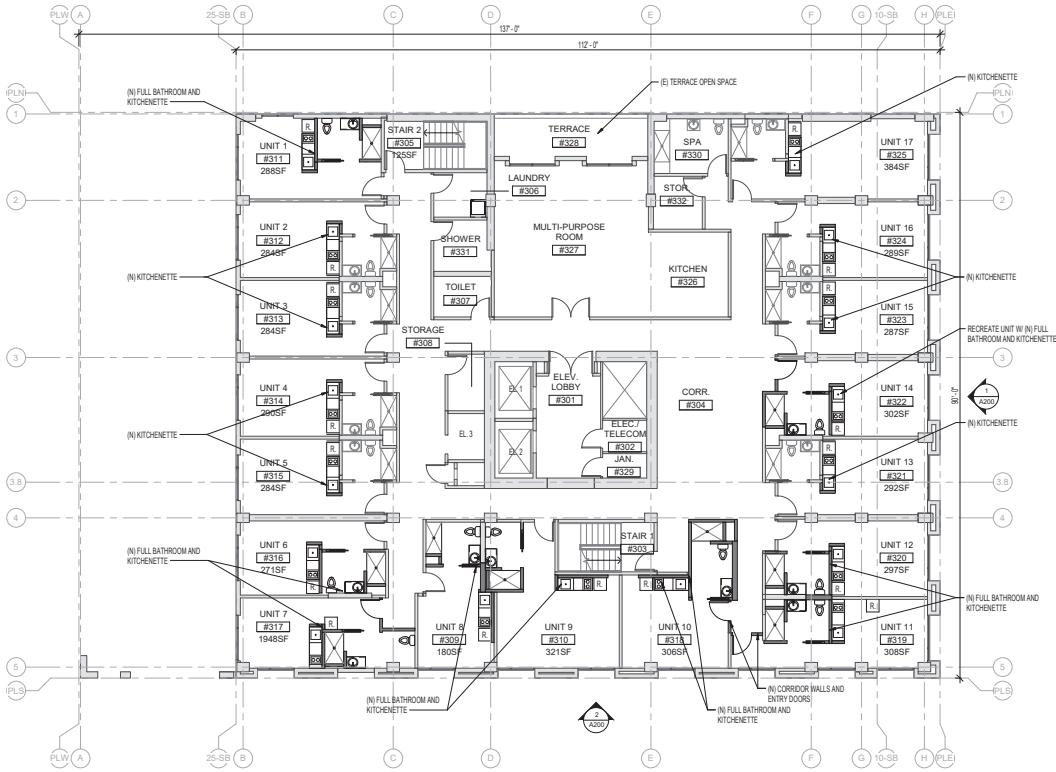
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 PROPOSED

Sheet No:

A113B

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (B) PARTITION TO REMAIN
- (N) PARTITION



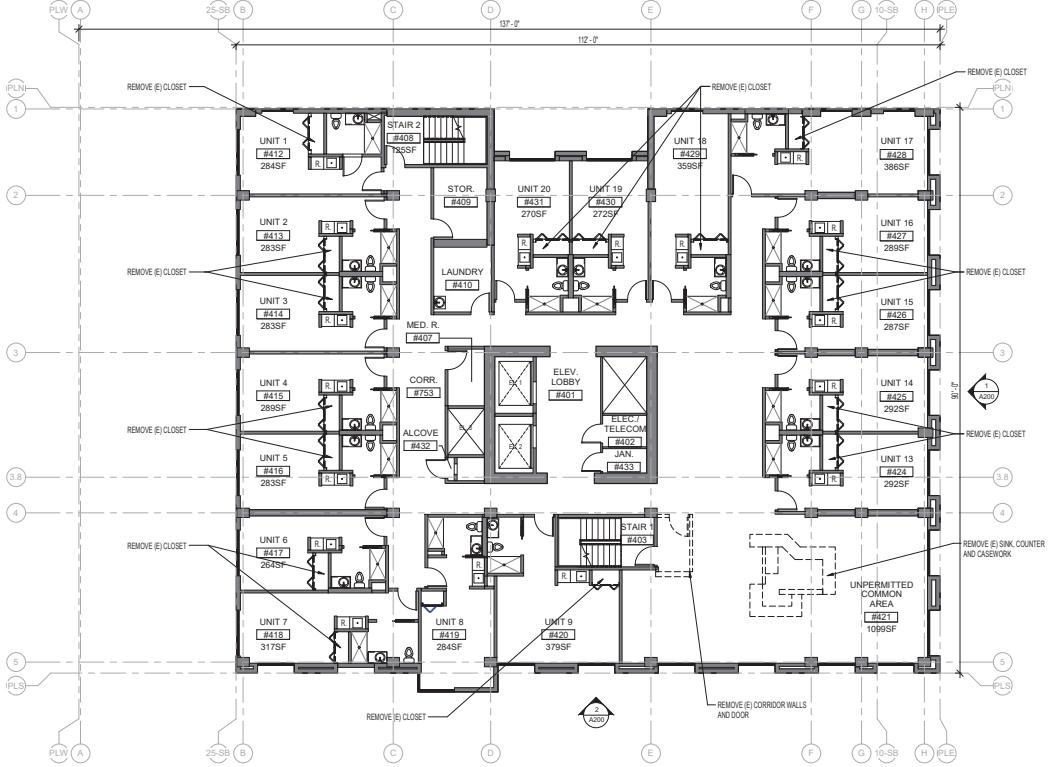
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- 10 -

— 1 —

— PLOT DATE: 05/12/2000
PROJECT NO: 350

PHASE: — 2015

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LEVEL 04 FLOOR PLAN

-- EXISTING

—

Sheet No.:

- A114A

1 LEVEL 04 - EXISTING
A114A SCALE: 1/8" = 1'-0"

4

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PLOT DATE: 05/12/25

PROJECT NO: 2506

PHASE: SD

SCALE: As indicated

Sheet Title

LEVEL 04 FLOOR PLAN

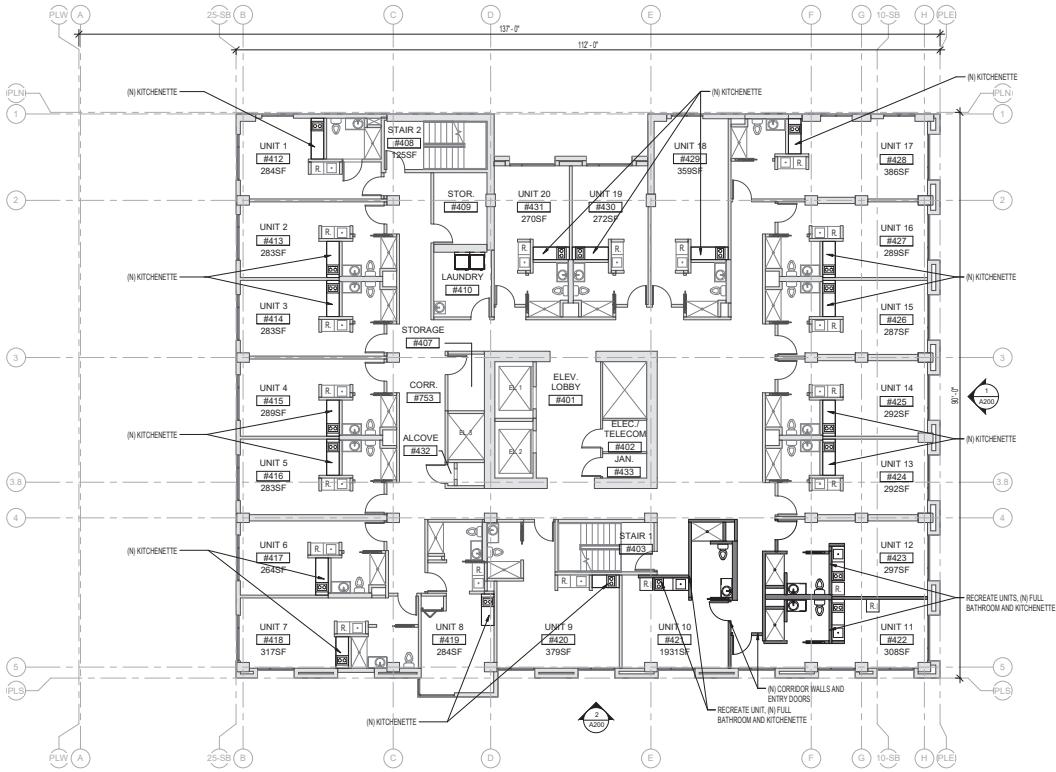
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A114B

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION





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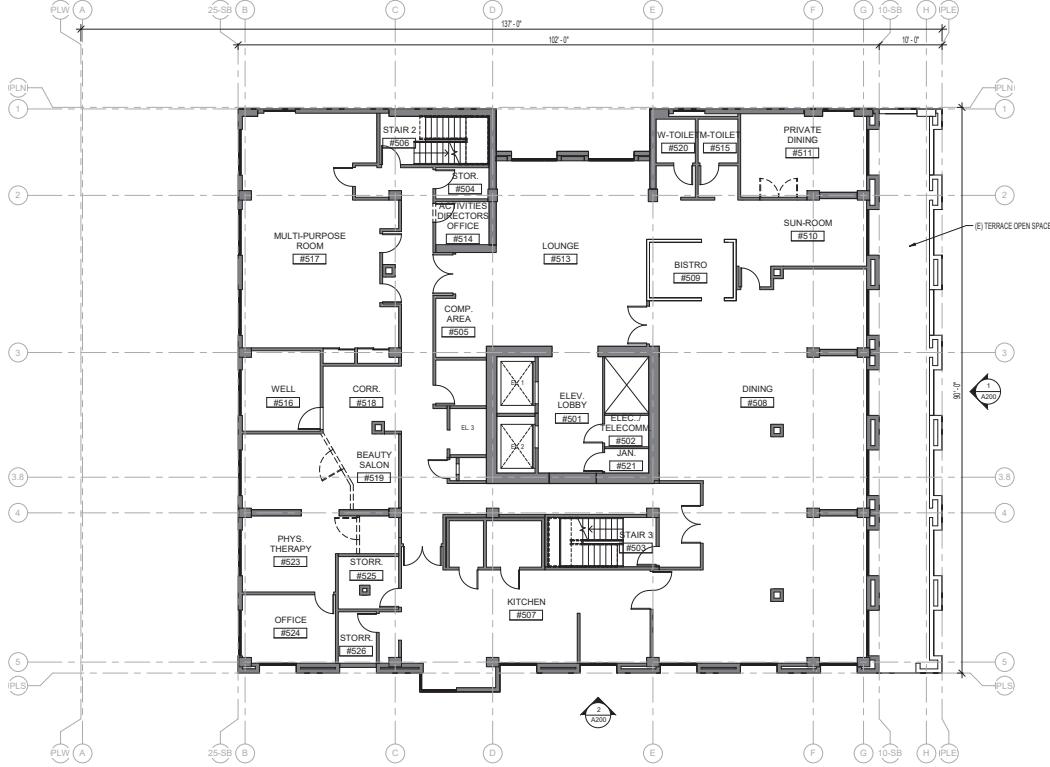
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EXISTING

Sheet No.:

A115A

FLOOR PLAN LEGEND:

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- (N) PARTITION



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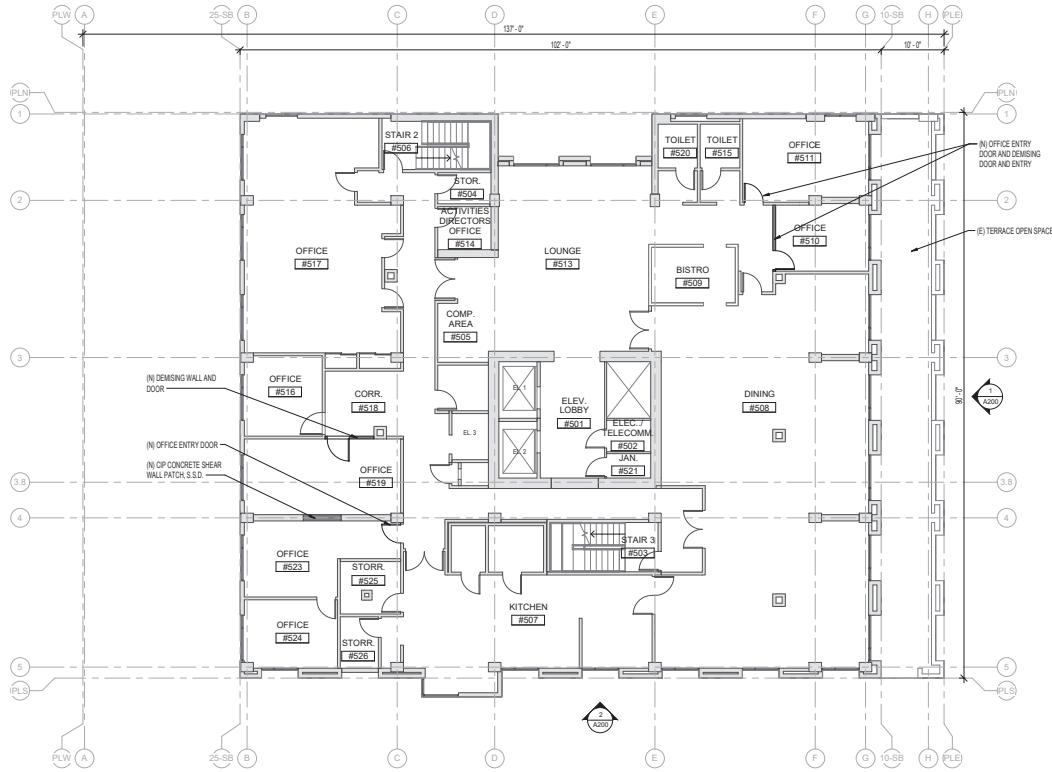
Project & Owner

FLOOR PLAN LEGEND:

- (D) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION

SHEET NOTE

ENTIRE 5TH FLOOR IS DEVOTED TO SUPPORTIVE SERVICES



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ISSUE INFORMATION

Issued For

AB 2162 APPLICATION

05/12/2007

No. Description Date

05/12/25

PROJECT NO. 2506

SD

SCALE: As indicated

Sheet Title

LEVEL 05 FLOOR PLAN

- PROPOSED

Sheet No.

A115B

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1035 VAN NESS, SAN FRANCISCO, CA

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FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO REMOVE
- (E) PARTITION TO REMAIN
- (N) PARTITION



Consultants:

Project & Owner:

1035 VAN NESS,
SAN FRANCISCO, CA

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ISSUE INFORMATION**

Issued For:

05.12.2025

PLOT DATE: 05/12/2015
PROJECT NO: 250-1000
PHASE: S
SCALE: As indicated

LEVEL 06 FLOOR PLAN
- EXISTING

A116A

This architectural floor plan illustrates the layout of a building with 16 residential units, labeled UNIT 1 through UNIT 16. The units are arranged in a grid, with some units sharing common areas like a Laundry Room and a Lounge Area. The plan includes various rooms such as bedrooms, bathrooms, and closets. Specific instructions are provided for removing closets in several units:

- UNIT 1:** REMOVE (E) CLOSET
- UNIT 2:** REMOVE (E) CLOSET
- UNIT 3:** REMOVE (E) CLOSET
- UNIT 4:** REMOVE (E) CLOSET
- UNIT 5:** REMOVE (E) CLOSET
- UNIT 6:** REMOVE (E) CLOSET
- UNIT 7:** REMOVE (E) CLOSET
- UNIT 8:** REMOVE (E) CLOSET
- UNIT 9:** REMOVE (E) CLOSET
- UNIT 10:** REMOVE (E) CLOSET
- UNIT 11:** REMOVE (E) CLOSET
- UNIT 12:** REMOVE (E) CLOSET
- UNIT 13:** REMOVE (E) CLOSET
- UNIT 14:** REMOVE (E) CLOSET
- UNIT 15:** REMOVE (E) CLOSET
- UNIT 16:** REMOVE (E) CLOSET

Other labels and features include:

- PLW:** Points to locations A, B, C, D, E, F, G, and H.
- PLN:** Points to locations A, B, C, D, E, F, G, and H.
- 25-SB:** Points to locations A, B, C, D, E, F, G, and H.
- 137'-0":** A dimension line between points C and D.
- 102'-0":** A dimension line between points E and F.
- 10-5B:** Points to locations G and H.
- H IPLE:** Points to locations G and H.
- CORR:** Points to the Lounge Area.
- ELEV. LOBBY:** Points to the Elevator Lobby.
- ELEC/TELECOM:** Points to the Electrical and Telecommunications area.
- JAN:** Points to the Janitorial area.
- STAIR 1:** Points to Staircase 1.
- STAIR 2:** Points to Staircase 2.
- OFFICE:** Points to the Office.
- LAUNDRY-ROOM:** Points to the Laundry Room.
- ALCOVE:** Points to the Alcove.
- UNIT 1:** #608, 284SF
- UNIT 2:** #609, 283SF
- UNIT 3:** #610, 283SF
- UNIT 4:** #611, 289SF
- UNIT 5:** #612, 283SF
- UNIT 6:** #613, 204SF
- UNIT 7:** #614, 316SF
- UNIT 8:** #615, 447SF
- UNIT 9:** #616, 272SF
- UNIT 10:** #617, 354SF
- UNIT 11:** #618, 316SF
- UNIT 12:** #619, 317SF
- UNIT 13:** #620, 317SF
- UNIT 14:** #621, 311SF
- UNIT 15:** #622, 311SF
- UNIT 16:** #623, 419SF

1 LEVEL 06 - EXISTING
A116A SCALE: 1/8" = 1'-0"





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05/12/2013

No. Description Date

PLOT DATE: 05/12/25
PROJECT NO: 2506
PHASE: SD
SCALE: As indicated

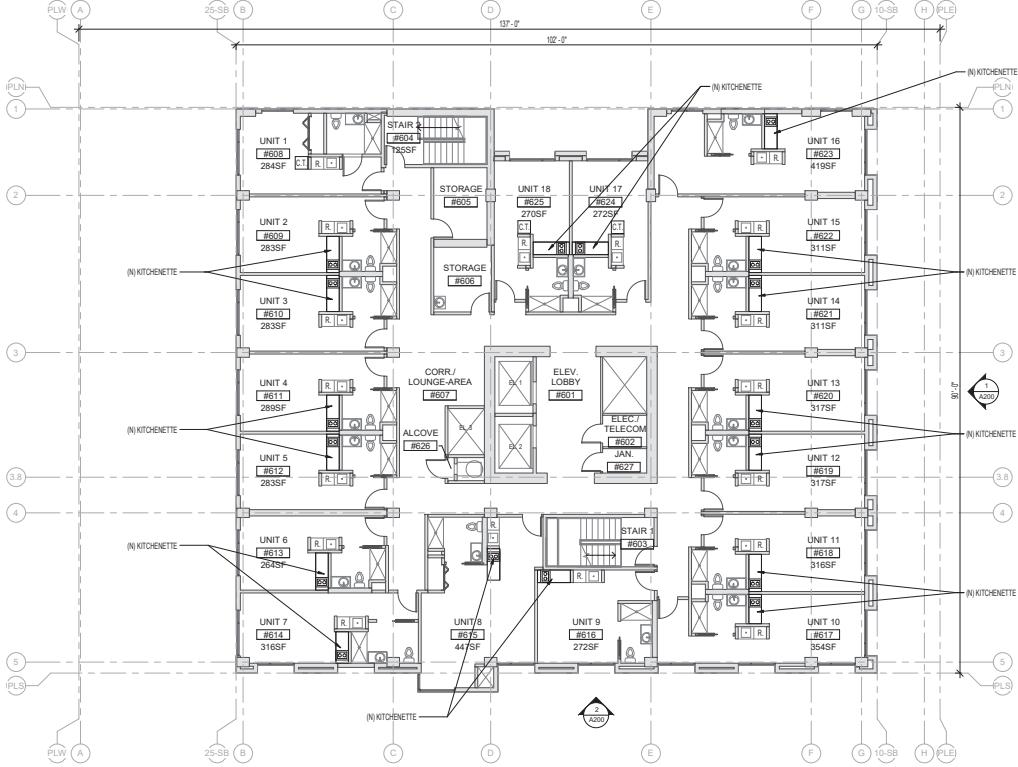
Sheet Title: LEVEL 06 FLOOR PLAN
- PROPOSED

Sheet No:

A116B

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION
- (PL) PLUG-IN COOKTOP



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www.sullivanvan.com

Seal & Signature



Consultants

Project & Owner

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Sheet Title:

LEVEL 07 FLOOR PLAN

PROPOSED

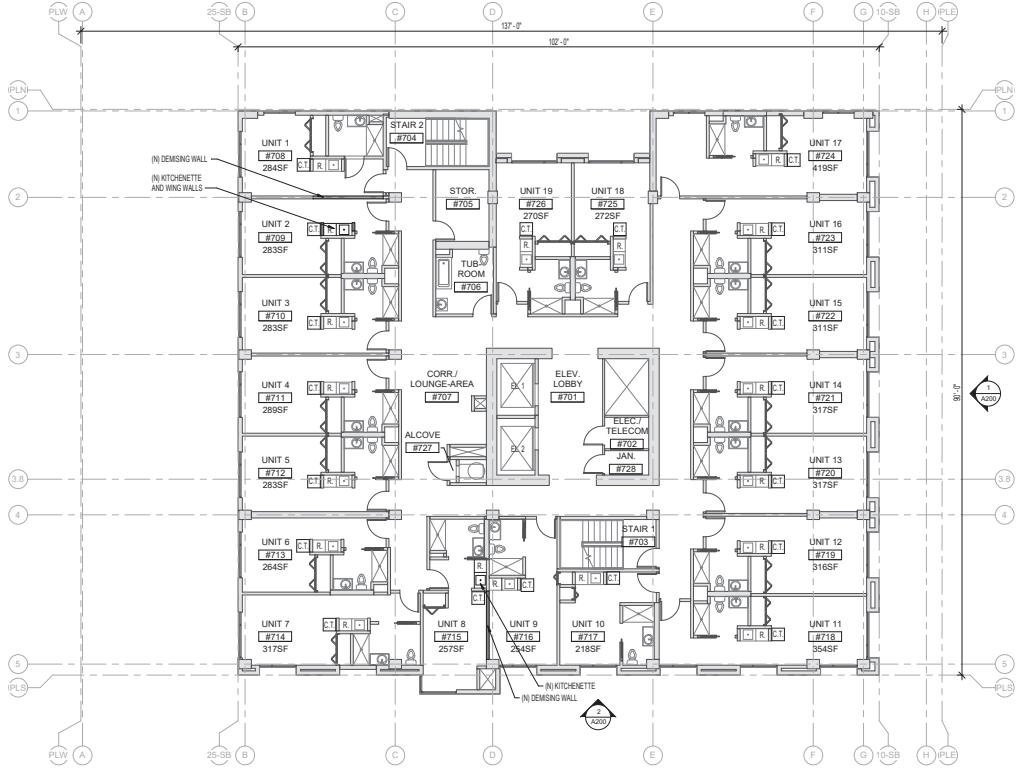
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A117B

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION
- (PL) PLUG-IN COOKTOP




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 1035 VAN NESS,
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05/12/2012

No. Description Date

 PLOT DATE: 05/12/25
 PROJECT NO: 2506
 PHASE: SD
 SCALE: As indicated

Sheet Title:

LEVEL 08 FLOOR PLAN

- EXISTING

Sheet No.:

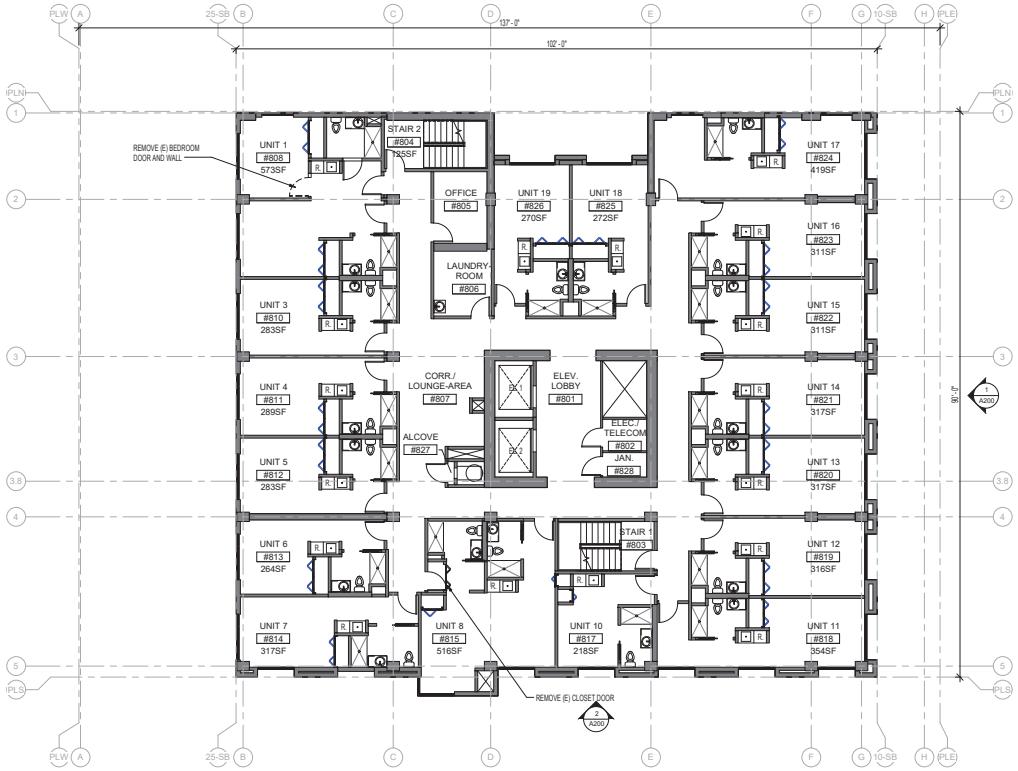
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A118A

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION



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No. Description Date

PLOT DATE: 05/12/25

PROJECT NO: 2506

PHASE: SD

SCALE: As indicated

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LEVEL 08 FLOOR PLAN
PROPOSED

Sheet No.:

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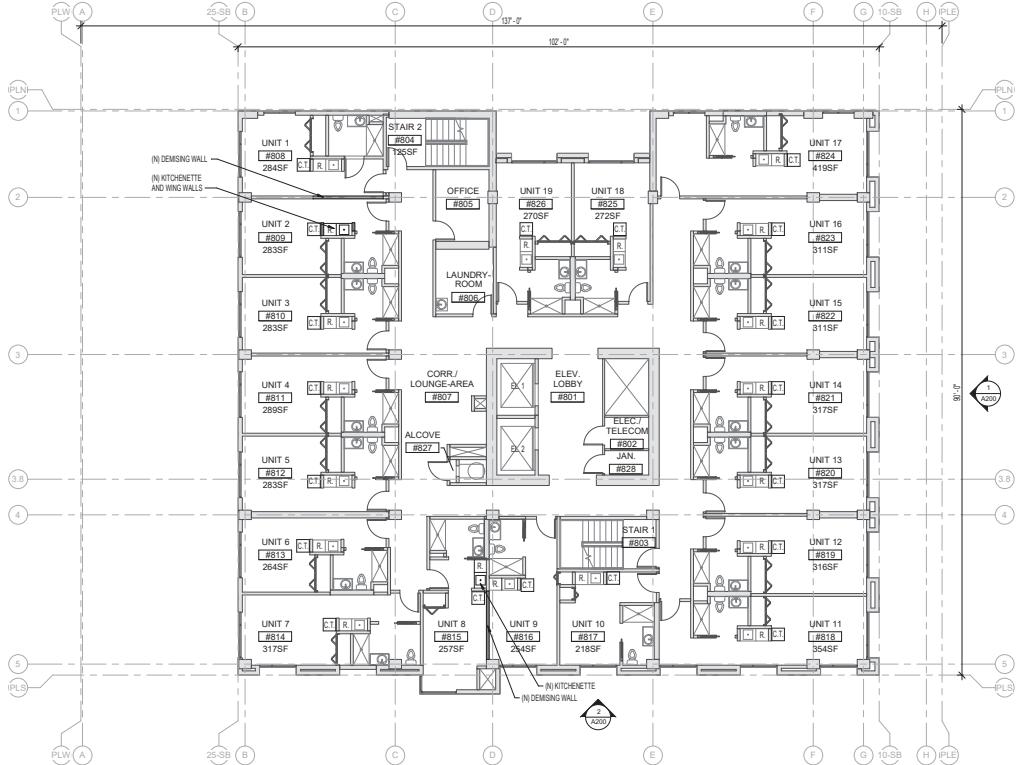
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16

A118B

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION
- (PL) PLUG-IN COOKTOP





Seal & Signature

Consultants

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No. Description Date

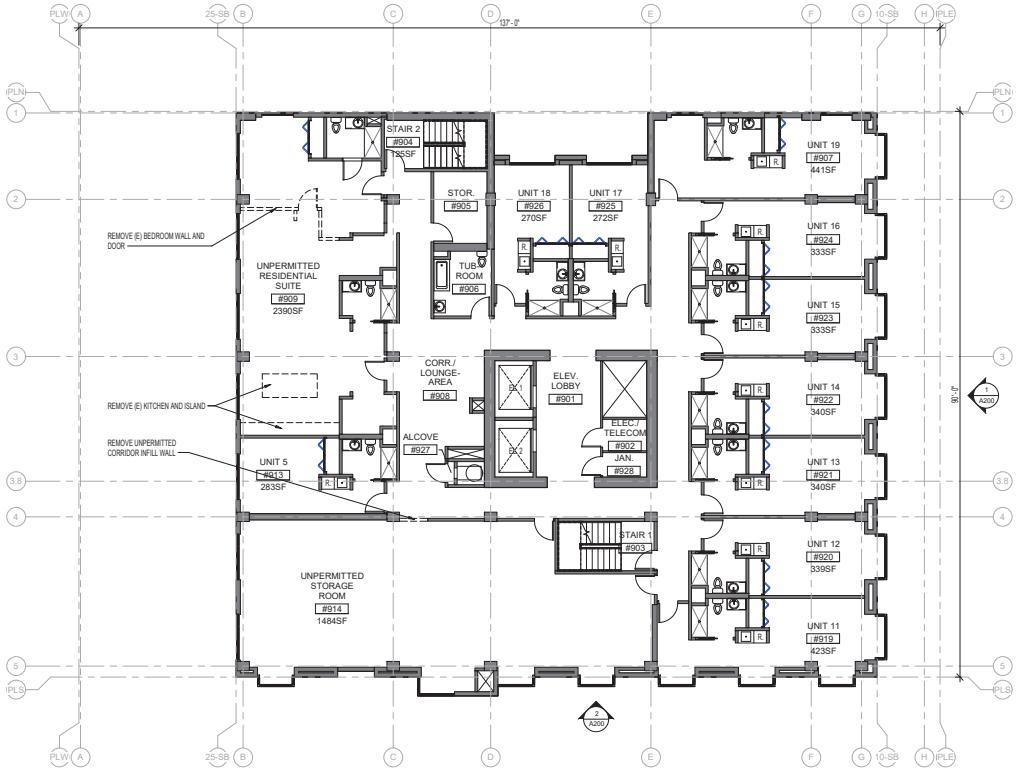
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PROJECT NO: 2506
PHASE: SD
SCALE: As indicated

Sheet No.:
LEVEL 09 FLOOR PLAN
EXISTING

Sheet No.:
A119A

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION





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No. Description Date

PLOT DATE: 05/12/25
PROJECT NO: 2506
PHASE: SD
SCALE: As indicated

Sheet Title: LEVEL 09 FLOOR PLAN
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1035 VAN NESS HOUSING 1035 VAN NESS, SAN FRANCISCO, CA

SSDP

Sullivan Design Partners
12 COUCH ST, SUITE 100
SAN FRANCISCO, CA 94103
T: 415.777.0992
F: 415.777.0992
www.sullivanvan.com

Seal & Signature



Consultants

Project & Owner

Architect

Structural Engineer

MECHANICAL ENGINEER

Electrical Engineer

Plumbing Engineer

Landscaping

Interior Design

Signage

Landscaping

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Seal & Signature



Consultants

Project & Owner

NOT FOR
CONSTRUCTION

MAYOR ED 13-01
PRIORITY PERMIT

ISSUE INFORMATION

Issued For

AB 2162 APPLICATION

05/12/2012

No. Description Date

PLOT DATE: 05/12/25

PROJECT NO: 2506

PHASE: SD

SCALE: As indicated

Sheet Title:

ROOF PLAN -
PROPOSED

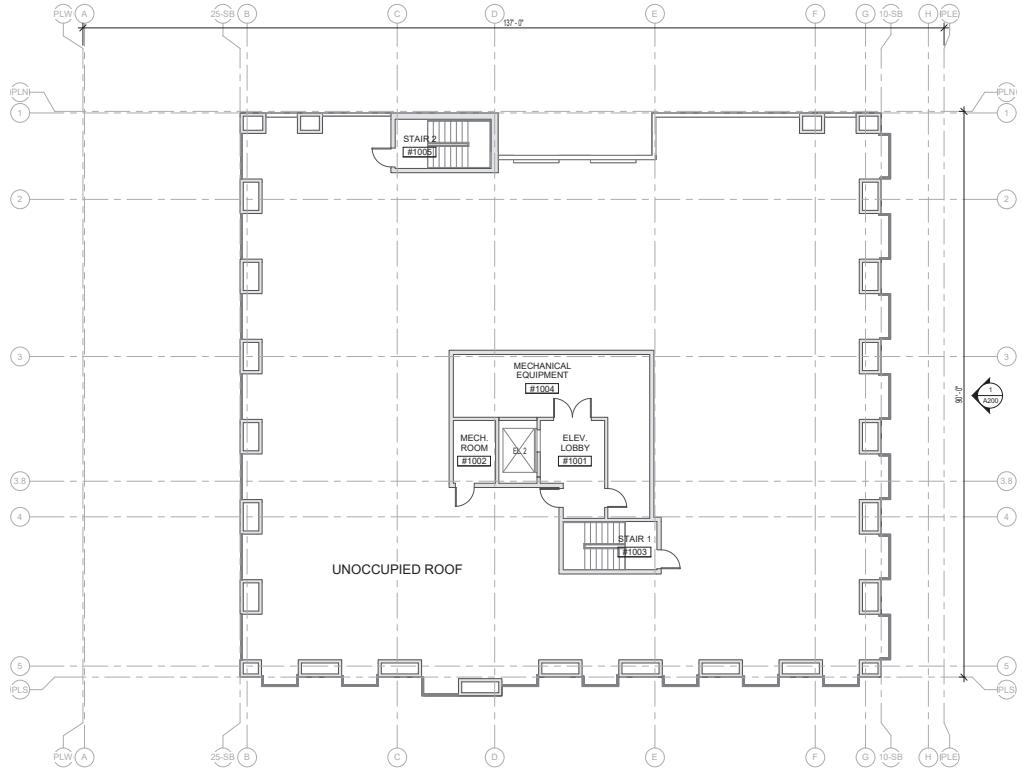
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©Finger Joint & Lumber Supply Company, Inc.

FLOOR PLAN LEGEND:

- (E) PARTITION OR OTHER ELEMENT TO BE REMOVED
- (R) PARTITION TO REMAIN
- (N) PARTITION



Homekey+ Project Report

Project Name: 1035 Van Ness		Other HCD Funding Sources: No	
Project Address: 1035 Van Ness		Eligible Applicant is new Homekey Awardee? No	
Project City: San Francisco		Gap Financing Project: No	
Project County: San Francisco		New Construction Cost Containment Project: No	
Applicant #1 Name: City and County of San Francisco		Rural Project: No	
Type Of Organization: City and County		Scattered Site Project: No	
Applicant #1 Authorized Rep: Shireen McSpadden			
Applicant #1 Address: 1 South Van Ness Avenue, 5th Floor			
Applicant #1 City: San Francisco		Homekey+ Capital Award: \$32,800,000	
Co-Applicant #1 Name: 1035Vets, LLC		Homekey+ Award for Relocation: \$0	
Type Of Organization: Limited Liability Company		Homekey+ Operating Award: \$2,524,030	
Co-Applicant #1 Authorized Rep: Tramecia Garner		Homekey+ Veteran Units Addtl. Operating Award: \$3,720,000	
Co-Applicant #1 Address: 401 Van Ness Suite 313			
Co-Applicant #1 City: San Francisco		Total Homekey+ Award: \$39,044,030	
Co-Applicant #2 Name: Swords to Plowshares: Veterans Rights Organization			
Type Of Organization: Nonprofit Corporation			
Co-Applicant #2 Authorized Rep: Tramecia Garner			
Co-Applicant #2 Address: 401 Van Ness Suite 313			
Co-Applicant #2 City: San Francisco			
Project Summary			
1035 Van Ness is a Permanent Housing acquisition and rehabilitation Project with a total of 124 units, including 0 manager units. The Project dedicates 66 units to serve veterans experiencing homelessness with a behavioral health condition and 58 units serving veterans at-risk of homelessness. 19 of the units will exceed federal and state accessibility requirements for persons with mobility disabilities and 13 units will include features accessible to persons with hearing or vision disabilities. Each unit will include a private bathroom, air conditioning unit, furnishings, and kitchenette equipped with microwave, two-burner stove, refrigerator, sink, and cabinet/countertop space. Units will also have access to free high speed internet service.			
The project is a Type 1 construction, fully sprinklered building, and will include interior renovations including restoring additional units to increase unit count from 106 to 124, bathroom and kitchen upgrades, amenity upgrades including services and property management offices, terrace restoration, and ADA upgrades.			
The Project will consist of 1 9-story building that includes a 24/7 staffed security desk, offices, common area, and outdoor terrace. Off-site amenities located within 1 mile of the project include a library, transportation stops, a medical clinic, public parks, and multiple full scale grocery stores.			
Project Description			
Project Type: Permanent Housing		Eligible Uses: Acquisition & Rehabilitation	
Eligible Project: Conversion of buildings with existing residential or interim uses that will be used to create PSH units.		Relocation Award: No	
		Operating Award: Yes	
Number of Doors at Acquisition: 106		Total Homekey Units Proposed in the Project: 124	
		Total Homekey+ Assisted Units: 124	
		Number of Manager Units: 0	
		Units for the Homekey+ Target Population: 0	
		Units for Veterans with a Behavioral Health Condition: 124	
		Units for Youth Experiencing or at Risk of Homelessness with a Behavioral Health Condition: 0	
Homekey+ Baseline Capital Award: \$24,800,000		Property Manager: Swords to Plowshares: Veterans Rights Organization	
Homekey+ Capital 1:1 Match: \$8,000,000		General Contractor: D&H Construction	
Total Homekey+ Capital Award: \$32,800,000		Supportive Services Provider: Swords to Plowshares: Veterans Rights Organization	
Homekey+ Award for Relocation: \$0		Architect: Saida + Sullivan	
Homekey+ Operating Award: \$2,524,030		Consultant: Mosaic Urban Development	
Homekey+ Veteran Units Addtl. Operating Award: \$3,720,000		Construction Start Date: 2/1/2026	
Total Homekey+ Award: \$39,044,030		Construction Completion Date: 10/1/2026	
Total Development Cost: \$40,800,000		Site Control: A fully executed sales contract, or other enforceable agreement for the acquisition of the property	
Total Cost per Unit: \$329,032		Kitchenettes included? Yes	
Homekey+ Capital Award per Unit Cost: \$264,516		If yes, how many units? 124	
		Number of parking spaces: 32	
		Number of elevators: 2	
		No. of residential buildings: 1	
		Common area (sq. ft.): 22,000	
		Land area (acres): 0.28	
		Total residential area (sq. ft.): 85,660	
Sources of Development Funds			

Funds Committed	Source Name	Source Type	Lien No.	Amount	Interest Rate		Repayment Terms		Req. Debt Service Amount
					Type	Rate	Type	Due in (yrs.)	
Yes	HCD - Homekey+	State-HCD	1	\$32,800,000	N/A	N/A	N/A	55	\$0
Yes	City and County of San Francisco Loan	Local	2	\$8,000,000	Fixed for Term	0.0%	Residual Receipts	55	\$0
Totals				\$40,800,000					

Unit Mix and Totals

Number of Bedrooms	Number of Homekey+ Units	AMI Income Limit or Manager Unit	Homekey+ Population	Restriction to Subset of Population	
Studio	66	30%	Veterans with a Behavioral Health Challenge	Veterans Experiencing Homelessness	
SRO	58	30%	Veterans with a Behavioral Health Challenge	Veterans At-Risk of Homelessness	
Veterans Units Total	124				
General Population Units Total	0				
General Population Youth Units Total	0				
Managers Units Total	0				
Total Homekey+ Units	124				

Project Operating Sources						
Operating Source	Committed?	Years Committed?	Amount	Commitment Type		
Services Grant - San Francisco Department of Homelessness and Supportive Housing	Yes	5	\$2,945,544.00	Committed Operating Subsidy		
Local Operating Subsidy Program San Francisco Department of Homelessness and Supportive Housing	Yes	15	\$8,649,977.00	Committed Operating Subsidy		
Total Operating Subsidy		\$11,595,521.00				
Rental Subsidy Source	Committed?	Years Committed?	Amount	Commitment Type		
Department of Housing and Urban Development (HUD) Veterans Affairs Supportive Housing (VASH) Vouchers	Yes	20	\$40,075,200.00	Project-Based Rental Subsidy		
Total Rental Subsidy		\$40,075,200.00				
Total Developer Fee:	\$1,150,000					
Notes:						

Scoring Category (See Table 9 in the NOFA for full description of scoring categories)	Scoring Criteria	Possible Points	Points Awarded
1. Site Control	a. Site control type a. Total cost per Assisted Unit is below baseline per door of \$200,000	20 10	20 0
2. Cost Containment	b. Utilizing Publicly Owned Land under Excess Sites or locally designated as Surplus	5	0
	a. Score is based on weighted subsidy type, percentage of costs covered, and length of commitment.	15	14.36
3. Sustained Operating Leverage	b. Homekey+ Operating Award Utilization	20	14
	c. Mental Health Services Act or Behavioral Health Services Act funds committed to the Project.	10	0
4. Experience and Coordination	a. Demonstration of Applicant or member(s) of development team's experience in development, ownership, or operation of a Project(s) similar in scope and size to the proposed Project.	15	15
	b. Documented evidence of Lead Service Provider's experience helping persons address barriers to housing stability and providing other support services.	10	10
	c. Commitment letter(s), MOU(s) or other formal agreement between the Applicants and/or other involved partners.	15	15
5. Community Impact	a. Assisted Units include units for large family housing types. b. Applicant waives any potential accommodation by HCD to increase income limits at year 15 from the recordation of the Affordability Covenant.	10 20	0 20
	c. The extent to which the Project commits to being accessible to persons with disabilities.	10	10
6. Site Selection	Score is based on Project location nearby specific amenities	16	11.0
7. Relocation Impacts	Score is based on the Project resulting in the permanent displacement of residents.		0.0
8. HCD Negative Points	Negative Points assessed by HCD to the Applicant	0.0	0.0
		Total	176.0
			129.4

Other Project Information

Sponsor Experience:

The Department of Homelessness and Supportive Housing (HSH) launched on July 1, 2016. The department combines key homeless-serving programs and contracts from the Department of Public Health (DPH), the Human Services Agency (HSA), the Mayor's Office of Housing and Community Development (MOHCD), and the Department of Children Youth and Their Families (DCYF). The HSH oversees 14,303 housing units, and 19,019 beds.

Swords to Plowshares: Veterans Rights Organization (Swords) was founded in 1974 in San Francisco to address the needs of vulnerable Veterans who found themselves experiencing homelessness, under-employment, and shut out of care and benefits by the Veterans Administration. Today, Swords provides comprehensive wrap around services, serving over 3,000 Veterans each year in the Bay area, to ensure that we address the various needs of Veterans from housing, mental health, employment and training, community referrals, legal services, representative payee services and more. Swords currently operates over 500 units of permanent supportive housing for Veterans, all of which are located in San Francisco.

Environmental Risks:

A Phase I Site Assessment dated May 3rd, 2025 was prepared by Essel Environmental & Emergency Response in accordance with ASTM Standard, which found no evidence of Recognized Environmental Conditions (RECs). Conclusion: No further action recommended.

Project is eligible for ministerial approval pursuant to CA Govt. Code Section 65650 et. seq. and CEQA is not required.

This project was subject to review under 24 CPF 58.35(a); it is Categorically Excluded Subject To (CEST) the rules and regulations enumerated at 58.5. The review determined that this project does convert to Exempt under NEPA, due to the lack of need for mitigation measures in order for it to be NEPA-compliant. As such, there is no need to submit a Request for Release of Funds (RROF) to HUD or for HUD to issue an Authority to Use Grant Funds (AUGF).

Relocation:

The HCD Relocation Review team has conducted an initial review of accompanying documents, including a relocation assistance narrative and was approved on September 2, 2025. It was confirmed that the Grantee will need to submit a no-relocation certification and indemnity prior to fund disbursement.

Special Conditions:

- 1.) California law 25 CCR § 42 requires an onsite manager, maintenance, or other responsible person for rental housing of 16 or more units. TCAC regulations allow for an alternative option to provide an equivalent number of desk or security staff capable of responding to emergencies for the hours when property management staff is not working. The 1035 Van Ness Project will provide 24/7 property management staff capable of responding to emergencies who live nearby in lieu of having an onsite manager and manager's unit.
- 2.) Prior to execution of the Standard Agreement (Contract), Grantee and Co-Applicants are required to submit an updated resolution that meets the requirements of the Homekey+ Notice of Funding Availability.
- 3.) The organization Swords to Plowshares: Veterans Rights Organization must be added as a Co-Applicant to the application and subsequent updated authorizing resolutions prior to execution of Homekey+ Standard Agreement.
- 4.) The Project has identified the following federal funds – Department of Housing and Urban Development (HUD) Veterans Affairs Supportive Housing (VASH) Vouchers, that are subject to review under the National Environmental Policy Act (NEPA). Applicant must provide a copy of the Project's executed Authority to Use Grant Funds (ATUGF) prior to the construction loan closing.

Applicant Acknowledgement

Final Project Report

By signing below, Applicant(s) acknowledges receipt of this final project report and agrees that it is a representation of the Project at time of award. This Project is subject to further underwriting prior to disbursement of the Homekey+ funds. Applicant further acknowledges and understands that all project changes must be reported and approved by the Department. Underwriting prior to fund disbursement shall be based upon final certified costs, in conformance with all applicable Guidelines and Regulations and financial information contained in the application and may be subject to change including, but not limited to development costs and funding sources.

Project Name: 1035 Van Ness	Entity Represented: City and County of San Francisco		
Eligible Applicant Name: Shireen McSpadden	Applicant Title: Executive Director, Department of Homelessness & Supportive Housing		
Eligible Applicant Signature:	Date:		
Co-Applicant 1 Name: Tramecia Garner	Co-Applicant 2 Name: Tramecia Garner	Co-Applicant 3 Name:	Co-Applicant 4 Name:
Title: Executive Director	Title: Executive Director	Title:	Title:
Signature	Signature	Signature	Signature
Date:	Date:	Date:	Date:

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE
651 BANNON STREET, SUITE 400, SACRAMENTO, CA 95811
P. O. BOX 952054, SACRAMENTO, CA 94252-2054
(916) 263-2771
www.hcd.ca.gov

GAVIN NEWSOM, Governor



September 19, 2025

Shireen McSpadden, Executive Director,
Department of Homelessness and Supportive Housing
City and County of San Francisco
440 Turk Street
San Francisco, CA 94102

Tramecia Garner, Executive Director
Swords to Plowshares
401 Van Ness, Suite 313
San Francisco, CA 94102

Dear Shireen McSpadden and Tramecia Garner:

**RE: Conditional Award Commitment and Acceptance of Terms and Conditions
Homekey+ Program, Notice of Funding Availability (NOFA), Fiscal Year 2024/2025
City and County of San Francisco and Swords to Plowshares – 1035 Van Ness
Contract No. 25-HK+-18685**

The California Department of Housing and Community Development (“Department” or “HCD”) issued a Homekey+ Program, Notice of Funding Availability (“NOFA”) on November 26, 2024, and subsequently amended it on January 31, 2025, and August 7, 2025. The Department is now pleased to inform you of this conditional award to City and County of San Francisco and Swords to Plowshares (“Awardees”). This conditional award is a grant in the amount of \$39,044,030 (the “Conditional Award”) for the above-referenced project (the “Project”) and includes the following:

Program	Award Amount	Contract Number
Capital Award	\$32,800,000	25-HK+-18685
Relocation Award	\$0	25-HK+-18685
Operating Award	\$2,524,030	25-HK+-18685
Veteran Units Additional Operating Award	\$3,720,000	25-HK+-18685
Homekey+ Award Total	\$39,044,030	

This Homekey+ Program NOFA award is under a media and public announcement embargo until released by the Office of the Governor or otherwise notified by HCD staff. HCD will provide updates on the timing of the public award announcement and provide a social media toolkit and a quote from the HCD Director for use in local media releases.

Homekey+ Program, NOFA, Conditional Award Commitment
City and County of San Francisco and Swords to Plowshares – 1035 Van Ness
Contract No. 25-HK+-18685
September 19, 2025
Page 2

The Conditional Award is based on and subject to the Applicant Representations and the Terms and Conditions of Conditional Award, both as further specified and described in this notice of the Conditional Award (the “**Conditional Award Commitment**”). This Conditional Award may only be accepted by timely delivery of a fully executed Acceptance of Terms and Conditions of Conditional Award form to the Department (an executed copy of this form is enclosed herein).

I. Applicant Representations – Basis of Conditional Award

In response to the above-mentioned NOFA, the Awardee(s) submitted an application for grant funding of the Project (that application, and all communications and documentation submitted to the Department in support thereof, the “**Application**”).

The Department is making this Conditional Award to the Awardee(s) on the basis of, and in reliance upon, the representations, warranties, projections, and descriptions that the Awardee(s) submitted as part of the Application (the “**Applicant Representations**”).

The Department may rescind this Conditional Award if the Department discovers, at any time prior to disbursement of the Conditional Award, that the Applicant Representations included material misrepresentations or omissions, regardless of whether or not such misrepresentations or omissions were innocent, unintentional, and/or based upon belief.

II. Terms and Conditions of Conditional Award

TIME IS OF THE ESSENCE IN THE SATISFACTION OF THESE TERMS AND CONDITIONS OF CONDITIONAL AWARD.

The Department may rescind this Conditional Award if any of the terms and conditions enumerated in this Section II (the “**Terms and Conditions of Conditional Award**”) are not timely satisfied. The Terms and Conditions of this Conditional Award and their corresponding timelines are described below.

If the Terms and Conditions of this Conditional Award are timely satisfied, the Department will (i) promptly provide a written notification to the Awardee(s) via electronic mail; and (ii) circulate an executed copy of an STD 213, Standard Agreement, for all appropriate signatures and approvals in accordance with the timeline specified in Section III of this Conditional Award Commitment.

All timelines shall be calculated in calendar days. Any deadline falling on a weekend or State of California holiday shall be extended to the next business day.

Homekey+ Program, NOFA, Conditional Award Commitment
City and County of San Francisco and Swords to Plowshares – 1035 Van Ness
Contract No. 25-HK+-18685
September 19, 2025
Page 3

A. Timely Execution of Acceptance of Terms and Conditions of Conditional Award Form

The Awardee(s) shall execute and deliver a copy of the enclosed Acceptance of Terms and Conditions of Conditional Award to the Department within ten (10) calendar days of the date of this Conditional Award Commitment. The Department will deem this condition to be unsatisfied if it receives an executed Acceptance of Terms and Conditions of Conditional Award that has been substantively modified, altered, or amended in any way. The signed Acceptance of Terms and Conditions of Conditional Award form must be submitted to Homekey@hcd.ca.gov.

III. Delivery of Standard Agreement

In an effort to be responsive to each Awardee's closing needs and to ensure timely commitment of funds, the Department commits to delivering an executed copy of the Standard Agreement relative to this Conditional Award after receiving all required documents, including all legally sufficient Authorization and Organizational Documents, in connection with this Project and as applicable.

Your contract is assigned to a Single Point of Contact (SPOC), Noah Lane, HCD Representative II, Homekey Branch, at (916) 776-7731 or Noah.Lane@hcd.ca.gov, which will serve as your contact for any and all inquiries related to the development and execution of the Standard Agreement. If this project has previously received funding from HCD, this new award will be referred to the same contact as your previous award to minimize the points of contact from within HCD. You will receive an email from your SPOC upon receipt of your signed Acceptance of Terms and Conditions of Conditional Award. In the meantime, should you have any changes to the status or make up of your project we ask that you communicate these changes as soon as possible to your assigned SPOC.

Congratulations on your successful application. For further information, please contact your SPOC as outlined in Section III above.

Sincerely,



Jennifer Seeger
Deputy Director
Division of State Financial Assistance

Enclosure: Acceptance of Terms and Conditions of Conditional Award form

California Department of Housing and Community Development

**Homekey+ Program
Notice of Funding Availability**

Acceptance of Terms and Conditions of Conditional Award

City and County of San Francisco and Swords to Plowshares ("Awardees")
1035 Van Ness ("Project")

Homekey+ Program NOFA award totaling \$39,044,030 ("Conditional Award"), as detailed below:

Program	Award Amount	Contract Number
Capital Award	\$32,800,000	25-HK+-18685
Relocation Award	\$0	25-HK+-18685
Operating Award	\$2,524,030	25-HK+-18685
Veteran Units Additional Operating Award	\$3,720,000	25-HK+-18685
Homekey+ Award Total	\$39,044,030	

By signing this Acceptance of Terms and Conditions of Conditional Award, the Awardee acknowledges having read and fully understood the terms and conditions of the Conditional Award Commitment, dated September 19, 2025, in connection with the Project.

This Homekey+ Program NOFA award is under a media and public announcement embargo until released by the Office of the Governor or otherwise notified by HCD staff. HCD will provide updates on the timing of the public award announcement and provide a social media toolkit and a quote from the HCD Director for use in local media releases.

In addition, the Awardee(s) must acknowledge that it has reviewed and verified the accuracy of the project report prepared by the Department no later than ten (10) calendar days of the date of this Conditional Award Commitment.

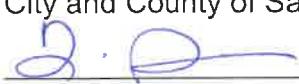
DocuSigned by:

Shireen McSpadden

9/25/2025

Shireen McSpadden, Executive Director,
Department of Homelessness and Supportive Housing
City and County of San Francisco

Date


Tramecia Garner, Executive Director
Swords to Plowshares

9/25/25

Date

**** For HCD Use Only ****

- Authorized Representatives Verified
 All Parties Signed
 Date Received: _____

2024 Homekey+ Program

Notice of Funding Availability (NOFA)

November 26, 2024

Funding Application



State of California

Gavin Newsom, [Governor](#)

Business, Consumer Services and Housing Agency

Tomiquia Moss, [Secretary](#)

<https://www.bcsdh.ca.gov/>

Department of Housing and Community Development (HCD)

Gustavo Velasquez, [Director](#)

651 Bannon Street, Sacramento, CA 95811 Telephone: (916) 263-2771

Homekey@hcd.ca.gov

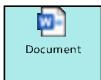
[Homekey+ Program](#)

<https://www.hcd.ca.gov>

Instructions

When opening this file, a yellow banner at the top may appear with a button that says, "Enable Editing", and/or "Enable Macros". It is essential that you click this box(es) so that the macros are enabled. Enabling macros is necessary for full workbook/application functionality.

WARNING: Partial functionality of this application/workbook **WILL BE LOST** when using **Apple Mac Computers**. The Department **highly** recommends using PC Computers and Microsoft Office 2013 or newer to complete the application.



Microsoft has recently added blocking of macros by default, if this happens when you open the application, please follow the instructions in the Word document added as an icon to the right (double-click to open).

When completing this Application, it is required not to skip/jump to other sheets, start entering data from top to bottom and left to right when selecting a new sheet to work with.

Application materials must be submitted electronically via HCD portal system. Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available at [Homekey+ | California Department of Housing and Community](#)

Homekey applications will be accepted as set forth in the NOFA.

Application must be on the Department's forms and cannot be altered or modified by the Applicant. Excel Application must be in Excel format, not a PDF document.

If the Applicant discover any errors within application, use the Application Support sheet and email the entire workbook to AppSupport@hcd.ca.gov

It is recommended that Applicant(s) start from left to right and top to bottom for a better understanding and functionality of this application.

Additional instructions and guidance are given throughout the Application in "red" text and in **cell comments**. Cell Notes/Comments are very important to read as some of these will provide directions for completing your application.

- "Yellow" cells are for Applicant input. It is very important that you answer **ALL** yellow cells, failure to provide all information may disqualify your application from consideration or may negatively impact your point score.
- "Orange" cells are **required** attachments. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Application.
- "Red" cells indicate the Applicant(s) has failed to meet a requirement of the program, threshold, scoring, upload, or certification.
- "Blue" cells are self-score points awarded in the "Scoring" worksheet. These are automated calculations based on the inputs provided by the Applicant.

Disclosure of Application: The application is a public record, which may be available for public review pursuant to the **California Public Records Act (CPRA) (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code)**. After final Homekey+ Awards have been issued, HCD may disclose any materials provided by the Applicant to any person making a request under the CPRA. 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 and consents to the potential disclosure of submitted material upon request.

Project Overview

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Homekey Summary (auto populated from "Max Funds & Unit Mix Award", and "Scoring" worksheets)					
Gap Financing Project type?	FALSE	New construction cost containment Project type?	FALSE		
Max Capital Baseline Award	#####	Additional Contribution	\$8,000,000	Total Requested Capital Award	\$32,800,000
Operating Subsidy	\$6,244,030	50% Relocation Costs	\$0	Total Requested Operating Subsidy	\$6,244,030
Total Requested Homekey Award (capital + operating + 50% relocation costs)					
Number of Doors at Acquisition	0	Number of Units Proposed in the Project	124	Number of Assisted Units	124
Number of At-Risk of Homelessness Units	0	Number of Chronically Homeless Units	0	Number of Homeless Units	0
Number of Homeless Youth or Youth at Risk of Homelessness Units	0	Number of Units accessible to persons with hearing or vision disabilities			13
Number of Units accessible to persons with mobility disabilities	19	Veteran Units	124	Non HK+ units	0

"Optional answer" will not affect application review or ranking. Applicant(s) or Joint Venture Entity meets CDLAC Definition of BIPOC Organization? per [CDLAC 523\(f\)\(1\)\(B\), TCAC 10327\(c\)\(2\)\(E\)](#)?

No

Eligible Applicant	Entity name	City and County of San Francisco			
Eligible applicant type	City and County		Organization type	Government Agency	
File Name	02a. App1 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet		Uploaded to HCD?	Yes
File Name	02b. App1 Authorizing Resolution	Authorizing Resolution		Uploaded to HCD?	Yes
File Name	02c. App1 Signature Block	Signature Block - upload in Microsoft Word Document.		Uploaded to HCD?	Yes
File Name	02d. App1 TIN Form	Completed Government TIN form		Uploaded to HCD?	Yes

Co-Applicant #1	Entity name	1035Vets, LLC			
Eligible applicant type	Limited Liability Corporation		Organization type	Non-profit Corporation	
File Name	03a. Co-App1 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet		Uploaded to HCD?	Yes
File Name	03b. Co-App1 OrgDoc1, Co-App1 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet		Uploaded to HCD?	Yes
File Name	03c. Co-App1 Authorizing Resolution	Authorizing Resolution		Uploaded to HCD?	Yes
File Name	03e. Co-App1 Signature Block	Signature Block - upload in Microsoft Word Document.		Uploaded to HCD?	Yes
File Name	03f. Co-App1 Cert of Good Standing	Dated 30 days or less from the application due date.		Uploaded to HCD?	Yes
File Name	03g. Co-App1 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)		Uploaded to HCD?	Yes
File Name	03h. Co-App1 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).		Uploaded to HCD?	Yes
File Name	03i. Co-App1 Payee Data Record	Completed Payee Data Record		Uploaded to HCD?	Yes
File Name	03j. Co-App1 TIN Form	Completed Government TIN form (jurisdictions only)		Uploaded to HCD?	N/A

Co-Applicant #2	Entity name	Swords to Plowshares: Veterans Rights Organization			
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Co-Applicant #3	Entity name	N/A			
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Co-Applicant #4	Entity name	N/A			
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Managing General Partner	Entity name	N/A			
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Administrative General Partner #1	Entity name	N/A			
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Administrative General Partner #2	Entity name	N/A			
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Manager of LLC	Entity name	Swords to Plowshares: Veterans Rights Organization			
File Name	10a. MLLC Cert & Legal Disclosure	Reference: Applicant Certification Worksheet		Uploaded to HCD?	Yes
File Name	10b. MLLC OrgDoc1, MLLC OrgDoc2, etc.	Reference: Entity Org Docs Worksheet		Uploaded to HCD?	Yes
	10c. MLLC Resolution	Authorizing Resolution		Uploaded to HCD?	Yes
File Name	10e. MLLC Signature Block	Signature Block - upload in Microsoft Word Document.		Uploaded to HCD?	Yes
File Name	10f. MLLC Cert of Good Standing	Dated 30 days or less from the application due date.		Uploaded to HCD?	Yes
File Name	10g. MLLC Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).		Uploaded to HCD?	Yes
File Name	10h. MLLC Payee Data Record	Completed Payee Data Record		Uploaded to HCD?	Yes

Additional Applicant(s) documents					
File Name	11. LLC OA	Operating Agreement		Uploaded to HCD?	Yes

Are there affiliate or subsidiary entities that provide operational or financial support to the Applicant or Co-Applicants?

N/A

Is the Applicant an affiliate or subsidiary of another entity such as a parent company?

N/A

Will the Applicant rely on related party entity(ies) to develop, construct, or operate the proposed Project?

Yes

Project Development Type	Acquisition & Rehabilitation	Housing Type	Permanent Housing	Geographic Region	Bay Area
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Project Overview

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Project Name	1035 Van Ness			Project Address	1035 Van Ness Ave.		
Project County	San Francisco	Project City	San Francisco	State:	CA	Project Zip	94109
(APNs):				Census Tract(s)			
0714-028				0151.00			

Has the Applicant(s) applied, plan to apply, or been awarded **other** HCD program funds for **this proposed Project**?

No

Utilizing Tax Credits? NoneIs Project located in a Rural Area as defined by **H&S Code §50199.21**? Applicant must use the TCAC Method for determining rural status.[Documentation of rural status \(2025\)](#)

No

Project Description: be as specific as possible and be sure to include eligible uses, relocation needs, Homekey+ operating subsidy and match.

1035 Van Ness consists of the acquisition and rehab of an existing assisted living facility located in the Cathedral Hill neighborhood of San Francisco and conversion into 124 units of housing -- 66 studio units and 58 SROs with private baths -- for formerly homeless veterans. The property, built in 2004, is in good condition and is located along a newly completed bus rapid transit line connecting riders from the waterfront to the Market Street transit corridor. The existing assisted living facility has filed for bankruptcy, facilitating an opportunity to purchase the building, built in 2004 and an attractive opportunity to re-purpose as permanent supportive housing (PSH) for veterans with in-unit bathrooms.

The City and County of San Francisco's Dept. of Homelessness and Supportive Housing (HSH) serves as Applicant for this Homekey+ application. HSH selected Swords to Plowshares as the City's partner this opportunity because of its current work at numbers of PSH sites in San Francisco serving veterans. HK+ funds will go towards purchase of 1035 Van Ness for \$27.75 million, and together with City funds will finance a modest renovation that will restore the building to its permitted 124 studio units and facilitate its ability to serve the new intended residents, consisting of formerly homeless veterans with Serious Mental Illness (SMI) or Substance Use Disorder (SUD). City funds will cover all soft costs related to the project. Project operations will benefit from a new 20-year commitment of 66 project-based vouchers through the VASH program and commitments from HSH to fund a Local Operating Subsidy Program operating grant for 15 years, and supportive services for 5 years, with the intent to renew the services contract through Year 20. These funds will leverage a HK+ operating award covering 5 years' operating gap, plus additional funds during Years 6-10 based on the NOFA amendment allowing an additional \$30,000 operating funds per Veteran's unit.

§201. Eligible Uses

Applicants acknowledges the "Eligible Uses" of the Homekey+ funds.

Yes

i. The list of eligible uses are as follows: (Applicants, please select all the items below for which the Homekey+ funds will be utilized for. Select "Yes" or "No") to all below.

Yes

- a. Acquisition or Rehabilitation, or Acquisition and Rehabilitation, of motels, hotels, hostels, apartments or homes, assisted living residences, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to Permanent Supportive Housing (PSH).

Yes

- b. Master leasing of properties for PSH.

No

- c. Conversion of units from nonresidential to residential PSH. (i.e. adaptive reuse) and conversion of Interim Housing to PSH.

No

- d. New construction of dwelling units (see §501).

No

- e. Gap financing (**Strictly for §502 project types only**, please read and understand this section before selecting "Yes").

No

- f. The purchase of affordability covenants and restrictions for units.

No

- g. Relocation costs for individuals who are being displaced because of the Homekey+ Project.

No

- h. Capitalized operating subsidies for PSH units purchased, converted, constructed, or altered with funds provided pursuant to **HSC §50675.1.3**.

Yes

ii. Applicant acknowledges that the **Ineligible** uses include all those stated at [§201\(ii\)](#).

Yes

§202. Eligible Projects

Homekey+ funds Permanent Supportive Housing (PSH) and will require a 55-year affordability term. HCD welcomes and will consider a variety of innovative housing solutions as eligible Projects, including excess state-owned property developments. The following list of eligible Projects is not exhaustive.

Eligible Project Type iii. Conversion of buildings with existing residential or interim uses that will be used to create PSH units.**§205. Capital Award and Match**

i. Additional Contribution Amount – Capital Match

Yes

Beyond the baseline amount, the Eligible Applicant may leverage a 1:1 local match to provide up to \$100,000 in additional funds per door/Unit. Capital match may be obtained from any source, including any federal, state, local, private, or philanthropic source.

Will the Applicant(s) be providing local match, up to \$100,000 in additional funds per door?

§301. Additional Application MaterialsIn addition to requirements detailed in [§300](#), to be eligible for Homekey+ funding, an application shall demonstrate to HCD the following:

Applicants and Co-Applicants must be in good standing with the State of California and all agencies and departments thereof. By way of example and not limitation, an Applicant and Co-Applicant must be qualified to do business in the State of California and must be in good standing with the California Secretary of State and the California Franchise Tax Board. **Applicants that are delinquent in meeting the material requirements of previous Department awards may, in the Department's reasonable discretion, fail threshold review.** Certificate of Good Standing dated within 30 days of application due date must be submitted with the application.

NOTE: A certificate of good standing from the California Secretary of State is requested above and under the Applicant and Co-Applicants entity name.

- ii. Completed Certification and Legal Disclosure Statement
- iii. Signature Block for all Applicants entities in Word Format
- iv. Payee Data Record STD204 (except for Eligible Applicants)
- v. Taxpayer Identification Number (FISCal TIN Form)

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vi. EIN Verification (IRS form SS-4) (except for Jurisdictions)

vii. Tax-Exempt State from IRS or FTB (if applicable)

NOTE: These items above (ii-vii) are requested above and under the Applicant and Co-Applicants entity name.

viii. CEQA Determination (if applicable)

ix. NEPA Authority to Use Grant Funds (if applicable)

NOTE: These items above (viii-xi) are requested at the "Project Overview" sheet, starting with row 474.

x. Phase 2 Environmental Report if needed as stated in Phase I ESA report (if Applicable)

NOTE: This item above (x) is requested at "Threshold Requirements" sheet at row 123.

xi. A letter from the local county behavioral health department describing the support for the Project (capital, operating or service commitments, referrals, stakeholder collaboration, etc.). If the letter can't be secured, Applicant must describe efforts to obtain the letter.

Will the Applicant secure and provide the Department with letter from the local county behavioral health department describing the support for the Project (capital, operating or service commitments, referrals, stakeholder collaboration, etc.)?

Yes

File Name	12. Letter local county BHD	Provide the Department with letter from the local county behavioral health department describing the support for the Project (capital, operating or service commitments, referrals, stakeholder collaboration, etc.)	Uploaded to HCD?	Yes
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Is the Project a scattered site housing Project? UMR §8303(b)	No
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§304. Recording, Income and Underwriting Requirements

Homekey+ may fund all units in a Project or a portion of the units. If seeking Homekey+ funding for a portion of the units in a Project, Applicants must identify committed

i. sources for the non-Homekey+ units. The non-Homekey+ units are not required to serve the Homekey+ Target Population and may therefore be restricted at higher AMI levels, which may help promote Project feasibility.

Will Homekey+ be funding **all units** in the proposed Project?

Yes

At time of acquisition, are there tenants residing at the Project site?

No

Applicant(s) acknowledges and understand that at year 15 from the recordation of the Affordability Covenant, in circumstances where the Grantee has not waived their right and Grantee has exhausted available operating funding and demonstrated to HCD that the Project is no longer feasible, HCD may approve an increase in income levels, to the minimum extent required for fiscal integrity, in five percent increments of Assisted Units up to 50 percent AMI. **AND**

Yes

HCD reserves the right to set restrictions on the unit mix, rent levels, and other factors deemed necessary. To the maximum extent possible, these changes shall minimize the impact on the lowest income Project residents and shall be phased in as gradually as possible. If, following any increase in rents and income limits, or a. modification of Target Population occupancy requirements, new resources become available, or market demand changes, allowing reversion to the former income and rent limits or Target Population occupancy requirements, HCD may re- impose these income limits and rent limits or Target Population occupancy requirements, in whole or in part, subject to an analysis of Project

iv. In addition to §300 above, Applicants purchasing Affordability Covenants and restrictions will also be evaluated on the following requirements:

Will the Applicants be purchasing Affordability Covenants and restrictions?

No

As described in §101, the Project shall comply with the UMRs (Cal. Code Regs., tit. 25, § 8300 et seq.), to the extent those regulations are consistent with Homekey+ requirements, and shall meet the following Homekey+ underwriting requirements:

Applicants acknowledges and certifies to the following: In analyzing Project feasibility, Projects planning to use Tenant Based Vouchers (TBV) for rental income/subsidy sources shall limit projected TBV revenue sources to no more than 50% of the Project's assisted housing units in the application. Nothing in this

a. NOFA shall be construed to conflict with or limit the operation of state law prohibiting discrimination against tenants based on source of income. Refer to §508 for non-discrimination policy requirements.

Yes

b. Applicants acknowledges that for Projects that do not have debt service, Project cashflow shall not exceed 12 percent of Operating Expenses in the first 15 years of operations.

Yes

Article V – Additional Program Requirements

Homekey+ Projects proposing to serve Veterans may also serve other qualifying members of the Target Population. The Veterans units will be funded from the Veterans allocation, and the remaining units will be funded from the other applicable allocation(s).

Per §500 Veterans Assisted Units, is this Application/Project proposing to serve Veteran Units?

Yes

Existing Doors versus proposed Units (include Manager's Units)							Total # Doors / Units	Total # Bedrooms	Total # Buildings	Total # Mgr. Units	Total # of Parking Spaces
	Beds	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 + Bdrm				
Existing		106						106	106	1	1
Proposed		124	0	0	0	0	0	124	124	1	0
											32
Building types		New Construction			Rehabilitation			Unit Size	Baths	Layout	Avg. Sq. Ft.
		Units	Stories	Bldgs.	Units	Stories	Bldgs.	0 Bdrm.	1	Flat	372
Townhouse/Row House								1 Bdrm.			124
One or Two Story Walk-Up								2 Bdrm.			0
Mid-Rise (3-5 stories)								3 Bdrm.			0
High-Rise (6+stories)								4 Bdrm.			0
Detached Single Family								5 Bdrm.			0
Duplex/4-Plex											
Non-Residential Bldg(s)											
											Total Doors / Units
											124

Project Overview

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Totals 0 0 124 1

Applicant Notes

Amenities

Unit Amenities/Features

Yes	Air Conditioning	Yes	Refrigerator	No	Range	Yes	Microwave	No	Disposal
No	Dishwasher	No	Walk-In Closet	No	Fenced Rear Yard	No	Ceiling Fans	Yes	Curtains/Blinds
No	Fireplace	Yes	Emergency Call	No	Free Cable TV	No	Storage Area	No	Lofts
No	Balcony	No	Patio	(Other)	(Other)	(Other)	(Other)	(Other)	(Other)

Project Amenities

Elevator(s)	Yes	2	Laundry Rms.	Yes	6	Washers	Yes	12	Dryers	Yes	12
Yes	Community Room	Yes	Community Kitchen	No	Computer Room	No	High Speed Internet				
Yes	Fitness Room	No	Picnic/BBQ Area(s)	No	Tot Lot/Playground	No	Sports Court				
No	Tennis Court	No	Swimming Pool	No	Jacuzzi/Sauna	No	Bike Parking				(Other)

Security & Other

Yes	Gated Entry	Yes	Bldg. Card Key	Yes	Security Patrol	Yes	Security Cameras
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Describe any mandatory charges to tenants beyond allowable Rents.

None

List type of furnishings provided in each unit.

Bed, nightstand, dresser, dining table, chairs

Miscellaneous Information

Residential Space

Residential Units	57,660	Common Areas	22,000	Community Room	5,000	Leasing Office	1,000	Additional Storage Space	0
Subtotal Residential SF	85,660								
Maintenance Shop	2,500	Childcare Center	0	Service Area	5,000	Service Office	3,600		
Ground floor storage	2,500	(Other)		(Other)		(Other)			
Total Residential SF	99,260								

Residential Parking

Free Residential Parking Spaces

Uncovered Tenant Parking	0	Covered Tenant Parking	32	Enclosed Tenant Parking	0	Tenant Guest Spaces	0
Subtotal Parking Spaces	32						

Extra Spaces Tenants may Rent

Extra Parking Spaces Tenants may Rent	0	Total Handicap Parking Spaces	2
Grand Total Parking Spaces	32		

Commercial Space

Commercial Square Feet

Commercial Area	0	Offices		Childcare Center		Storage Space		(Other)	
Total Commercial SF	0								

Parking Spaces for Commercial Tenants

Uncovered Parking	0	Covered Parking	0	Total Spaces	0
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Describe other available parking for commercial patrons

n/a

Income from sources other than residential Rents and subsidies

Laundry

No. of Units Using Central Laundry	124
Weekly Assumed Income Per Unit	\$6.75
Annual Total Laundry Income	\$43,524

Other Leased Spaces

Residential	Lease Terms	Rent/Mo.	Annual Gross
None			\$0
			\$0
			\$0

Project Overview

Tenant Rental Spaces	0						V3 4/30/25
Monthly Income Per Space							\$0
Annual Residential Parking Income	\$0						
Commercial Parking							
Number of Rental Spaces	0						
Monthly Income Per Space							
Annual Commercial Parking Income	\$0						
							Total Income from Other Leased Spaces \$0

Monthly utility allowance

Utilities	Type of Utility (Select from dropdown)	Does the owner or tenant pay utilities?	Enter Allowances for Tenant or Homeownership Paid Utilities by Bdrm. Size					
			0 bdrm	1 bdrm	2 bdrms	3 bdrms	4 bdrms	≥5 bdrms
Heating	Electric	Owner	\$0					
Cooking	Electric	Owner	\$0					
Other Electric	Electric	Owner	\$0					
Air Conditioning								
Water Heating	Electric	Owner	\$0					
Water	Public	Owner	\$0					
Sewer	Public	Owner	\$0					
Trash	Public	Owner	\$0					
Other								
		Total Tenant Utility Allowance	\$0	\$0	\$0	\$0	\$0	\$0

Source for utility allowances

Local PHA?	Yes	Name:	San Francisco Housing Authority				Effective date:	1/1/25
HUD?		Utility Company (Actual Survey)?		CUAC?		Other?		
Applicant Notes:								
All utilities to be owner-paid. Utility Allowance schedule is included solely for reference purposes. Note this is an existing building with gas (not electric) heat and hot water, but the application workbook does not provide this as an option.								
File Name	16. Utility allowance	Schedule of utility allowances.						Uploaded to HCD? Yes

§504 Housing First

The Eligible Applicant shall certify to employ the core components of Housing First, as set forth at Welfare and Institutions Code §8255, subdivision (b), in its property management and tenant selection practices. 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, including local Coordinated Entry System prioritization protocols, or other federal or state Project funding sources.

Yes

§505 Tenant Referrals

Referrals to Homekey+ Assisted Units shall be made through the local Coordinated Entry System (CES), or another comparable prioritization system based on greatest need for housing and services, to determine the most appropriate referral. Homekey+ units should be reserved for serving the Target Population where households are more appropriately served by PSH, including referrals from persons exiting encampments. Households with lower levels of need may be better served by other housing and less intense service interventions.

Applicants must demonstrate efforts to coordinate with their local county behavioral health department, to ensure the referral process to the Homekey+ units is aligned with the requirements of this [NOFA](#).

If referrals will be made using a prioritization system other than CES, the Applicant must describe the plan for tenant referrals in detail, including which agency is responsible for managing the referral approach and what stakeholders are involved in the prioritization process. Awardees are encouraged to consider an alternative referral system consisting of referrals for persons exiting encampments, incarceration, or treatment facilities. Prioritization for Homekey+ units should be based on greatest need factors and assessments established by the local jurisdiction in collaboration with the Continuum of Care (CoC). CoC collaboration in Project and Supportive Services design is also strongly encouraged to help target and serve those with the greatest need.

Will referrals be made using a prioritization system other than CES?

No

§505 Participation in the Homeless Management Information System (HMIS)

If awarded Homekey+ funds, Applicants hereby certifies to comply with the following:

Yes

Pursuant to Assembly Bill 977 (Statutes of 2021-22), Grantees who have been awarded HCD funding under the Homekey+ program must enter Universal and Common Data Elements as defined by HUD, on the individuals and families served into the Homeless Management Information System (HMIS). For more information about this requirement visit [Homelessness Program Data Reporting | California Department of Housing and Community Development](#)

Any health information provided to, or maintained within, the statewide Homeless Management Information System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with §7920.00) of Title 1 of the Government Code). "Health information" means "protected health information" as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and "medical information," as defined in subdivision (j) of §56.05 of the Civil Code.

§507 Relocation

In addition to the Relocation Assistance Narrative required in §300 submitted at the time of application, before the Homekey+ Award will be disbursed, Grantee must submit either:

- A Department-approved relocation plan; or
- An HCD-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement (certificate of no-relocation), which has been duly executed and approved by HCD.

Grantee must comply with all applicable federal, state, and local relocation law. Pursuant to relocation law, a Grantee must have a relocation plan prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. To ensure that displaced persons and entities do not suffer a disproportionate impact as a result of Projects which benefit the public, all notices to vacate and relocation services must be provided to them in accordance with applicable law.

HCD will identify its form, substance, and submittal requirements for these relocation documents in the Homekey+ application materials. Where the Grantee's activities will or may result in displacement, the Grantee's development budget shall include enough funds to pay all costs of relocation benefits and assistance. Any modifications to the foregoing process requirements must be approved in advance by HCD in writing.

Project Overview

Does the proposed Project trigger [State Relocation Assistance Law?](#)

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Yes
No

§508 Non-Discrimination and Accessibility

Grantees shall adopt a written non-discrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available pursuant to this NOFA.

NOTE: A written non-discrimination policy is required at "Threshold Requirements" sheet.

Grantees certifies to comply with the requirements of the [Americans with Disabilities Act of 1990 \(U.S.C § 12101 et seq.\)](#). All developments shall adhere to the accessibility requirements set forth in [California Building Code Chapter 11A and 11B](#) and the [Americans with Disabilities Act, Title II and Title III](#). In addition, developments shall adhere to either the [Uniform Federal Accessibility Standards \(UFAS\)](#), [24 C.F.R. Part 8](#), or HUD's modified version of the [2010 ADA Standards for Accessible Design \(Alternative 2010 ADAS\)](#), [HUD-2014-0042-0001, 79 F.R. 29671](#) (5/23/14) (commonly referred to as "the Alternative Standards" or "HUD Deeming Notice"). Accessible units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout the Project and be available in a sufficient range of sizes and amenities consistent with [24 CFR part 8.26](#).

Yes

Applicants are further advised that while Homekey+ incorporates the MHP guidelines, as explained in [§101](#), as a courtesy and point of emphasis, HCD directs prospective Applicants to [§7314 \(a\) and \(b\)](#) of the [MHP](#) guidelines, which further articulates Fair Housing, Nondiscrimination, and Accessibility requirements. HCD also suggests Applicants review its April 2021 Affirmatively Furthering Fair Housing document at the following link.

[Fair Housing](#)

§509 Prevailing Wages

Applicant certifies that the Project will comply with [California's prevailing wage law \(Lab. Code, §1720 et seq.\)](#)?

Yes

Applicant's contemplated use of Homekey+ funds is subject to [California's prevailing wage law \(Lab. Code, § 1720 et seq.\)](#). Applicant is urged to seek professional legal advice about the law's requirements. Prior to disbursing the Homekey+ funds, HCD will require a certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law, or a certification that the development is exempt from prevailing wage as defined in [Government Code 65913.4\(a\)\(9\)](#). The certification must verify that prevailing wages have been or will be paid, and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by the general contractor(s) and the Grantee. The Department will not disburse funds for Rehabilitation or construction until the certification is signed by the general contractor.

§510 Environmental Clearances

Projects, including phased Projects, that satisfy the requirements [HSC 50675.1.5](#), shall be exempt from the [California Environmental Quality Act \(CEQA\)](#) Projects under this section are considered a "use by right", which are specifically exempt from [CEQA \(CA Public Resources Code §21000 et seq.\)](#). ([HSC 50675.1.5\(e\)\(2\)\(A\)](#)). Moreover, [HSC 50675.1.5\(c\)](#) specifically exempts HCD actions taken to "provide financial assistance or insurance for the development and construction of Projects" from [CEQA](#) review. HCD encourages Eligible Applicants to fully engage with HCD's technical assistance and to review the [CEQA](#) exemption set forth at [HSC §50675.1.5](#) and the provision for land use consistency and conformity set forth at [HSC §50675.1.3, subdivision \(i\)](#).

Applicants should consult with their counsel for legal advice in construing application of the foregoing exemptions to their Project. It is entirely within an Applicant's discretion to determine whether to use the statutory [CEQA](#) exemption, whether the exemption applies to the Applicant's proposed activity, or whether some other mechanism applies and could be used to satisfy obligations under [CEQA](#).

Applicants must provide [National Environmental Act \(NEPA\)](#) clearance, as applicable. According to the [National Environmental Policy Act \(NEPA\)](#), Grantees must consider environmental impacts early in the planning process before decisions are made, and actions are taken. The Project must assess environmental impacts if a Project has applied for [HUD](#) assistance (HOME, CDBG, PBVs, Choice Neighborhoods Grant, ShelterCare Plus, etc.). HUD's regulations prohibit grant recipients and their partners/contractors from committing or spending HUD or non-HUD funds on an activity that could limit the choice of reasonable alternatives before completing the environmental review process. The prohibition of choice-limiting actions does not apply to commitments of non-federal funds before the Project has applied for HUD funding. When an application is submitted for a federal grant/loan, all activity must stop until the environmental review process is complete.

There is no flexibility or waiver of NEPA environmental review requirements. The Project must receive an Authority to Use Grant Funds (AUGF) before the Project proceeds with the acquisition or physical activities, including non-HUD-funded activities. A choice-limiting action can result in a violation that jeopardizes HUD funding for the Project.

The prohibition on choice-limiting actions prohibits physical activity, including acquisition, Rehabilitation, and construction, as well as contracting for or committing to any of these actions before completion of the environmental review. Some examples of choice-limiting actions are: see [§510](#)

HCD does not determine which Projects will require NEPA clearance. Applicants shall provide HCD a status of any required NEPA review at the time of application. For more information, visit the [HUD Exchange](#), review HCD's Environmental Review Guidance by clicking, or contact HCD's Environmental Services Team at NEPA@hcd.ca.gov.

[HUD Exchange](#)

[HCD's Environmental Review Guidance](#)

File Name	19. CEQA	Copy of CEQA Determination Documents (if applicable).	Uploaded to HCD?	N/A
File Name	20. NEPA	NEPA Authority to Use Grant Funds issued by the Responsible Entity if the project is proposing use of federal funds. Note: Not required at time of application, but required prior to disbursements.	Uploaded to HCD?	N/A

Project milestones

Please provide the actual or anticipated completion date for the following performance milestones for each applicable Capital Project. If a milestone is not applicable to a Capital Project, please enter "N/A"

Note: It is acknowledged that some of the following milestones may have already been achieved. For those milestones which have previously been met, please enter the month and year completed. For those milestones not yet completed, please provide a projected completion date (MM/DD/YY) for each of the applicable items below. If not applicable to the specific Capital Project, please indicate "NA" below.

Homekey+ milestones

	Homekey+ Date
Completion of all necessary environmental clearances, including those required under CEQA and NEPA.	9/13/25
Obtaining all necessary and discretionary public land use approvals.	7/1/25
Submission of Final Construction Drawings and Specifications to the appropriate local building department or permitting authority.	7/1/25
Commencement of construction.	10/1/25
Construction completion.	5/1/26
Start lease up	5/15/26
Complete Occupancy	10/15/26
Complete capital expenses	11/15/26
Program funds fully disbursed.	12/31/26
<i>Have all milestone dates been entered above?</i>	Yes

Applicant comments:

This application has been revised to reflect the HK+ NOFA amendment allowing applicants to request an additional \$30,000 in HK+ Operating Subsidy per Veteran's unit, to be expended in the first 10 years of operations, and to list as Co-Applicant #2 the managing member of the single-purpose owner LLC.

Development Team Contacts and Legislative Information

Contact Type	Entity Legal Name	Eligible Applicant Type	Organization Type	Address	City	State	Zip Code	Auth Rep Name	Title	Email	Phone #	Contact Name	Title
Eligible Applicant	City and County of San Francisco	City and County	Government Agency	440 Turk Street	San Francisco	CA	94102	Shireen McSpadden	Exec. Dir., Dept. of Homelessness & Supn. Hsas	shireen.mcspadden@sfgov.org	628-652-7700	Mara Blitzer	Dir. of Special Projects, Mayor's Office of Hsas & Dep. Dir.,
Co-Applicant #1	1035Vets, LLC	Limited Liability Corporation	Non-profit Corporation	1060 Howard Street	San Francisco	CA	94103	Tramecia Garner	Executive Director	tgamer@stp-sf.org	415-252-4787	Steven Culbertson	Residential Progs & Housing Dvmt
Manager of LLC	Swords to Plowshares: Veterans Rights Organization	Corporation	Non-profit Corporation	1060 Howard Street	San Francisco	CA	94103	Tramecia Garner	Executive Director	tgamer@stp-sf.org	415-252-4787	Stephen Chen	Chief Financial Officer
Property Management Agent	Swords to Plowshares: Veterans Rights Organization			1060 Howard Street	San Francisco	CA	94103					Monique Crossley	Dir. of Property Management
Financial Consultant	Mosaic Urban Development			278 17th Street, Ste. 208	Oakland	CA	94612					David Schnur	Development Director
Lead (primary) Service Provider	Swords to Plowshares: Veterans Rights Organization			1060 Howard Street	San Francisco	CA	94103					Ma'at Xi	Dep. Dir., Clinical Programs
Legal Counsel	Lubin Olson & Niewiadomski, LLP			600 Montgomery Street, Suite 14	San Francisco	CA	94111					Michael Muzzy	Partner
General Contractor	D&H Construction			2107 Kearney St	El Cerrito	CA	94530					Jansen Lum	Partner
Architect	Saida + Sullivan			12 Gough St., Ste. 100	San Francisco	CA	94103					Mimi Sullivan	Principal
Other: Co-Applicant #2	Swords to Plowshares: Veterans Rights Organization			1060 Howard Street	San Francisco	CA	94103					Steven Culbertson	Dep. Dir., Residential Progs & Housing Dvmt
Other (Specify)													
Other (Specify)													
Other (Specify)													

Email	Phone #	Contact Address	City	State	Zip Code
mara.blitzer@sfgov.org	628-652-5820	1 So. Van Ness Ave., 5th Floor	San Francisco	CA	94103
steven.cubertson@stp-sf.org	415-252-4787	1060 Howard Street	San Francisco	CA	94103
stephen.chen@stp-sf.org	(510)325-4718	1060 Howard Street	San Francisco	CA	94103
monique.crossley@stp-sf.org	(415)590-5112				
dschnur@mosaicurban.org	510-808-7952				
maat.xi@stp-sf.org	(415)797-8749				
Muzzv@lubinolson.com	(415)981-0550				
jansen@dh-construction.com	(510) 237-7883				
mimi@saidasullivan.com	(415) 777-0991				
steven.cubertson@stp-sf.org	415-252-4787				

Applicant Comments: Include a description of unusual or extraordinary circumstances that have resulted in higher than expected Project costs and provide a justification as to why these costs are reasonable.

Costs are not extraordinary.

Reserves are considered Deferred Costs during construction because they will be funded at the time the building is placed into service.

Annual Income and Expenses

Employee Information

Employee Units

Income Limit	Job Title(s) of Employee(s) Living On-Site	Unit Type (No. of bdrms.)	Square Footage
Total Square Footage			0

Annual Operating Budget

Acct. No.	Revenue - Income	Residential	Commercial
5120/5140	Rent Revenue - Gross Potential		\$0
	Restricted Unit Rents	\$297,600	
	Unrestricted Unit Rents	\$0	
5121	Tenant Assistance Payments		
	Rental Subsidy Program Name (VASH)	\$2,003,760	
	Rental Subsidy Program Name (Specify)	\$0	
	Rental Subsidy Program Name (Specify)	\$0	
	Rental Subsidy Program Name (Specify)	\$0	
	Operating Subsidies (Services grant - SF HSH)	\$549,289	
	Operating Subsidies (Specify)		
	Operating Subsidies (Specify)		
	Operating Subsidies (LOSP - SF HSH)	\$0	
	Operating Subsidies (Specify)		
5910	Laundry and Vending Revenue	\$43,524	
5170	Parking Spaces	\$0	\$0
5990	Miscellaneous/Other Rent Revenue	\$0	\$0
	Gross Potential Income (GPI)	\$2,894,173	\$0
	Vacancy Rate: Restricted Units	5.0%	
	Vacancy Rate: Unrestricted Units	5.0%	
	Vacancy Rate: Tenant Assistance Payments	5.0%	
	Vacancy Rate: Other (Operating Subsidies)	0.0%	

Annual Income and Expenses

	Vacancy Rate: Laundry & Vending & Other Income	0.0%	
	Vacancy Rate: Commercial Income		50.0%
5220/5240	Vacancy Loss(es)	\$115,068	\$0
	Effective Gross Income (EGI)	\$2,779,105	\$0
Acct. No.	Expenses	Residential	Commercial
Administrative Expenses: 6200/6300			
6203	Conventions and Meetings		
6210	Advertising and Marketing	\$1,000	
6250	Other Renting Expenses	\$5,000	
6310	Office/Administrative Salaries -- from above	\$0	
6311	Office Expenses	\$40,000	
6312	Office or Model Apartment Rent		
6320	Management Fee	\$122,016	
6330	Site/Resident Manager(s) Salaries -- from above	\$147,680	
6331	Administrative Free Rent Unit -- from above	\$0	
6340	Legal Expense -- Project	\$25,000	
6350	Audit Expense	\$5,000	
6351	Bookkeeping Fees/Accounting Services	\$12,500	
6390	Miscellaneous Administrative Expenses	\$28,500	
6263T	Total Administrative Expenses	\$386,696	\$0
Acct. No.	Expenses	Residential	Commercial
Utilities Expenses: 6400			
6450	Electricity	\$111,000	
6451	Water	\$104,000	
6452	Gas	\$54,000	
6453	Sewer	\$104,000	
	Other (Specify)		
6400T	Total Utilities Expenses	\$373,000	\$0
Operating and Maintenance Expenses: 6500			
6510	Payroll -- from above	\$656,589	
6515	Supplies	\$60,000	
6520	Contracts	\$180,800	
6521	Operating & Maintenance Free Rent Unit -- from above	\$0	
6525	Garbage and Trash Removal	\$66,100	
6530	Security Contract		
6531	Security Free Rent Unit -- from above	\$0	
6546	Heating/Cooling Repairs and Maintenance	\$5,000	
6548	Snow Removal		
6570	Vehicle & Maintenance Equipment Operation/Reports		
6590	Miscellaneous Operating and Maintenance Expenses	\$584,798	
6500T	TOTAL Operating & Maintenance Expenses	\$1,553,287	\$0
Taxes and Insurance: 6700			
6710	Real Estate Taxes	\$3,000	
6711	Payroll Taxes (Project's Share) -- from above	\$192,463	
6720	Property and Liability Insurance (Hazard)	\$350,000	
6729	Other Insurance (e.g. Earthquake)		
6721	Fidelity Bond Insurance		
6722	Worker's Compensation -- from above	\$59,219	
6723	Health Insurance/Other Employee Benefits--from above	\$94,294	
6790	Miscellaneous Taxes, Licenses, Permits & Insurance		
6700T	Total Taxes and Insurance	\$698,976	\$0
Supportive Services Costs: 6900			
6990	Staff Supervisor(s) Salaries - from above	\$27,200	
6990	Services Coordinator Salaries, On-Site - from above	\$44,064	
6990	Other Supportive Services Staff Salaries - from above	\$294,166	
6990	Supportive Services Admin Overhead	\$65,818	
6990	Tenant Transportation (per SSP)	\$0	
6990	Staff training (per SSP)	\$5,600	

Annual Income and Expenses

6990	Equipment	\$7,073	
6990	Supplies	\$7,200	
6990	Travel		
6990	Office Rent/Occupancy Costs (don't include rent/leasing costs for SH units)		
6990	Training		
6990	Other Supportive Services Costs (Food Program)	\$0	
6990	Other Supportive Services Costs (specify)		
6900T	Total Supportive Services Costs	\$451,121	\$0
	Total Operating Expenses	\$3,463,080	\$0
Funded Reserves: 7200		Residential	Commercial
7210	Required Replacement Reserve Deposits	\$62,000	
7220	Other Reserves (specify)		
7230	Other Reserves (specify)		
7240	Other Reserves (specify)		
	Total Reserves	\$62,000	\$0
	Ground Lease	Residential	Commercial
	Ground Lease		
	Total Ground Lease	\$0	\$0
	Net Operating Income	(\$745,975)	\$0
Financial Expenses: 6800			
6820	1st Mortgage Debt Service		
6830	2nd Mortgage Debt Service		
6840	3rd Mortgage Debt Service		
6890	Other HCD .42% (Specify)		
6890	Other HCD .42% (Specify)		
6890	Bond Issuer Fee		
6890	Miscellaneous Financial Expenses (specify)		
6890	Miscellaneous Financial Expenses (specify)		
6890	Miscellaneous Financial Expenses (specify)		
6890	Miscellaneous Financial Expenses (specify)		
6800T	Total Financial Expenses	\$0	\$0
	Cash Flow	(\$745,975)	\$0
7190	Asset Management/Similar Fees		

Total Operating Expenses Per Unit	Per Year	Per Month
Without any Adjustments	\$27,928	\$2,327
With the Value of Rent-Free Units Included	\$27,928	\$2,327
Without RE Taxes, Social Services Coordinator or Social Services/Social Programs and With the Value of Rent Fee Units Included	\$24,266	\$2,022

Comments
Dep Director of Clinical Programs
Asst Dir Res Pgms, Res Admin Coord, Prog Mgr
Mental Health & Peer specialists
Program Monitors incl Lead Program Monitor
Dep Dir; Dir of PM; Asst Dir of PM; Facilities Dir
(All PM admin staff shown above, as values in
E16-17 not reflected in formula below for Acct
6510)

24-hr desk staffing; no resident staff

Comments
Per current SFHA payment standard
Covers services salaries, benefits and expenses
Subsidies begin Yr 6 after use of HK+ COSR
Budget-based subsidies not subject to vacancy

Calculated as net, not gross, so zero vacancy	
	Comments
Bad Debt	
IT, Phone, Printing, Conventions/Meetings, Misc	
\$82/unit/mo	
Share of Asset Mgmt Fee in OpEx	
	Comments
	Comments
Office, janitorial, kitchen and unit supplies	
Janitorial contract	
Necessary recurring operating & maint expenses	
	Comments
	Comments
Indirect costs at approved 12.1% rate	
In-kind contribution	

			\$3,329,442	\$26,850	\$2,238
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Applicant(s) total operating subsidy committed amount

Applicant(s) estimated annual subsidy amount

Applicant(s) estimated monthly assisted per unit subsidy amount

Homekey+ estimated monthly assisted per unit subsidy amount

Homekey+ estimated annual subsidy amount

Homekey+ total operating subsidy amount

Homekey+ total operating subsidy amount/award requested

Per cashflow, estimated Homekey+ total amount/award based on need

etermined based on need, exclusive of items referenced in subsection (v). The amounts and durations referenced in (i) **ms**. To be eligible to receive an operating Award based on need, the Applicant must submit documentation showing operating funding were sought but were unavailable to support Project operations. The Applicant must demonstrate that

able federal, state, and local sources of rental assistance and other operating assistance to support listed Units; and

ded applications or other written requests to the appropriate entity to secure Project-based rental or other assistance to support the Assisted Units; or

er evidence from the appropriate entities that rental assistance and other operating assistance is not provided to the Assisted Units.

ies to also commit to continue to seek operating funding in future years as funding becomes available, encouraged to collaborate with their county behavioral health department to secure housing intervention by the Behavioral Health Services Act, which becomes available in July 2026.

that Awards for Operating Expenses may pay for a Project's necessary, recurring Operating Expenses in ICD. Operating Expenses should be included in the Project's submitted budget. Qualifying expenses can be such as utilities, maintenance, management fees, taxes, licenses, and Supportive Services costs.

s that Awards for Operating Expenses shall not pay for the following expense:

s that The Homekey+ funded portion of the Award for Operating Expenses must be expended no later than occupancy as per Section 201, with the Grantee establishing a dedicated operating subsidy reserve for eligible Operating Expenses, as outlined in this NOFA. HCD has the sole right to extend the expenditure of years. The deposit of the Homekey+ Award for Operating Expenses into the COSR does not count as

ured to demonstrate a minimum three (3)-year commitment to provide operating funds for the proposed Homekey+ Award for Operating Expenses. As noted in (ii), additional local match may result in additional award up to five (5) years. Eligible Applicants may include funds from the Homekey+ Award for Operating Expenses for up to ten years from occupancy, as described in (v). Non-Homekey+ sources may be obtained from any federal, state, local, private, or philanthropic source. Applicants are encouraged to consider, see

total match sources is not exhaustive. Operating match requirements and the Project's potential match during the required pre-application consultation.

wedges that the following requirements apply to operating match contributions:

Yes

ensure the laws governing any funds to be used as matching contributions do not prohibit those funds

Homekey+ funds; and

used to satisfy the matching requirements of another program, then funding from that program may not

ing requirements of the Homekey+ program.

mits described throughout this NOFA, Homekey+ will implement additional funding limits as follows:

that is not an Eligible Applicant will be limited to a maximum of four (4) Homekey+ Awards. At the sole discretion of HCD or the Director's designee, requests for an exemption to this limit may be approved based on, but not limited to, CalVet consultation as applicable, Co-Applicant capacity and Co-Applicant prior HCD awards.

Co-Applicants contemplate more than four (4) Homekey+ awards?

No

ing Limit:

s acknowledges that for other Projects, exclusive of gap financing projects described in Section 502, no \$35 million in total HCD sources may be used per Project.

ct funding limit applies to Homekey+ capital and operating funds, and to all HCD sources of permanent on-site development costs and operating costs. Grants from other HCD programs are excluded from this funding limit.

le discretion of the Director of HCD or the Director's designee, with CalVet consultation as applicable, per unit limit requests in excess of \$10 million for Single Family Scattered Site Projects and \$35 million for all projects, shall be approved. For other Projects, if the Project is located in a High Resource Area, if the Project is in a priority area, or if the Project is located in a high or highest resource area as identified in the 2023 Opportunity Maps - Adopted January 2023, and/or is located in a high-cost region. Applicants asserting the Project is in a high-cost area shall provide data from HUD, the United States Census Bureau, or another authoritative source to support the assertion. All exemption requests shall not exceed ten percent (10%) above the per Project limit.

pplicant is requesting excess of Project funding limit for the proposed Project?

Yes

excess of Project funding

te Resource Area per TCAC/HCD Opportunity Area Map available at the time of

ity Area Map.

I located in a High or Highest Resource Area per TCAC/HCD Opportunity Area Map available at the time of or site control?

No

entire TCAC/HCD Opportunity Area Map Tract ID #:

ity Area Map Category:

Yes

pplicants acknowledge and understand that the sole discretion of the Director of the Department or the designee, per Project funding limit requests in excess of \$35 million may be approved as an exemption to ct funding limits?

xemption to the limits in 1 and 2. Applicants must submit justification at the time of application. The e reviewed with the application package in accordance with Section 400. A form to request an exemption on the Homekey+ website when the Homekey+ application is released.

mit Exemption	Provide justification for the need in excess funding above the funding limits. Applicants asserting the Project is in a high-cost area shall provide data from HUD, the United States Census Bureau, or another authoritative source to validate the assertion.	Uploaded to HCD?	Yes
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the HCD's Repeal of Stacking Prohibition of Multiple Department Funding Sources memo (Administrative stated August 20, 2021, is hereby incorporated by this reference as if set forth in full herein, and it shall be assumed that all HCD funding sources in the Project are represented pursuant to the memo. Homekey+ and with other HCD funding sources in a manner that causes either the per unit or total Project funding+ rent cost.

[Prohibition of Multiple Department Funding Sources memo](#)

g under gap financing Section 502, are excluded from the limits within the memo.

rding any of the above requirements or answers.

End of Document

posed Rent
Annual Unrestricted Rent

Income and Rent Calculation Tables								
TCAC/CDLAC/AHSC/CalHFA Income Limits Calculated from HUD 50% Income Limits								
Income Level	Household Size							
	1	2	3	4	5	6	7	8
120%	\$164,520	\$188,040	\$211,560	\$234,960	\$253,800	\$272,640	\$291,360	\$310,200
110%	\$150,810	\$172,370	\$193,930	\$215,380	\$232,650	\$249,920	\$267,080	\$284,350
100%	\$137,100	\$156,700	\$176,300	\$195,800	\$211,500	\$227,200	\$242,800	\$258,500
95%	\$130,245	\$148,865	\$167,485	\$186,010	\$200,925	\$215,840	\$230,660	\$245,575
90%	\$123,390	\$141,030	\$158,670	\$176,220	\$190,350	\$204,480	\$218,520	\$232,650
85%	\$116,535	\$133,195	\$149,855	\$166,430	\$179,775	\$193,120	\$206,380	\$219,725
80%	\$109,680	\$125,360	\$141,040	\$156,640	\$169,200	\$181,760	\$194,240	\$206,800
60%	\$82,260	\$94,020	\$105,780	\$117,480	\$126,900	\$136,320	\$145,680	\$155,100
40%	\$54,840	\$62,680	\$70,520	\$78,320	\$84,600	\$90,890	\$97,120	\$103,400
35%	\$47,985	\$54,845	\$61,705	\$66,530	\$70,425	\$75,520	\$84,980	\$90,475
30%	\$41,130	\$47,010	\$52,890	\$58,740	\$63,450	\$68,160	\$72,840	\$77,550
25%	\$34,275	\$39,175	\$44,075	\$48,950	\$52,875	\$58,800	\$66,700	\$64,625
20%	\$27,420	\$31,340	\$35,260	\$39,160	\$42,300	\$46,440	\$49,560	\$51,700
15%	\$20,565	\$23,505	\$26,445	\$29,370	\$31,725	\$34,080	\$36,420	\$38,775

CalHFA 50% Rent Limits (Assumes 1 person in 0-bedroom, 2 people in a 1 bdrm and 1 additional person per additional bedroom)						
Level	0 Bdrm.	1 Bdrm.	2 Bdrm.	3 Bdrm.	4 Bdrm.	5 Bdrm.

TCAC/CDLAC/AHSC Rent Limits (Assumes 1 person in 0-bdrm unit, 1.5 people per bedroom in other units)						
TCACrentTbl	0 Bdrm.	1 Bdrm.	2 Bdrm.	3 Bdrm.	4 Bdrm.	5 Bdrm.
San Francisco	\$3,427	\$3,672	\$4,407	\$5,091	\$5,680	\$6,266
San Francisco	\$3,256	\$3,488	\$4,187	\$4,836	\$5,396	\$5,952
San Francisco	\$3,084	\$3,305	\$3,966	\$4,582	\$5,112	\$5,639
San Francisco	\$2,913	\$3,121	\$3,746	\$4,327	\$4,828	\$5,326
San Francisco	\$2,742	\$2,938	\$3,526	\$4,073	\$4,544	\$5,013
San Francisco	\$2,570	\$2,754	\$3,305	\$3,818	\$4,260	\$4,699
San Francisco	\$2,399	\$2,570	\$3,085	\$3,563	\$3,976	\$4,386
San Francisco	\$2,227	\$2,387	\$2,864	\$3,309	\$3,692	\$4,073
San Francisco	\$2,056	\$2,203	\$2,644	\$3,054	\$3,408	\$3,759
San Francisco	\$1,885	\$2,019	\$2,424	\$2,800	\$3,124	\$3,446
San Francisco	\$1,713	\$1,836	\$2,203	\$2,545	\$2,840	\$3,133
San Francisco	\$1,542	\$1,652	\$1,983	\$2,291	\$2,556	\$2,819
San Francisco	\$1,371	\$1,469	\$1,763	\$2,038	\$2,272	\$2,500
San Francisco	\$1,199	\$1,286	\$1,542	\$1,781	\$1,988	\$2,193
San Francisco	\$1,028	\$1,101	\$1,322	\$1,527	\$1,704	\$1,879
San Francisco	\$856	\$918	\$1,101	\$1,272	\$1,420	\$1,566
San Francisco	\$685	\$734	\$881	\$1,018	\$1,136	\$1,253

4/1/24	im50_21p1	im50_21p2	im50_21p3	im50_21p4	im50_21p5	im50_21p6	im50_21p7	im50_21p8
Alameda	\$54,500	\$62,300	\$70,100	\$77,850	\$84,100	\$90,350	\$96,550	\$102,800
	\$37,000	\$42,250	\$47,550	\$52,850	\$57,050	\$61,300	\$65,550	\$69,750
Alpine								
Amador	\$35,300	\$40,350	\$45,400	\$50,400	\$54,450	\$58,500	\$62,500	\$66,550
Butte	\$31,750	\$36,300	\$40,850	\$45,350	\$49,000	\$52,600	\$56,250	\$59,850
Calaveras	\$33,150	\$37,850	\$42,600	\$47,300	\$51,100	\$54,900	\$58,700	\$62,450
Colusa	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Contra Costa	\$54,500	\$62,300	\$70,100	\$77,850	\$84,100	\$90,350	\$96,550	\$102,800
Del Norte	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
El Dorado	\$41,300	\$47,150	\$53,050	\$58,950	\$63,650	\$68,400	\$73,100	\$77,850
Fresno	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Glenn	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Humboldt	\$30,950	\$35,350	\$39,750	\$44,150	\$47,700	\$51,250	\$54,750	\$58,300
Imperial	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Inyo	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Kern	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Kings	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Lake	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Lassen	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Los Angeles	\$46,550	\$55,450	\$62,400	\$69,350	\$74,900	\$80,450	\$88,000	\$91,550
Madera	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Marin	\$68,550	\$78,350	\$88,150	\$97,900	\$105,750	\$113,800	\$121,400	\$129,250
Mariposa	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Mendocino	\$31,650	\$36,200	\$40,700	\$45,200	\$48,850	\$52,450	\$56,050	\$59,700
Merced	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Modoc	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Mono	\$32,700	\$37,400	\$42,050	\$46,750	\$50,450	\$54,200	\$57,950	\$61,700
Monterey	\$46,350	\$53,000	\$59,600	\$66,200	\$71,500	\$76,800	\$82,100	\$87,400
Napa	\$51,400	\$58,700	\$66,100	\$73,400	\$79,300	\$85,150	\$91,050	\$96,900
Nevada	\$36,500	\$41,700	\$46,900	\$52,100	\$56,300	\$60,450	\$64,650	\$68,800
Orange	\$55,250	\$63,100	\$71,050	\$78,900	\$85,250	\$91,550	\$97,850	\$104,150
Sacramento	\$41,300	\$47,150	\$53,050	\$58,950	\$63,650	\$68,400	\$73,100	\$77,850
San Francisco	\$68,550	\$78,350	\$88,150	\$97,900	\$105,750	\$113,800	\$121,400	\$129,250
San Joaquin	\$33,750	\$38,600	\$43,400	\$48,200	\$52,100	\$55,950	\$59,800	\$63,650
San Luis Obispo	\$41,600	\$50,950	\$57,300	\$63,650	\$68,750	\$73,850	\$78,950	\$84,050
San Mateo	\$68,550	\$78,350	\$88,150	\$97,900	\$105,750	\$113,800	\$121,400	\$129,250
Santa Barbara	\$56,950	\$65,050	\$73,200	\$81,300	\$87,850	\$94,350	\$101,850	\$107,350
Santa Clara	\$64,550	\$73,750	\$82,950	\$92,150	\$99,550	\$108,900	\$114,300	\$121,650
Santa Cruz	\$63,400	\$72,450	\$81,150	\$90,550	\$97,800	\$105,050	\$112,300	\$119,550
Shasta	\$31,200	\$36,650	\$40,100	\$44,550	\$48,150	\$51,700	\$55,250	\$58,850
Sherman	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Siskiyou	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Solano	\$44,050	\$50,350	\$56,650	\$62,900	\$67,950	\$73,000	\$78,000	\$83,050
Stanislaus	\$31,900	\$36,450	\$41,000	\$45,550	\$49,200	\$52,850	\$56,500	\$60,150
Sutter	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tehama	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Trinity	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tulare	\$30,800	\$35,200	\$39,600	\$43,950	\$47,500	\$51,000	\$54,500	\$58,050
Tuolumne	\$33,900	\$38,750	\$43,600	\$48,450	\$52,350	\$56,200	\$60,100	\$63,950
Ventura	\$40,250	\$56,300	\$63,350	\$70,350	\$76,000	\$81,650	\$87,250	\$92,900

Development Budget

DEVELOPMENT COST	Total Project Costs	Residential Costs	Commercial Costs	Comments and explanation of basis changes
LAND COST/ACQUISITION				
Land Cost or Value	\$27,750,000	\$27,750,000		Per PSA
Demolition	\$0			
Legal	\$161,125	\$161,125		
Land Lease Rent Prepayment	\$0			
Total Land Cost or Value	\$27,911,125	\$27,911,125	\$0	
Existing Improvements Cost or Value	\$0			
Off-Site Improvements	\$0			
Total Acquisition Cost	\$0	\$0	\$0	
Total Land Cost / Acquisition Cost	\$27,911,125	\$27,911,125	\$0	
Predevelopment Interest/Holding Cost	\$238,310	\$238,310		Interest on PSA deposit loan; transfer tax
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)	\$0			
Excess Purchase Price Over Appraisal	\$0			
REHABILITATION				
Site Work	\$0			
Structures	\$6,037,818	\$6,037,818		Includes conversion of SROs to studio units
General Requirements	\$196,000	\$196,000		
Contractor Overhead	\$134,334	\$134,334		
Contractor Profit	\$134,334	\$134,334		
Prevailing Wages	\$0			
General Liability Insurance	\$158,758	\$158,758		
Urban Greening	\$0			
Other Rehabilitation (Specify)	\$0			
Other Rehabilitation (Specify)	\$0			
Other Rehabilitation (Specify)	\$0			
Total Rehabilitation Costs	\$6,661,244	\$6,661,244	\$0	
NEW CONSTRUCTION				
Site Work	\$0			
Structures	\$0			
General Requirements	\$0			
Contractor Overhead	\$0			
Contractor Profit	\$0			
Prevailing Wages	\$0			
General Liability Insurance	\$0			
Urban Greening	\$0			
Other New Construction (Specify)	\$0			
Other New Construction (Specify)	\$0			
Other New Construction (Specify)	\$0			
Other New Construction (Specify)	\$0			
Other New Construction (Specify)	\$0			
Other New Construction (Specify)	\$0			
Other New Construction (Specify)	\$0			
Total New Construction Costs	\$0	\$0	\$0	
ARCHITECTURAL FEES				
Design	\$268,195	\$268,195		
Supervision	\$50,120	\$50,120		
Total Architectural Costs	\$318,315	\$318,315	\$0	
Total Survey & Engineering	\$0			
CONSTRUCTION INTEREST & FEES				
Construction Loan Interest	\$829,314	\$829,314		Acq/bridge loan prior to HK+ disbursement
Origination Fee	\$194,000	\$194,000		50bp on acq/bridge loan
Credit Enhancement/Application Fee	\$0			
Bond Premium	\$0			
Cost of Issuance	\$0			
Title & Recording	\$25,000	\$25,000		
Taxes	\$0			
Insurance	\$0			
Employment Reporting	\$0			
Other Construction Int. & Fees (Inspection)	\$9,000	\$9,000		HAF lender inspection costs
Other Construction Int. & Fees (Specify)	\$0			
Total Construction Interest & Fees	\$1,057,314	\$1,057,314	\$0	
PERMANENT FINANCING				
Loan Origination Fee	\$0			
Credit Enhancement/Application Fee	\$0			

Development Budget

DEVELOPMENT COST	Total Project Costs	Residential Costs	Commercial Costs	Comments and explanation of basis changes
Title & Recording	\$20,000	\$20,000		HK+ recording
Taxes	\$0			
Insurance	\$0			
Other Perm. Financing Costs (Specify)	\$0			
Other Perm. Financing Costs (Specify)	\$0			
Total Permanent Financing Costs	\$20,000	\$20,000	\$0	
Subtotals Forward	\$36,206,308	\$36,206,308	\$0	
LEGAL FEES				
Legal Paid by Applicant	\$25,000	\$25,000		Co-Applicant legal costs
Other Attorney Costs (Acq/bridge lender counsel)	\$40,000	\$40,000		HAF lender counsel
Other Attorney Costs (Perm financing counsel)	\$25,000	\$25,000		Co-Applicant counsel for HK+ closing
Other Attorney Costs (Specify)	\$0			
Total Attorney Costs	\$90,000	\$90,000	\$0	
RESERVES				
<u>Operating Reserve</u>	\$1,139,672	\$1,139,672		Deferred during construction
<u>Replacement Reserve</u>	\$20,667	\$20,667		Deferred during construction
<u>Debt Service (including all HCD 0.42% Fees and Bond)</u>	\$0	\$0		
<u>Transition Reserve Pool Fee</u>	\$0	\$0		
Rent Reserve	\$0			
Other Reserve Costs (Specify)	\$0			
Other Reserve Costs (Specify)	\$0			
Total Reserve Costs	\$1,160,339	\$1,160,339	\$0	
CONTINGENCY COSTS				
Construction Hard Cost Contingency	\$974,459	\$974,459		Per SF MOHCD requirements
Soft Cost Contingency	\$168,520	\$168,520		
Total Contingency Costs	\$1,142,979	\$1,142,979	\$0	
OTHER PROJECT COSTS				
TCAC App/Allocation/Monitoring Fees	\$0			
Environmental Audit	\$0			
Local Development Impact Fees	\$0			
Permit Processing Fees	\$75,000	\$75,000		
Capital Fees	\$0			
Marketing	\$0			
Furnishings	\$452,600	\$452,600		\$2,000/unit per SF MOHCD guidelines + common area
Market Study	\$0			
Accounting/Reimbursable	\$0			
Appraisal Costs	\$0			
Broadband Readiness	\$0			
Other Costs (Insurance)	\$250,000	\$250,000		General liability & builder's risk
Other Costs (Property taxes)	\$330,873	\$330,873		Taxes during construction
Other Costs (CM)	\$47,600	\$47,600		Construction management consultant
Other Costs (Specify)	\$0			
Other Costs (Specify)	\$0			
Total Other Costs	\$1,156,073	\$1,156,073	\$0	
SUBTOTAL PROJECT COST	\$39,755,699	\$39,755,699	\$0	
DEVELOPER COSTS				
Developer Overhead/Profit	\$1,000,000	\$1,000,000		
Consultant/Processing Agent	\$0			
Project Administration	\$150,000	\$150,000		3rd-Party development services consultant
Broker Fees Paid to a Related Party	\$0			
Construction Oversight by Developer	\$0			
Other Developer Costs (Specify)	\$0			
Total Developer Costs	\$1,150,000	\$1,150,000	\$0	
TOTAL PROJECT COST	\$40,905,699	\$40,905,699	\$0	
		Eligible Basis:		

Scroll to the Right for more data input (sources) ----->

Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	City & County of SF Loan									Deferred Developer Fees	Developer Fee Contribution	GP Equity	Gross Tax Credit Equity	Total Residential Sources
LAND COST/ACQUISITION																
Land Cost or Value	\$27,750,000	\$27,750,000														\$27,750,000
Demolition	\$0															\$0
Legal	\$161,125	\$161,125														\$161,125
Land Lease Rent Prepayment	\$0															\$0
Total Land Cost or Value	\$27,911,125	\$27,911,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,911,125
Existing Improvements Cost or Value	\$0															\$0
Off-Site Improvements	\$0															\$0
Total Acquisition Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Land Cost / Acquisition Cost	\$27,911,125	\$27,911,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,911,125
Predevelopment Interest/Holding Cost	\$238,310	\$238,310														\$238,310
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)	\$0															\$0
Excess Purchase Price Over Appraisal	\$0															\$0
REHABILITATION																
Site Work	\$0															\$0
Structures	\$6,037,818	\$4,650,565	\$1,387,253													\$6,037,818
General Requirements	\$196,000		\$196,000													\$196,000
Contractor Overhead	\$134,334		\$134,334													\$134,334
Contractor Profit	\$134,334		\$134,334													\$134,334
Prevailing Wages	\$0															\$0
General Liability Insurance	\$158,758		\$158,758													\$158,758
Urban Greening	\$0															\$0
Other Rehabilitation (Specify)	\$0															\$0
Other Rehabilitation (Specify)	\$0															\$0
Other Rehabilitation (Specify)	\$0															\$0
Total Rehabilitation Costs	\$6,661,244	\$4,650,565	\$2,010,679	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,661,244
Total Relocation Expenses	\$0															\$0
NEW CONSTRUCTION																
Site Work	\$0															\$0
Structures	\$0															\$0
General Requirements	\$0															\$0
Contractor Overhead	\$0															\$0
Contractor Profit	\$0															\$0
Prevailing Wages	\$0															\$0
General Liability Insurance	\$0															\$0
Urban Greening	\$0															\$0
Other New Construction (Specify)	\$0															\$0
Other New Construction (Specify)	\$0															\$0
Other New Construction (Specify)	\$0															\$0
Other New Construction (Specify)	\$0															\$0
Other New Construction (Specify)	\$0															\$0
Other New Construction (Specify)	\$0															\$0
Total New Construction Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ARCHITECTURAL FEES																
Design	\$268,195		\$268,195													\$268,195
Supervision	\$50,120		\$50,120													\$50,120
Total Architectural Costs	\$318,315	\$0	\$318,315	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$318,315
Total Survey & Engineering	\$0															\$0
CONSTRUCTION INTEREST & FEES																
Construction Loan Interest	\$829,314		\$829,314													\$829,314

Origination Fee	\$194,000		\$194,000																	\$194,000
Credit Enhancement/Application Fee	\$0																			\$0
Bond Premium	\$0																			\$0
Cost of Issuance	\$0																			\$0
Title & Recording	\$25,000		\$25,000																	\$25,000
Taxes	\$0																			\$0
Insurance	\$0																			\$0
Employment Reporting	\$0																			\$0
Other Construction Int. & Fees (Inspection)	\$9,000		\$9,000																	\$9,000
Other Construction Int. & Fees (Specify)	\$0																			\$0
Total Construction Interest & Fees	\$1,057,314	\$0	\$1,057,314	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,057,314	

PERMANENT FINANCING

Loan Origination Fee	\$0																			\$0
Credit Enhancement/Application Fee	\$0																			\$0
Title & Recording	\$20,000		\$20,000																	\$20,000
Taxes	\$0																			\$0
Insurance	\$0																			\$0
Other Perm. Financing Costs (Specify)	\$0																			\$0
Other Perm. Financing Costs (Specify)	\$0																			\$0
Total Permanent Financing Costs	\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	
Subtotals Forward	\$36,206,308	\$32,800,000	\$3,406,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,206,308	

LEGAL FEES

Legal Paid by Applicant	\$25,000		\$25,000																	\$25,000
Other Attorney Costs (Acq/bridge lender counsel)	\$40,000		\$40,000																	\$40,000
Other Attorney Costs (Perm financing counsel)	\$25,000		\$25,000																	\$25,000
Other Attorney Costs (Specify)	\$0																			\$0
Total Attorney Costs	\$90,000	\$0	\$90,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	

RESERVES

Operating Reserve	\$1,139,672		\$1,033,973																	\$1,033,973
Replacement Reserve	\$20,667		\$20,667																	\$20,667
Transition Reserve Pool Fee	\$0																			\$0
Rent Reserve	\$0																			\$0
Debt Service (including all FDD 0.42% Fees and Pre-Issuance Fees)	\$0																			\$0
Other Reserve Costs (Specify)	\$0																			\$0
Other Reserve Costs (Specify)	\$0																			\$0
Total Reserve Costs	\$1,160,339	\$0	\$1,054,640	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,054,640	

CONTINGENCY COSTS

Construction Hard Cost Contingency	\$974,459		\$974,459																	\$974,459
Soft Cost Contingency	\$168,520		\$168,520																	\$168,520
Total Contingency Costs	\$1,142,979	\$0	\$1,142,979	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,142,979	

OTHER PROJECT COSTS

TCAC App/Allocation/Monitoring Fees	\$0																			\$0
Environmental Audit	\$0																			\$0
Local Development Impact Fees	\$0																			\$0
Permit Processing Fees	\$75,000		\$75,000																	\$75,000
Capital Fees	\$0																			\$0
Marketing	\$0																			\$0
Furnishings	\$452,600		\$452,600																	\$452,600
Market Study	\$0																			\$0
Accounting/Reimbursable	\$0																			\$0
Appraisal Costs	\$0																			\$0
Broadband Readiness	\$0																			\$0
Other Costs (Insurance)	\$250,000		\$250,000																	\$250,000
Other Costs (Property taxes)	\$330,873		\$330,873																	\$330,873
Other Costs (CM)	\$47,600		\$47,600																	\$47,600
Other Costs (Specify)	\$0																			\$0
Other Costs (Specify)	\$0																			\$0
Total Other Costs	\$1,156,073	\$0	\$1,156,073	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,156,073	
SUBTOTAL PROJECT COST	\$39,755,699	\$32,800,000	\$6,850,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$39,650,000	

DEVELOPER COSTS

Developer Overhead/Profit	\$1,000,000		\$1,000,000														\$1,000,000
Consultant/Processing Agent	\$0																\$0
Project Administration	\$150,000		\$150,000														\$150,000
Broker Fees Paid to a Related Party	\$0																\$0
Construction Oversight by Developer	\$0																\$0
Other Developer Costs (Specify)	\$0																\$0
Total Developer Costs	\$1,150,000	\$0	\$1,150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,150,000
TOTAL PROJECT COST	\$40,905,699	\$32,800,000	\$8,000,000	\$0	\$40,800,000												
TOTAL PROJECT COSTS	\$40,905,699	\$32,800,000	\$8,000,000	\$0	\$40,800,000												

Explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reasonable.

1. Construction loan interest represents interest on a Housing Accelerator Fund acquisition/bridge loan for acquisition that is not shown in the Dev Sources table as it is to be repaid during the construction phase once HK+ funds are available.
2. The red cells are fractional dollar amounts. This worksheet requires data entry to be to the full dollar but the Calculation Worksheet calculates reserve requirements to the cent.

Commercial Sources

Residential Costs	Commercial Costs			Residential Cost Difference Dev Budget vs. Sources
Total	Total			

\$27,750,000	\$0			\$0
\$0	\$0			\$0
\$161,125	\$0			\$0
\$0	\$0			\$0
\$27,911,125	\$0	\$0	\$0	\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0	\$0	\$0	\$0
\$27,911,125	\$0	\$0	\$0	\$0
\$238,310	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0

\$0	\$0			\$0
\$6,037,818	\$0			\$0
\$196,000	\$0			\$0
\$134,334	\$0			\$0
\$134,334	\$0			\$0
\$0	\$0			\$0
\$158,758	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$6,661,244	\$0	\$0	\$0	\$0
\$0	\$0			\$0

\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0
\$0	\$0			\$0

\$268,195	\$0			\$0
\$50,120	\$0			\$0
\$318,315	\$0	\$0	\$0	\$0
\$0	\$0			\$0

\$829,314	\$0			\$0
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\$194,000	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$25,000	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$9,000	\$0		\$0
\$0	\$0		\$0
\$1,057,314	\$0	\$0	\$0

\$0	\$0		\$0
\$0	\$0		\$0
\$20,000	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$20,000	\$0	\$0	\$0
\$36,206,308	\$0	\$0	\$0

\$25,000	\$0		\$0
\$40,000	\$0		\$0
\$25,000	\$0		\$0
\$0	\$0		\$0
\$90,000	\$0	\$0	\$0

\$1,139,672	\$0		\$105,699
\$20,667	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$1,160,339	\$0	\$0	\$105,699

\$974,459	\$0		\$0
\$168,520	\$0		\$0
\$1,142,979	\$0	\$0	\$0

\$0	\$0		\$0
\$0	\$0		\$0
\$75,000	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$452,600	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$250,000	\$0		\$0
\$330,873	\$0		\$0
\$47,600	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$1,156,073	\$0	\$0	\$0
\$39,755,699	\$0	\$0	\$105,699

\$1,000,000	\$0		\$0
\$0	\$0		\$0
\$150,000	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$0	\$0		\$0
\$1,150,000	\$0	\$0	\$0
\$40,905,699	\$0	\$0	\$0
			\$105,699
	\$40,905,699	\$0	\$0

Section 1: Project Overview			
Section 2: Project Management			
Section 3: Project Scope			
<p>Project Name: Project Alpha</p> <p>Project Lead: John Doe</p> <p>Project Status: In Progress</p> <p>Project Description: This project aims to develop a new software application for managing customer relationships. The scope includes requirements gathering, design, development, and deployment phases.</p>			
Phase	Task	Sub-Task	Completed
Phase 1: Requirements Gathering	Task 1: Stakeholder Analysis	Sub-Task 1.1: Identify Key Stakeholders	Completed
Phase 1: Requirements Gathering	Task 1: Stakeholder Analysis	Sub-Task 1.2: Analyze Stakeholder Needs	Completed
Phase 1: Requirements Gathering	Task 1: Stakeholder Analysis	Sub-Task 1.3: Create Stakeholder Register	Completed
Phase 1: Requirements Gathering	Task 2: Requirements Gathering	Sub-Task 2.1: Define Scope	Completed
Phase 1: Requirements Gathering	Task 2: Requirements Gathering	Sub-Task 2.2: Identify Requirements	Completed
Phase 1: Requirements Gathering	Task 2: Requirements Gathering	Sub-Task 2.3: Create Requirements Document	Completed
Phase 1: Requirements Gathering	Task 3: Requirements Review	Sub-Task 3.1: Review Requirements Document	Completed
Phase 1: Requirements Gathering	Task 3: Requirements Review	Sub-Task 3.2: Identify Gaps	Completed
Phase 1: Requirements Gathering	Task 3: Requirements Review	Sub-Task 3.3: Create Requirements Change Log	Completed
Phase 2: Design	Task 1: System Architecture	Sub-Task 1.1: Define System Architecture	Completed
Phase 2: Design	Task 1: System Architecture	Sub-Task 1.2: Create System Architecture Diagram	Completed
Phase 2: Design	Task 1: System Architecture	Sub-Task 1.3: Define Data Model	Completed
Phase 2: Design	Task 2: User Interface	Sub-Task 2.1: Define User Interface	Completed
Phase 2: Design	Task 2: User Interface	Sub-Task 2.2: Create User Interface Mockups	Completed
Phase 2: Design	Task 2: User Interface	Sub-Task 2.3: Define User Flow	Completed
Phase 2: Design	Task 3: Database	Sub-Task 3.1: Define Database Structure	Completed
Phase 2: Design	Task 3: Database	Sub-Task 3.2: Create Database Diagram	Completed
Phase 2: Design	Task 3: Database	Sub-Task 3.3: Define Data Integrity Rules	Completed
Phase 3: Development	Task 1: Frontend Development	Sub-Task 1.1: Create Frontend Components	Completed
Phase 3: Development	Task 1: Frontend Development	Sub-Task 1.2: Implement Frontend Logic	Completed
Phase 3: Development	Task 1: Frontend Development	Sub-Task 1.3: Create Frontend Mockups	Completed
Phase 3: Development	Task 2: Backend Development	Sub-Task 2.1: Create Backend Components	Completed
Phase 3: Development	Task 2: Backend Development	Sub-Task 2.2: Implement Backend Logic	Completed
Phase 3: Development	Task 2: Backend Development	Sub-Task 2.3: Create Backend Mockups	Completed
Phase 3: Development	Task 3: Integration	Sub-Task 3.1: Integrate Frontend and Backend	Completed
Phase 3: Development	Task 3: Integration	Sub-Task 3.2: Create Integration Test Cases	Completed
Phase 3: Development	Task 3: Integration	Sub-Task 3.3: Implement Integration Logic	Completed
Phase 4: Testing	Task 1: Unit Testing	Sub-Task 1.1: Create Unit Test Cases	Completed
Phase 4: Testing	Task 1: Unit Testing	Sub-Task 1.2: Implement Unit Test Logic	Completed
Phase 4: Testing	Task 1: Unit Testing	Sub-Task 1.3: Run Unit Tests	Completed
Phase 4: Testing	Task 2: Integration Testing	Sub-Task 2.1: Create Integration Test Cases	Completed
Phase 4: Testing	Task 2: Integration Testing	Sub-Task 2.2: Implement Integration Test Logic	Completed
Phase 4: Testing	Task 2: Integration Testing	Sub-Task 2.3: Run Integration Tests	Completed
Phase 4: Testing	Task 3: System Testing	Sub-Task 3.1: Create System Test Cases	Completed
Phase 4: Testing	Task 3: System Testing	Sub-Task 3.2: Implement System Test Logic	Completed
Phase 4: Testing	Task 3: System Testing	Sub-Task 3.3: Run System Tests	Completed
Phase 5: Deployment	Task 1: Deployment Planning	Sub-Task 1.1: Create Deployment Plan	Completed
Phase 5: Deployment	Task 1: Deployment Planning	Sub-Task 1.2: Implement Deployment Logic	Completed
Phase 5: Deployment	Task 1: Deployment Planning	Sub-Task 1.3: Run Deployment Plan	Completed
Phase 5: Deployment	Task 2: Deployment Execution	Sub-Task 2.1: Execute Deployment Plan	Completed
Phase 5: Deployment	Task 2: Deployment Execution	Sub-Task 2.2: Monitor Deployment Progress	Completed
Phase 5: Deployment	Task 2: Deployment Execution	Sub-Task 2.3: Verify Deployment Success	Completed
Phase 5: Deployment	Task 3: Post-Deployment Review	Sub-Task 3.1: Review Deployment Success	Completed
Phase 5: Deployment	Task 3: Post-Deployment Review	Sub-Task 3.2: Identify Lessons Learned	Completed
Phase 5: Deployment	Task 3: Post-Deployment Review	Sub-Task 3.3: Create Post-Deployment Report	Completed
<p>Section 4: Project Metrics</p> <p>Phase: Phase Alpha</p> <p>Task: Task Alpha</p> <p>Sub-Task: Sub-Task Alpha</p> <p>Completed: 100%</p>			
<p>Section 5: Project Issues</p> <p>Issue: Issue Alpha</p> <p>Category: Development</p> <p>Severity: Critical</p> <p>Description: A critical bug was found in the frontend component, causing data loss during user input. It has been identified and is currently being fixed.</p>			
<p>Section 6: Project Risks</p> <p>Risk: Risk Alpha</p> <p>Probability: High</p> <p>Impact: Critical</p> <p>Description: There is a high probability of a critical risk occurring, which could significantly delay the project. It is currently being monitored closely.</p>			
<p>Section 7: Project Documentation</p> <p>Document: Document Alpha</p> <p>Type: Requirements</p> <p>Version: 1.0</p> <p>Description: The requirements document for the project, detailing the scope, requirements, and constraints.</p>			
<p>Section 8: Project Resources</p> <p>Resource: Resource Alpha</p> <p>Role: Lead</p> <p>Experience: 10+ years</p> <p>Description: The lead developer for the project, with extensive experience in software development.</p>			
<p>Section 9: Project Stakeholders</p> <p>Stakeholder: Stakeholder Alpha</p> <p>Role: Customer</p> <p>Interest: High</p> <p>Description: The primary customer for the project, with high interest in the outcome.</p>			
<p>Section 10: Project Lessons Learned</p> <p>Lesson: Lesson Alpha</p> <p>Category: Development</p> <p>Impact: Critical</p> <p>Description: A critical lesson learned from the project, which will be used to inform future projects.</p>			
<p>Section 11: Project Feedback</p> <p>Feedback: Feedback Alpha</p> <p>Source: Stakeholder Alpha</p> <p>Content: The stakeholder provided valuable feedback on the project, which will be used to inform future iterations.</p>			
<p>Section 12: Project Status</p> <p>Status: In Progress</p> <p>Progress: 100%</p> <p>Issues: 0</p> <p>Risks: 0</p> <p>Documentation: 100%</p> <p>Resources: 100%</p> <p>Stakeholders: 100%</p> <p>Lessons Learned: 0</p> <p>Feedback: 0</p>			

Project Name	1035 Van Ness	Number of Project Units:	124
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HCD Reserve Requirements

Replacement Reserve Calculator UMR §8309

(a)	0.6% of New construction costs (structures excluding contractor profit, overhead, and general requirements and insurance): \$500 per unit: (This is a placeholder for rehab projects and may be subject to higher amount)	\$0 \$500	\$0 \$62,000
(b)	Replacement Reserve Amount = <i>New construction: lesser of (a) and (b); Rehab: (b)</i> HCD Required Replacement Reserve Amount - <i>included in "Operating budget" tab</i>		\$62,000 \$62,000

Operating Reserve Calculator

1	Total Operating Expenses Excluding On-Site Service Coordinator Salaries.			TAX CREDIT Project 3 Month Reserve Required	NON-TAX CREDIT Project 4 Month Reserve Required
	(a) Total Operating Expenses:	\$3,463,080	Amount subject to reserve calculation: <i>(a - b)</i>	\$3,419,016	\$854,754
2	(b) Minus: On-Site Service Coordinator Salaries:	\$44,064		\$62,000	\$1,139,672
3	Replacement Reserve amount from above: <i>(Cell AJ10)</i>			\$62,000	\$15,500
	Debt Service (including all HCD 0.42% Fees and Bond Issuer Fee)				
	Name of Lender <i>Operating Budget cells (D138 to D147)</i>		Annual Debt Service Amount	TAX CREDIT Project 3 Month Reserve Required	NON-TAX CREDIT Project 4 Month Reserve Required
	1st Mortgage Debt Service	\$0	\$0	\$0	\$0
	2nd Mortgage Debt Service	\$0	\$0	\$0	\$0
	3rd Mortgage Debt Service	\$0	\$0	\$0	\$0
	Other HCD .42% (Specify)	\$0	\$0	\$0	\$0
	Other HCD .42% (Specify)	\$0	\$0	\$0	\$0
	Bond Issuer Fee	\$0	\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)	\$0	\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)	\$0	\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)	\$0	\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)	\$0	\$0	\$0	\$0
	Other (Specify)		\$0	\$0	\$0
	Totals	\$0	\$0	\$0	\$0
				UMR Required Operating Reserve Amount:	\$870,254
					\$1,160,339

If Reserve amounts are different than the required amount, enter Reserve amounts and how they are calculated below:

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Construction Hard Cost Contingency Calculator UMR §8310

Program Threshold Requirements

Article III. Threshold and Scoring Criteria

§300. Threshold Requirements

Applicants acknowledges that to be eligible to receive Homekey+ funding, all applications must meet the threshold requirements of this Section. HCD reserves the right to request clarification of unclear or ambiguous statements made in an application and other supporting documents.

- i. Applicant(s) acknowledges that Applications may be submitted independently by an Eligible Applicant, as defined in [§200](#) and [Article VII](#). Alternatively, each Eligible Applicant may apply jointly with a Co-Applicant, as specified.

Yes
Yes
Yes

Applicant(s) acknowledges that no additions of Co-Applicants or special purpose entities will be considered subsequent to the date of application, including after Standard Agreement execution.

§200. Eligible Applicants

- iii. Pursuant to [CA HSC § 50237](#) and [50241](#), HHAP Homekey+ Supplemental eligible applicants are:

- a. California's 14 largest cities with a population of 300,000 or more as of January 1, 2022.
Is the Applicant or Co-Applicant one of these 14 largest cities, mentioned below, with a population of 300,000 or more as of January 1, 2022?
- | | | | | |
|-------------|-------------|------------|---------------|-----------|
| Anaheim | Irvine | Oakland | San Diego | Santa Ana |
| Bakersfield | Long Beach | Riverside | San Francisco | Stockton |
| Fresno | Los Angeles | Sacramento | San Jose | |

Yes

- b. California's 58 Counties
c. The entities in a. and b. must have:
1 A compliant housing element as defined in [Government Code §65589.9](#), at the time a Homekey+ application is submitted; and
Applicant(s) certifies to have a compliant housing element as defined in [Government Code §65589.9](#).
2 An approved HHAP regionally coordinated homelessness action plan.
Applicant(s) certifies to have an approved HHAP regionally coordinated homelessness action plan.

County San Francisco

Yes
Yes

- d. Tribal Entities

- ii. Applicant(s) certifies that the proposed Projects must serve persons qualifying or households that include persons qualifying as members of the Target Population?

Yes

- iii. Applicant(s) certifies to submit a completed application workbook with all worksheets, documents and supplemental information.

Yes

- iv. Applicant(s) certifies to include a Project-specific Supportive Services Plan, that shall be consistent with any representations made in the application, and it shall meet the Homekey+ Program Requirements noted in [NOFA §302](#)?

Yes

Make sure to complete the "Supportive Services Plan" sheet.

- v. Project Ownership Structure submitted with the application workbook that demonstrates the relationship of the Applicants, Co-applicants and project entities within the ownership structure.

Article VI – Definitions

"Project Ownership Structure" means a Project-specific entity organizational chart that shows the ownership relationship between the Project Applicants and all Project entities (including the special purpose entity). This document is used by HCD to connect the Project Ownership Structure with the provided legal organizational documents (i.e. Operating Agreement, Limited Partnership Agreement, By Laws, etc.) to ensure the Primary Applicant or Co-Applicant has legal control over the Project site. This is NOT a staff organizational chart. The Project Ownership Structure chart must be provided with the application.

XXXIX.

File Name	26. Project Ownership Structure	Provide a "Project Ownership Structure" chart.	Uploaded to HCD?	Yes
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- vi. Applicant(s) certifies to submit all required documents from each Eligible Applicant and Co-Applicant as applicable, including but not limited to:

Yes

A duly executed resolution authorizing the entity to apply for funds and to participate in the Homekey+ Program in connection with each discrete Project; attested to by a person other than the person identified as the authorized signatory. If there is more than one authorized signatory identified, state whether one or all signatories are required to submit and execute program documents. If the application is being signed by a designee of the authorized signatory, the Applicant must also submit a designee letter or other proof of signing authority. The resolutions should materially comport with the Homekey+ resolution templates that will be available on the Homekey+ website when the application is released.

Organizational documents supporting the resolutions submitted with the application. Eligible Applicants are exempted from this requirement. Notwithstanding the foregoing, HCD reserves the right to request additional documentation at any point to verify any entity's authority and/or organizational structure. For a complete list of organizational documents, refer to Appendix B.

NOTE: These documents are requested at "Project Overview" sheet under the Applicant and Co-Applicant entity names.

File Name	27. Non-Discrimination Policy	Provide a non-discrimination policy.	Uploaded to HCD?	Yes
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Applications shall provide a statement how the Project will address equity that must answer the following question: *What specific actions will the Applicant take to ensure equitable access to housing and services for groups that are overrepresented among residents experiencing homelessness in its jurisdiction and region?*

[Homekey+ website](#)

- viii. Examples of what applicants should consider include race, ethnicity, age (e.g. youth, elderly), disability status, LGBTQ+ status, etc. The response shall reference the latest Continuum of Care (CoC) Homelessness Management Information System (HMIS) demographics data to explain. Please see the Homekey+ website for the template at the time of Application release.

File Name	28. Equity Statement	Provide Racial & Gender Equity statement by answering the above question.	Uploaded to HCD?	Yes
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- ix. Applications shall provide a statement how the Project will engage the Target Population that must answer the following question: *How did/will the Applicant engage with the Target Population to inform the design of the Project operations and Supportive Services?* Please see Homekey+ website for guidance documents at the time of Application release.

[Homekey+ website](#)

File Name	29. Engaging the Target Population Statement	Provide a response to the question above.	Uploaded to HCD?	Yes
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- x. The Applicant shall have site control of the property at the time of application, and such control shall not be contingent on the approval of any other party. The status and nature of the Applicant's title and interest in the property shall be subject to HCD's approval. Site control may be evidenced by one of the following:

Yes
acres
acres
acres
acres

Site Control UMR §8303 and §8316					
At time of application, does Applicant, or its wholly controlled affiliate have site control pursuant to UMR §8303 ?		Date	Expires	Extensions Available	Purchase Price
Type of site control:					Total Land Area
Enforceable Option to Lease or Purchase		4/3/25	9/1/25	No	\$27,750,000 0.28 acres
					acres
					acres
					acres

Current owner	Current owner street address	City	State	Zip code
San Francisco Care Center, L.P.	1035 Van Ness Ave.	San Francisco	CA	94109
Below, provide details for unusual site control special circumstances, and for applications with multiple or non-contiguous parcels, scattered sites, lot line adjustments, air rights parceling, phased projects, or other complex land transactions, including unique value calculations and explanations as applicable:				
<p>PSA is between Seller and San Francisco Housing Accelerator Fund (HAF). HAF has assigned the PSA to Swords the Plowshares, the MLLC of Co-Applicant, which has in turn assigned it to its affiliate 1035Vets, LLC, the Co-Applicant. Assignments are included in site control documentation.</p> <p>Seller is in bankruptcy. Bankruptcy court approval of PSA is included with site control documentation.</p>				
Below, describe planned and completed property transfers occurring in connection with development of the proposed Project.				
<p>Sale of parcel by current owner (Seller) to Co-Applicant</p>				
Ground Lease planned?				No
File Name	30. Site Control	Documentation of site control in accordance with UMR §8303, including a summary explanation of site control and values for applications with multiple or non-contiguous parcels, scattered sites, lot line adjustments, phased projects, or other complex land and acquisition transactions, see Article III, §300(x)(a-h).		Uploaded to HCD?
				Yes

§300(h). For Applicants proposing sites that will require a use change, lot split or other local approvals for permanent housing, include a commitment and plan to facilitate or expedite those processes, to not delay expenditure and occupancy requirements.

Does the proposed Project require a use change, lot split or other local approvals for permanent housing?			Yes
File Name	33. Project Use Change - Lot Split	For Projects that require a use change, lot split or other local approvals for permanent housing, include a commitment and plan to facilitate or expedite those processes, to not delay expenditure and occupancy requirements.	Uploaded to HCD?

xi. A preliminary title report for each site, dated within 90 days of application submission.

File Name	34. Preliminary Title Report	Provide a preliminary report dated within 90 days of application due date. For projects developed in Indian country, an attorney's opinion regarding chain of title and current title status is acceptable in lieu of a title report.	Uploaded to HCD?	Yes
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Applicant(s) certifies to provide a detailed development plan that supports acquisition of

xii	<p>Applicant(s) certifies to provide a detailed development plan that supports acquisition of a site, completion of rehabilitation or construction, occupancy, and fund expenditure before all program deadlines, factoring in entitlements, permits, procurement, potential construction delays and supply chain issues, and demonstrates evidence of strong organizational and financial capacity to develop the Project. Please see Homekey+ website for guidance at the time of application release.</p>	Yes
	Provide a detailed development plan that supports acquisition of a site, completion of rehabilitation or construction, occupancy, and fund expenditure before all program deadlines, factoring in entitlements, permits, procurement, potential construction delays and supply chain issues, and demonstrates evidence of strong organizational and financial capacity to develop the Project. Please see Homekey+ website for guidance at the time of application release.	

factoring in entitlements, permits, procurement, potential construction delays and supply chain

issues, and demonstrates evidence of strong organizational and financial capacity to develop the Project.

viii Appraisers shall provide an appraisal for **each** site if necessary, prepared no earlier than 12 months prior to application submission date for all Projects seeking acquisition funds from Homekey+ or if property value will be used as local match. The appraisal must comply with the Homekey+ requirements outlined in the Homekey+ Appraisal Guidance document, which will be available on the Homekey+ website.

File Name	36. Appraisal	Applicants shall provide an appraisal prepared no earlier than 12 months prior to application submission date for all Projects seeking acquisition funds from Homekey+ or if property value will be used as local match. The appraisal must comply with the Homekey+ requirements outlined in the Homekey+ Appraisal Guidance document, which will be available on the Homekey+ website.	Uploaded to HCD?	Yes
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Add comments with regards to Appraisal. [Homekey+ Appraisal Guidance.](#)

Section 2: What is the problem?

xiv. Applicant(s) acknowledges that all Projects seeking funding for Rehabilitation must submit the following:

a. Rehabilitation narrative of current condition of structure(s) and overall scope of work; and

Physical Needs Assessment (PNA) or equivalent prepared by a qualified independent third party.

b. My Client Needs Assessment (PCA) or equivalent prepared by a qualified independent third party contractor and dated within 12 months prior to application submission.

Rehabilitation and Risk

For Seismic Rehabilitation and Rehabilitation Projects (CNA), provides a description of the current condition of the structure(s), and a general description of the overall scope of work, include a discussion of any proposed modification to the unit configurations, unit mix, need for seismic retrofit, or modifications in use (e.g., commercial/tourist hotel to SRO or studio apartments). All Projects must submit a Physical Needs Assessment (PNA) or Capital Needs Assessment (CNA) prepared by a qualified independent third party contractor, which supports the proposed scope of work. All Projects must submit a current rent roll, which includes household income and household size for each unit.

File Name	37. Rehab Description	Narrative description of current condition of structure(s) and overall scope of work.	Uploaded to HCD?	Yes
File Name	38. PNA or CAN	PNA or CNA prepared by a qualified independent third-party contractor.	Uploaded to HCD?	Yes

xv. For Projects seeking funding for master leasing and purchase of Affordability Covenants, Applicant shall provide a market study prepared no earlier than 12 months prior to application submission which conforms to TCAC guidelines, and/or a rent roll, and/or other supporting documentation.

Is the Applicant(s) seeking funding for master leasing and purchase of Affordability Covenants?

9C9B25B8DF524338753553E75187E896.xlsm

xvi Applicant(s) acknowledges all Projects seeking funding for Rehabilitation and new construction are required to submit a Phase I Environmental Site Assessment (ESA) which was prepared or updated no earlier than 12 months prior to application submission?

Yes

File Name	40. Env. Report 1	Environmental Site Assessment Phase I (prepared or updated no earlier than 12 months prior to the application due date).	Uploaded to HCD?	Yes
File Name	41. Env. Report 2	If Environmental Site Assessment Phase I requires a Phase II study, submit a Phase II (prepared or updated no earlier than 12 months prior to the application due date).	Uploaded to HCD?	N/A

Relocation Assistance Narrative. Applicant shall submit a concise, sufficiently detailed narrative to demonstrate its consideration of, and early engagement with, applicable relocation assistance laws and requirements. An Applicant's unsupported conclusion that relocation law does not apply or that the Project Site is vacant does not sufficiently demonstrate such consideration and engagement. The Applicant must support any representation that relocation law does not apply or that the Project Site is vacant by including either an explanation that supports this representation or supporting documentation that establishes that the property is vacant. This Relocation Assistance Narrative will be evaluated by HCD to determine whether a relocation plan is required by law or whether a certificate of no-relocation can be issued.

The Relocation Assistance Narrative does not take the place of these two documents. Grantee shall submit either a relocation plan or a certificate of no-relocation as a condition of disbursement. See §507 and Homekey+ website for more information and template, which will be uploaded when the application is released.

[Template on the Homekey website.](#)

File Name	42. Relocation narrative	Applicant's Relocation Assistance Narrative shall include or identify the following: §300(xvii)(a-i)	Uploaded to HCD?	Yes
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xviii Applicant(s) certifies to provide all Enforceable Funding Commitments (EFCs) as defined by Article VII (xviii) for:

Yes

a. Development costs with specific funding sources, including federal, state, local, private, or philanthropic sources for the proposed Project.

Rental subsidies, operations, and service costs with specific funding sources, including federal, state, local, private, or philanthropic sources for ongoing sustainability. For projects applying for a program operating Award (see §206) EFCs must be fully committed to match the numbers of years of the operating award. Please see §305(3)(a) for potential points and the Homekey+ website for EFC templates, which will be posted at the time of application release.

[Homekey+ website](#)

File Name	43. EFC #1, EFC #2, etc.	Provide a letter or other document for all funding commitments for development and operating sources.	Uploaded to HCD?	Yes
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xix Applicant(s) acknowledges that the Eligible Applicant or Co-Applicant applying for Homekey+ funding is the entity that HCD relies upon for experience and capacity, and will control the Project during acquisition, development, and occupancy?

Yes

Indicate the name of the Eligible Applicant or Co-Applicant the Department can rely on for experience and capacity: 1035Vets, LLC

The Eligible Applicant or Co-Applicant shall demonstrate the following minimum experience and capacity requirements:

Development, ownership, or operation of a Project similar in scope and size to the proposed Project; or development, ownership, or operation of at least two affordable rental housing Projects in the last 10 years, with at least one of those Projects containing at least one unit housing a tenant or who qualifies as a member of the Target Population.

Applicant(s) certifies that it has successfully Developed, owned, or operated a Project similar in scope and size to the proposed Project?

Yes

Project Name	Project Address (Complete address)	Entity proving experience	Experience Type	Population served	Latest date developed, owned, or operated
Edwin M. Lee Apartments	1150 3rd Street	1035Vets, LLC	Operated	Veterans	Current

Provide a detail description of the Project similarities in scope and size to the proposed Project.

Edwin M. Lee Apartments (EML) is a project of similar scope and size to 1035 Van Ness (1035VN). EML (funded by HCD) is a new construction project completed in March 2020 that is composed of 118 affordable housing units (65 units for veterans and 53 units for families). EML was co-developed with Chinatown Community Development Center (CCDC). Swords to Plowshares, the sole member of 135Vets, LLC, is the Property Manager and the Service Provider for veterans at the site, as it will be at 1035VN. While 1035VN is a purchase and renovation project, it is of similar size (EML = 118, 1035VN = 124) and complexity to EML. The 65 units at EML reserved for chronically homeless veterans include 55 HUD-VASH tenants and 7 CoC tenants. Like EML, 1035VN will include coordination with the San Francisco Veterans Administration Medical Center (VA) on use of the 66 HUD-VASH operating subsidies and coordination with the VA Social Workers on provision of services to the 66 HUD-VASH tenants. As at EML, Swords will provide services to the non-VASH tenants.

The property manager and Lead Service Provider (LSP) shall have three or more years of experience serving persons of the Target Population. If a property manager or LSP is not yet selected for the proposed Project, the Eligible Applicant shall certify that this requirement will be reflected in any future solicitation or memorandum of understanding.

Has the Applicant(s) selected a **property manager** for the proposed Project?

Yes

Project Name	Project Address (Complete address)	Property Manager name	Housing type	Experience Type	Population served	# of years serving
Maceo May Apartments	55 Cravath Street, San Francisco, CA 94130	Swords to Plowshares	Permanent Housing	Developed	Veterans	3
The Fairfax Hotel	420 Eddy Street, San Francisco, CA 94109	Swords to Plowshares	Permanent Housing	Developed	Veterans	11
The Stanford Hotel	250 Kearny Street, San Francisco, CA 94108	Swords to Plowshares	Permanent Housing	Operated	Veterans	11
Veterans Commons	150 Otis Street, San Francisco, CA 94103	Swords to Plowshares	Permanent Housing	Operated	Veterans	13
Jon W. Paulson Veterans Community	1050 Girard Road, San Francisco, CA 94129	Swords to Plowshares	Permanent Housing	Operated	Veterans	25

Has the Applicant(s) selected a **Lead Service Provider** for the proposed Project?

Yes

Project Name	Project Address (Complete address)	Service Provider name	Housing type	Experience Type	Population served	# of years serving
Maceo May Apartments	55 Cravath Street, San Francisco, CA 94130	Swords to Plowshares	Permanent Housing	Operated	Veterans	3
The Fairfax Hotel	420 Eddy Street, San Francisco, CA 94109	Swords to Plowshares	Permanent Housing	Operated	Veterans	5
The Stanford Hotel	250 Kearny Street, San Francisco, CA 94108	Swords to Plowshares	Permanent Housing	Operated	Veterans	11
Veterans Commons	150 Otis Street, San Francisco, CA 94103	Swords to Plowshares	Permanent Housing	Operated	Veterans	11

Jon W. Paulson Veterans Community	1050 Girard Road, San Francisco, CA 94129	Swords to Plowshares	Permanent Housing	Operated	Veterans	25
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c. Statement confirming experience administering a Project in accordance with the core components of Housing First (Welfare & Institutions Code § 8255).

File Name	44. Housing First Statement	Provide relevant experience administering a Project in accordance with the core components of Housing First (Welfare & Institutions Code § 8255).	Uploaded to HCD?	Yes
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Current capacity to develop, own, and operate the proposed Project. For purposes of satisfying this requirement, an Applicant has "capacity" if it has adequate staff, capital, assets, and other resources to efficiently meet the operational needs of the Project; to maintain the fiscal integrity of the Project; and to satisfy all legal requirements and obligations in connection with the Project. Evidence of permanent supportive housing experience and capacity must be reasonably acceptable to the Department in form and substance.

Applicant(s) certifies to have current capacity to develop, own, and operate the proposed Project.

Yes

Development Team Staffing Chart
(Project Executive and key Project Staff)

Staff Type	Employee / Consultant full name	Position Title and Employer	Full time / Part time	% of time dedicated to this Project
Employee	Steven Culbertson	Deputy Director of Residential Programs and Housing Development, Swords to P	Full Time	20.00%
Employee	Monique Crossley	Director of Property Management, Swords to Plowshares	Full Time	5.00%
Employee	Shawntai Thompson	Director of Facilities, Swords to Plowshares	Full Time	5.00%
Employee	Ma'at Xi. EdD, LMFT	Deputy Director of Clinical Programs	Full Time	5.00%
Employee	Scott Falcone	Principal, Falcone Development	Full Time	5.00%
Employee	Phil Ritter	Construction Manager, Falcone Development	Part Time	5.00%

Applicant or Co-Applicant that the Department can rely on for experience and capacity: Provide a statement of permanent supportive housing experience.

Swords to Plowshares has 50 years of experience providing supportive services to veterans and homeless veterans in San Francisco, and 25 years of experience providing permanent supportive housing to formerly homeless veterans. Swords was founded by Vietnam veterans in 1974 to advocate for fellow veterans in a time when Vietnam veterans were being persecuted. When veteran homelessness exploded in the 1980s, Swords launched transitional supportive housing for homeless veterans funded by the VA's Grant and Per Diem Program (GPD). This program eventually moved to Treasure Island. Swords entered the permanent supportive housing arena in the early 2000, opening the first permanent supportive housing (PSH) site for veterans in the nation, converting former army barracks at the Presidio to PSH for veterans. Jon W. Paulson Veterans Community (JWPVC - formerly known as Veterans Academy) is a 108 unit PSH project in the Presidio in San Francisco. Swords has been operating JWPVC since 2000, providing both Property Management and Supportive Services for 25 years. JWPVC was started in a time when the HUD-VASH program did not exist. Swords received an award of Section-8 Operating Subsidies and was able to secure CoC funding to provide supportive services. The example of JWP was the progenitor of the HUD-VASH Program which was started due, in part, to Swords advocacy at the national level. We continued to advocate for project-based HUD-VASH vouchers to support the ability to launch and fund new PSH sites, a program that has been institutionalized nationally. Over the years, Swords has added 5 additional projects (listed above) to provide PSH to over 500 veterans in San Francisco. These programs are; Maceo May Apartments (104 PSH units for veterans - 2023), Edwin M. Lee Apartments (65 PSH units for veterans out of 118 units - 2020), the Stanford Hotel (133 units PSH units for veterans - 2013), The Fairfax Hotel (20 PSH units out of 39 units total for veterans - 2013), Veterans Commons (75 PSH units for veterans - 2011) and JWPVC (108 PSH units for veterans - 2000).

xx Did the Eligible Applicant and all Co-Applicants attended a pre-application consultation with HCD prior to applying, as required in §401?

Yes

Date of pre-application consultation: 4/2/25

xxi One-for-one replacement of assisted housing.

a. If the acquired housing or site is to be redeveloped/repositioned as part of the Local Public Entity's overall goal to address the needs of the Target Population and the community, the Applicant shall provide as part of the application a commitment to ensure one-for-one replacement of units.

Will the acquired housing or site be redeveloped/repositioned as part of the Local Public Entity's overall goal to address the needs of the Target Population and the community?

No

In addition to the Threshold Requirements above, Applicant(s) acknowledge, understand, and agree to comply, with the following sections of the 2024 Homekey+ NOFA.

§200 Affordability Covenant	Yes
§203 Allocations and Geographic Distribution	Yes
§204 Program Deadlines	Yes
§400 Application Process and Submission	Yes

Cash Flow Analysis

Is Income from Restricted Units based on R

INCOME FROM HOUSING UNITS	Inflation	Year 1
Restricted Unit Rents	2.5%	\$297,600
Unrestricted Units	2.5%	\$0
Rental Subsidy Program Name (VASH)	2.5%	\$2,003,760
Rental Subsidy Program Name (Specify)	2.5%	\$0
Rental Subsidy Program Name (Specify)	2.5%	\$0
Rental Subsidy Program Name (Specify)	2.5%	\$0
Operating Subsidies (Services grant - SF HSH)	3.5%	\$549,289
Operating Subsidies (Specify)	2.5%	\$0
Operating Subsidies (Specify)	2.5%	\$0
Operating Subsidies (LOSP - SF HSH)	See comment	
Operating Subsidies (Specify)		
GROSS POTENTIAL INCOME - HOUSING		\$2,850,649

OTHER INCOME	Inflation	Year 1
Laundry & Vending	2.5%	\$43,524
Other Income	2.5%	\$0
Commercial Income	2.5%	\$0
GROSS POTENTIAL INCOME - OTHER		\$43,524
GROSS POTENTIAL INCOME - TOTAL		\$2,894,173

VACANCY ASSUMPTIONS	Inflation	Year 1
Vacancy Rate: Restricted Units	5.0%	\$14,880
Vacancy Rate: Unrestricted Units	5.0%	\$0
Vacancy Rate: Tenant Assistance Payments	5.0%	\$100,188
Vacancy Rate: Other (Operating Subsidies)	0.0%	\$0
Vacancy Rate: Laundry & Vending & Other Income	0.0%	\$0
Vacancy Rate: Commercial Income	50.0%	\$0
TOTAL VACANCY LOSS		\$115,068
EFFECTIVE GROSS INCOME		\$2,779,105

OPERATING EXPENSES & RESERVE DEPOSITS	Inflation	Year 1
Residential Exp. (w/o Real Estate Taxes & Sup. Services)	3.5%	\$3,008,959
Real Estate Taxes	3.5%	\$3,000
Supportive Services Costs	3.5%	\$451,121
Replacement Reserve	0.0%	\$62,000
Other Reserves	0.0%	\$0
Ground Lease	2.0%	\$0
Commercial Expenses	3.5%	\$0
TOTAL EXPENSES & RESERVES		\$3,525,080
NET OPERATING INCOME		(\$745,975)

DEBT SERVICE	Year 1
1st Mortgage Debt Service	\$0
Bridge Loan (repaid from Investor equity)	
2nd Mortgage Debt Service	\$0
3rd Mortgage Debt Service	\$0
Other HCD .42% (Specify)	\$0
Other HCD .42% (Specify)	\$0
Bond Issuer Fee	\$0
Miscellaneous Financial Expenses (specify)	\$0
TOTAL REQUIRED DEBT SERVICE	\$0

CASH FLOW after all debt service	Year 1
	(\$745,975)
Income Source for Debt Services:	
	\$0
Income Source for Reserves:	
	\$0
CASH FLOW after Allocated Sources	(\$745,975)
Adjusted Operating Award Need	(\$745,975)
Homekey+ COSR	\$6,244,030
Homekey+ COSR running available balance	\$0
CASH FLOW after COSR	\$5,498,055
	\$0

DEBT SERVICE COVERAGE RATIO	0.00
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USE OF CASHFLOW AFTER DEBT SERVICE	Year 1
Asset Mgmt./ Similar Fees	\$0
Deferred Developer Fee prior to distributions & residual receipt payments	\$0
Cash available for residual receipts loans and sponsor/Applicant distributions	\$0
Sponsor Distributions	50%
HCD Residual Payment	50%
Other Residual Payments	0%
12% of Operating Expenses	\$415,570
Asset Mgmt/Similar Fees	3.5%
Cumulative paid Deferred Dev. Fee	\$0

Total Deferred Developer Fee budgeted for payment prior to distributions and residual receipt payments	
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Comments

Services grant is intended to cover the services component of operating costs and is LOSP grant covers gap between operating income and expenses and inflates at the rate of inflation.

Restricted or Proposed Rents?	Proposed Rents					
Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
\$305,040	\$312,666	\$320,483	\$328,495	\$336,707	\$345,125	
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$2,052,852	\$2,103,147	\$2,154,674	\$2,207,464	\$2,261,546	\$2,316,954	
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$568,514	\$588,412	\$609,007	\$630,322	\$652,383	\$675,216	
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
						\$628,472 \$674,549
\$2,926,406	\$3,004,225	\$3,084,163	\$3,166,280	\$3,879,109	\$4,011,845	
Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
\$44,612	\$45,727	\$46,871	\$48,042	\$49,243	\$50,474	
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$44,612	\$45,727	\$46,871	\$48,042	\$49,243	\$50,474	
\$2,971,018	\$3,049,953	\$3,131,034	\$3,214,322	\$3,928,352	\$4,062,319	
Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
\$15,252	\$15,633	\$16,024	\$16,425	\$16,835	\$17,256	
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$102,643	\$105,157	\$107,734	\$110,373	\$113,077	\$115,848	
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$117,895	\$120,791	\$123,758	\$126,798	\$129,913	\$133,104	
\$2,853,124	\$2,929,162	\$3,007,276	\$3,087,525	\$3,798,440	\$3,929,215	

Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
\$3,114,272	\$3,223,272	\$3,336,086	\$3,452,849	\$3,573,699	\$3,698,779
\$3,105	\$3,214	\$3,326	\$3,443	\$3,563	\$3,688
\$466,910	\$483,252	\$500,166	\$517,672	\$535,790	\$554,543
\$62,000	\$62,000	\$62,000	\$62,000	\$62,000	\$62,000
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$3,646,288	\$3,771,738	\$3,901,579	\$4,035,964	\$4,175,053	\$4,319,009
(\$793,164)	(\$842,576)	(\$894,303)	(\$948,439)	(\$376,613)	(\$389,794)

Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0

Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
(\$793,164)	(\$842,576)	(\$894,303)	(\$948,439)	(\$376,613)	(\$389,794)
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
(\$793,164)	(\$842,576)	(\$894,303)	(\$948,439)	(\$376,613)	(\$389,794)
(\$793,164)	(\$842,576)	(\$894,303)	(\$948,439)	(\$376,613)	(\$389,794)
\$793,164	\$842,576	\$894,303	\$948,439	\$376,613	\$389,794
\$4,704,891	\$3,862,315	\$2,968,012	\$2,019,573	\$1,642,960	\$1,253,166
\$0	\$0	\$0	\$0	\$0	\$0

0.00	0.00	0.00	0.00	0.00	0.00
Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0

projected to inflate at the same rate (3.5%) as operating costs.
ate of that gap, rather than at a fixed percentage.

Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
\$353,753	\$362,597	\$371,662	\$380,953	\$390,477	\$400,239
\$0	\$0	\$0	\$0	\$0	\$0
\$2,373,720	\$2,431,876	\$2,491,457	\$2,552,498	\$2,615,034	\$2,679,102
\$0	\$0	\$0	\$0	\$0	\$0
\$698,849	\$723,309	\$748,625	\$774,826	\$801,945	\$830,013
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$722,883	\$773,570	\$826,708	\$1,329,697	\$1,403,704	\$1,481,029
\$4,149,205	\$4,291,351	\$4,438,451	\$5,037,974	\$5,211,160	\$5,390,384

Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
\$51,736	\$53,030	\$54,356	\$55,714	\$57,107	\$58,535
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$51,736	\$53,030	\$54,356	\$55,714	\$57,107	\$58,535
\$4,200,941	\$4,344,381	\$4,492,806	\$5,093,689	\$5,268,267	\$5,448,918

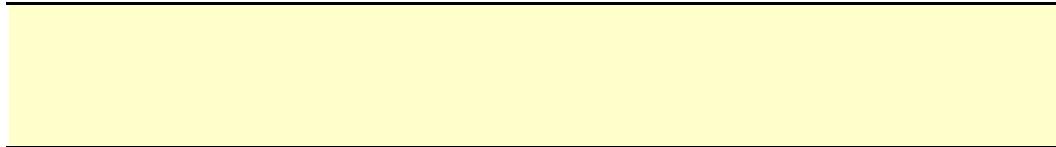
Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
\$17,688	\$18,130	\$18,583	\$19,048	\$19,524	\$20,012
\$0	\$0	\$0	\$0	\$0	\$0
\$118,686	\$121,594	\$124,573	\$127,625	\$130,752	\$133,955
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$136,374	\$139,724	\$143,156	\$146,673	\$150,276	\$153,967
\$4,064,568	\$4,204,658	\$4,349,651	\$4,947,016	\$5,117,992	\$5,294,951

Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
\$3,828,236	\$3,962,224	\$4,100,902	\$4,244,434	\$4,392,989	\$4,546,743
\$3,817	\$3,950	\$4,089	\$4,232	\$4,380	\$4,533
\$573,952	\$594,040	\$614,832	\$636,351	\$658,623	\$681,675
\$62,000	\$62,000	\$62,000	\$62,000	\$62,000	\$62,000
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$4,468,005	\$4,622,215	\$4,781,822	\$4,947,016	\$5,117,992	\$5,294,951
(\$403,437)	(\$417,557)	(\$432,172)	\$0	\$0	\$0

Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0

Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
(\$403,437)	(\$417,557)	(\$432,172)	\$0	\$0	\$0
\$0	\$0	\$0			
\$0	\$0	\$0			
(\$403,437)	(\$417,557)	(\$432,172)			
(\$403,437)	(\$417,557)	(\$432,172)			
\$403,437	\$417,557	\$432,172			
\$849,729	\$432,172	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0

0.00	0.00	0.00	0.00	0.00	0.00
Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0



Year 14	Year 15
\$410,245	\$420,501
\$0	\$0
\$2,744,740	\$2,811,986
\$0	\$0
\$859,064	\$889,131
\$0	\$0
\$0	\$0
\$1,561,807	\$1,646,176
\$5,575,856	\$5,767,794
Year 14	Year 15
\$59,998	\$61,498
\$0	\$0
\$0	\$0
\$59,998	\$61,498
\$5,635,854	\$5,829,293
Year 14	Year 15
\$20,512	\$21,025
\$0	\$0
\$137,237	\$140,599
\$0	\$0
\$0	\$0
\$0	\$0
\$157,749	\$161,624
\$5,478,105	\$5,667,668

Year 14	Year 15
\$4,705,879	\$4,870,585
\$4,692	\$4,856
\$705,533	\$730,227
\$62,000	\$62,000
\$0	\$0
\$0	\$0
\$0	\$0
\$5,478,105	\$5,667,668
\$0	\$0
<hr/>	
Year 14	Year 15
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
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\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
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Year 14	Year 15
\$0	\$0
<hr/>	
\$0	\$0
\$0	\$0

2025 TCAC Threshold Basis Limit (TBL) for HCD Developer Fee UMR §8312(b)&(c) and HCD High Cost Test for HCD Limits on Development Costs 2017 UMR §8311(a) & (b) Complete all yellow shaded cells below.

Project Name: 1035 Van Ness County: San Francisco Project's Proposed Tax Credits: None
HCD Phase: Origination

Unit Size	2025 TCAC Threshold Basis Limits (TBL)	# of Units	Basis x Number of Units	TOTAL UNADJUSTED THRESHOLD BASIS LIMIT (TBL):	\$85,518,460
SRO/Studio	\$689,665	124	\$85,518,460	TOTAL HCD ADJ. THRESHOLD BASIS LIMIT:	\$125,712,136
1 Bedroom	\$795,177	0	\$0	Adjusted Threshold Basis Limit multiplied by 160%:	\$201,139,418
2 Bedrooms	\$959,200	0	\$0	HCD HIGH COST TEST RESULT FOR: 1035 Van Ness	
3 Bedrooms	\$1,227,776	0	\$0	0%	
4+ Bedrooms	\$1,367,819	0	\$0	Total Eligible Basis	
Manager Units in Project:					
0 TOTAL UNITS: 124					

ADJUSTMENTS *Cal Code of Reg §10327(c)(5)(A-F)*

(A)	Adjustment for Projects paid in whole or part out of public funds subject to a legal requirement for the payment of state or federal prevailing wages or financed in part by a labor-affiliated organization requiring the employment of construction workers who are paid at least state or federal prevailing wages (20%).			Yes	\$17,103,692
	For Projects certifies that (1) they are subject to a Project labor agreement within the meaning of §2500(b)(1) of the Public Contract Code, or (2) they will use a skilled and trained workforce as defined by §25536.7 of the Health and Safety Code to perform all onsite work within an apprenticeable occupation in the building and construction trades (5%).			No	\$0
(B)	For New construction Projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels (10%).			No	\$0
(C)	For Projects where a day care center is part of the development (2%).			No	\$0
(D)	For Projects where 100 percent of the units are for Special Needs populations (2%).			Yes	\$1,710,369
(E)	Project applying under §10325 or §10326 of the TCAC regulations that includes one or more of the features below (up to 10%).			No	\$0
(F)	Project requires seismic upgrading of existing structures, and/or requires toxic or other environmental mitigation as certified by the Project architect/ engineer (lesser of costs or 15% basis adjustment).			No	\$0
	If Yes, select type of work:		Enter Certified Costs of Work:		
(G)	Local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required. WAIVED IMPACT FEES ARE INELIGIBLE.			No	
(H)	Projects where at least 95% of the Project's upper floor units are serviced by an elevator (10%).			Yes	\$8,551,846
(I)	Projects wherein at least 95% of the building(s) is constructed as Type I as defined in the California Building Code, in which case, the Type III 10% increase below is not allowed (15%).			Yes	\$12,827,769
(J)	Projects wherein at least 95% of the building(s) is constructed as (1) a Type III as defined in the California Building Code, or (2) a Type III/Type I combination, in which case, the Type I 15% increase above is not be allowed (10%).			No	\$0
(K)	Projects within a county with an unadjusted 9% threshold basis limit for a 2-bedroom unit equal or less than \$500,000 and within a census tract designated on the TCAC/HCD Opportunity Map as Highest or High Resource (10%).			No	\$0
	County Eligibility:	No	TCAC/HCD Opportunity Area Map Tract ID #:		Opportunity Map Resource Level:

End of Document

2025 BASIS LIMITS

County	SRO & STUDIO	1 BEDROOM
Alameda	\$473,390	\$545,814
Alpine	\$352,022	\$405,878
Amador	\$352,022	\$405,878
Butte	\$319,236	\$368,076
Calaveras	\$352,022	\$405,878
Colusa	\$352,022	\$405,878
Contra Costa	\$473,390	\$545,814
Del Norte	\$352,022	\$405,878
El Dorado	\$331,890	\$382,666
Fresno	\$307,732	\$354,812
Glenn	\$352,022	\$405,878
Humboldt	\$352,022	\$405,878
Imperial	\$324,988	\$374,708
Inyo	\$352,022	\$405,878
Kern	\$307,732	\$354,812
Kings	\$307,732	\$354,812
Lake	\$352,022	\$405,878
Lassen	\$352,022	\$405,878
Los Angeles	\$437,727	\$504,695
San Francisco	\$689,665	\$795,177
San Joaquin	\$307,732	\$354,812
San Luis Obispo	\$404,366	\$466,230
San Mateo	\$532,060	\$613,460
Santa Barbara	\$404,366	\$466,230
Santa Clara	\$532,060	\$613,460
Santa Cruz	\$404,366	\$466,230
Shasta	\$319,236	\$368,076
Sierra	\$352,022	\$405,878
Siskiyou	\$352,022	\$405,878
Solano	\$384,234	\$443,018
Sonoma	\$384,234	\$443,018
Stanislaus	\$307,732	\$354,812
Sutter	\$331,890	\$382,666
Tehama	\$352,022	\$405,878
Trinity	\$352,022	\$405,878
Tulare	\$307,732	\$354,812
Tuolumne	\$352,022	\$405,878
Ventura	\$404,366	\$466,230
Yolo	\$331,890	\$382,666

Yuba	\$331,890	\$382,666
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2 BEDROOMS	3 BEDROOMS	4+ BEDROOMS
\$658,400	\$842,752	\$938,878
\$489,600	\$626,688	\$698,170
\$489,600	\$626,688	\$698,170
\$444,000	\$568,320	\$633,144
\$489,600	\$626,688	\$698,170
\$489,600	\$626,688	\$698,170
\$658,400	\$842,752	\$938,878
\$489,600	\$626,688	\$698,170
\$461,600	\$590,848	\$658,242
\$428,000	\$547,840	\$610,328
\$489,600	\$626,688	\$698,170
\$489,600	\$626,688	\$698,170
\$452,000	\$578,560	\$644,552
\$489,600	\$626,688	\$698,170
\$428,000	\$547,840	\$610,328
\$428,000	\$547,840	\$610,328
\$489,600	\$626,688	\$698,170
\$489,600	\$626,688	\$698,170
\$608,800	\$779,264	\$868,149
\$959,200	\$1,227,776	\$1,367,819
\$428,000	\$547,840	\$610,328
\$562,400	\$719,872	\$801,982
\$740,000	\$947,200	\$1,055,240
\$562,400	\$719,872	\$801,982
\$740,000	\$947,200	\$1,055,240
\$562,400	\$719,872	\$801,982
\$444,000	\$568,320	\$633,144
\$489,600	\$626,688	\$698,170
\$489,600	\$626,688	\$698,170
\$534,400	\$684,032	\$762,054
\$534,400	\$684,032	\$762,054
\$428,000	\$547,840	\$610,328
\$461,600	\$590,848	\$658,242
\$489,600	\$626,688	\$698,170
\$489,600	\$626,688	\$698,170
\$428,000	\$547,840	\$610,328
\$489,600	\$626,688	\$698,170
\$562,400	\$719,872	\$801,982
\$461,600	\$590,848	\$658,242

\$461,600	\$590,848	\$658,242
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HCD 2024 Developer Fee Calculator - 04/03/2024

TCAC regulations - 04/03/2024

Project Name: 1035 Van Ness
 Project Phase: Origination

ADMINISTRATIVE NOTICE NO. 24-03

Per "ADMINISTRATIVE NOTICE NO. 24-03", does the proposed Project have a previous HCD award to which the new Developer Fee not apply?

Developer Fee Summary	TCAC Project #	n/a
	HCD Limit	Project Amt.
Maximum Total Developer Fee - 2d	\$2,319,000	\$1,150,000
Max Developer Fee payable from development funding sources	\$2,319,000	\$1,150,000
Deferred Developer Fee payable on a priority basis from available Cash Flow	\$0	\$0
Deferred Developer Fee payable exclusively from Sponsor Distributions	\$0	\$0

Total Budgeted or Actual Developer Fee: Developer Fee Contributed as Capital: Deferred Developer Fee:

Proposed Project Type: Project's type of construction:

UMR §8312(a)(2-3) for Projects without tax credits Max HCD Developer Fee

(choose only one in the "a", "b", or "c", subsections)

a. Substantial rehab projects UMR §8312(a)(2)

substantial rehab = construction cost for rehab work (excluding contractor profit and overhead) in excess of \$48,000 per unit

Number of units (include manager's unit)	124
First 30 units at:	\$35,000 each \$1,050,000
Units in excess of 30 at:	\$13,500 each \$1,269,000
Total substantial rehab	\$2,319,000

b. Acquisition and rehab projects UMR §8312(a)(2)

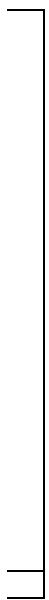
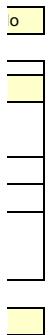
with construction cost for rehab work (excluding contractor profit and overhead) between \$11,500 - \$38,000 per unit

Number of units (include manager's unit)	
First 30 units at:	\$16,000 each \$0
Units in excess of 30 at:	\$7,500 each \$0
Total acquisition and non-substantial rehab	\$0

c. All other projects UMR §8312(a)(3)

Number of units (include manager's unit)	
Total other at:	\$2,000 per unit \$0

Maximum allowable Developer Fee



§305. Scoring Criteria

In addition to meeting the other minimum Homekey+ Program Requirements outlined in Article I **funding**. Points earned from the application scoring criteria will be incorporated into the project what accurately represents the Project and is achievable. By earning these points, the Applica will be based on the following:

1. Site Control (Up to 20 Points)

- Identification of the site suitable for development and evidence of site control, or a plan letter of intent, an exclusive negotiating agreement, ground lease, etc.). **NOTE:** §300 Project type.
- a. Type of site control 1 Enforceable Option to Lease or Purchase
 - Type of site control 2
 - Type of site control 3
 - Type of site control 4
 - Type of site control 5

Type of site control	1	Enforceable Option to Lease or Purchase
Type of site control	2	
Type of site control	3	
Type of site control	4	
Type of site control	5	

2. Cost Containment (Up to 15 Points)

- a. For any Project where the average total cost per Assisted Unit is below baseline per baseline amount. (up to 10points)

Total Units	124	Total HK+ Development Cost	\$32,800,000
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- b. Utilizing Publicly Owned Land: **5 points** will be awarded to Project that is located on land declared as Surplus Land by a local agency.

New Construction or Conversion Project? FALSE

Is Project located on a site selected under Excess Sites ([Executive Order N-06-19](#))

3. Sustained Operating Leverage (Up to 45 Points)

Documented commitment of non-Homekey+ rental or operating subsidies (including funding) of operations of the Project. Sources include, but not limited to, Project-based vouchers, V based vouchers, or locally funded rental assistance.

- a. Score is based on weighted subsidy type, percentage of costs covered, and length of time the Homekey+ Program. See §400 on the process and determination for Projects that

Does the project meet the criteria for subsidies?

- Project operation subsidies: Up to one (1) point for each year through year fifteen (15)

Applicant certifies that for each point assigned below, documentation meeting the EF for verification/score purposes?

Complete sheets "Operating Budget" & "Cash Flow) before this chart.		Yearly \$	
Subsidy Name	Subsidy Type	Weight	Years
Rental Subsidy Program Name (VASH)	Project-Based Rental Subsidy	1.00	20
N/A			
N/A			
N/A			
Operating Subsidies (Services grant - S)	Committed Operating Subsidy	1.00	5
N/A			
N/A			
Operating Subsidies (LOSP - SF HSH)	Committed Operating Subsidy	1.00	15
N/A			

Funding R

b. Homekey+ Award Utilization:

Applications that request less Homekey+ Operating Award than the Maximum Eligible Award will automatically earn 20 points. (**up to 20 points**):

- Two (2) points for each 10% increment of Maximum Eligible Homekey+ Operating / Maximum Eligible Award amount (for this Project) for Homekey operating funds.
- Homekey+ Operating Award/request for this Project \$6,244,030 Percent
- No Homekey+ Operating Award Requested (**20 points**)

c. Mental Health Services Act or Behavioral Health Services Act funds committed to the department meeting the EFC requirements in Article VII of this NOFA. (10 points**)**

Does the Applicant have a Mental Health Services Act or Behavioral Health Services

4. Experience and Coordination (Up to 40 Points**)**

- a. Demonstration of Applicant or member(s) of development team's experience in developing the proposed Project. **NOTE:** §300-303 of this NOFA further outline threshold experience requirements.**
- Five (5) points awarded for each additional Project beyond the base threshold requiring the Applicant to have served in at least one of the following categories: interim Projects in the last ten (10) years serving at least one member of the Target Population.

Does the Applicants have additional Projects beyond the base threshold requirement Projects in the last ten (10) years serving at least one member of the Target Populat

	Project Name and Address	Project Development Type	Total Development Costs	Type of Tax Credits	# of Units	Housin Type
1	Maceo May Apartments, 55 Cravath Street, San Francisco, CA 94130	New Construction	\$73,750,260	4%	105	Affordab Renta
2	Veterans Commons, 150 Otis Street, San Francisco, CA 94103	Rehabilitation	\$27,998,929	0.04	75	Affordab Renta
3	The Stanford Hotel, 250 Kearney Street	Rehabilitation	\$0	None	133	Affordab Renta

Documented evidence of LSP's experience helping persons address barriers to hou Project. The LSP may be an Applicant, or a member of the development team descri with the specific population(s) with Behavioral Health Challenges housed within the H

- b.** veterans, Homeless Youth, Chronically Homeless) and must describe how the Sup races, ethnicities, sexual orientations, gender identities, gender expressions, ages, & requirements.

- One point awarded for each year of service experience, after 3 years. (up to 10 p

How many lines/rows would you need to show the LSP experience? 5

	Name of the LSP providing experience	Exp. Not within a housing project?	Project Name and Address	Project completion date	Date LSP started providing services.	P Deve
1	Swords to Plowshares	No	Maceo May Apartments, 55 Cravath Street, San Francisco, CA 94130	2/1/22	3/1/22	Con
2	Swords to Plowshares	No	The Fairfax Hotel, 420 Eddy Street, San Francisco, CA 94109	1/1/14	1/1/14	Reha
3	Swords to Plowshares	No	The Stanford Hotel, 250 Kearney Street, san Francisco, CA 94108	11/1/14	11/1/14	Reha
4	Swords to Plowshares	No	Veterans Commons, 150 Otis Street, San Francisco, CA 94103	11/1/12	11/1/12	Reha

5	Swords to Plowshares	No	Jon W. Paulson Veterans Community, 1030 Girard Road, San Francisco, CA 94129	1/1/00	1/1/00	Rehab
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- Commitment letter(s), MOU(s) or other formal agreement between the Primary and Co-Developers and the Project's development and management team (which includes the Applicant, developer, property manager, and manager of the day-to-day operations).
- c. Applicants are encouraged to complete due diligence checklists to ensure all members of the development and management team are in agreement with the terms of the commitment letter(s), MOU(s) or other formal agreement.

File Name:	52. Commitment Letters, MOU(s) or other formal agreement	Provide documentation as stated in the section.
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5. Community Impact (Up to 40 Points)

- a. Assisted Units include units for large family housing types (10 points)
- At least 25% of the Assisted Units in the Project shall be two-bedroom or larger units.
- Points will be provided based on just this single **TCAC Regulation (4 CCR § 10325(g))**
- Percentage of Assisted Units with **two-bedroom** or larger Units 0.00%

Applicant(s) certifies that one-bedroom Low-Income Units must include at least 675 square feet of living space. Three-bedroom Low-Income Units shall include at least 1,000 square feet of living space, unless these restrictions conflict with any other applicable regulations or restrictions subject to approval. These limits may be waived for rehabilitation projects, at the discretion of the City. All other units shall be large enough to accommodate two persons each and living areas shall be accessible to persons with disabilities.

- b. Applicant waives any potential accommodation by HCD to increase income limits at the time of application (up to 20 points)

Applicant certifies to waive any potential accommodation by HCD to increase income limits at the time of application in **§304(iii)**.

Select "Yes" to **only one** of the items below, leave all other blank or "No" answer.

Total Homekey Assisted Units	124	Number of Homekey Assisted Units that exceed state and federal accessibility requirements	124
- At least 25% of Assisted Units restricted (3 points)			
- At least 50% of Assisted Units restricted (5 points)			
- At least 75% of Assisted Units restricted (10 points)			
- 100% of Assisted Units restricted (20 points)	Yes		124

- c. The extent to which the Project commits to being accessible to persons with disabilities (10 points)
- Exceeds the state and federal accessibility requirements set forth in **§508**, specifically for persons with mobility disabilities, as defined in **24 C.F.R. §8.22** and the parallel **ADA** requirements.

Number of Units that Exceeds the state and federal accessibility requirements for persons with disabilities

- A minimum of 10 percent of units with features accessible to persons with hearing, speech, visual, and mobility disabilities, as defined in **§508** and **24 C.F.R. §8.22**, and the parallel **ADA** and **CBC Chapter 11B** provisions. **(5 points)**

Number of Units that Exceeds the state and federal accessibility requirements for pe

6. Site Selection (Up to 40 Points)

File Name:	53. Amenities Map	If applicable, provide a radius ma
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Site Selection (Up to 12 points; for Rural Projects: up to 16 points; for Youth Projects: up to 16 points)

- a. Is the Project site located within 1/2 mile of a bus rapid transit station, light rail station, or train station?

The Project site is in proximity to essential services:

- b. Grocery store – a full-scale grocery store/supermarket where staples, fresh meat, and other food items are sold.

The Project site is in proximity to Within 1/2-mile radius

NOTE: If applying for TCAC, it is advisable that the grocery store be at least 25,000 gross square feet.

- c. Health facility – a medical clinic (not merely a private doctor's office) with a physician providing services at least once a week, or hospital (health facilities operated by Veterans Health Administration or the U.S. Public Health Service).

The Project site is in proximity to Within 1/2-mile radius

NOTE: A qualifying medical clinic must accept Medi-Cal payments, or Medicare payments, or a similar program for low-income patients.

- d. Library – a book-lending public library. (up to 1 point)

The Project site is in proximity to Within 1/2-mile radius

- e. Pharmacy – may be included in a grocery store or health facility. (up to 2 points)

The Project site is in proximity to Within 1/2-mile radius

- f. A public park or a community center accessible to the general public. (up to 1 point)

The Project site is in proximity to Within 1/2-mile radius

High speed internet service, with a minimum average download speed of 25 megabit per second, available to the general public, and provided at no cost to the tenants.

- g. For Projects with units serving Homeless Youth: community colleges, universities, transitional housing, and/or services for parenting youth, and/or community centers for youth (e.g., LGBTQ+ centers, drop-in centers, and youth centers).

At proposed Project site, Applicants certifies to provide High speed internet service at no cost to the tenants.

- h. For Projects with units serving Homeless Youth: community colleges, universities, transitional housing, and/or services for parenting youth, and/or community centers for youth (e.g., LGBTQ+ centers, drop-in centers, and youth centers).

Number of Homekey Assisted Units for Homeless Youth _____

7. Relocation Impacts (Up to -20 Points)

- a. For any Project resulting in the permanent displacement of residents (not businesses):
- Does the proposed Project trigger State Relocation Assistance Law? No
- Will the proposed Project be resulting in the permanent displacement of residents?

8. Negative Points

- a. Negative Points assessed by HCD to the Applicant pursuant to the Department's

General NOTE: In the event of program oversubscription, where Applicants have the same score, tiebreaker, including, but not limited to, cost-effectiveness, community impact (i.e. meeting the innovative housing types, tenant stability and proximity to transit, and services and amenities.

End of D

Total Project/**Self** Score: **122.58**
Total **Possible** Score: **176.00**

III, Applicants must score a minimum of 100 points to be eligible for

it report and the Standard Agreement. Applicants should select criteria based on
nt commits to the deliverable throughout the tenure of Homekey+ Project. Scores

an and timeline for obtaining site control along with other supporting evidence (e.g.,
-303 of this **NOFA** further outline site control requirements related to specific

	20

20
20

door of \$200,000, one (1) point will be assigned for every \$10,000 under the

Average total cost per Assisted Unit **\$264,516** Points Assigned **0**

a site selected under Excess Sites ([Executive Order N-06-19](#)) or any land

0
0

or any land declared as Surplus Land by a local agency?

No
0

ed services) that will be used to maintain the ongoing affordability and sustainability
/ASH vouchers, Mainstream vouchers, Faircloth to RAD conversions, tenant-

of commitment. Applications will need to score at least 10 points to be prioritized by
at will be prioritized in Homekey+.

posed project score at least 10 points to be prioritized by the Homekey+ Program .

15). **(up to 15 points)**

13.58
Yes

C requirements in Article VII of this NOFA will be provided along with the Application

Yes

Score -->	0.80	0.79	0.78	0.78	0.77	0.93	
# Units	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Y
66	2,003,760	2,052,852	2,103,147	2,154,674	2,207,464	2,261,546	2,3
	0	0	0	0	0	0	
	0	0	0	0	0	0	
	0	0	0	0	0	0	
124	549,289	568,514	588,412	609,007	630,322	652,383	67
	0	0	0	0	0	0	
	0	0	0	0	0	0	
124	0	0	0	0	0	628,472	67
	0	0	0	0	0	0	
	0	0	0	0	0	0	
	0	0	0	0	0	0	
	0	0	0	0	0	0	
Required	3,198,836	3,311,888	3,428,978	3,550,249	3,675,851	3,805,937	3,9
Gap	(645,787)	(690,521)	(737,419)	(786,569)	(838,066)	(263,535)	(2

3 Award amount will earn more points. Applications that do not request an operating

8

Award not utilized.

\$10,416,000

Percentage of Unutilized Amount 40.05%

Applicant requesting an operating Homekey+ subsidy award

Yes

3 Project as evidenced by a letter from the local county behavioral health

0

3 Act funds committed to the Project?

No

40

Development, ownership, or operation of a Project(s) similar in scope and size to the requirements.

Requirement (development, ownership, or operation of affordable rental housing or Population). (up to 15 points)

15

! (development, ownership, or operation of affordable rental housing or interim ion)?	Yes
--	-----

g	Target Population	Other Population Type(s)	# of Units restricted to Target Population	Applicants responsibilities	Completion of Development, Ownership dates, or Operation dates.
ole	Homeless	Veterans	104	Development	2/1/2022 completed construction, operating from 3//22 to present
ole	Homeless	Veterans	74	Operation	11/1/2012 to present
ole	Homeless	Veterans	133	Operation	11/1/2014 to present

sing stability and providing other support services, not necessarily within a housing bed in Applicant's response to point category 4.c., below. LSP experience must be lomekey+ units to count toward points in this section (e.g., families, singles, mportive Services are culturally and linguistically competent for persons of different and disabilities. **NOTE:** §300-303 of this NOFA further outline threshold experience

oints)	10
--------	----

roject elopment Type	# of Units	Housing Type	Target Population	Other Population Type(s)	# of Units restricted to Target Population	Years providin g services
New struction	105.00	Affordable Rental	Homeless	Veterans	104	3.00
abilitation	20.00	Affordable Rental	Homeless	Veterans	20	11.00
abilitation	133.00	Affordable Rental	Homeless	Veterans	122	11.00
abilitation	75.00	Affordable Rental	Homeless	Veterans	75	13.00

abilitation	108.00	Affordable Rental	Homeless	Veterans	108	25.00
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Co-Applicant(s) and/or other involved partners documenting how the complete erty manager, LSP, etc.) are connected and will work together on the Project. ers of the team are aware of roles and responsibilities. (15 Points)	15
I above, be sure to include all as described therein this	Uploaded to HCD? Yes

30

ts, consistent with TCAC Regulations (4 CCR § 10325(g)(1)(A-I)) , (10 points) (1)(A) . Applicants should still meet to meet the below (B-H)	0
--	---

450 square feet and two bedroom Low-Income Units must include at least 700 east 900 square feet of living space and four-bedroom Low-Income Units shall lict with the requirements of another governmental agency to which the project is e discretion of the Executive Director prior to the application submission. Bedrooms be adequately sized to accommodate families based on two persons per bedroom;	Yes
--	-----

year 15 from the recordation of the Affordability Covenant, as described in §304(iii) .	20
re limits at year 15 from the recordation of the Affordability Covenant, as described	Yes

"nekey" Assisted Units being waived for potential accommodation as described above.

ies. (up to 10 points)	10
-------------------------------	----

ally providing a minimum of 15 percent of units with features accessible to
AG 2010 and CBC provisions; **(5 points)**

ersons with mobility disabilities 19 15% of total Project Units

or vision disabilities, as defined in 24 CFR Part 8.22 and the parallel ADAAG 2010

ersons with hearing or vision disabilities 13 10% of total Project Units

11

ip with the amenities identified by markers Uploaded to HCD? Yes

up to 15 points)

1, commuter rail station, ferry terminal, bus station, or public bus stop? (4 points)

4

Yes

ind fresh produce are sold. (**up to 2 points)**

2.00

s interior square feet.

, physician's assistant, or nurse practitioner on-site for a minimum of 40 hours (qualify if project is veteran serving). (**up to 1 point)**

1.00

s, or Health Care for the Homeless, or have an equally comprehensive subsidy

1.00

2.00

t)

1.00

s/second must be made available to each Unit for a minimum of 15 years, free of charge. Documentation of internet availability must be included in the application.

as described above?

No

ade schools, apprenticeship programs, employment programs, childcare centers (ip-in youth centers). (up to 2 points)

Are there at least **two amenities** located within 1 mile radius as described above?

No

0

s or farm operations).

Total Project Units

124

No

[Negative Points Policy.](#)

core and the same date and time stamp, HCD may consider additional criteria as a needs of individuals with behavioral health challenges), affirmatively furthering fair housing,

document

0.93	0.93	0.93	0.93	1.00	1.00	1.00	
Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Y
316,954	2,373,720	2,431,876	2,491,457	2,552,498	2,615,034	2,679,102	2,7
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
75,216	698,849	723,309	748,625	774,826	801,945	830,013	8
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
74,549	722,883	773,570	826,708	1,329,697	1,403,704	1,481,029	1,5
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
340,666	4,080,203	4,224,718	4,374,388	4,529,396	4,689,931	4,856,190	5,0
73,947)	(284,751)	(295,964)	(307,599)	0	0	0	

1.00	1.00
ear 14	Year 15
744,740	2,811,986
0	0
0	0
0	0
59,064	889,131
0	0
0	0
561,807	1,646,176
0	0
0	0
0	0
0	0
028,374	5,206,694
0	0

Certification & Legal Disclosure

<p>On behalf of the entity identified in the signature block below, I certify that:</p> <p>1. The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct.</p> <p>2. I possess the legal authority to submit this application on behalf of the entity identified in the signature block.</p> <p>3. The following is a complete disclosure of all identities of interest - of all persons or entities, including affiliates, that will provide goods or services to the Project either (a) in one or more capacity or (b) that qualify as a "Related Party" to any person or entity that will provide goods or services to the Project. "Related Party" is defined in Section 10302 of the California Code of Regulations (CTCAC Regulations):</p>			
<p>4. As of the date of application, the Project, or the real property on which the Project is proposed (Property) is not party to or the subject of any claim or action at the State or Federal appellate level.</p> <p>5. I have disclosed and described below any claim or action undertaken which affects or potentially affects the feasibility of the Project.</p> <p>In addition, I acknowledge that all information in this application and attachments is public, and may be disclosed by the State.</p>			
Printed Name	Title of Signatory	Signature	Date
Legal Disclosure			
<p>For purposes of the following questions, and with the exceptions noted below, the term "Applicant" shall include the applicant and joint applicant, and any subsidiary of the applicant or joint applicant if the subsidiary is involved in (for example, as a guarantor) or will be benefited by the application or the project.</p> <p>In addition to each of these entities themselves, the term "Applicant" shall also include the direct and indirect holders of more than ten percent (10%) of the ownership interests in the entity, as well as the officers, directors, principals and senior executives of the entity if the entity is a corporation, the general and limited partners of the entity if the entity is a partnership, and the members or managers of the entity if the entity is a limited liability company. For projects using tax-exempt bonds, it shall also include the individual who will be executing the bond purchase agreement.</p> <p>The following questions must be responded to for each entity and person qualifying as an "Applicant," or "joint applicant" as defined above.</p> <p>Explain all positive responses on a separate sheet and include with this questionnaire in the application.</p>			
<p>Exceptions:</p> <p>Public entity applicants without an ownership interest in the proposed project, including but not limited to cities, counties, and joint powers authorities with 100 or more members, are not required to respond to this questionnaire.</p> <p>Members of the boards of directors of non-profit corporations, including officers of the boards, are also not required to respond. However, chief executive officers (Executive Directors, Chief Executive Officers, Presidents or their equivalent) must respond, as must chief financial officers (Treasurers, Chief Financial Officers, or their equivalent).</p>			
<p>Civil Matters</p> <p>1. Has the applicant filed a bankruptcy or receivership case or had a bankruptcy or receivership action commenced against it, defaulted on a loan or been foreclosed against in <i>past ten years</i>?</p> <p>2. Is the applicant currently a party to, or been notified that it may become a party to, any civil litigation that may materially and adversely affect (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?</p> <p>3. Have there been any administrative or civil settlements, decisions, or judgments against the applicant within the past ten years that materially and adversely affected (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?</p> <p>4. Is the applicant currently subject to, or been notified that it may become subject to, any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency?</p> <p>5. In the past ten years, has the applicant been subject to any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency that resulted in a settlement, decision, or judgment?</p>			
<p>Criminal Matters</p> <p>6. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, felony charges against the applicant?</p> <p>7. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, misdemeanor charges against the applicant for matters relating to the conduct of the applicant's business?</p> <p>8. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, criminal charges (whether felony or misdemeanor) against the applicant for any financial or fraud related crime?</p> <p>9. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, that could materially affect the financial condition of the applicant's business?</p> <p>10. Within the past ten years, has the applicant been convicted of any felony?</p> <p>11. Within the past ten years, has the applicant been convicted of any misdemeanor related to the conduct of the applicant's business?</p> <p>12. Within the past ten years, has the applicant been convicted of any misdemeanor for any financial or fraud related crime?</p>			
Printed Name	Title of Signatory	Signature	Date

Local Approvals and Environmental Review Verification

To the Applicant: Submit this form to the agency or department of local government responsible for administration of the items listed. This form may be submitted to more than one agency or department if necessary. If an item is not required, include the reason why in box provided.

Project Applicant/Co-Applicant:	City and County of San Francisco
Applicant/Co-Applicant Address:	440 Turk Street
Applicant/Co-Applicant City:	San Francisco
Project Name:	1035 Van Ness
Project Address/site:	1035 Van Ness Ave.
Project City:	San Francisco
Project County:	San Francisco
Assessor Parcel Numbers (APNs):	0714-028

To the local jurisdiction: The Applicant named above has submitted an application to the State Dept. of Housing and Community Development (HCD) requesting funding for the Project named above, under the Homekey+ Program. Projects submitted for program funding are subject continuous, over the Counter basis, with exceptions noted in Section 400. Project readiness is a component of that process. Verification of items listed below will be used in evaluating Homekey+ applications.

Is this Project approved "by right"?

		Applicable for this Project	% Complete	Approved Date
CEQA Environmental Clearance is in progress, approved, or determined to be unnecessary	CEQA			
NEPA Environmental Clearance is in progress, approved, or determined to be unnecessary	NEPA			

Specify in the box below, items not required and explain why (include documentation, if applicable):

	Required for this Project?	Under Review?	Verified as Completed and date completed
All necessary, discretionary, and non-discretionary public land use approvals except building permits and other ministerial approvals are:			

Specify in the box below, items not required and explain why (include documentation, if applicable):

Dated:

Statement Completed by (please print):

Signature:

Title:

Agency or Department:

Agency or Department Address:

Agency or Department Phone:

Full list of Uploads

Green checkmark

Red X mark, means responsibility

FILE NAME	FILE DESCRIPTION	
HCD Excel Application		
File Name	01. HK Application Workbook	HK Application Excel Workbook.
"Project Overview" Sheet/Tab		
File Name	02a. App1 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.
File Name	02b. App1 Authorizing Resolution	Authorizing Resolution
File Name	02c. App1 Signature Block	Signature Block - upload in Microsoft Word Document.
File Name	02d. App1 TIN Form	Completed Government TIN form.
File Name	03a. Co-App1 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.
File Name	03b. Co-App1 OrgDoc1, Co-App1 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.
File Name	03c. Co-App1 Authorizing Resolution	Authorizing Resolution
File Name	03e. Co-App1 Signature Block	Signature Block - upload in Microsoft Word Document.
File Name	03f. Co-App1 Cert of Good Standing	Dated 30 days or less from the application due date.
File Name	03g. Co-App1 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)
File Name	03h. Co-App1 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).
File Name	03i. Co-App1 Payee Data Record	Completed Payee Data Record.
File Name	03j. Co-App1 TIN Form	Completed Government TIN form (jurisdictions only).
File Name	04a. Co-App2 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.
File Name	04b. Co-App2 OrgDoc1, Co-App2 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.
File Name	04c. Co-App2 Authorizing Resolution	Authorizing Resolution
File Name	04e. Co-App2 Signature Block	Signature Block - upload in Microsoft Word Document.
File Name	04f. Co-App2 Cert of Good Standing	Dated 30 days or less from the application due date.
File Name	04g. Co-App2 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)
File Name	04h. Co-App2 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).
File Name	04i. Co-App2 Payee Data Record	Completed Payee Data Record.
File Name	04j. Co-App2 TIN Form	Completed Government TIN form (jurisdictions only).

File Name	05a. Co-App3 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Not Applicable	✗
File Name	05b. Co-App3 OrgDoc1, Co-App3 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Not Applicable	✗
File Name	05c. Co-App3 Authorizing Resolution	Authorizing Resolution	Not Applicable	✗
File Name	05e. Co-App3 Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	✗
File Name	05f. Co-App3 Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	✗
File Name	05g. Co-App3 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)	Not Applicable	✗
File Name	05h. Co-App3 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	✗
File Name	05i. Co-App3 Payee Data Record	Completed Payee Data Record.	Not Applicable	✗
File Name	05j. Co-App3 TIN Form	Completed Government TIN form (jurisdictions only).	Not Applicable	✗
File Name	06a. Co-App4 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Not Applicable	✗
File Name	06b. Co-App4 OrgDoc1, Co-App4 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Not Applicable	✗
File Name	06c. Co-App4 Authorizing Resolution	Authorizing Resolution	Not Applicable	✗
File Name	06e. Co-App4 Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	✗
File Name	06f. Co-App4 Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	✗
File Name	06g. Co-App4 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)	Not Applicable	✗
File Name	06h. Co-App4 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	✗
File Name	06i. Co-App4 Payee Data Record	Completed Payee Data Record.	Not Applicable	✗
File Name	06j. Co-App4 TIN Form	Completed Government TIN form (jurisdictions only).	Not Applicable	✗
File Name	07a. MGP Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Not Applicable	✗
File Name	07b. MGP OrgDoc1, MGP OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Not Applicable	✗
File Name	07c. MGP Resolution	Authorizing Resolution.	Not Applicable	✗
File Name	07e. MGP Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	✗
File Name	07f. MGP Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	✗
File Name	07g. MGP Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	✗
File Name	07h. MGP Payee Data Record	Completed Payee Data Record.	Not Applicable	✗
File Name	08a. AGP1 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Not Applicable	✗
File Name	08b. AGP1 OrgDoc1, AGP1 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Not Applicable	✗

File Name	08c. AGP1 Resolution	Authorizing Resolution.	Not Applicable	X
File Name	08e. AGP1 Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	X
File Name	08f. AGP1 Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	X
File Name	08g. AGP1 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	X
File Name	08h. AGP1 Payee Data Record	Completed Payee Data Record.	Not Applicable	X
File Name	09a. AGP2 Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Not Applicable	X
File Name	09b. AGP2 OrgDoc1, AGP2 OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Not Applicable	X
File Name	09c. AGP2 Resolution	Authorizing Resolution.	Not Applicable	X
File Name	09e. AGP2 Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	X
File Name	09f. AGP2 Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	X
File Name	09g. AGP2 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	X
File Name	09h. AGP2 Payee Data Record	Completed Payee Data Record.	Not Applicable	X
File Name	10a. MLLC Cert & Legal Disclosure	Reference: Applicant Certification Worksheet.	Included	✓
File Name	10b. MLLC OrgDoc1, MLLC OrgDoc2, etc.	Reference: Entity Org Docs Worksheet.	Included	✓
File Name	10c. MLLC Resolution	Authorizing Resolution.	Included	✓
File Name	10e. MLLC Signature Block	Signature Block - upload in Microsoft Word Document.	Included	✓
File Name	10f. MLLC Cert of Good Standing	Dated 30 days or less from the application due date.	Included	✓
File Name	10g. MLLC Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Included	✓
File Name	10h. MLLC Payee Data Record	Completed Payee Data Record.	Included	✓
File Name	11. LLC OA	Operating Agreement	Included	✓
File Name	11. LP-1	Certificate of Limited Partnership (LP-1)	Not Applicable	X
File Name	11. LP-2	Amendment to Certificate of Limited Partnership (LP-2)	Not Applicable	X
File Name	11. LPA	Limited Partnership Agreement	Not Applicable	X
File Name	12. Letter local county BHD	Provide the Department with letter from the local county behavioral health department describing the support for the Project (capital, operating or service commitments, referrals, stakeholder collaboration, etc.)	Included	✓
File Name	13. Unsuccessful tax credit-bonds	Provide evidence if your unsuccessful application for tax credit/bonds.	Not Applicable	X
File Name	14. Existing HCD Award	Provide a copy of your existing HCD award letter - Upload as Capital EFCs	Not Applicable	X
File Name	15. Tax Credit Reservation	If the Project has already received a tax credit reservation, upload documentation - Upload as Capital EFCs	Not Applicable	X
File Name	16. Utility allowance	Schedule of utility allowances.	Included	✓
File Name	17. CES Participation, CoC and Subsidy Form	Provide a plan for tenant selection, and it shall be reasonably detailed and comprehensive.	Not Applicable	X

File Name	18. Relocation Plan	Relocation Plan.	Not Applicable	✗
File Name	19. CEQA	Copy of CEQA Determination Documents (if applicable).	Not Applicable	✗
File Name	20. NEPA	NEPA Authority to Use Grant Funds issued by the Responsible Entity if the project is proposing use of federal funds. Note: Not required at time of application, but required prior to disbursements.	Not Applicable	✗

"Max Funds & Unit Mix" Sheet/Tab			
File Name	21. Funding Limit Exemption Form	Provide justification for the need in excess funding above the funding limits. Applicants asserting the Project is in a high-cost area shall provide data from HUD, the United States Census Bureau, or another authoritative source to validate the assertion.	Included

"Supportive Services Plan" Sheet/Tab			
File Name:	22. LSP Contract	Lead Service Provider Contract, Agreement or Letter of Intent.	Included
File Name:	22. LSP NonApplicant Contract	Lead Service Provider Contract, Agreement or Letter of Intent (non-Applicant provider).	Not Applicable
File Name:	23. LSP resumes	Provide resumes of Supportive Services staff who will be overseeing Case Managers on the Project. Not required for Assisted Units with Veterans Affairs Supportive Housing (HUD-VASH) vouchers	Included
File Name	24. Property Management Plan	Submit Property Management Plan and Tenant Selection Policies	Included

"Threshold Requirements" Sheet/Tab			
File Name	25. Tribal Entity Waiver	Modifications or waivers as provided for in HSC §50406, subdivision (p) (Assembly Bill 1010 (Chapter 660, Statutes of 2019).	Not Applicable
File Name	26. Project Ownership Structure	Provide a "Project Ownership Structure" chart.	Included
File Name	27. Non-Discrimination Policy	Provide a non-discrimination policy.	Included
File Name	28. Equity Statement	Provide Racial & Gender Equity statement by answering the above question.	Included
File Name	29. Engaging the Target Population Statement	Provide a response to the question above.	Included
File Name	30. Site Control	Documentation of site control in accordance with UMR §8303, including a summary explanation of site control and values for applications with multiple or non-contiguous parcels, scattered sites, lot line adjustments, phased projects, or other complex land and acquisition transactions, see Article III, §300(x)(a-h).	Included
File Name	31. Indian Country Verification	Documentation verifying land is located in Indian Country as defined by 18 USC 1151.	Not Applicable
File Name	32. Fee or Trust Land Verification	Documentation verifying land is located on Fee or Trust Land.	Not Applicable
File Name	33. Project Use Change - Lot Split	For Projects that require a use change, lot split or other local approvals for permanent housing, include a commitment and plan to facilitate or expedite those processes, to not delay expenditure and occupancy requirements.	Included

File Name	34. Preliminary Title Report	Provide a preliminary report dated within 90 days of application due date. For projects developed in Indian country, an attorney's opinion regarding chain of title and current title status is acceptable in lieu of a title report.	Included	✓
File Name	<u>35. Development Plan</u>	Provide a detailed development plan that supports acquisition of a site, completion of rehabilitation or construction, occupancy, and fund expenditure before all program deadlines, factoring in entitlements, permits, procurement, potential construction delays and supply chain issues, and demonstrates evidence of strong organizational and financial capacity to develop the Project.	Included	✓
File Name	36. Appraisal	Applicants shall provide an appraisal prepared no earlier than 12 months prior to application submission date for all Projects seeking acquisition funds from Homekey+ or if property value will be used as local match. The appraisal must comply with the Homekey+ requirements outlined in the Homekey+ Appraisal Guidance document, which will be available on the Homekey+ website.	Included	✓
File Name	37. Rehab Description	Narrative description of current condition of structure(s) and overall scope of work.	Included	✓
File Name	38. PNA or CAN	PNA or CNA prepared by a qualified independent third-party contractor.	Included	✓
File Name	39. Market Study	Provide a Market Study dated within the 12 months from Application submission.	Not Applicable	✗
File Name	40. Env. Report 1	Environmental Site Assessment Phase I (prepared or updated no earlier than 12 months prior to the application due date).	Included	✓
File Name	41. Env. Report 2	If Environmental Site Assessment Phase I requires a Phase II study, submit a Phase II (prepared or updated no earlier than 12 months prior to the application due date).	Not Applicable	✗
File Name	<u>42. Relocation narrative</u>	Applicant's Relocation Assistance Narrative shall include or identify the following: §300(xvii)(a-i)	Included	✓
File Name	<u>43. EFC #1, EFC #2, etc.</u>	Provide a letter or other document for all funding commitments for development and operating sources.	Included	✓
File Name	44. Housing First Statement	Provide relevant experience administering a Project in accordance with the core components of Housing First (Welfare & Institutions Code § 8255).	Included	✓
File Name	45. One-for-one Replacement	Provide a letter of commitment to ensure one-for-one replacement of units.	Not Applicable	✗
File Name	46. Existing Unit Mix	Provide an existing unit mix of the current site including residential/commercial shared space. (Units, kitchens, rooms, bathrooms, Unit Amenities/Features, parking spaces, etc.	Not Applicable	✗
File Name	47. Aerial Site Map	Provide an aerial map indicating the original target housing location and all proposed housing location(s).	Not Applicable	✗
File Name	48. Justification outside the neighborhood	Provide justification explaining why it is necessary to locate this replacement housing outside the target neighborhood (i.e., offsite) and how doing so supports and enables the Target Population to maintain housing.	Not Applicable	✗
"Scoring" Sheet/Tab				
File Name:	49. Excess state-owned property	Provide documentation/agreement for ground lease with the state to create affordable housing on Excess state-owned property.	Not Applicable	✗

File Name:	50. Local Surplus Land	Provide documentation that the proposed Project is located on a site designated as surplus land by a local government. For written compliance with the Surplus Land Act – either an exempt surplus findings letter or standard surplus disposition findings letter from HCD.	Not Applicable	✗
File Name:	51. MHSA/BHSA letter	Provide a letter from the local county behavioral health department meeting the EFC requirements in Article VII of this NOFA.	Not Applicable	✗
File Name:	52. Commitment Letters, MOU(s) or other formal agreement	Provide documentation as stated above, be sure to include all as described therein this section.	Included	✓
File Name:	53. Amenities Map	If applicable, provide a radius map with the amenities identified by markers	Included	✓
File Name:	54. High Speed Internet	Provide documentation of high speed internet availability.	Not Applicable	✗

"Certification & Legal" Sheet/Tab	
File Name	55. Cert-Legal Explanation

OTHER	
File Name	56. Other 1, Other 2, Other 3, etc.

✓ Only

mark :

is not
of the

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

DIVISION OF STATE FINANCIAL ASSISTANCE

651 Bannon St, Suite 400
Sacramento, CA 95811
www.hcd.ca.gov



November 26, 2024
Amended January 31, 2025

MEMORANDUM FOR: Potential Applicants

FROM: Jennifer Seeger, Deputy Director
Division of State Financial Assistance
[Handwritten signature of Jennifer Seeger]

SUBJECT: Homekey+ Program
2024 Notice of Funding Availability

The California Department of Housing and Community Development (HCD or Department), in collaboration with the California Department of Veterans Affairs (CalVet), is pleased to announce the **availability of approximately \$2.145 billion of Homekey+ grant funding** through this Notice of Funding Availability (NOFA).

Proposition 1, passed by California voters in March 2024, is a critical step in advancing the state's goals to reduce homelessness and protect our most vulnerable populations through important changes to the Mental Health Services Act (MHSA). Proposition 1 includes the Behavioral Health Services Act (BHSA) and the Behavioral Health Infrastructure Bond Act (BHIBA). Homekey+ is the Permanent Supportive Housing component of the BHIBA.

Homekey+ will support the development of Permanent Supportive Housing for Veterans and individuals with mental health or substance use disorder challenges who are at-risk of or experiencing homelessness. Building on the success of both [Roomkey](#) and approximately \$3.572 billion awarded over three rounds of [Homekey](#), Homekey+ continues a statewide effort to sustain and rapidly expand Permanent Supportive Housing for persons experiencing homelessness.

Like other programs administered by the State of California that serve people experiencing homelessness, Homekey+ requires the use of Housing First, which is an evidenced-based model that quickly and successfully connects individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry or continued tenancy, such as sobriety, treatment or service participation requirements. With safe, affordable housing, and supportive services to address Behavioral Health Challenges, California's most vulnerable residents will have the foundation they need to thrive.

The Homekey+ funding available in this NOFA is **to provide Permanent Supportive Housing for individuals or households with an individual who is Homeless, Chronically Homeless, or At Risk of Homeless, and who are also living with a Behavioral Health Challenge**. Homekey+ also establishes allocations for Veterans

Homekey+ Notice of Funding Availability

November 26, 2024

Page 2

and for Youth relative to that Target Population. Homekey+ is largely derived from Proposition 1 bond funds established by the BHIBA (AB 531, Chapter 789, Statutes of 2023).

For this NOFA, as detailed in the table below, an estimated \$1.033 billion in Proposition 1 bond funds is available for Veteran-serving Projects. Additionally, an estimated \$1.11 billion is available for Projects serving the Target Populations, of which \$805 million is derived from Proposition 1 and approximately \$307 million is available from the Homeless Housing, Assistance, and Prevention (HHAP) Homekey+ Supplemental funding, made available in the 2023-24 and 2024-25 state budgets.

Description of Project Type	Funds Available
Veteran-serving projects	\$1.033 billion
All other Target Population Projects	\$1.11 billion

Tribal Applicants: Please note that a separate Tribal Homekey+ NOFA of approximately \$121 million for tribal applicants is available on the Department's [Tribal Homekey+ Program website](#).

Homekey+ provides housing to persons with Behavioral Health Challenges. Although Homekey+ largely remains similar to prior Homekey rounds, there are important differences to note. Homekey+ will only fund Permanent Supportive Housing; Interim Housing is no longer an eligible use. Homekey+ Projects are supported by laws that allow for a streamlined, ministerial approval process, provided certain conditions are met. However, it is important to note that these conditions have changed significantly from prior rounds of Homekey, as described in Appendix C. In addition to Appendix C, there are a variety of other development streamlining paths in state law that Applicants may wish to consider, which will be available on the Homekey+ website at the time of application release.

A hallmark of prior rounds of Homekey has been producing housing quickly and cost-effectively, mostly through adaptive reuse. HCD will continue to retain and build upon these principles and will offer funding for Permanent Supportive Housing Projects that incorporate cost-containment strategies in new construction Projects. As with the rest of the Homekey+ NOFA, this new construction cost containment pilot will fund Permanent Supportive Housing only. Homekey+ also introduces new flexibility to fund shovel-ready Projects with prior HCD or other awards in need of gap financing to commence construction. Please see Sections 501 and 502 for the new construction and gap financing requirements.

Homekey+ Projects receiving an Award must complete construction within 12 months, starting 60 days from the date of the Award letter, with the exception of new construction and gap financing Projects, which must complete construction within 24 months, starting 60 days from the date of the Award letter (see NOFA Section 204 for more details on all program deadlines).

Homekey+ Notice of Funding Availability

November 26, 2024

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Appropriate services, as specified in Section 302 “Supportive Services Requirements”, are critical to serving eligible populations in this NOFA. All applicants will need to demonstrate coordination or efforts to coordinate with the county behavioral health department in their community. In addition, Veteran-serving Projects will need to have cultural competency and experience serving Veterans or commit to completing a certification training to gain these competencies.

Lastly, this NOFA prioritizes Projects that commit to sustainable operations. Applicants are encouraged to discuss operating match capacity and local services partnerships during the required pre-application consultation. The NOFA affords HCD the right to prioritize funding for applications that are complete and commit to greater amounts of operational match, regardless of the order of applications received, as outlined in Sections 400-403.

To receive information on the upcoming Homekey+ NOFA webinar and other updates, please [click here](#) subscribe to HCD’s Homelessness Prevention Programs listserv.

If you want to learn more, Please visit HCD’s Homekey+ website at [Homekey+ | California Department of Housing and Community Development](#) Resources such as guidance and templates mentioned within this NOFA will be published to the website with the release of the Homekey+ Application.

If you have any questions, please submit them to Homekey@hcd.ca.gov.

Homekey+

2024 Notice of Funding Availability **(AMENDED)**



**Gavin Newsom, Governor
State of California**

**Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
California Department of Housing and Community Development**
651 Bannon St, Suite 400 Sacramento, CA 95811

Website: [Homekey+ | California Department of Housing and Community Development](https://hcd.ca.gov/homekey)
Homekey+ Program Email: Homekey@hcd.ca.gov

November 26, 2024
Amended January 31 2025

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Homekey +
Notice of Funding Availability
(AMENDED)

Article I. Program Overview

Section 100. Notice of Funding Availability (NOFA)

The California Department of Housing and Community Development (HCD), in collaboration with the California Department of Veterans Affairs (CalVet), is pleased to announce the availability of approximately \$2.145 billion in Homekey+ funding. Homekey+ aims to sustain and rapidly expand the inventory of Permanent Supportive Housing (PSH) for Veterans, young people, and other individuals and their households, with mental health and/or substance use disorder challenges who are at-risk of or experiencing homelessness. All units must be reserved for individuals (and their households, if applicable) with a Behavioral Health Challenge regardless of whether they are serving Veterans, Homeless Youth, or other eligible populations under Title 24 CFR 578.3. Behavioral Health Challenge is defined in the California Welfare and Institutions Code Section 5965.02 to include but not be limited to a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402, or a substance use disorder, as described in Section 5891.5. Enrollment in Medi-Cal or in any other health plan shall not be a condition for accessing housing or continuing to be housed. Please see Article VII of this NOFA under the Behavioral Health Challenge definition for the specific statutory language.

Recent estimates using Point-in-Time Count data from the Terner Center for Housing Innovation show that Black people in California experienced the highest rate of homelessness, about 205 people per 10,000—almost five times higher than the state's overall homelessness rate of 44 per 10,000. Native Hawaiian and Pacific Islander, Native American and Indigenous, and multiracial people also experienced disparate homelessness rates compared to the state's overall population. The pandemic made racial disparities even more apparent. California's homeless population is also aging rapidly, with adults 50+ the fastest growing age group. However, California's sustained investment in Veterans housing has resulted in significant reductions in the number of Veterans experiencing homelessness. In fact, California had the largest decrease in the country between 2010 and 2022. Homekey+, as with prior Homekey rounds, recognizes these trends and impacts and encourages Applicants to examine disproportionate impacts in their own communities and to develop strategies to address them, particularly for populations experiencing a Behavioral Health Challenge. Pursuant to Welfare and Institutions Code 8255, Homekey+ Projects are required to follow Housing First, which is an evidence-based model that connects homeless persons to permanent housing without preconditions or barriers to entry and continued tenancy, as outlined in Section 504 of this NOFA.

Homekey+ is an opportunity for Local Public Entities, including state and regional entities, to newly construct PSH, or acquire and convert to PSH a broad range of building types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, and manufactured housing.

There is approximately \$2.145 billion in Homekey+ funding that is derived from Proposition 1 bond funds established by the Behavioral Health Infrastructure Bond Act (BHIBA) (AB. 531, Chapter 789, Statutes of 2023), and the Homeless Housing Assistance and Prevention (HHAP) program Homekey Supplemental funding, made available in the 2023-24 and 2024-25 state budgets. For this NOFA, an estimated \$1.033 billion in Proposition 1 bond funds are available for Projects for Veterans with a Behavioral Health Challenge. Additionally, an estimated \$1.11 billion is available for Projects serving all eligible populations, of which, \$805 million is derived from Proposition 1 and approximately \$307 million is available from the HHAP Homekey+ Supplemental funding.

Section 101. Authorizing Legislation and Applicable Law

AB 140 (2021-2022 Reg. Sess.) and AB 531 (2023-2024 Reg. Sess.) provide the statutory basis for the Homekey+ Program. AB 140 added Section 50675.1.3 to the Health and Safety Code (HSC). AB 531 added Section 50675.1.5 to the HSC, and it added Chapter 4 (commencing with Section 5965) to Part 7 of Division 5 of the Welfare and Institutions Code.

AB 531 provides for the funding of Permanent Supportive Housing for individuals or households with an individual who is Homeless, Chronically Homeless, or At Risk of Homeless, and who are also living with a Behavioral Health Challenge. AB 531 also establishes allocations for Veterans and for Youth relative to that Target Population. AB 531 provides that such Homekey+ funds shall be disbursed in accordance with Section 50675.1.3 of the HSC, among other laws. AB 531 further provides an exemption pathway for Homekey+ Projects from the California Environmental Quality Act (CEQA). Please see Section 510 and Appendix C for details on this pathway.

HSC section 50675.1.3, subdivision (e) states: “The Department of Housing and Community Development may adopt guidelines for the expenditure of the funds appropriated to HCD, and for the administration of this program. The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.”

Assembly Bill 129 (Chapter 40, Statutes 2023) and Assembly Bill 166 (Chapter 48, Statutes 2024) established Round 5 and 6, respectively, of the Homeless Housing Assistance Prevention (HHAP). In accordance with HSC Section 50232, subdivision (h), the administration of HHAP 5 funds is not subject to the rulemaking provisions of the Administrative Procedure Act (APA) ((Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code)). In accordance with HSC Section 50239, subdivision (h), the administration of HHAP 6 funds is not subject to the rulemaking provisions of the APA. HCD is utilizing money from HHAP 5 and HHAP 6 to supplement this NOFA. This funding will be awarded to eligible cities, counties, and Tribal Entities pursuing the eligible uses of Homekey+ and meeting the HHAP eligible applicant requirements detailed in Section 200.

This NOFA serves as HCD’s guidelines for the expenditure of Homekey+ funds and the administration of the Homekey+ Program. Under this NOFA, references to “Homekey+” means both the guidelines for Homekey+ funded by Proposition 1 and for HHAP. As such, this NOFA establishes the terms, conditions, forms, procedures, and other mechanisms that HCD deems necessary to exercise its powers and to perform its duties pursuant to the

Homekey+ Program. The matters set forth herein are regulatory mandates and are adopted as regulations that have the dignity of statutes. (*Ramirez v. Yosemite Water Company, Inc.* (1999) 20 Cal. 4th 785, 799 [85 Cal.Rptr.2d 844].)

The Multifamily Housing Program (MHP) (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the HSC), and as subsequently amended, is hereby incorporated by reference. In accordance with HSC Section 50675.1.3, subdivision (d), in the event of a conflict between this NOFA and the MHP, the provisions of this NOFA are controlling.

The MHP Final Guidelines (MHP Guidelines), effective May 18, 2023, and as subsequently amended, are hereby incorporated by reference. In the event of a conflict between any of this NOFA and the MHP Guidelines, the provisions of this NOFA are controlling.

California Code of Regulations (CCR) Title 25, Section 42 requires an onsite manager, maintenance, or other responsible person for rental housing of 16 or more units, as specified in Section 302 Supportive Services requirements, of this NOFA.

The following administrative notices, policies, and guidance are hereby incorporated herein by reference and shall be deemed to have the same force and effect as if set forth in full herein:

- HCD's "[Disencumbrance Policy](#)" (Administrative Notice No. 2022-02), dated March 30, 2022, as amended on December 19, 2022, and as may be subsequently amended;
- HCD's "[Negative Points Policy](#)" (Administrative Notice No. 2022-01), dated March 31, 2022, as amended on November 9, 2022 and April 3, 2023, and as may be subsequently amended;
- HCD's "[Repeal of Stacking Prohibition of Multiple Department Funding Sources](#)" (Administrative Notice No. 21-06), dated August 20, 2021, and as may be subsequently amended, with the exception noted in Section 207 Funding Limits; and
- The Program's "Homekey Appraisal Guidelines" and as may be subsequently amended.

The [Uniform Multifamily Regulations](#) (UMRs) (Cal. Code Regs., tit. 25, § 8300 et seq.), effective November 15, 2017, and as subsequently amended, are hereby incorporated by reference, except to the extent that any UMR provision would be inconsistent with the provisions of this NOFA.

All other criteria and matters set forth within the NOFA shall also govern Tribal Entity applications submitted under this NOFA, unless and except to the extent expressly provided to the contrary by terms set forth within this NOFA and subject to any potential modification or waiver under or pursuant to Assembly Bill No. 1010 (Chapter 660, Statutes 2019), which is set forth in HSC §50406, subdivision (p).

Section 102. Program Timeline

Homekey+ funds will generally be available to Eligible Applicants on a continuous, Over the Counter basis, with exceptions noted in Section 400. The following table summarizes the anticipated Homekey+ program timeline. HCD reserves the right to modify the projected timeline at any time.

Table 1: Anticipated Timeline for Homekey+ Applications

NOFA release	November 26, 2024
Stakeholder Webinar	January 2025
Application release	Late January 2025
Final application due date	For gap financing Projects: March 14 April 3 , 2025. For all others, May 30, 2025, or until funds are exhausted, whichever occurs first.
Award announcements	Continuous, expected to begin June 2025
Standard Agreements	All required documentation is due no later than 45 days from a Conditional Award letter, with SA execution to occur no later than 90 days from the date all required documentation is received.
Disbursement of funds	Continuous after Standard Agreement execution, satisfaction of all conditions precedent to disbursement, and completion of a request for funds form.
Homekey+ Annual Report	Annually by March 31 st , starting after construction completion.

Article II. Program Requirements

Section 200. Eligible Applicants

Each of the following entities may apply independently, or each entity may apply jointly with a nonprofit or for-profit corporation, a limited liability company (LLC), and/or a limited partnership (LP) as a Co-Applicant. This includes Applicants applying for gap financing. Under California Code of Regulations Title 25, Section 8313.2. HCD permits Co-Applicants to also be Special Purpose Entities (SPEs). A Special Purpose Entity (SPE) is an entity formed to develop, own, and operate a Project while isolating financial risk. The entity's sole asset is the property, and its sole purpose is to own and manage the property or assets. Please see Sections 300 and 301, and Article VII for more information and required SPE documents.

Eligible Applicants include the following, with the exception noted for HHAP in item (iii.):

- i. Cities, counties, cities and counties, and all other state, regional, and Local Public Entities, including councils of government, metropolitan planning organizations, Public Housing Authorities, and regional transportation planning agencies designated in Section 29532.1 of the Government Code.
- ii. Tribal Entities.

Tribal Entities are eligible under this NOFA but are also encouraged to apply for Homekey+ via a forthcoming Homekey+ Tribal Entity NOFA of approximately \$121 million, to be released under separate cover in November 2024 and available on the Department's [Tribal Homekey+ Program website](#), that will be developed exclusively for and in consultation with Tribes.

The requirements set forth in this NOFA are subject to AB 1010 (Stats. 2019, c. 660), which is set forth in HSC Section 50406, subdivision (p). Accordingly, and pursuant to HSC Section 50406, subdivision (p), **(a)** where the provisions of Tribal law, Tribal governance, Tribal charter, or difference in Tribal Entity or legal structure would cause a violation or not satisfy the requirements of this NOFA, said requirements may be modified as necessary to ensure program compatibility; and **(b)** where provisions of Tribal law, Tribal governance, Tribal charter, or difference in Tribal Entity legal structure or agency create minor inconsistencies (as determined by the Director of HCD or a duly authorized designee thereof) with the requirements set forth in this NOFA, HCD may waive said requirements, as deemed necessary, to avoid an unnecessary administrative burden. Matters set forth or otherwise provided for in this NOFA that may be modified or waived include, without limitation, threshold scoring requirements and any other matters set forth in HSC Section 50406, subdivision (p)(2). Tribal Applicants are accordingly encouraged to discuss any such potential modifications or waivers and their options in that regard at the pre-application consultation.

- iii. Pursuant to CA HSC Sections 50237 and 50241, HHAP Homekey+ Supplemental eligible applicants are:
- a. California's 14 largest cities with a population of 300,000 or more as of January 1, 2022.
 - b. California's 58 Counties
 - c. The entities in a. and b. must have:
 1. A compliant housing element as defined in Government Code Section 65589.9, at the time a Homekey+ application is submitted; and
 2. An approved HHAP regionally coordinated homelessness action plan.
 - d. Tribal Entities

Section 201. Eligible Uses

Awarded funds must be used to provide housing for the Target Population of individuals or households including a person who is experiencing a Behavioral Health Challenge and experiencing or At Risk of Homelessness. Projects targeting funds allocated for Veterans Projects must provide housing for Veteran households including experiencing a Behavioral Health Challenge and experiencing or At Risk of Homelessness.

Nothing in the Homekey+ NOFA precludes Applicants from pursuing Projects that include both Homekey+ and non-Homekey+ units, however, Homekey+ will only fund the units that meet the guidelines of the Homekey+ NOFA.

Prospective Applicants are further advised that Projects may contain a mix of eligible Homekey+ subpopulations, including Veterans, non-Veterans, Homeless Youth, etc.

- i. The list of eligible uses is as follows:
 - a. Acquisition or Rehabilitation, or Acquisition and Rehabilitation, of motels, hotels, hostels, apartments or homes, assisted living residences, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to Permanent Supportive Housing (PSH).
 - b. Master leasing of properties for PSH.
 - c. Conversion of units from nonresidential to residential PSH. (i.e. adaptive reuse) and conversion of Interim Housing to PSH.
 - d. New construction of dwelling units (see Section 501).
 - e. Gap financing (see Section 502).
 - f. The purchase of affordability covenants and restrictions for units.

- g. Relocation costs for individuals who are being displaced because of the Homekey+ Project.
 - h. Capitalized operating subsidies for PSH units purchased, converted, constructed, or altered with funds provided pursuant to HSC Section 50675.1.3.
- ii. Ineligible uses include:
- a. Interim Housing.
 - b. Existing Homekey Assisted Units, previously awarded under Rounds 1, 2 and 3 of Homekey, are ineligible for funding under this NOFA, with the exception of the following:
 1. Previously funded Homekey Projects that will expand to create new PSH units, or
 2. Previously funded Interim to Perm Homekey Assisted Units are eligible for gap financing under Section 502 of this NOFA, if the units are currently occupied and need funding to convert from Interim Housing to PSH.
 - c. The Homekey+ program is intended to support the development of PSH units and will not fund congregate shelter.
 - d. Licensed behavioral health care facilities, which may be eligible for Proposition 1 funding through the Department of Health Care Services (DHCS).

Section 202. Eligible Projects

Homekey+ funds Permanent Supportive Housing (PSH) and will require a 55-year affordability term. HCD welcomes and will consider a variety of innovative housing solutions as eligible Projects, including excess state-owned property developments. The following list of eligible Projects is not exhaustive.

- i. Conversion of nonresidential structures to residential dwelling units.
- ii. Conversion of commercially zoned structures, such as office or retail spaces, to residential dwelling units.
- iii. Conversion of buildings with existing residential or interim uses that will be used to create PSH units.
- iv. Multifamily rental housing Projects.
- v. Scattered site housing on multiple contiguous or non-contiguous sites is permitted as long as the resulting housing has common ownership, financing, and property management.

- vi. PSH units in a shared housing setting. Shared housing is a structure shared by two or more households where each household resides in a separate private bedroom that can be locked and has a lease, with all the rights and responsibilities of tenancy.
- vii. Any of the Eligible Projects above, developed in excess state-owned properties.

Section 203. Allocations and Geographic Distribution

Unless otherwise indicated, all NOFA provisions and scoring criteria shall govern the allocations in this NOFA. HCD will deploy unused funds from any undersubscribed allocation and region to fund applications in the manner described in the Discretionary Reserve. HCD will also redeploy undersubscribed and unused funds, as specified at Section 400 of this NOFA. Table 2 shows the funding available in this NOFA by allocation.

Table 2: Homekey+ Funding Allocations

Allocation (% of appropriation)	Veterans	General Population	NOFA Total
Youth - 8%	\$85,200,000	\$102,320,000	\$187,520,000
Rural - 5%	\$53,250,000	\$63,950,000	\$117,200,000
Discretionary Reserve - 10%	\$106,500,000	\$127,900,000	\$234,400,000
Available for Regions	\$788,100,000	\$817,586,000	\$1,605,686,000
Totals	\$1,033,050,000	\$1,111,756,000	\$2,144,806,000

i. Allocations

a. Youth At Risk of or Experiencing Homelessness

Pursuant to HSC Section 50675.1.3, subdivision (c), HCD shall allocate not less than eight percent (8%) of the Homekey+ funding appropriated, for Projects serving Homeless Youth, or Youth at Risk of Homelessness, as defined in 24 Code of Federal Regulations (CFR) part 578.3.

b. Rural Target Allocation

HCD will allocate five percent (5%) of the appropriated Homekey+ funding for Projects in Rural Area jurisdictions as set forth in HSC Section 50199.21.

c. Discretionary Reserve

HCD will allocate ten percent (10%) of available Homekey+ funds for a Discretionary Reserve to address the following:

1. Covering overages from other allocations, where there are funds available, but the funds are insufficient to fully fund the next eligible Project in the region or allocation.
2. Funding high scoring Projects from oversubscribed regions. Awards will not be made until application period closes to the extent funds are available.

d. Geographic Distributions

Homekey+ aims to equitably offer opportunities throughout the state for Eligible Applicants to apply to this NOFA. After distributing funds to the Homeless Youth, Rural Target and Discretionary Reserve Allocations, this NOFA allocates the balance of the funds geographically. The Homekey+ geographic regions outlined in Table 3 below are largely aligned with California's Councils of Government (COGs).

Each region's share of the Homekey+ allocation is calculated based on its proportionate share of Veterans and other persons experiencing homelessness as indicated by the sheltered and unsheltered 2023 Homeless Point-in-Time Count (PIT), plus each region's proportionate share of Extremely Low Income (ELI) renter households that are paying more than 50 percent of their income for rent (Severely Rent-Burdened), sourcing data from the 2022 American Community Survey (ACS) Integrated Public-use Microdata Sample. In order to most accurately account for need, the regional funding allocations in this NOFA consist of a distribution for Projects serving the general population and a distribution for Veterans. The Veteran PIT and Severely Rent-Burdened figures are deducted from the general population numbers as to not double count Veterans.

Table 3: Homekey+ Geographic Regions

Counties by Region				
Balance of State	Alpine	Bay Area	Alameda	San Diego County
	Amador		Contra Costa	Fresno
	Butte		Marin	Kern
	Calaveras		Napa	Kings
	Colusa		San Francisco	Madera
	Del Norte		San Mateo	Merced
	Glenn		Santa Clara	San Joaquin
	Humboldt		Solano	Stanislaus
	Inyo		Sonoma	Tulare
	Lake		Monterey	Imperial
Balance of State	Lassen	Central Coast	San Benito	Orange
	Mariposa		San Luis Obispo	Riverside
	Mendocino		Santa Barbara	San Bernardino
	Modoc		Santa Cruz	Ventura
	Mono		Los Angeles County	
	Nevada		El Dorado	
	Plumas		Placer	
	Shasta		Sacramento	
	Sierra		Sutter	
	Siskiyou		Yolo	
Balance of State	Tehama		Yuba	
	Trinity	Sacramento County		
	Tuolumne			

Table 4 shows the regional allocations resulting from deducting the Veterans PIT and Veterans who are Severely Rent-Burdened from the general population

numbers. Table 5 shows the regional allocations for units and Projects serving Veterans. Table 6 below shows the total funding available in this NOFA by regional allocation.

Table 4: Homekey+ Geographic Allocation for General Population
***Figures do not include Veterans**

Region	2023 PIT Count*	Severely Rent-Burdened*	Allocation
Balance of State	7,665	22,714	\$28,990,773
Bay Area	34,643	203,285	\$161,667,416
Central Coast	7,138	43,253	\$33,727,136
Los Angeles County	71,236	381,880	\$321,433,030
Sacramento Area	11,455	61,717	\$51,781,757
San Diego County	9,450	95,499	\$56,293,533
San Joaquin Valley	12,499	90,772	\$63,635,222
Southern California	16,247	174,940	\$100,057,133
Total	170,333	1,074,060	\$817,586,000

Table 5: Homekey+ Geographic Allocation for Veterans

Region	2023 Veteran PIT Count	Severely Rent-Burdened Veterans	Veteran Allocation
Balance of State	582	2,277	\$41,923,051
Bay Area	2,013	7,388	\$141,592,331
Central Coast	405	1,252	\$26,847,679
Los Angeles County	4,282	12,382	\$277,863,641
Sacramento Area	752	2,266	\$49,438,314
San Diego County	814	7,939	\$91,905,882
San Joaquin Valley	606	3,781	\$53,520,342
Southern California	1,135	7,763	\$105,008,761
Total	10,589	45,048	\$788,100,000

Table 6: Summary of Homekey+ Regional Allocations (Tables 4 and 5)

Region	Veteran Allocation	General Population Allocation	Total Allocation
Balance of State	\$41,923,051	\$28,990,773	\$70,913,823
Bay Area	\$141,592,331	\$161,667,416	\$303,259,747
Central Coast	\$26,847,679	\$33,727,136	\$60,574,815
Los Angeles County	\$277,863,641	\$321,433,030	\$599,296,672
Sacramento Area	\$49,438,314	\$51,781,757	\$101,220,070
San Diego County	\$91,905,882	\$56,293,533	\$148,199,415
San Joaquin Valley	\$53,520,342	\$63,635,222	\$117,155,564
Southern CA	\$105,008,761	\$100,057,133	\$205,065,894
Totals	\$788,100,000	\$817,586,000	\$1,605,686,000

Section 204. Program Deadlines

Awardees will be subject to the following deadlines, summarized in Table 7. The dates begin 60 days after the Homekey+ Conditional Award letter date to allow time for Standard Agreement execution. If the due date falls on a weekend or holiday, then the due date becomes the next business day after the weekend or holiday. Construction Completion can be proven by a Temporary Certificate of Occupancy, Certificate of Completion, or Contractor scope of work with signed statement of completion. Occupancy completion is proven by Rent Roll or other forms of verification to prove units are occupied.

Table 7: Program Deadlines*

Eligible Uses	Break Ground (if applicable)	Complete Construction	Complete Expenditure	Complete Occupancy
New Construction and Gap Financing	6 months	24 months	27 months	27 months
All other Eligible Uses in Section 201	N/A	12 months	15 months	15 months

*Deadlines begin 60 days from date of Award letter and may only change upon HCD approval.

- i. New construction and gap financing Projects must break ground within 6 months.
- ii. All Eligible Uses in Section 201, except new construction and gap financing, must be completed in 12 months. New construction and gap financing projects must be completed in 24 months.
- iii. Capital Expenditure for all Eligible Uses in Section 201, except new construction and gap financing, must be completed within 12 months. Capital Expenditure for new construction and gap financing must be completed within 24 months. Any project type may request an expenditure deadline extension to Occupancy completion.
- iv. Full occupancy must be achieved 90 days upon completing construction. For acquisition of new construction projects with no Rehabilitation, occupancy must be achieved within six (6) months of acquisition. HCD reserves the right to recommend special conditions for longer occupancy timeframes for large Projects (over 75 units) up to an additional three (3) months.
- v. All Awards for Operating Expenses must be expended within ten (10) years from initial occupancy. HCD may, in its sole and absolute discretion, extend the expenditure deadline up to a total of 15 years.

HCD may, in its sole and absolute discretion, approve an extension of the acquisition, Rehabilitation, construction, and/or occupancy deadlines if the Grantee demonstrates, to HCD's satisfaction, that the relevant delay is caused by reasonably unforeseeable events, conditions, or circumstances. Construction labor shortages and supply chain issues do not constitute reasonably unforeseeable events, conditions, or circumstances for purposes of an extension request. Extension requests shall be submitted in electronic format on a form provided by HCD.

HCD may reimburse eligible costs incurred beginning on March 5, 2024, with the exception of operating costs. Applicants are encouraged to discuss their options at the required pre-application consultation.

Section 205. Capital Award and Match

Homekey+ will fund a maximum grant amount per door, pursuant to the conditions of this Section, which includes both the acquisition cost and any needed Rehabilitation or new construction. **The Award will be the lower of the following: (1) the maximum grant amount, or (2) the sum of the acquisition amount and any additional construction or Rehabilitation expenses, as supported by an appraisal and such other reasonable documentation required by HCD.** For new construction and conversion of office, commercial, or other non-residential structures into residential dwelling units, Homekey+ will fund a maximum grant amount per completed Assisted Unit serving the Target Population, or an amount as supported by an appraisal, whichever is lower. "Assisted Unit," as defined in Article VII, refers to units that are available to serve the Target Population after the construction or conversion of the property.

For PSH Projects that are not seeking gap funding under Section 502, HCD will contribute a baseline amount of \$200,000 per door for each Assisted Unit and Manager's Unit. This baseline contribution does not require capital match.

Note that Homekey+ will fund "doors" based upon the number of units at the time of acquisition which may differ from the number of units that are available in the final Project. For those Projects that undergo a conversion, the number of doors may need to be reduced in the Project to accommodate kitchenettes, additional bedrooms, space for Supportive Services, and other amenities.

In situations where units at acquisition are combined to make larger Assisted Units, Awards will be calculated according to the number of doors at acquisition. In situations where multi-bedroom (two or more bedrooms) units at acquisition are divided into smaller Assisted Unit sizes, Awards will default to the number of Assisted Units created after the conversion of the property. Manager's Units may be included in the calculation for the capital Award only.

i. Additional Contribution Amount – Capital Match

Beyond the baseline amount, the Eligible Applicant may leverage a 1:1 local match to provide up to \$100,000 in additional funds per door. For example, where the Applicant shows \$100,000 or more in matching funds, HCD will fund

no more than \$300,000 for an Assisted Unit serving the Target Population. Appendix A shows how maximum funding Awards from Homekey+ vary with different Applicant contribution levels. Capital match may be obtained from any source, including any federal, state, local, private, or philanthropic source.

For the purchase of Affordability Covenants and restrictions, and for master-leasing, HCD may size the Award per door based on a recent market study within the past year which conforms to guidelines adopted by the California Tax Credit Allocation Committee (TCAC), and/or a rent roll, and/or other supporting documentation. For these uses, the maximum Homekey+ contribution per door shall not exceed the maximum amounts referenced in this Section for acquisition, Rehabilitation, and new construction.

For relocation costs, HCD will pay for one-half of the relocation cost per door in addition to the capital Award. For example, if a Project includes \$15,000 in relocation costs, then HCD will pay for \$7,500 of that relocation cost.

Section 206. Operating Awards and Match

Homekey+ will fund a maximum operating grant amount per door, pursuant to the conditions of this Section:

- i. Where an Award for Operating Expenses is requested, the total amount of operating Award per Assisted Unit shall not exceed \$1,400 per month for the duration of the operating Award, as described below.
 - ii. The total duration of the operating Award is tied to the amount of the Applicant's fully committed matching funds. Sources are only considered fully committed when an EFC meets the standard in Article VII demonstrating that a contract or commitment of funds is guaranteed at the time of application.
 - a. If Projects can demonstrate a commitment of three years of non-Homekey+ operating funds for Assisted Units, HCD will provide an operating Award sized for up to three years.
 - b. If Projects can demonstrate a commitment of four years of non-Homekey+ operating funds for Assisted Units, HCD will provide an operating Award sized for up to four years.
 - c. If Projects can demonstrate a commitment of five or more years of non-Homekey+ operating funds for Assisted Units, HCD will provide an operating Award sized for up to five years.
 - iii. Operating Awards are determined based on need, exclusive of items referenced in subsection (v). The amounts and durations referenced in (i) and (ii) represent maximums. To be eligible to receive an operating Award based on need, the Applicant must submit documentation showing that additional sources of operating funding were sought but were unavailable to support Project operations. The Applicant must demonstrate that they:

- a. Identified all possible federal, state, and local sources of rental assistance and other operating assistance to support operating the Assisted Units; and
 - b. Submitted unfunded applications or other written requests to the appropriate entity to secure Project-based rental or other operating assistance to support operating the Assisted Units; or
 - c. Can provide other evidence from the appropriate entities that rental assistance and other operating assistance is not available to support operating the Assisted Units.
 - d. Applicants must also commit to continuing to seek operating funding in future years as funding becomes available. Applicants are encouraged to collaborate with their county behavioral health department to secure housing intervention services funded by the Behavioral Health Services Act, which becomes available in July 2026.
- iv. Awards for Operating Expenses may pay for a Project's necessary, recurring Operating Expenses in an amount approved by HCD. Operating Expenses should be included in the Project's submitted budget. Qualifying expenses can include a variety of expenses such as utilities, maintenance, management fees, taxes, licenses, and Supportive Services costs.
- v. Awards for Operating Expenses shall not pay for the following expenses:
- a. Costs associated with non-Assisted Units, including Manager's Units.
 - b. Debt service.
 - c. UMR-required reserve account initial and/or annual deposits.
 - d. Deposits to reserves beyond those required by HCD under the UMRs, including reserves required by other Project financing sources.
 - e. Distributions.
 - f. Developer fees.
 - g. Under no circumstances may Homekey+ operating funds be used for or in connection with a limited partner buyout, substitution, or assignment of ownership interest.
- vi. The Homekey+ funded portion of the Award for Operating Expenses must be expended no later than ten (10) years from initial occupancy as per Section 204, with the Grantee establishing a capitalized operating subsidy reserve (COSR) and expending the eligible Operating Expenses, as outlined in this

NOFA. HCD has the sole right to extend the expenditure deadline up to a total of 15 years. The deposit of the Homekey+ Award for Operating Expenses into the COSR does not count as expended.

- vii. Eligible Applicants are required to demonstrate a minimum three (3)-year commitment to provide operating funds for the proposed Project to qualify for the Homekey+ Award for Operating Expenses. As noted in (ii.), additional local match may result in additional Homekey+ funding, for a period up to five (5) years. Eligible Applicants may include funds from the Homekey+ Award for Operating Expenses in the Project budget for up to ten years from occupancy, as described in (vi.). Non-Homekey+ sources may be obtained from any source, including any federal, state, local, private, or philanthropic source. Applicants are encouraged to consider:
- a. HUD funded Project-based Vouchers (PBV), Housing Choice Vouchers (HCV), and Veterans Affairs Supportive Housing (HUD-VASH) Vouchers;
 - b. Mainstream Vouchers;
 - c. Foster Youth to Independence Vouchers (FYI);
 - d. Faircloth to Rental Assistance Demonstration (RAD) conversions;
 - e. Homeless Housing Assistance and Prevention Program (HHAP) funding;
 - f. Permanent Local Housing Allocation (PLHA) funding;
 - g. Transitional Housing Program (THP) or Transitional Housing Program Plus (THP-Plus) funding;
 - h. Mental Health Services Act (MHSA) funding;
 - i. Behavioral Health Services Act (BHSA) funding; and
 - j. HOME-ARP funding.

The preceding list of potential match sources is not exhaustive. Operating match requirements and the Project's potential match sources will be discussed during the required pre-application consultation.

Additionally, the following requirements apply to operating match contributions:

- viii. The Eligible Applicant must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match Homekey+ funds; and
- ix. If State General Funds are used to satisfy the matching requirements of another program, then funding from that program may not be used to fulfill the matching requirements of the Homekey+ program.

Section 207. Funding Limits

- i. In addition to the funding limits described throughout this NOFA, Homekey+ will implement additional funding limits as follows:
 - a. Any Co-Applicant that is not an Eligible Applicant will be limited to a maximum of four (4) Homekey+ Awards. At the sole discretion of the Director of HCD or the Director's designee, requests for an exemption to this limit may be approved based on factors including, but not limited to, CalVet consultation as applicable, Co-Applicant capacity and Co-Applicant performance on prior HCD awards.
 - b. Per Project Funding Limit:
 1. Single Family Scattered-Site Projects shall be limited to \$10 million total per Project, as detailed in Section 303.
 2. For other Projects, exclusive of gap financing projects described in Section 502, no more than \$35 million in total HCD sources may be used per Project.

The Project funding limits applies to Homekey+ capital and operating funds, and to all HCD sources of permanent loans for onsite development costs and operating costs. Grants from other HCD programs are excluded from this per Project funding limit.

At the sole discretion of the Director of HCD or the Director's designee, with CalVet consultation as applicable, per Project funding limit requests in excess of \$10 million for Single Family Scattered Site Projects and \$35 million for all other Projects, may be approved as an exemption to the Project funding limits, if the Project uniquely advances state policy priorities, is high scoring, is located in high or highest resource areas as identified in the [2023 Opportunity Maps – Adopted January 2023](#), and/or is located in a high-cost region. Applicants asserting the Project is in a high-cost area shall provide data from HUD, the United States Census Bureau, or another authoritative source to validate the assertion. All exemption requests shall not exceed ten percent (10%) above the per Project funding limit.

To request an exemption to the limits in 1 and 2, Applicants must submit justification at the time of application. The justification will be reviewed with the application package in accordance with Section 400. A form to request an exemption will be available on the Homekey+ website when the Homekey+ application is released.

- ii. HCD's [Repeal of Stacking Prohibition of Multiple Department Funding Sources memo](#) (Administrative Notice Number: 21-06), dated August 20, 2021, is hereby incorporated by this reference as if set forth in full herein, and it shall be applicable. Applicants must ensure that all HCD funding sources in the Project

are represented pursuant to the memo. Homekey+ Awards shall not be layered with other HCD funding sources in a manner that causes either the per unit or total Project funding to exceed the total development cost.

- a. Projects applying under gap financing Section 502, are excluded from the limits within the memo.

Section 208. Affordability Covenant

The Grantee shall duly encumber all Projects with a 55-year Affordability Covenant for Permanent Supportive Housing that (a) is recorded in first position against the Project real property for the benefit of the state, regional, local, or tribal Grantee, (b) restricts the use, operation, occupancy, and affordability of the Project in accordance with all applicable requirements of this NOFA and all other Homekey+ Program Requirements, (c) duly names HCD as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, (d) incorporates the Homekey+ Program Requirements by reference, and (e) is otherwise in form and substance acceptable to HCD.

No exceptions will be made to the requirement to record the Affordability Covenant in first position.

The Affordability Covenant must be approved by HCD prior to disbursement and recorded as part of the escrow transaction. Upon its execution, the Affordability Covenant shall be binding, effective, and enforceable against all successors, transferees, and assignees, and it shall continue in full force and effect for a period of not less than 55 years after a certificate of occupancy or its equivalent has been issued for the Project, or if no such certificate is issued, from the date of initial occupancy of the Project.

Permanent Supportive Housing Projects located on Tribal trust land shall be duly encumbered with an Affordability Covenant containing all of the terms listed above excepting that they shall have an initial term of 50 years to match the period of affordability restrictions under the Low-Income Housing Tax Credit (LIHTC) program, commencing with the date of recordation of HCD's Affordability Covenant. Prospective applicants are advised to also review the Tribal Entity Homekey+ NOFA for Tribal applicants, which may have different requirements.

Article III. Threshold and Scoring Criteria

Section 300. Threshold Requirements

To be eligible to receive Homekey+ funding, all applications must meet the threshold requirements of this Section. HCD reserves the right to request clarification of unclear or ambiguous statements made in an application and other supporting documents.

- i. Applications may be submitted independently by an Eligible Applicant, as defined in Section 200 and Article VII. Alternatively, each Eligible Applicant may apply jointly with a Co-Applicant, as specified. No additions of Co-Applicants or special purpose entities will be considered subsequent to the date of application, including after Standard Agreement execution.
- ii. Projects must serve persons qualifying or households that include persons qualifying as members of the Target Population.
- iii. Applicants must submit a completed application workbook with all worksheets, documents and supplemental information.
- iv. Applications must include a Project-specific Supportive Services Plan, that shall be consistent with any representations made in the application, and it shall meet the Homekey+ Program Requirements noted in NOFA Section 302.
- v. Project Ownership Structure submitted with the application workbook that demonstrates the relationship of the Applicants, Co-applicants, and Project entities within the ownership structure.
- vi. Required documents from each Eligible Applicant and Co-Applicant as applicable, including but not limited to:
 - a. A duly executed resolution authorizing the entity to apply for funds and to participate in the Homekey+ Program in connection with each discrete Project; attested to by a person other than the person identified as the authorized signatory. If there is more than one authorized signatory identified, state whether one or all signatories are required to submit and execute program documents. If the application is being signed by a designee of the authorized signatory, the Applicant must also submit a designee letter or other proof of signing authority. The resolutions should materially comport with the Homekey+ resolution templates that will be available on the Homekey+ [website](#) when the application is released.
 - b. Organizational documents supporting the resolutions submitted with the application. Eligible Applicants are exempted from this requirement. Notwithstanding the foregoing, HCD reserves the right to request additional documentation at any point to verify any entity's authority and/or organizational structure. For a complete list of organizational documents, refer to Appendix B.

- vii. Applicants shall provide a written non-discrimination policy that complies with the requirements in Section 508.
- viii. Applications shall provide a statement how the Project will address equity that must answer the following question: What specific actions will the Applicant take to ensure equitable access to housing and services for groups that are overrepresented among residents experiencing homelessness in its jurisdiction and region? Examples of what applicants should consider include race, ethnicity, age (e.g. youth, elderly), disability status, LGBTQ+ status, etc. The response shall reference the latest Continuum of Care (CoC) Homelessness Management Information System (HMIS) demographics data to explain. Please see the Homekey+ [website](#) for the template at the time of Application release.
- ix. Applications shall provide a statement how the Project will engage the Target Population that must answer the following question: How did/will the Applicant engage with the Target Population to inform the design of the Project operations and Supportive Services? Please see Homekey+ [website](#) for guidance documents at the time of Application release.
- x. The Applicant shall have site control of the property at the time of application, and such control shall not be contingent on the approval of any other party. The status and nature of the Applicant's title and interest in the property shall be subject to HCD's approval. Site control may be evidenced by one of the following:
 - a. Fee title, evidenced by a current title report dated within 90 days of application submission showing the Applicant holds fee title, or for Tribal trust land, a title status report (TSR) or an attorney's opinion regarding chain of title and current title status.
 - b. A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit compliance with all Homekey+ Program Requirements.
 - c. A leasehold estate held by a Tribal Entity in federal Tribal trust lands property, or a valid sublease thereof that has been or will be approved by the Bureau of Indian Affairs.
 - d. An executed disposition and development agreement, or irrevocable offer of dedication to a public agency.
 - e. A fully executed sales contract, or other enforceable agreement for the acquisition of the property.
 - f. A letter of intent, executed by a sufficiently authorized signatory of the Eligible Applicant, that expressly represents to HCD, without condition or reservation, that, upon successful application, the Eligible Applicant shall purchase or otherwise acquire a sufficient legal interest in the property to

accomplish the purpose of the award. The letter of intent must also be acknowledged by the party selling or otherwise conveying an interest in the subject property to the Eligible Applicant.

If this form of evidence is relied upon at the time of application, HCD may impose additional milestones, in the Standard Agreement, regarding increased evidence of eventual site control closer to the likely close of escrow.

- g. Other forms of site control that give HCD assurance (equivalent to items a. through f. above) that the Applicant will be able to complete the Project in a timely manner and in accordance with all the Program's objectives and requirements.
- h. For Applicants proposing sites that will require a use change, lot split or other local approvals for Permanent Supportive Housing, include a commitment and plan to facilitate or expedite those processes, to not delay expenditure and occupancy requirements.
- xi. Applicants shall provide a preliminary title report for each site, dated within 90 days of application submission.
- xii. Applicants shall provide a detailed development plan that supports acquisition of a site, completion of Rehabilitation or construction, occupancy, and fund expenditure before all program deadlines, factoring in entitlements, permits, procurement, potential construction delays and supply chain issues, and demonstrates evidence of strong organizational and financial capacity to develop the Project. Please see Homekey+ [website](#) for guidance at the time of application release.
- xiii. Applicants shall provide an appraisal prepared no earlier than 12 months prior to application submission date for all Projects seeking acquisition funds from Homekey+ or if property value will be used as local match. The appraisal must comply with the Homekey+ requirements outlined in the Homekey+ Appraisal Guidance document, which will be available on the Homekey+ [website](#).
- xiv. All Projects seeking funding for Rehabilitation must submit the following:
 - a. Rehabilitation narrative of current condition of structure(s) and overall scope of work; and
 - b. Physical Needs Assessment (PNA) or equivalent prepared by a qualified independent third-party contractor and dated within 12 months prior to application submission.
- xv. For Projects seeking funding for master leasing and purchase of Affordability Covenants, Applicant shall provide a market study prepared no earlier than 12 months prior to application submission which conforms to TCAC guidelines, and/or a rent roll, and/or other supporting documentation.
- xvi. All Projects seeking funding for Rehabilitation and new construction are

required to submit a Phase I Environmental Site Assessment (ESA) which was prepared or updated no earlier than 12 months prior to application submission.

- xvii. Relocation Assistance Narrative. Applicant shall submit a concise, sufficiently detailed narrative to demonstrate its consideration of, and early engagement with, applicable relocation assistance laws and requirements. An Applicant's unsupported conclusion that relocation law does not apply or that the Project Site is vacant does not sufficiently demonstrate such consideration and engagement. The Applicant must support any representation that relocation law does not apply or that the Project Site is vacant by including either an explanation that supports this representation or supporting documentation that establishes that the property is vacant. This Relocation Assistance Narrative will be evaluated by HCD to determine whether a relocation plan is required by law or whether a certificate of no-relocation can be issued. The Relocation Assistance Narrative does not take the place of these two documents. Grantee shall submit either a relocation plan or a certificate of no-relocation as a condition of disbursement. See Section 507 and Homekey+ [website](#) for more information and template, which will be uploaded when the application is released.

Applicant's Relocation Assistance Narrative shall include or identify the following:

- a. A diagrammatic sketch of the Project site that illustrates the boundaries of the Project Site and all existing improvements thereon.
- b. Clear, recent, high-resolution photographs of the Project site and all improvements thereon (e.g., exterior and interior photos of the buildings, parking lots, billboards).
- c. The Projected dates of any Homekey+-funded acquisition, construction, Rehabilitation, demolition, or similar development activities at the Project site.
- d. A description of any persons, businesses, or farm operations that will or may be displaced from the Project site by the foregoing development activities. Applicant shall specify whether any such displacement will be permanent or temporary.
 1. If no such displacement will occur, Applicant shall conclude the narrative by expressly confirming that Applicant's eligible use(s) of the funds will not result in the displacement of any persons, businesses, or farm operations from the Project site.
 2. If such displacement will occur, Applicant shall further develop the narrative by including the additional elements set forth at (e) – (i) below.
- e. A description and evidence of attempts made to maintain the tenure of

existing residents that may qualify under the criteria for the Target Population.

- f. A description of the aggregate relocation needs of the persons, businesses, or farm operations that will or may be displaced by the Homekey+ funded activities.
 - g. A brief description of how those relocation needs will be met, as well as the Applicant's projected timeline for fully meeting those needs, including the dates of planned notices to displaced persons, businesses, or farm operations.
 - h. An identification of the Applicant's relocation consultant and/or relocation services provider in connection with the Project site. Applicant shall also submit legible copies of its contract or letter of intent with or to the relocation consultant and/or relocation services provider.
 - i. Applicant's cost estimate (and associated funding strategy) for providing relocation assistance and benefits to the persons, businesses, or farm operations that will or may be displaced by the Homekey-funded activities.
- xviii. Enforceable Funding Commitments (EFCs) as defined by Article VII (xvii) for:
- a. Development costs with specific funding sources, including federal, state, local, private, or philanthropic sources for the proposed Project.
 - b. Rental subsidies, operations, and service costs with specific funding sources, including federal, state, local, private, or philanthropic sources for ongoing sustainability. For projects applying for a program operating Award (see Section 206) EFCs must be fully committed to match the numbers of years of the operating award. Please see Section 305(3)(a) for potential points and the Homekey+ [website](#) for EFC templates, which will be posted at the time of application release.
- xix. The Eligible Applicant or Co-Applicant applying for Homekey+ funding is the entity that HCD relies upon for experience and capacity, and will control the Project during acquisition, development, and occupancy. The Eligible Applicant or Co-Applicant shall demonstrate the following minimum experience and capacity requirements:
- a. Development, ownership, or operation of a Project similar in scope and size to the proposed Project; or development, ownership, or operation of at least two affordable rental housing Projects in the last 10 years, with at least one of those Projects containing at least one unit housing a tenant who qualifies as a member of the Target Population.
 - b. The property manager and LSP shall have three or more years of experience serving persons of the Target Population. If a property

manager or LSP is not yet selected for the proposed Project, the Eligible Applicant shall certify that this requirement will be reflected in any future solicitation or memorandum of understanding.

- c. Statement confirming experience administering a Project in accordance with the core components of Housing First (Welfare and Institutions Code Section 8255).
 - d. Current capacity to develop, own, and operate the proposed Project. For purposes of satisfying this requirement, an Applicant has “capacity” if it has adequate staff, capital, assets, and other resources to efficiently meet the operational needs of the Project; to maintain the fiscal integrity of the Project; and to satisfy all legal requirements and obligations in connection with the Project. Evidence of Permanent Supportive Housing experience and capacity must be reasonably acceptable to HCD in form and substance.
- xx. The Eligible Applicant and all Co-Applicants shall attend a pre-application consultation with HCD prior to applying, as required in Section 401.
- xxi. One-for-one replacement of assisted housing:
- a. If the acquired housing or site is to be redeveloped/repositioned as part of the Local Public Entity's overall goal to address the needs of the Target Population and the community, the Applicant shall provide as part of the application a commitment to ensure one-for-one replacement of units.
 - b. If acquired units will be subsequently combined to add kitchens, create larger units, and/or create units with additional bedrooms, the Applicant will provide such information in the application and ensure an approximate equivalence of square footage available for the benefit of Project residents.
 - c. If the acquired site is going to be demolished before any occupancy by the Target Population, no one-for-one replacement commitment needs to be provided. The unit mix will be evaluated based on the Project proposal.
 - d. The application shall include a site map indicating the original acquired housing location and all proposed housing location(s). If all proposed housing will be located within the neighborhood, no additional documentation is necessary.
 - e. If replacement housing is proposed outside the neighborhood of the acquired site, the application must also include a justification explaining why it is necessary to locate this replacement housing outside the neighborhood of the acquired site (i.e., offsite) and how doing so supports

and enables the Target Population to maintain housing.

Section 301. Additional Application Materials

In addition to requirements detailed in Section 300, to be eligible for Homekey+ funding, an application shall demonstrate to HCD the following:

- i. Applicants and Co-Applicants must be in good standing with the State of California and all agencies and departments thereof. By way of example and not limitation, an Applicant and Co-Applicant must be qualified to do business in the State of California and must be in good standing with the California Secretary of State and the California Franchise Tax Board. Applicants that are delinquent in meeting the material requirements of previous HCD Awards may, in HCD's reasonable discretion, fail threshold review. A Certificate of Good Standing, dated within 30 days of application due date, must be submitted with the application.
- ii. Completed Certification and Legal Disclosure Statement
- iii. Signature Block for all Applicants entities in Word Format
- iv. Payee Data Record STD204 (except for Eligible Applicants)
- v. Taxpayer Identification Number (FI\$Cal TIN Form)
- vi. EIN Verification (IRS form SS-4) (except for Jurisdictions)
- vii. Tax-Exempt State from IRS or FTB (if applicable)
- viii. CEQA Determination (if applicable)
- ix. NEPA Authority to Use Grant Funds (if applicable)
- x. Phase 2 Environmental Report if needed as stated in Phase I ESA report (if Applicable)
- xi. A letter from the local county behavioral health department describing the support for the Project (capital, operating or service commitments, referrals, stakeholder collaboration, etc.). If the letter can't be secured, Applicant must describe efforts to obtain the letter.

Section 302: Supportive Services Requirements

To be eligible to receive funding, all applications must include a Project-specific Supportive Services plan, that shall be consistent with any representations made in the application, and it shall meet the Homekey+ Program Requirements. HCD in its sole discretion shall make the determination (1) if the Supportive Services plan is sufficiently complete to pass threshold and (2) if the Supportive Services plan and property management plan is compliant with Housing First and other evidence-based practices for each unique Target Population served by the Project. For example,

Projects serving Veterans must incorporate evidence-based practices specific to Veterans. Applications must include:

- i. A description of the Supportive Services to be offered, how frequently each service will be offered or provided depending on the nature of the service, who is anticipated to be providing the services, and the location, whether on or off-site, and general hours of availability of the Supportive Services. Applicants must ensure that the Supportive Services are made available to Homekey+ tenants in a manner that is voluntary, flexible, and individualized, so Homekey+ tenants may continue to engage with Supportive Services providers, even as the intensity of services needed may change. Furthermore, access to or continued occupancy in housing cannot be conditioned on participation in Supportive Services or on sobriety. Adaptability in the level of services should support tenant engagement and housing retention. Behavioral health treatment services co-located onsite of Homekey+ Project sites are allowable however, tenants in Homekey+ funded housing cannot be mandated to receive behavioral health services as a condition of housing, pursuant to Housing First.
 - a. The following Supportive Services shall be made available to Homekey+ tenants based on tenant need. The lead service provider for the Project shall coordinate the provision of, referral, or linkage to services needed by individual tenants. The following required services must be provided onsite at the Project or offsite at another location easily accessible to tenants. Easily accessible to tenants means access does not require walking more than one-half mile and shall include a plan and budget for transportation to off-site Supportive Services where tenants are not able to walk less than one-half mile:
 1. A Lead Service Provider (LSP) meeting the experience requirements described in Section 302(c) of this NOFA should be selected prior to application submittal. If the LSP has been selected, a formal commitment must be established and maintained between the Applicant and the LSP. The commitment may be a commitment letter(s) or MOU, and must detail roles and responsibilities of all parties and must be consistent with organizational charts and the property management plan detailed in Section 302(ii). If the LSP has not been selected at the time of application submittal, the commitment must be submitted to the Department prior to Standard Agreement execution. If the LSP and Applicant are the same organization, the Applicant shall provide a document signed by an authorized signatory defining roles and responsibilities in implementing all elements of the Supportive Services plan. Designated Supportive Services staff shall not also be property management staff. HCD may request additional information to further demonstrate the distinction between roles (see Section 305 for potential points). In the event of a change to the LSP, the Applicant or Grantee shall provide the new formal commitment to the Department no later than 30 days after the date that the new LSP

commits Supportive Services to the Project.

2. Case management performed by a Case Manager, as defined in Article VII. Definitions. For Projects with Assisted Units serving Target Populations that require intensive services, specifically including high acuity Homeless and Chronically Homeless populations, services to be provided must include at a minimum, on-site comprehensive case management as well as on or off-site mental health care, physical health care and substance use services. Where one or more of the Restricted Units are limited under HCD Regulatory Agreements to occupancy, comprehensive case management shall be provided with staffing at ratios of full-time Case Managers directly providing services to tenants, as indicated below in Table 8.

Table 8: Required Caseload Ratios

Population	Minimum Ratio
Homeless Youth, or Youth at Risk of Homelessness	1:15
Chronic Homelessness	1:20
Disability Homelessness	1:25

3. Peer support activities, including 24/7 telephone, online, or in- person support.
4. Mental health care, including but not limited to assessment, crisis counseling, individual and group therapy, and peer support groups.
5. Substance use services, including but not limited to treatment, relapse prevention, and peer support groups. NOTE: Co-locating outpatient behavioral health treatment services onsite of Homekey+ Project sites are potentially allowable however, tenants in Homekey+ funded housing cannot be mandated to receive behavioral health services as a condition of housing, pursuant to Housing First. Additionally, these outpatient services should be available to individuals outside of Homekey+ housing to prevent creating unlicensed residential Mental Health or Substance Use Disorder treatment programs.
6. Support in linking to physical health care, including but not limited to access to routine and preventive health and dental care, medication management and medication assisted treatment, and wellness services.
7. Benefits counseling and advocacy, including but not limited to assistance in accessing and maintaining SSI/SSD, enrolling in and maintaining Medi-Cal and CalFresh;

8. Veteran serving projects shall coordinate, or make efforts to coordinate, with the applicable County Veteran Service Officer for benefits counseling and advocacy
9. Basic housing retention skills (including but not limited to unit maintenance and upkeep, identifying safety concerns in the unit, understanding lease terms, and money management).
10. Supportive Services for persons with co-occurring mental and physical disabilities or co-occurring mental and substance use disorders not listed above.
11. Recreational and social activities, including peer-led groups and events.
12. Educational services, including assessment, GED, school enrollment, assistance accessing higher education benefits and grants, and assistance in obtaining reasonable accommodations in the education process.
13. Employment services, such as supported employment, job readiness, job skills training, job placement, and retention services, or programs promoting volunteer opportunities for those unable to work, and
14. Obtaining reasonable access to other needed services, such as legal services, or access to food and clothing.
15. Projects serving 16 or more units in a single site must include an onsite manager, maintenance, or other responsible person, as required by California law 25 CCR §42. Applicants seeking an exemption from this requirement must demonstrate that they will provide an equivalent number of desk or security staff, who are not tenants, capable of responding to emergencies for the hours when property management staff is not working.
16. Physical health care, including but not limited to access to routine and preventative health and dental care.
17. Potential out-placements, should they become appropriate alternatives for current Homekey+ residents, either because a higher level of care is required (i.e., residential treatment facilities and hospitals), or because Permanent Supportive Housing is no longer required (i.e., other affordable housing or market rate housing).
18. Representative payee.
19. Legal assistance.

20. Attendant care.
 21. Adult day care.
 22. Parenting education, childcare, and family legal and counseling services including, but not limited to, family reunification.
 23. Financial counseling, and
 24. Domestic violence support, including but not limited to access to temporary shelter, family and individual counseling, and legal support.
- b. Applicants shall provide and maintain written policies and procedures covering:
1. Payment of rent by residents during periods of hospitalization.
 2. Coordination with property management for resolution of complaints from tenants or on behalf of tenants.
 3. Use of best practices in service delivery for each unique Target Population served by the Project, including but not limited to critical time intervention; trauma-informed care and de-escalation; motivational interviewing; peer support; case conferencing; and providing care in a culturally competent manner.
 - i. Supportive Services for Youth Assisted Units must also include a Positive Youth Development (PYD) model and trauma-informed care. Services may include, but are not limited to, case management, income supports, educational and employment counseling, life skills, legal assistance, health and wellness, and family connection services.

Youth Assisted Units occupied by a tenant over age 25 shall be replaced with a comparable unit in the same Project, if available. When a tenant older than 25 moves out of a unit restricted for Youth, the Youth Assisted Unit shall go back to serving Homeless Youth.
 4. Initial and ongoing staff training in all of the above, and in the operator's program philosophy, values, and principles.
 5. Description of each unique Target Population to be served by the Project, and identification of any additional subpopulation target or occupancy preference for the Homekey+ Project that the Applicant wishes to undertake beyond what is permitted under the Target Population requirements.

- c. The property manager and LSP shall have three or more years of experience serving persons of each unique Target Population of people with Behavioral Health Challenges. If a property manager or LSP is not yet selected for the proposed Project, the Eligible Applicant shall certify that this requirement will be reflected in any future solicitation or memorandum of understanding (MOU) (see Section 305 for points awarded). If the property management and/or LSP has three or more years serving persons experiencing homelessness, but not Veterans experiencing homelessness, HCD in its sole discretion may deem the property manager and/or LSP to have met this requirement, provided the property manager and/or LSP agrees to completing a training provided by CalVet.

Projects with Youth Assisted Units must jointly apply and/or partner with a nonprofit corporation(s), including community-based organization(s), with at least three years of experience serving current or former Foster Youth, Homeless Youth, or Youth at Risk of Homelessness.

- d. A tenant engagement plan (i.e., plan to encourage voluntary tenant participation in services as well as in community building, such as resident councils or similar forums) including a description of tenant outreach, engagement and stability strategies to be used. A tenant satisfaction survey shall be conducted at least annually to inform and improve services, building operations, and property management. Applicant shall make tenants aware of when summary of survey data will be prepared and shall share the results with tenants.
- e. A description of plans and measures to ensure the safety and security of residents and staff (e.g., guest and visitor policies, policies on the violation of safety rules, staff training, and building design features intended to promote security);
- f. For Supportive Services provided offsite, the plan must describe what public or private transportation options will be offered to tenants in order to provide them reasonable access to these services. Reasonable access is access that does not require walking more than one-half mile. Reasonable access shall include a plan and budget for transportation to off-site Supportive Services where tenants are not able to walk less than one-half mile.
- g. Description of how the Supportive Services will be culturally and linguistically competent for persons of different races, ethnicities, sexual orientations, gender identities, gender expressions, age, and disabilities. This includes explaining how services will be provided to Homekey+ tenants who do not speak English, or have other communication barriers, including sensory and/or cognitive disabilities, and how communication among the LSP, the property manager and these tenants will be facilitated. The services need to include reasonable accommodation and auxiliary aids and services for effective communications.

- h. A staffing plan with staffing levels sufficient to meet the needs of each unique Target Population served by the Project and in accordance with section 302(ii)(a)(1).
 - i. Estimated itemized budget, and sources of funding for Supportive Services.
 - j. Identification of outcome measures to be tracked, description of the data to be collected for each measure, and explanation of the methods for data collection and entry. Sample forms may be requested by HCD.
 - k. Other information and documentation needed by HCD to evaluate credentials of the proposed LSP and the Supportive Services to be offered for consistency with the Program.
 - l. HCD may request necessary updates to the Supportive Services plan or related documents, including fully executed written agreements. All updates must be approved prior to occupancy as determined by milestones listed in the Standard Agreement. Grantees who fail to provide all requested updates by Standard Agreement Execution shall be subject to withholding a portion of the Homekey+ Award until the Supportive Services plan is approved by HCD.
- ii. Property management and tenant selection policies submitted with the Homekey+ application will be evaluated for the following, consistent with state Housing First requirements and any other state and federal fair housing laws as applicable. These documents must identify and describe alignment with Housing First tenant screening, selection, and other practices consistent with Welfare and Institutions Code Section 8255(b). The descriptions of the use of Housing First and tenant selection in this Supportive Services plan shall be consistent with the property management and tenant selection policies. Applicants should review Assembly Bill No. 1991 (Chapter 645, Statutes of 2022) to inform the Project's property management and tenant selection policies. The property management and tenant selection policies should address the following and be consistent with state Housing First requirements, as well as other Homekey+ Program Requirements:
 - a. Applicant eligibility and screening standards including identification of any and all roles in screening activities, including third-parties, and a clear description of those roles. This should include the process for verifying tenants have a Behavioral Health Challenge or suspected Behavioral Health Challenge. Verification can be from county behavioral health staff, qualified supportive service staff, etc.
 - b. Confidentiality.
 - c. Substance misuse policy.
 - d. Compliance with harm reduction principles.
 - e. Communication between property manager and LSP staff, as well as the

Project owner.

- f. Eviction policies and eviction prevention procedures, including how property management and LSP staff will work together to prevent evictions.
- g. Process for assisting tenants to apply for different forms of cash and non-cash benefits to aid the household in retaining their housing, if needed.
- h. How potential tenants and in-place tenants will be assisted in making reasonable accommodation requests, in coordination with the LSP and persuasive to outside entities, such as Housing Authorities, to ensure that persons with disabilities have access to and can maintain housing.
- i. Policies and practices to facilitate voluntary moving on strategies.
- j. Emergency plan for onsite emergencies and natural disasters.
- k. Appeal and Grievance Procedures to include how tenants are made aware of these procedures.

Section 303. Single-Family Scattered Site Housing Requirements

HCD may Conditionally Award up to \$10 million per Single-Family Scattered Site Project for acquisition, Rehabilitation, and an Award for Operating Expenses. Applications may include up to five (5) sites each. Additional funding may be approved at the discretion of the Director or his/her designee, as specified in Section 207. Applicants for this Project type must meet all requirements identified in Homekey+ NOFA Sections 202(vi), 202(v), and UMR Section 8303(b). Additionally, applications must:

- i. Submit all documents required in Article III with the following exceptions:
 - a. Eligible Projects under this Project type must meet the following threshold requirement, sixty (60) days from the date of the Conditional Award to be considered for an Award. Failure to meet this requirement will rescind the Conditional Award.
 - 1. Evidence of site control for each site, as defined in Section 300(x).
 - 2. A preliminary title report for each site, dated within 60 days of submittal, as defined in Section 300(xi).
 - b. Eligible Projects under this Project type must meet the following threshold requirements, ninety (90) days from the date of the Conditional Award to be considered for an Award. Failure to meet these requirements will rescind the Conditional Award.

1. Relocation Assistance Narrative, as defined in Section 300(xvii).
2. Appraisal for each site, as noted in Section 300(xiii).
3. All Projects seeking funding for Rehabilitation must submit the following, as noted in Section 300(xiv):
 4. Rehabilitation narrative of current condition of structure(s) and overall scope of work; and
 5. Physical needs assessment (PNA) or equivalent evidence of Rehabilitation costs prepared by a qualified independent third-party contractor for each site.
 6. All Projects seeking funding for Rehabilitation and new construction are required to submit a Phase I ESA or equivalent, as noted in Section 300(xvi).
 7. One-for-one replacement of assisted housing, as defined by Section 300(XXI), including a site map, as defined in Section 300(XXI)(d).
 8. Meet the minimum points score required in Section 305 of 100 points.
- c. Eligible Projects under this Project type must submit updates to the following threshold documents, previously submitted at the time of application as required by Article III, ninety (90) days from the date of the Conditional Award to be considered for an Award. Updates are limited to those pertaining to the identification of Project sites. Failure to meet these requirements will rescind the Conditional Award:
 1. Authorizing resolutions, as defined in Section 300(vi)(a);
 2. Supportive Services Plan including budget, as defined in Section 302.
 3. Overview of plan and timeline for any required entitlements, permits, and environmental clearances, as defined in Section 300(xii) and supported by updated Local and Environmental Verification forms for each site, as required by the application;
 4. Equity statement, as defined in Section 300(viii).
 5. Engaging the Target Population statement, as defined in Section 300(ix).
 6. Development plan, as defined in Section 300(xii).
 7. Rehabilitation description, as defined in Section 300(xiv).

8. Enforceable Funding Commitment(s), as defined in Section 300(xviii) and Article VII.
9. Application workbook updates. Including unit mix, development and operating budgets, and all other necessary areas to complete the application package, as defined in Section 300(iii).
10. All Grantees must coordinate disbursement of funds into an escrow account. Funds shall only be disbursed once all special conditions of disbursement are satisfied and HCD has determined that the Project has sufficiently demonstrated the unification of all sites into one Project, with a single owner and property manager.

Section 304. Recording, Income and Underwriting Requirements

- i. Homekey+ may fund all units in a Project or a portion of the units. If seeking Homekey+ funding for a portion of the units in a Project, Applicants must identify committed sources for the non-Homekey+ units. The non-Homekey+ units are not required to serve the Homekey+ Target Population and may therefore be restricted at higher AMI levels, which may help promote Project feasibility.
- ii. If, at the time of acquisition, an existing tenant's household income is at or below 50 percent AMI, but the tenant does not qualify as a member of the Target Population, the tenant may remain in place and the unit may still be funded by Homekey+. An Applicant may not include units in the Homekey+ application intended for Veterans if the existing tenant household is not a Veteran or a member of a Veteran's household. When, in the course of normal tenant turnover, the ineligible household moves from the unit, the unit shall thereafter be occupied by the Target Population. There should be no more than 49 percent of the Assisted Units that do not meet the Target Population at the time of acquisition. An existing household who meets the Target Population definition or was a member of the Target Population at the time they moved into the property will not be counted towards the 49 percent cap. Evidence confirming that existing tenants qualify as either at or below 50 percent AMI or Target Population will be required of the Applicant.
- iii. At year 15 from the recordation of the Affordability Covenant, in circumstances where the Grantee has not waived their right and Grantee has exhausted available operating funding and demonstrated to HCD that the Project is no longer feasible, HCD may approve an increase in income levels, to the minimum extent required for fiscal integrity, in five percent increments of Assisted Units up to 50 percent AMI.
 - a. HCD reserves the right to set restrictions on the unit mix, rent levels, and other factors deemed necessary. To the maximum extent possible, these changes shall minimize the impact on the lowest income Project residents and shall be phased in as gradually as possible. If, following any increase in rents and income limits, or modification of Target Population

- occupancy requirements, new resources become available, or market demand changes, allowing reversion to the former income and rent limits or Target Population occupancy requirements, HCD may re- impose these income limits and rent limits or Target Population occupancy requirements, in whole or in part, subject to an analysis of Project feasibility.
- iv. In addition to Section 300 above, Applicants purchasing Affordability Covenants and restrictions will also be evaluated on the following requirements:
 - a. The Grantees that purchase Affordability Covenants and restrictions for existing residential units shall restrict those units to individuals and households with an individual with Behavioral Health Challenges and who are Homeless or who are At Risk of Homelessness, as defined in 24 CFR part 578.3. Such restriction shall run for 55 years.
 - v. In addition to Section 300 above, master leasing Projects will also be evaluated on the following requirements:
 - a. The Grantee shall provide a 15-year plan from the recordation of the Affordability Covenant to cover operations and service costs for the Project with specific funding sources (government/philanthropic/private).
 - vi. As described in Section 101, the Project shall comply with the UMRs (Cal. Code Regs., tit. 25, § 8300 et seq.), to the extent those regulations are consistent with Homekey+ requirements, and shall meet the following Homekey+ underwriting requirements:
 - a. In analyzing Project feasibility, Projects planning to use Tenant Based Vouchers (TBV) for rental income/subsidy sources shall limit projected TBV revenue sources to no more than 50% of the Project's assisted housing units in the application. Nothing in this NOFA shall be construed to conflict with or limit the operation of state law prohibiting discrimination against tenants based on source of income. Refer to section 508 for non-discrimination policy requirements.
 - b. Projects that do not have debt service, Project cashflow shall not exceed 12 percent of Operating Expenses in the first 15 years of operations.

Section 305. Scoring Criteria

In addition to meeting the other minimum Homekey+ Program Requirements outlined in Article III, Applicants must score a **minimum of 100 points to be eligible for funding**. Points earned from the application scoring criteria will be incorporated into the project report and the Standard Agreement. Applicants should select criteria based on what accurately represents the Project and is achievable. By earning these points, the Applicant commits to the deliverable throughout the tenure of Homekey+ Project. Scores will be based on the following:

Table 9: Homekey+ Application Scoring Criteria

Categories and Maximum Point Scores	Evaluation Criteria
1. Site Control (Up to 20 points)	<p>a. Identification of the site suitable for development and evidence of site control, or a plan and timeline for obtaining site control along with other supporting evidence (e.g., letter of intent, an exclusive negotiating agreement, ground lease, etc.). NOTE: Sections 300-303 of this NOFA further outline site control requirements related to specific Project type. (up to 20 points)</p> <ul style="list-style-type: none">- Fee title (20 points)- Leasehold (20 points)- Option agreement/sales contract (20 points)- Exclusive negotiating agreement (15 points)- Letter of intent (15 points)- Other forms approved by HCD (10 points)
2. Cost Containment (Up to 15 points)	<p>a. For any Project where the average total cost per Assisted Unit is below baseline per door of \$200,000, one (1) point will be assigned for every \$10,000 under the baseline amount. (up to 10 points)</p> <p>b. Utilizing Publicly Owned Land: 5 points will be awarded to Project that is located on a site selected under Excess Sites (Executive Order N-06-19) or any land declared as Surplus Land by a local agency. (5 points)</p>

3. Sustained
Operating
Leverage
(Up to 45 points)

Documented commitment of non-Homekey+ rental or operating subsidies (including funded services) that will be used to maintain the ongoing affordability and sustainability of operations of the Project. Sources include, but not limited to, Project-based vouchers, VASH vouchers, Mainstream vouchers, Faircloth to RAD conversions, tenant-based vouchers, or locally funded rental assistance. **(up to 45 points)**

- a. Score is based on weighted subsidy type, percentage of costs covered, and length of commitment. Applications will need to score at least **10 points** to be prioritized by the Homekey+ Program. See Section 400 on the process and determination for Projects that will be prioritized in Homekey+.
 - Project operation subsidies: Up to one (1) point for each year through year fifteen (15). **(up to 15 points)**

Weighted Point Value by Subsidy Type	
Project-Based Rental Subsidy	1
Committed Operating Subsidy	1
Renewable Source*	0.75
Tenant Based Voucher	0.5
Supportive Services / Healthcare Reimbursement	0.5
Intent to pursue funding	0.25

**For years that are uncommitted or not allocated. Years with existing current subsidy will be considered Committed Operating Subsidy.*

- b. Homekey+ Award Utilization:

Applications that request less Homekey+ Operating Award than the Maximum Eligible Award amount will earn more points. Applications that do not request an operating Award will automatically earn 20 points. **(up to 20 points):**

- Two (2) points for each 10% increment of Maximum Eligible Homekey+ Operating Award not utilized.
 - No Homekey+ Operating Award Requested (20 points)
- c. Mental Health Services Act or Behavioral Health Services Act funds committed to the Project as evidenced by a letter from the local county behavioral health department meeting the EFC requirements in Article VII of this NOFA. **(10 points)**

Categories and Maximum Point Scores	Evaluation Criteria
<p>4. Experience and Coordination (Up to 40 points)</p>	<p>a. Demonstration of Applicant or member(s) of development team's experience in development, ownership, or operation of a Project(s) similar in scope and size to the proposed Project. NOTE: Sections 300-303 of this NOFA further outline threshold experience requirements.</p> <ul style="list-style-type: none"> - Five (5) points awarded for each additional Project beyond the base threshold requirement (development, ownership, or operation of affordable rental housing or interim Projects in the last ten (10) years serving at least one member of the Target Population). (up to 15 points) <p>b. Documented evidence of LSP's experience helping persons address barriers to housing stability and providing other support services, not necessarily within a housing Project. The LSP may be an Applicant, or a member of the development team described in Applicant's response to point category 4.c., below. LSP experience must be with the specific population(s) with Behavioral Health Challenges housed within the Homekey+ units to count toward points in this section (e.g., families, singles, veterans, Homeless Youth, Chronically Homeless) and must describe how the Supportive Services are culturally and linguistically competent for persons of different races, ethnicities, sexual orientations, gender identities, gender expressions, ages, and disabilities. NOTE: Sections 300-303 of this NOFA further outline threshold experience requirements.</p> <ul style="list-style-type: none"> - One point awarded for each year of service experience, after 3 years. (up to 10 points) <p>c. Commitment letter(s), MOU(s) or other formal agreement between the Primary and Co-Applicant(s) and/or other involved partners documenting how the complete development and management team (which includes the Applicant, developer, property manager, LSP, etc.) are connected and will work together on the Project. Applicants are encouraged to complete due diligence checklists to ensure all members of the team are aware of roles and responsibilities. (15 Points)</p>

Categories and Maximum Point Scores	Evaluation Criteria
5. Community Impact (Up to 40 points)	<p>a. Assisted Units include units for large family housing types (10 points)</p> <ul style="list-style-type: none"> - At least 25% of the Assisted Units in the Project shall be two-bedroom or larger units, consistent with TCAC Regulations (4 CCR § 10325(g)(1)(A-I)), (10 points) <p>b. Applicant waives any potential accommodation by HCD to increase income limits at year 15 from the recordation of the Affordability Covenant, as described in Section 304(iii). (up to 20 points)</p> <ul style="list-style-type: none"> - At least 25% of Assisted Units restricted (3 points) - At least 50% of Assisted Units restricted (5 points) - At least 75% of Assisted Units restricted (10 points) - 100% of Assisted Units restricted (20 points) <p>c. The extent to which the Project commits to being accessible to persons with disabilities. (up to 10 points)</p> <ul style="list-style-type: none"> - Exceeds the state and federal accessibility requirements set forth in Section 508, specifically providing a minimum of 15 percent of units with features accessible to persons with mobility disabilities, as defined in 24 C.F.R. Section 8.22 and the parallel ADAAG 2010 and CBC provisions; (5 points) - A minimum of 10 percent of units with features accessible to persons with hearing or vision disabilities, as defined in 24 CFR Part 8.22 and the parallel ADAAG 2010 and CBC Chapter 11B provisions. (5 points)

	<p>Site Selection (Up to 12 points; for Rural Projects: up to 16 points; for Youth Projects: up to 15 points)</p> <p>a. The Project site is located within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop OR the Project includes an alternative transportation service for residents (e.g., van or dial-a-ride service), if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided. (4 points)</p> <p>The Project site is in proximity to essential services:</p> <p>b. Grocery store – a full-scale grocery store/supermarket where staples, fresh meat, and fresh produce are sold. (up to 2 points)</p> <ul style="list-style-type: none"> - within 1/2-mile radius of Project (2 points) - within 1 mile radius of Project (1 point) - within 1 mile radius for Projects in Rural Areas (2 points) - within 2 miles radius for Projects in Rural Areas (1 point) <p>NOTE: If applying for TCAC, it is advisable that the grocery store be at least 25,000 gross interior square feet.</p> <p>c. Health facility – a medical clinic (not merely a private doctor's office) with a physician, physician's assistant, or nurse practitioner on-site for a minimum of 40 hours each week, or hospital (health facilities operated by Veterans Health Administration qualify if project is veteran serving). (up to 1 point)</p> <ul style="list-style-type: none"> - within 1/2-mile radius of Project (1 point) - within 1 mile radius of Project (1/2 point) - within 1 mile radius for Projects in Rural Areas (1 point) - within 2 miles radius for Projects in Rural Areas (1/2 point) <p>A qualifying medical clinic must accept Medi-Cal payments, or Medicare payments, or Health Care for the Homeless, or have an equally comprehensive subsidy program for low-income patients.</p> <p>d. Library – a book-lending public library. (up to 1 point)</p> <ul style="list-style-type: none"> - within 1/2-mile radius of Project (1 point) - within 1 mile radius of Project (1/2 point) - within 1 mile radius for Projects in Rural Areas (1 point) - within 2 miles radius for Projects in Rural Areas (1/2 point)
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<p>6. Site Selection (continued) (Up to 40 points)</p>	<p>e. Pharmacy – may be included in a grocery store or health facility. (up to 2 points)</p> <ul style="list-style-type: none"> - within 1/2-mile radius of Project (2 points) - within 1 mile radius of Project (1 point) - within 1 mile radius for Projects in Rural Areas (2 points) - within 2 miles radius for Projects in Rural Areas (1 point) <p>f. A public park or a community center accessible to the general public. (up to 1 point)</p> <ul style="list-style-type: none"> - within 1/2-mile radius of Project (1 point) - within 1 mile radius of Project (1/2 point) - within 1 mile radius for Projects in Rural Areas (1 point) - within 2 miles radius for Projects in Rural Areas (1/2 point) <p>g. High speed internet service, with a minimum average download speed of 25 megabits/second must be made available to each Unit for a minimum of 15 years, free of charge to the tenants, and available within six months of the Project's placed-in-service date. Documentation of internet availability must be included in the application. (up to 2 points)</p> <ul style="list-style-type: none"> - 2 points - 3 points for rural Projects <p>h. For Projects with units serving Homeless Youth: community colleges, universities, trade schools, apprenticeship programs, employment programs, childcare centers for parenting youth, and/or community centers for youth (e.g., LGBTQ+ centers, drop-in youth centers). (up to 2 points)</p> <ul style="list-style-type: none"> - at least two amenities located within 1 mile radius of Project (2 points)
<p>7. Relocation Impacts (Up to -20 points)</p>	<p>a. For any Project resulting in the permanent displacement of residents (not businesses or farm operations), as outlined below:</p> <ul style="list-style-type: none"> - The Project permanently displaces existing residents in 5% of total units. (- 5 points) - Applicants lose one point (up to an additional 15 points) for each additional percentage point of households displaced out of total units.

8. Negative Points	a. Negative Points assessed by HCD to the Applicant pursuant to the Department's Negative Points Policy .
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In the event of program oversubscription, where Applicants have the same score and the same date and time stamp, HCD may consider additional criteria as a tiebreaker, including, but not limited to, cost-effectiveness, community impact (i.e. meeting the needs of individuals with behavioral health challenges), affirmatively furthering fair housing, innovative housing types, tenant stability and proximity to transit, and services and amenities.

Article IV. Application Submission, Review, and Award Process

Section 400. Application Process and Submission

For Over the Counter (OTC) processing, except for the prioritization criteria enumerated below, applications will be accepted and evaluated on a first-come, first-served basis at any time from the release of the application until the final application due date, or until the available funds are exhausted, whichever occurs first. Funds will be awarded to Applicants that successfully meet threshold criteria and the minimum point score, with HCD reserving the right to prioritize applications that demonstrate Project readiness and committed long-term sustainable operating sources, regardless of the timestamp of the application submission.

Homekey+ application materials must be submitted electronically to HCD's [website](#). Applications must be on HCD's forms and HCD's forms cannot be altered or modified by the Applicant. Excel forms must be submitted in Excel format, not as a PDF document. Supplemental documents should follow program guidance documents or templates provided on the Homekey+ website.

Electronic Submission - Requirements for uploading the Homekey+ application and required supporting documentation, including naming conventions, are described in the Homekey+ application instructions/checklist tab. Per Section 102, Applicants must upload all complete application materials to HCD's website no later than 5:00 p.m. Pacific Time on the due date.

HCD reserves the right to prioritize the review and awarding of applications based on the following criteria:

- i. Demonstrate Project Readiness by providing a completed and accurate application workbook; providing all required support documentation and application materials at time of application submission; identifying all Special Purpose Entities and other entities that will be a party to the Project and Standard Agreement; and confirming that all Project entities are appropriately listed as Co-Applicants and are formed at the time application; and
- ii. Applications have a minimum of 10 points in Section 305(3)(a) of the Application Scoring Criteria to demonstrate to HCD the Project has operating and rental subsidies to support long-term operations for the Project.
- iii. Applications not achieving a minimum score of 10 points in Section 305(3)(a), but which have higher scores than other submitted applications.

Application packages that do not meet the above-mentioned criteria may be placed on hold for Award consideration by HCD and may not be considered for funding.

- i. Applications will be prioritized as described in Section 203 and Section 400.
- ii. HCD will evaluate applications for compliance with the minimum Homekey+ Program Requirements set forth in this NOFA.

- iii. After each Applicant has been certified to meet the minimum Homekey+ Program Requirements, each Project must receive a minimum overall score of 100 points, as outlined in Section 305, to be considered for a funding Award.
- iv. Each Applicant and Co-Applicant shall submit an authorizing resolution that, in HCD's reasonable determination, materially comports with the Program's requirements and is legally sufficient. In addition, each Co-Applicant shall submit a complete set of its organizational documents (including any amendments thereto). HCD will not execute the Standard Agreement until it receives the foregoing documentation, as specified.
- v. Applicant shall self-acknowledge the ability to obtain the insurance coverages outlined in Section 606 of this NOFA.
- vi. The application is a public record, which may be available for public review pursuant to the California Public Records Act (CPRA) (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). After final Homekey+ Awards have been issued, HCD may disclose any materials provided by the Applicant to any person making a request under the CPRA. 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 and consents to the potential disclosure of submitted material upon request.
- vii. HCD reserves the right to do the following:
 - a. Score an application as submitted even if information is missing from the application.
 - b. Consult with CalVet on any Veteran serving Project's Application.
 - c. Request clarification of unclear or ambiguous statements made in an application or request additional clarifying documentation or information; and
 - d. Upon the final application due date or the date when funds are exhausted, whichever is earlier, deploy unused funds from an undersubscribed allocation to fund other Eligible Applicants for other subsets of the Target Population.
- viii. HCD will review, and score based on information provided in the application. If there is a significant departure from the application after a Project has been awarded, HCD may re-evaluate the Project's score, reduce the grant amount, or assign negative points to the Applicant.

Section 401. Required Pre-Application Consultation and Technical Assistance

HCD requires all Eligible Applicants and Co-Applicants to engage in a pre-application consultation with HCD prior to applying. The consultation will allow the prospective Applicant to provide basic information about the proposed Project, along with other applicable programmatic considerations, including those related to site acquisition; operating match requirements; the CEQA, land use and land entitlements; local county behavioral health department coordination and other services partnerships; and long-term financing approaches. Applicants will be able to request a pre-application consultation using the pre-application survey to meet with Homekey+ program staff prior to applying. Information on pre-application consultations will be available and posted on the Homekey+ [website](#).

Section 402. Award Process

HCD will send a Conditional Award Commitment and Acceptance of Terms and Conditions letter (Conditional Award letter) to the successful Applicant. This Conditional Award may only be accepted by timely delivery of a fully executed Acceptance of Terms and Conditions of Conditional Award form to the Department. Funds will be disbursed after the Standard Agreement has been fully executed and approved by HCD and after the Grantee has satisfied all conditions precedent to disbursement.

Please see Section 102 for further details on Standard Agreement and fund disbursement timelines.

HCD must be notified and invited to participate in any and all groundbreakings, grand openings, and press conferences related to the Award by emailing HCD Homekey@hcd.ca.gov. Awardees must follow all marketing/promotional guidelines from HCD. Please see Appendix D for details on communication procedures.

Section 403. Appeals

i. Basis of Appeals.

- a. Applicants may appeal HCDs written determination that an application is incomplete, has failed threshold review, or has otherwise been determined to provide an insufficient basis for an Award.
- b. At the sole discretion of HCD, HCD's written determination may include a request for clarifying and/or corrective information. For purposes of this Section, "clarifying information" includes information and/or documentation that resolves ambiguities in any application materials that will inform HCD's determinations.
- c. No Applicant shall have the right to appeal a decision of HCD relating to another Applicant's application (e.g., eligibility, Award).
- d. If the Applicant is subject to negative points assessment, HCD shall notify the Applicant in writing within the point score letter and will provide

opportunity to appeal negative points assessment, or any disagreed points assessment, pursuant to the appeals process as set forth in the NOFA. Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with the Guidelines and the NOFA. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of HCD.

- e. Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with this NOFA. All decisions rendered shall be made by the Branch Chief or his/her designee. The decision shall be final, binding, and conclusive, and shall constitute the final action of HCD.
 - f. The appeal process provided herein applies solely to decisions of HCD made pursuant to this NOFA.
- ii. Appeal Process and Deadlines.
- a. Process: To file an appeal, Applicants must submit to HCD, by the deadline set forth below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant must provide a detailed reference to the area or areas of the application that provide(s) clarification and substantiation for the basis of the appeal. No new or additional information will be considered if this information would result in a competitive advantage to an Applicant. Once the written appeal is submitted to HCD, no further information or materials will be accepted or considered thereafter. Appeals are to be submitted to HCD at homekeyappeals@hcd.ca.gov according to the deadline set forth in HCD's written determination letter.
 - b. Filing Deadline: Appeals must be received by HCD no later than 5:00 p.m. five (5) business days from the date of HCD's written determination letter made in response to the application.

Article V. Additional Program Requirements

Section 500. Veterans Assisted Units

- i. Homekey+ Projects proposing to serve Veterans may also serve other qualifying members of the Target Population. The Veterans units will be funded from the Veterans allocation, and the remaining units will be funded from the other applicable allocation(s).
- ii. The remaining units should still be used to house the most vulnerable Veterans, and the Grantee is required to demonstrate a good faith effort to place the Target Population in Veteran units. Good faith efforts include 1) adequate marketing of vacant units for at least 90 days prior to the commencement of initial lease-up or at least 60 days after a unit turns over, 2) partnering with local homeless and Veterans service providers to identify the Target Population, 3) coordination with the local Continuum of Care to receive prioritized Target Population referrals, 4) coordination with the U.S. Department of Veterans Affairs to identify the Target Population, and 5) documented contacts with the Target Population, along with their Case Manager(s), who were referred to the Project with vacant Veteran units and choose not to lease the unit.
- iii. HCD reserves the right to review documentation that substantiates the timing and frequency of such good faith efforts, including the date that the Grantee was notified of the vacancy, whenever such documentation exists and provide a descriptive timeline in the absence of documents to evidence activities such as phone calls and meetings. Documentation by the Grantee of these good faith efforts, along with information about Applicants that were not matched with a unit, is required as part of the Secondary Tenant process.
- iv. If units cannot be filled with Veterans at or below 30% AMI, Secondary Tenants can be housed. Secondary Tenants are defined in statute as either: Veterans experiencing homelessness with an income of up to 60% of the AMI. Rents for any redesignated units are determined by income that corresponds to the Secondary Tenant's household income.
- v. Upon vacancy, the Grantee is required to redesignate the next vacant unit as a PSH unit available to Veterans with incomes at or below 30% AMI with the goal of returning the Project into compliance with the unit mix required by the Project's Standard Agreement.
- vi. For new construction the vacancy period will be measured from the date the Certificate of Occupancy or Temporary Certificate of Occupancy is issued and for Rehabilitation Projects the vacancy period will be measured from the date the Notice of Completion is issued. Vacancy for previously occupied Homekey+ units during regular Project operations will be measured from the

- vii. date the Grantee or their operator takes possession of the unit. The Grantee or their operator may use the time from abandonment noticing timeframes and unlawful detainers at its discretion.
- viii. In no instance shall a Project have less than 30% of its Veterans units leased to 30% AMI households*. In no instance shall a Project have less than 30% of its Veterans units leased to 30% AMI households*.
- ix. HUD-VASH Special Rule: On August 13, 2024, HUD published the “Section 8 Housing Choice Vouchers: Revised Implementation of the HUD Veterans Affairs Supporting Housing Program (VASH)”¹ (“special rule”) that provides a new requirement to exclude Veterans’ service-connected disability benefits from household income calculations for the purpose of determining income eligibility. This rule for VASH applicants applies for both Project-based and tenant-based vouchers. Homekey+ income determinations for VASH applicants must exclude Veterans’ service-connected disability income and therefore are excluded from the Homekey+ Secondary Tenant alternative requirements and process. Eligible HUD-VASH program tenants are not considered Secondary Tenants and are not counted against the cap on the number of Veteran units that can be leased to Secondary Tenants under this policy.

The purpose of this is to resolve issues with matching unhouseured Veterans with vacant PSH units restricted to Veterans, while retaining the program’s original intent of serving the highest need Veterans experiencing homelessness.

**Veterans who are experiencing homelessness that are eligible to occupy veteran 30% AMI units after excluding VA service-connected disability benefits are recognized as eligible tenants. They are not treated as Secondary Tenants.*

- x. Each Veteran Project shall establish a goal of no amount less than five percent of total construction costs for work performed, or supplies provided to be spent with entities certified by the California Department of General Services (DGS) as a Disabled Veteran Business Enterprise (DVBE).

Pursuant to a five percent DVBE goal on total construction, each Project shall identify a DVBE Specialist who shall coordinate directly with CalVet in the identification and use of DVBEs.

Upon the commencement of construction, the Project shall submit a report to the Department and CalVet on DVBE plan implementation. This report will include: (A) The total amount budgeted for construction costs; (B) The names and addresses of DVBE contractors, subcontractors and/or suppliers that have received or are scheduled to receive payment.

¹ Section 8 Housing Choice Vouchers: Revised Implementation of the HUD Veterans Affairs Supporting Housing Program Development, 89 Fed. Reg. 65769 (Aug. 13, 2024) (amending 24 CFR Parts 982 and 983).

Upon completion of construction, the DVBE Specialist shall submit a report to the Department and Calvet detailing actual payments to DVBEs.

If the lead applicant is an established [DVBE Reciprocity Partner](#) [\[dgs.ca.gov\]](#) with DGS before the start of construction, then the Project shall only submit to the Department and Calvet a report detailing actual payments to DVBEs upon completion of construction.

Section 501. New Construction Cost Containment

A hallmark of Homekey has been producing housing quickly and cost-effectively, mostly through adaptive reuse. HCD will continue to retain and build upon these principles by requiring that Applicants seeking funding for new construction incorporate cost-containment strategies and commit to Total Development Cost (TDC) per unit caps.

New construction cost containment Projects will be eligible for the same Award structure as outlined in Section 205, but in addition must agree to and provide evidence that the Project can be completed based on the applicable TDC per unit cap. The TDC per unit cap is inclusive of the Homekey+ Award and all other capital sources and expenditures, with the exceptions of land costs, COSRs, and other required reserves.

TDC per unit caps will be the lesser of: \$450,000 per unit, OR the [2024 TCAC Basis Limits](#) for the applicable county where the Project is located and unit size.

Like other Homekey+ Project types, Awards will be in the form of a grant and will provide up to 80% of the funds upfront. Unlike other Homekey+ Project types which must complete construction within 12 months starting 60 days from the date of Award, all new construction Projects awarded must commence construction within 6 months, starting 60 days after the Homekey+ Award, and have a temporary certificate of occupancy (TCO) no later than 24 months, starting 60 days from the date of Award. The remaining 20% of funds will be disbursed upon submission of the TCO.

Applicants are advised that Homekey+ new construction Projects are not contemplated to be paired with tax credits or other highly competitive sources which are not secured by the date of application, in light of the above 6-month and 24-month deadlines. Rather, like other Homekey+ Project types, the Project must be fully funded and ready to proceed following a Homekey+ Award.

Applicants are further advised that construction shall not be contingent or reliant on any reasonably foreseeable externalities or timelines not disclosed in the application. Grantees unable to meet critical milestone dates within applicable cure periods will be in breach of the Standard Agreement and may be subject to negative points under HCD's Negative Point Policy.

As with all Homekey+ applications, a Local Public Entity must be the lead entity and may apply with a Co-Applicant developer.

Section 502. Gap Financing

Consistent with the Homekey principles of flexibility and innovation, HCD will accept gap financing applications from Projects which meet, or could meet, the population targeting requirements of Homekey+, but have not started construction. The intent is to move Projects forward that are otherwise “shovel ready” and thereby quickly increase the number of units available.

Projects within this use must be submitted by the application due date listed in the program timeline table above. At the close of the application period, the applications will be prioritized as follows:

- i. Projects with an Existing HCD Award Commitment with a pending disencumbrance per HCD’s disencumbrance policy within 6 months of the date of this NOFA.
- ii. Projects with an Existing HCD Award Commitment with at least one prior unsuccessful application for tax credit/bonds ranked by total HCD funds committed.
- iii. All other HCD funded Projects ranked by total amount of HCD funds committed.
 - a. All prior Homekey Projects awarded as “interim to permanent”, seeking funding to convert interim units to Permanent Supportive Housing, fall into this category. Only Projects that complied with the terms of the original Homekey “interim to permanent” award by completing construction and are currently achieving full on-site occupancy as interim housing will qualify for this funding. HCD at its sole discretion will determine compliance.
- iv. All other Projects that are stalled due to an unsuccessful tax credit/bond application ranked by total amount of public resources committed (may include resources such as local or federal funding, donated land, etc.).

HCD will rank projects within each priority based on total gap per unit. Depending on total demand for this typology, HCD reserves the right prioritize funding for Priority (i.), above, either in full or partially, and to not fund or fund a subset of, otherwise eligible Projects from ii, iii, and/or iv above. All prospective Applicants are encouraged to use cost containment strategies to seek the lowest amount of gap financing possible that will allow the Project to commence and complete construction.

Qualifying HCD funding programs include the following:

- a. Affordable Housing and Sustainable Communities Program
- b. Community Development Block Grant Program – Disaster Recovery
- c. HOME American Rescue Plan

- d. HOME Investment Partnerships Program
- e. Homekey
- f. Housing for a Healthy California Program Article I
- g. Infill Infrastructure Grant Program
- h. Joe Serna, Jr. Farmworker Housing Grant Program
- i. Local Government Matching Grants Program
- j. Multifamily Housing Program
- k. Multifamily Super NOFA
- l. National Housing Trust Fund
- m. No Place Like Home Program – competitive and non-competitive HCD-administered funds and Alternative Process County funded Projects
- n. Permanent Local Housing Allocation Competitive Allocation
- o. Veterans Housing and Homelessness Prevention Program

All prior HCD award(s) must not have expired, or been terminated, disencumbered, or otherwise held to be void.

As with all other Homekey+ Projects, a Local Public Entity is required as a lead Applicant. In addition, the gap financing application must include all Sponsors in connection with Existing HCD Award Commitment(s). Homekey+ gap financing funds are not intended to supplant Performing Debt. The amount and terms of Performing Debt shown in the Homekey+ gap financing application must generally remain the same or be higher and more restrictive than the amount and terms shown in previous HCD applications unless there are extenuating circumstances that are clearly explained in writing by the Applicant and agreed to in writing by HCD.

For the purposes of this gap financing Projects only, Homekey+ will award no more than \$450,000 per unit, inclusive of any Operating Award needed to buy down units originally contemplated as higher than 30% AMI. Any amount over \$450,000 per unit will be required to provide an Enforceable Funding Commitment at the time of application.

Applicants may seek gap financing for all units or a portion of units. If Applicants seek gap financing for only a portion of units, an alternative, non-Homekey+ source is required at the time of application to fill any capital gaps associated with the non Homekey+ units. All units funded by Homekey+ will be required to serve the Target Population.

Funds shall be used only for expenses that would be categorized as Project costs by the federal low-income housing tax credit program, including, but not limited to, commercial costs and reasonable reserves. HCD reserves the right to disallow costs that do not constitute reasonable Project costs, as determined by HCD in its sole and absolute discretion.

Gap financing applications should request the full capital amount needed to proceed with and complete construction, thereby avoiding the need to apply for tax credits or seek other sources of funds.

Homekey+ gap financing awards are not intended to supplant local public agency funds. Accordingly, any local agency resources shown as committed in the applications for any Existing HCD Award Commitments must be included in the financing proposed in the Homekey+ gap financing application at the same or higher level of funding as previously identified.

Homekey+ Gap Financing Terms, Deadlines, and Restrictions

Requests for reducing Performing Debt or the term of the Performing Debt will be reviewed on a case-by- case basis and are not a guaranteed approval. Reduced principal loan amounts of Performing Debt must include a corresponding reduced amount in the development budget.

- i. Gap financing awards will be in the form of a grant. All Homekey+ gap financing awarded Projects must commence construction no later 6 months, starting 60 days from the date of the Homekey+ Conditional Award letter. For the purposes of the Homekey+ Award, commencement of construction means the first land-disturbing activity associated with a Project, including land preparation such as clearing, grading, and filling, or the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building. HCD may, in its sole and absolute discretion, extend this deadline due to conditions beyond the control of the Sponsor, for a period not to exceed 90 days.
- ii. The Homekey+ gap financing awarded Project must receive, and submit evidence to HCD, a temporary certificate of occupancy (TCO) within 24 months, starting 60 days from the Homekey+ Award.
- iii. All Homekey+ gap financing Grantees are prohibited from applying for or receiving a tax credit allocation on a Homekey+ funded Project for a period of 20 years from the Homekey+ Conditional Award date for that Project. This prohibition will be memorialized in the Homekey+ Standard Agreement and in amendments to the Standard Agreements for any Existing HCD Award Commitment.
- iv. If, following a Homekey+ application and award, a Sponsor syndicates and sells a portion of their ownership interest to a partner or equivalent party seeking tax losses associated with the Project, nine-tenths of the gross proceeds of that sale shall be remitted to HCD. Negative points may be assessed to the Sponsor in the event the Project is sold or refinanced with a distribution of net equity.

Section 503. Article XXXIV

Homekey+ provides permanent supportive housing for persons (including Veterans and Youth) who are homeless, chronically homeless, or at risk of homelessness, and who are living with a Behavioral Health Challenge. As such, article XXXIV, section 1 of the California Constitution is not applicable to Homekey+ funded development, consistent with Health and Safety Code sections 37000-37002.

Section 504. Housing First

The Eligible Applicant shall certify to employ the core components of Housing First, as set forth at Welfare and Institutions Code Section 8255, subdivision (b), in its property management and tenant selection practices. 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, including local Coordinated Entry System prioritization protocols, or other federal or state Project funding sources.

Section 505. Tenant Referrals

Referrals to Homekey+ Assisted Units shall be made through the local Coordinated Entry System (CES), or another comparable prioritization system based on greatest need for housing and services, to determine the most appropriate referral. Homekey+ units should be reserved for serving the Target Population where households are more appropriately served by PSH, including referrals from persons exiting encampments. Households with lower levels of need may be better served by other housing and less intense service interventions.

Applicants must demonstrate efforts to coordinate with their local county behavioral health department, to ensure the referral process to the Homekey+ units is aligned with the requirements of this NOFA.

If referrals will be made using a prioritization system other than CES, the Applicant must describe the plan for tenant referrals in detail, including which agency is responsible for managing the referral approach and what stakeholders are involved in the prioritization process. Awardees are encouraged to consider an alternative referral system consisting of referrals for persons exiting encampments, incarceration, or treatment facilities. Prioritization for Homekey+ units should be based on greatest need factors and assessments established by the local jurisdiction in collaboration with the Continuum of Care (CoC). CoC collaboration in Project and Supportive Services design is also strongly encouraged to help target and serve those with the greatest need.

Section 506. Participation in the Homeless Management Information System (HMIS)

Pursuant to Assembly Bill 977 (Statutes of 2021-22), Grantees who have been awarded HCD funding under the Homekey+ program must enter Universal and Common Data Elements as defined by HUD, on the individuals and families served into the Homeless

Management Information System (HMIS). For more information about this requirement visit [Homelessness Program Data Reporting | California Department of Housing and Community Development](#)

Any health information provided to, or maintained within, the statewide Homeless Management Information System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). “Health information” means “protected health information” as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.

Section 507. Relocation

In addition to the Relocation Assistance Narrative required in Section 300 submitted at the time of application, before the Homekey+ Award will be disbursed, Grantee must submit either:

- i. An HCD-approved relocation plan; or
- ii. An HCD-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement (certificate of no-relocation), which has been duly executed and approved by HCD.

Grantee must comply with all applicable federal, state, and local relocation law. Pursuant to relocation law, a Grantee must have a relocation plan prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. To ensure that displaced persons and entities do not suffer a disproportionate impact as a result of Projects which benefit the public, all notices to vacate and relocation services must be provided to them in accordance with applicable law.

HCD will identify its form, substance, and submittal requirements for these relocation documents in the Homekey+ application materials. Where the Grantee’s activities will or may result in displacement, the Grantee’s development budget shall include enough funds to pay all costs of relocation benefits and assistance. Any modifications to the foregoing process requirements must be approved in advance by HCD in writing.

Section 508. Non-Discrimination and Accessibility

Grantees shall adopt a written non-discrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits

of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available pursuant to this NOFA.

Grantees shall comply with the Fair Housing Amendments Act (42 U.S.C § 3601 et seq.), the California Fair Employment and Housing Act (Gov. Code, § 12900 et seq. and Cal. Code of Regs. Tit. 2, §§ 12264 – 12271), the Unruh Civil Rights Act (Civ. Code, § 51), Government Code section 11135, Government Code section 8899.50, Government Code § 65583 et seq., Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and all regulations promulgated pursuant to those statutes, including 24 C.F.R. Part 8, 24 C.F.R. Part 100 and its design and construction requirements, including ANSI A117.1 Standards and the March 6, 1991 Fair Housing Accessibility Guidelines, in conjunction with the June 28, 1994 Supplement to Notice of Fair Housing Accessibility Guidelines: Questions and Answers About the Guidelines, 28 C.F.R. Part 35, and 28 CFR Part 36.

Grantees shall comply with the requirements of the Americans with Disabilities Act of 1990 (U.S.C § 12101 et seq.). All developments shall adhere to the accessibility requirements set forth in California Building Code Chapter 11A and 11B and the Americans with Disabilities Act, Title II and Title III. In addition, developments shall adhere to either the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 8, or HUD's modified version of the 2010 ADA Standards for Accessible Design (Alternative 2010 ADAS), HUD-2014-0042-0001, 79 F.R. 29671 (5/23/14) (commonly referred to as "the Alternative Standards" or "HUD Deeming Notice"). Accessible units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout the Project and be available in a sufficient range of sizes and amenities consistent with 24 CFR part 8.26.

Applicants are further advised that while Homekey+ incorporates the [MHP guidelines](#), as explained in Section 101, as a courtesy and point of emphasis, HCD directs prospective Applicants to Section 7314 (a) and (b) of the MHP guidelines, which further articulates Fair Housing, Nondiscrimination, and Accessibility requirements. HCD also suggests Applicants review its April 2021 Affirmatively Furthering Fair Housing document at this [link](#).

Section 509. Prevailing Wages

Applicant's contemplated use of Homekey+ funds is subject to California's prevailing wage law (Lab. Code, § 1720 et seq.). Applicant is urged to seek professional legal advice about the law's requirements. Prior to disbursing the Homekey+ funds, HCD will require a certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law, or a certification that the development is exempt from prevailing wage as defined in Government Code 65913.4(a)(9). The certification must verify that prevailing wages have been or will be paid, and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by the general contractor(s) and the Grantee. The Department will not disburse funds for Rehabilitation or construction until the certification is signed by the general contractor.

Section 510. Environmental Clearances

Projects, including phased Projects, that satisfy the requirements HSC 50675.1.5, shall be exempt from the California Environmental Quality Act (CEQA). Projects under this section are considered a “use by right”, which are specifically exempt from CEQA (CA Public Resources Code section 21000 *et seq.*). (HSC 50675.1.5(e)(2)(A)).

Moreover, HSC 50675.1.5(c) specifically exempts HCD actions taken to “provide financial assistance or insurance for the development and construction of Projects” from CEQA review. HCD encourages Eligible Applicants to fully engage with HCD’s technical assistance and to review the CEQA exemption set forth at HSC section 50675.1.5 and the provision for land use consistency and conformity set forth at HSC section 50675.1.3, subdivision (i).

Applicants should consult with their counsel for legal advice in construing application of the foregoing exemptions to their Project. It is entirely within an Applicant’s discretion to determine whether to use the statutory CEQA exemption, whether the exemption applies to the Applicant’s proposed activity, or whether some other mechanism applies and could be used to satisfy obligations under CEQA.

Applicants must provide National Environmental Act (NEPA) clearance, as applicable. According to the National Environmental Policy Act (NEPA), Grantees must consider environmental impacts early in the planning process before decisions are made, and actions are taken. The Project must assess environmental impacts if a Project has applied for HUD assistance (HOME, CDBG, PBVs, Choice Neighborhoods Grant, ShelterCare Plus, etc.). HUD’s regulations prohibit grant recipients and their partners/contractors from committing or spending HUD or non-HUD funds on an activity that could limit the choice of reasonable alternatives before completing the environmental review process. The prohibition of choice-limiting actions does not apply to commitments of non-federal funds before the Project has applied for HUD funding. When an application is submitted for a federal grant/loan, all activity must stop until the environmental review process is complete.

There is no flexibility or waiver of NEPA environmental review requirements. The Project must receive an Authority to Use Grant Funds (AUGF) before the Project proceeds with the acquisition or physical activities, including non-HUD-funded activities. A choice-limiting action can result in a violation that jeopardizes HUD funding for the Project.

The prohibition on choice-limiting actions prohibits physical activity, including acquisition, Rehabilitation, and construction, as well as contracting for or committing to any of these actions before completion of the environmental review. Some examples of choice-limiting actions are:

- Acquisition
- Rehabilitation
- Demolition
- Site improvements (including site clearance/grubbing)
- Leases or Transfers
- Entering into contracts such as construction bidding
- A change in Project conditions or unexpected conditions arise

Choice-Limiting Actions are not:

- Plans or designs
- Activities necessary to support an application for federal, state, Tribal, or local permits
- Option agreement on a proposed property (make sure that the contract is contingent on environmental review clearance and don't close escrow before the review process is complete)

HCD does not determine which Projects will require NEPA clearance. Applicants shall provide HCD a status of any required NEPA review at the time of application. For more information, visit the [HUD Exchange](#), review HCD's Environmental Review Guidance by clicking [here](#), or contact HCD's Environmental Services Team at NEPA@hcd.ca.gov.

Section 511. Land Use

HSC Section 50675.1.5 outlines the criteria by which a Homekey+ Project shall be a use by right and subject to a streamlined, ministerial review process. Appendix C provides the full list of criteria for 50675.1.5. Applicants should consult with their counsel for legal advice in the application of the law to their Project. HCD may also request documentation that Applicants have considered the law in their development planning.

Section 512. State Requirements

All Assisted Units and other Units of the Projects 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.

Section 513. Grantee Liability

All entities in the Grantee structure (to include the Eligible Applicant, any Co-Applicants, and any other entities added to the ownership structure of the Project pursuant to [Section 303 vi.] of this NOFA) shall be bound by the Homekey+ Program Requirements; and shall remain jointly and severally liable to HCD for performance under the Standard Agreement and for compliance with all Homekey+ Program Requirements. This provision shall remain applicable notwithstanding any Department-approved transfer or assignment of interest, or any designation of a third party for the undertaking of all or any part of the Scope of Work in the Standard Agreement.

Article VI. Project Operations

Section 600. Project Oversight

As specified by HCD and upon request, Grantees shall provide progress reports in connection with completed milestones and any updates to the timeline for completion of the Project. Grantees shall promptly notify HCD upon any changes to the Project development, changes to the Project and changes in Grantee organization, authorization, or capacity.

Section 601. Reporting

Grantees shall submit a Homekey+ annual report (annual report) to HCD following Standard Agreement execution. The annual report will be due no later than March 31 for the prior calendar year of January 1 to December 31. The annual report will continue to be required for at least five years following full occupancy of the Project and until the Homekey+ operating subsidy has been fully expended. The report shall be in such form and contain such information as required by HCD in its sole and absolute discretion. At minimum, the Annual Report shall include the following data:

- i. The amount of funds expended for the Project.
- ii. The location of any properties for which the funds are used.
- iii. The number and bed size of useable housing units produced, or planned to be produced, using the funds.
- iv. The number of individuals housed, or likely to be housed, using the funds.
- v. The number of units, and the location of those units, for which operating subsidies have been, or are planned to be, capitalized using the funds.
- vi. Any lessons learned from the use of the funds.
- vii. Proposed changes to the program to address lessons learned.
- viii. An explanation of how funding decisions were made for acquisition, conversion, or Rehabilitation Projects, or for COSRs, including what metrics were considered in making those decisions.
- ix. Total project development costs
- x. Total operating costs

If a Project received an operating Award, Grantees shall also report their operating expenditures in the annual report.

In addition to the foregoing, the Grantee shall submit to HCD such periodic reports, updates, and information as deemed necessary by HCD to monitor compliance and/or perform program

evaluation. Any requested data or information shall be submitted in electronic format on a form provided by HCD.

The Grantee shall ensure that the expenditure of Homekey+ funds is consistent with the requirements of the Program. HCD shall monitor the expenditures to ensure that those expenditures comply with this NOFA.

HCD may request the repayment of funds or pursue any other remedies available, at law or in equity, for failure to comply with Program requirements or contractual commitments.

Grantees receiving an Award for Veteran Assisted Units shall submit any additional information as requested by HCD or CalVet, including but not limited to staffing and training details, tenant demographic and veteran-oriented data, and tenant survey results.

Section 602. Disbursement of Grant Funds

HCD may disburse funds to cover Homekey+-critical expenditures that were incurred prior to Homekey+ application pursuant to Section 204. Homekey+ program funds will be disbursed to the Grantee after HCD has approved the relocation plan or issued a certificate of no-relocation, received a request for funds from the Grantee, received and approved an Affordability Covenant for recordation at close of escrow, and approved a fully executed Standard Agreement between the Grantee and HCD. The Grantee cannot request funds for rehabilitation or construction until they have provided a certification of compliance with prevailing wage laws signed by the Grantee and their selected general contractor, as detailed in Section 509.

The Standard Agreement will set forth the general conditions of disbursement, any conditions precedent to disbursements (e.g., proof of recordation of the Affordability Covenant, documentation requirements for pre-Standard Agreement expenditures or conditional performance measures), and HCD's remedies upon an event of default. The Standard Agreement will also identify which of the Co-Grantees will be the designated payee.

Homekey+ funds awarded to an Applicant may not be transferred to another entity to expend on an eligible use unless that other entity is a signatory on the Standard Agreement.

All Homekey+ funds must be wired to an escrow company. The Applicant shall identify the name and address of the escrow company, the name of the escrow officer, the escrow number, and any other information requested by HCD. The appropriate Affordability Covenant must be on file and approved by HCD to be included in the escrow transaction for recordation. The Grantee may only request awarded operating funds, if applicable, after providing confirmation that construction and/or Rehabilitation on the Project is completed, and the Project is ready to begin leasing up. HCD reserves the right to disburse funds prior to construction completion if the Grantee sufficiently demonstrates need for Homekey+ operational funds prior to construction completion.

Section 603. Legal Documents

Upon the Award of Homekey+ funds to a Project, HCD shall enter into one or more agreements with the Grantee, including a Standard Agreement, which shall encumber funds from the Homekey+ program, subject to specified conditions. The agreement or agreements shall include, but not be limited to:

- i. A description of the approved Project and the permitted uses of funds.
- ii. The amount and terms of the program grant.
- iii. The use, income, occupancy, and rent restrictions to be imposed on the Project through the Affordability Covenant.
- iv. Performance milestones, and other progress metrics, governing the completion of the Project, along with the remedies available to HCD in the event of a failure to meet such milestones or metrics.
- v. Provisions governing the manner, timing, and conditions of the disbursement of the program grant.
- vi. Special conditions imposed as part of HCD's approval of the Project.
- vii. Terms and conditions required by federal and state law.
- viii. Requirements for reporting to HCD.
- ix. Remedies available to HCD in the event of a violation, breach, or default of the agreement; and
- x. Provisions regarding Grantee liability. Specifically, the Grantee will remain liable to HCD for compliance with and the performance of all Program requirements regardless of any HCD-approved transfer or assignment of interest. Likewise, each co-Grantee will remain jointly and severally liable to HCD for compliance with and the performance of all Program requirements regardless of any HCD- approved transfer or assignment of interest, and notwithstanding the co- Grantees' identification of a designated payee.

The agreement will also include such other provisions as are necessary to ensure adherence to the objectives and requirements of the program.

Section 604. Sales, Transfers, and Encumbrances

An Applicant(s) shall not sell, assign, transfer, encumber, or convey the awarded Project, or any interest therein or portion thereof, without the express prior written approval of HCD, which may be granted, delayed, or withheld in HCD's sole and absolute discretion. All Applicants and Co-Applicants must be signatories on the Standard Agreement and may not be removed, even upon an approved transfer to another entity.

Section 605. Defaults and Grant Cancellations

Funding commitments may be canceled by HCD under any of the following conditions:

- i. The objectives and requirements of the Homekey+ program cannot be met, and the implementation of the Project cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement or the regulatory agreement.
- ii. In the event of a breach or violation by the Grantee, HCD may give written notice to the Grantee to cure the breach or violation. If the breach or violation is not cured to the satisfaction of HCD within a reasonable time period, HCD, at its option, may declare a default under the relevant document and may seek legal remedies for the default including the following:
 - a. HCD may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the Project in accordance with Homekey+ Program Requirements; and
 - b. HCD may seek such other remedies as may be available under the relevant agreement or at law, or in equity.

Section 606. Insurance Requirements

i. Commercial General Liability

Due at time of disbursement, Applicants shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. The policy must name the State of California and the California Department of Housing and Community Development, as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract.

If available in the open market at a reasonable cost, the policy shall also include an endorsement for physical abuse and child/sexual molestation coverage. Coverage shall include actual or threatened physical abuse, mental injury, sexual molestation, negligent hiring, employment, supervision, investigation, reporting to proper authorities, and retention of any person for whom the Applicant is responsible. This insurance shall apply separately to each insured against which claim is made, or suit is

brought subject to the Applicant's limit of liability. Coverage shall include the cost of defense and the cost of defense shall be provided outside the coverage limit.

If available in the open market at a reasonable cost, the policy shall also include an endorsement for assault and battery.

ii. **Automobile Liability**

If Applicable. Due at time of Application and at time of disbursement. Applicant shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. The policy must name the "State of California and the California Department of Housing and Community Development", as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract.

If Applicant will not have or use any commercially owned vehicles during the term of the Standard Agreement, by signing the Standard Agreement, the Applicant certifies that the Applicant and any appointees, employees, subcontractors, or servants possess valid automobile coverage in accordance with California Vehicle Code sections 16450 to 16457, inclusive. HCD reserves the right to request proof at any time.

iii. **Workers' Compensation and Employer's Liability**

Due at time of disbursement, Applicant shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the contract. In addition, employer's liability limits of \$1,000,000 are required. By signing the Standard Agreement, Applicant acknowledges compliance with these regulations. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California and the California Department of Housing and Community Development must be attached to the certificate.

iv. **Builder's Risk/Installation Floater**

Due at time of disbursement and prior to starting construction, if there is installation or construction of property/materials on or within the facility at any time during the term of the Standard Agreement, the Applicant shall maintain in force, at its own expense, Builders Risk/Installation Floater covering the labor, materials, and equipment to be used for completion of the work performed under this contract against all risks of direct physical loss, excluding earthquake and flood, for an amount not less than the full amount of the property and/or materials being installed and/or constructed on or within the facility. The Applicant agrees as a provision of the contract

to waive all rights of recovery against the state.

v. **Property Insurance**

Due at time of acquisition and/or construction completion, the Applicant shall maintain fire, lightning and extended coverage insurance on the facility which shall be in a form of a commercial property policy, in an amount equal to one hundred percent (100%) of the then current replacement cost of the facility, excluding the replacement cost of the unimproved real property constituting the site. The extended coverage endorsement shall, as nearly as practicable, include but not be limited to loss or damage by an explosion, windstorm, riot, aircraft, vehicle damage, smoke, vandalism, and malicious mischief and such other hazards as are normally covered by such endorsement.

vi. **Self-Insured**

Due at time of disbursement, if a state, regional, or Local Public Entity is the sole Applicant, and if that entity is self-insured in whole or in part as to any of the above-described types and levels of coverage, then that entity shall provide HCD with a written acknowledgment of this fact before execution of the Standard Agreement. If, at any time after the execution of the Standard Agreement, the state, regional, or Local Public Entity abandons its self- insured status, that entity shall immediately notify HCD of this fact and shall comply with all of the terms and conditions of this Section pertaining to insurance requirements. HCD may accept evidence of self-insurance from other Eligible Applicants in its sole and absolute discretion.

Article VII. Definitions

Below are the definitions for purposes of the Homekey+ program:

- i. "Affordability Covenant" means the legally binding 55-year instrument which (a) is recorded in first position against the Project real property for the benefit of the state, regional, local, or Tribal Grantee; (b) imposes use, operation, occupancy, and affordability restrictions on the real property and improvements; (c) duly names HCD as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, (d) incorporates the Homekey+ Program Requirements by reference, and (e) is otherwise in form and substance acceptable to HCD. Upon its execution, the Affordability Covenant shall be binding, effective, and enforceable against all successors, transferees, and assignees, in accordance with Section 208 of this NOFA, after a certificate of occupancy or its equivalent has been issued for the Project, or if no such certificate is issued, from the date of initial occupancy of the Project. Affordability Covenants on Tribal trust land are addressed separately under Section 208 of this NOFA.
- ii. "Applicant" means the "Eligible Applicant," as that term is defined in this NOFA, as well as the Eligible Applicant's Co-Applicant(s), if applicable. As allowed or required by context, the term "Applicant" shall refer to all such entities in their individual and/or collective capacity.
- iii. "Area Median Income" or "AMI" means the most recent applicable county median family income published by the California Tax Credit Allocation Committee (TCAC) or HCD.
- iv. "Assisted Unit" means a Homekey+-funded residential dwelling unit in PSH that is subject to rent, income, occupancy, or other restrictions associated with Homekey+ requirements. See also "Youth Assisted Unit."
- v. "At Risk of Homelessness" has the same meaning as defined in Title 24 CFR Part 578.3.
- vi. "Award" means the portion of program funds available for a Grantee to expend toward eligible program uses.
- vii. "Behavioral Health Challenge" is defined within the California Welfare and Institutions Code (WIC) Section 5965.01, subdivision (b). The term includes, but is not limited to a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402 and below, **however enrollment in Medi-Cal as a beneficiary is not a conditions for Homekey+ housing.** Behavioral Health Challenge may also include a substance use disorder, as described in Section 5891.5, subdivision (c)..

For those who meet the criteria of this definition, enrollment in Medi-Cal as a Beneficiary is not a condition for Homekey+ housing.

WIC §14184.402(c), defines “serious mental illness” pursuant to the following criteria for individuals that are 21 years of age or older:

(1) The [individual] has one or both of the following:

- (A) Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.
- (B) A reasonable probability of significant deterioration in an important area of life functioning; and

(2) The beneficiary's condition as described in paragraph (1) is due to either of the following:

- (A) A diagnosed mental health disorder, according to the criteria of the current editions of the Diagnostic and Statistical Manual of Mental Disorders and the International Statistical Classification of Diseases and Related Health Problems.
- (B) A suspected mental disorder that has not yet been diagnosed.

WIC §14184.402 (d.) defines “serious mental illness” pursuant to either of the following criteria for individuals that are under 21 years of age:

(1) The [individual] has a condition placing them at high risk for a mental health disorder due to experiencing trauma evidenced by scoring in the high-risk range under a trauma screening tool approved by the (non-HCD) department, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness; OR

(2) The [individual] meets both of the following requirements:

(A) The [individual] has at least one of the following:

- (i) A significant impairment.
- (ii) A reasonable probability of significant deterioration in an important area of life functioning.
- (iii) A reasonable probability of not progressing developmentally as appropriate.

- (iv) A need for specialty mental health services, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal managed care plan is required to provide; AND
- (B) The beneficiary's condition as described in subparagraph (A) is due to one of the following:
 - (i) A diagnosed mental health disorder, according to the criteria of the current editions of the Diagnostic and Statistical Manual of Mental Disorders and the International Statistical Classification of Diseases and Related Health Problems.
 - (ii) A suspected mental health disorder that has not yet been diagnosed.
 - (iii) Significant trauma placing the beneficiary at risk of a future mental health condition, based on the assessment of a licensed mental health professional.

WIC §5891.5, subdivision (c.) (1):

- (c)(1) For purposes of this section, "substance use disorder" means an adult, child, or youth who has at least one diagnosis of a moderate or severe substance use disorder from the most current version of the Diagnostic and Statistical Manual of Mental Disorders for Substance-Related and Addictive Disorders, with the exception of tobacco-related disorders and non-substance-related disorders.
- viii. "Case Manager" is a social worker or other qualified person who has or is supervised by a person with a relevant master's degree. At its sole discretion, the Department may approve Supportive Service plans where Case Managers cannot be supervised by a person with a master's degree. A Case Manager facilitates individualized service planning, and the assessment, coordination, monitoring, referral, and advocacy of services to meet tenants' Supportive Services needs, including, but not limited to, access to medical and mental health services, substance use disorder treatment and services, vocational training, employment, home and community-based services and crisis management and interventions. Resident service coordinators are not Case Managers. For Homekey+ tenants who are also HUD-VASH program participants, the Case Manager for services will be the applicable U.S. Department of Veterans Affairs (VA) Case Manager (or third-party provider selected by the VA), in accordance with the HUD-VASH Program.
- ix. "Chronic Homelessness" means a person who is chronically homeless, as defined in Title 24 CFR Part 578.3.

- x. "City" means a City or City and County that is legally incorporated to provide local government services to its population. A City can be organized either under the general laws of this state or under a charter adopted by the local voters.
- xi. "Co-Applicant" means the nonprofit corporation, for-profit corporation, limited liability company (LLC), and/or limited partnership (LP) that is jointly applying for Homekey+ funds with a state, regional, or Local Public Entity, or with a Tribal Entity.
- xii. "Conditional Award" or "Conditional Award Commitment and Acceptance of Terms and Conditions letter" means a letter specifying the portion of program funds available for a Grantee to expend toward eligible program uses once the Grantee has acknowledged and fulfilled the terms and conditions.
- xiii. "Continuum of Care" means the same as defined by Title 24 CFR Part 578.3.
- xiv. "Coordinated Entry System" means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program tenant intake, assessment, and provision of referrals. To satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.
- xv. "HCD" means the California Department of Housing and Community Development.
- xvi. "Discretionary Reserve" means the same as in Section 203 (i)(c) and will be prioritized in the manner described in Section 400 of this NOFA.
- xvii. "Eligible Applicant" means a City; county; a City and county; any other state, regional, and Local Public Entity, including a council of government, metropolitan planning organization, and regional transportation planning agency designated in Section 29532.1 of the Government Code; or a Tribal Entity(ies) as defined in this NOFA. For purposes of this definition, a "Local Public Entity" is further defined in accordance with HSC section 50079. As allowed or required by context, "Applicant" shall be interpreted to include any of the foregoing entities, as well as that entity's Co-Applicant. Upon receiving an Award of Homekey+ funds, the Eligible Applicant and any Co-Applicant(s) will, both individually and collectively, be referred to as the "Grantee" for purposes of this NOFA. Please see Section 200 for specific eligible applicant requirements for Homekey+ HHAP Supplemental Funds.

- xviii. “Enforceable Funding Commitment” (EFC) means a letter or other document, in form and substance satisfactory to HCD, which evidences an enforceable commitment of funds or a reservation of funds by a Project funding source, and which contains the following:
- a. The name of the Applicant.
 - b. The Project name.
 - c. The Project site address, assessor’s parcel number, or legal description; and
 - d. The amount, interest rate (if any), and terms of the funding source including eligible and ineligible costs.

The Enforceable Funding Commitment may be conditioned on certain standard underwriting criteria, such as appraisals, but may not be generally conditional. Examples of unacceptable general conditions include phrases such as “subject to senior management approval,” or a statement that omits the word “commitment,” but instead indicates the lender’s “willingness to process an application” or indicates that financing is subject to loan committee approval of the Project.

Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed. EFC types include sustained sources such as Project-based vouchers, Renewable Sources such as Continuum of Care, tenant-based subsidies like tenant-based vouchers, or intent to pursue sources like private funding or HHAP sources exceeding expiration and yet to be announced in the legislature.

Where local sources may be dependent upon future budget allocations or are in the process of being allocated, please submit one of the two documents below. For further information on this, please see Definition (xl.) on Renewable Sources below. Applicants can demonstrate funding commitments by submitting one of the following:

- i. An executed authorizing resolution from the governing body of the Local Public Entity describing the commitment or intent to commit the funds to the Eligible Project (by name) upon allocation approval, or
- ii. A formal letter, on official letterhead, from the Local Public Entity’s governing body or from an official with authority, that demonstrates the Local Public Entity’s intent to commit funds to the Eligible Project (by name) upon allocation approval. These funding commitments will be noted in the Homekey+ Standard Agreement.

- xix. “Existing HCD Award Commitment” means the existing commitment of Department funds to the Project, as well as the Department loan program making that commitment.
- xx. “Extremely Low Income” or “ELI” has the same meaning as in Title 24 CFR Part 93.2.
- xxi. “Foster Youth” means a child or nonminor dependent, as defined by Section 475 of Title IV-E of the Social Security Act (42 U.S.C. Sec. 675(8)) and subdivision (v) of Section 11400 of the Welfare and Institutions Code, who has been removed from the custody of their parent, legal guardian, or Indian custodian pursuant to Section 361 or 726 of the Welfare and Institutions Code, and who has been ordered into any placement described in paragraphs (2) to (9), inclusive, of subdivision (e) of Section 361.2 of, or paragraph (4) of subdivision (a) of Section 727 of, the Welfare and Institutions Code.
- xxii. “Grantee” means the Eligible Applicant (and, if applicable, the Co-Applicant) that has been awarded funds under Homekey+, and that will be held responsible for compliance with and performance of all Homekey+ Program Requirements. The Grantee may comprise one or more entities, so long as the Grantee structure includes an “Eligible Applicant,” as that term is defined in this NOFA. All such entities shall, in their individual and collective capacity as the “Grantee,” be bound by the Homekey+ Standard Agreement and each and every one of the Homekey+ program terms, conditions, and requirements.
- xxiii. “Homekey+ Program Requirements” means the following, all as amended and in effect from time to time:
 - a. the Homekey+ Program Notice of Funding Availability
 - b. Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code.
 - c. the Grantee’s application for Homekey+ funding.
 - d. the Project report prepared by HCD in reliance on the representations and descriptions included in the Grantee’s application for Homekey+ funding.
 - e. the award letter issued by HCD to the Grantee.
 - f. the relevant STD 213, Standard Agreement for the Homekey+ funding; and
 - g. all other applicable law.
- xxiv. “Homeless” has the same meaning as defined in Title 24 CFR Part 578.3.

- xxv. "Homeless Youth" means a child, youth, or current or former Foster Youth through the age of 25 who qualifies as "Homeless" under any of the relevant definitions set forth or identified in Title 24 CFR Part 578.3.
- xxvi. "Housing First" has the same meaning as in Welfare and Institutions Code section 8255, including all the core components listed therein.
- xxvii. "HUD" means the U.S. Department of Housing and Urban Development.
- xxviii. "Interim Housing" means any facility whose primary purpose is to provide a temporary shelter for the Homeless in general or for specific populations identified in this NOFA and which does not require occupants to sign leases or occupancy agreements. Interim Housing is not an eligible use under this NOFA with the exception noted in Section 201.
- xxix. "Lead Service Provider" or "LSP" is the organization that has overall responsibility for the provisions of Supportive Services and implementation of the Supportive Services plan in the Project. The LSP may directly provide comprehensive case management services or contract with other agencies that provide services. For HUD-VASH tenants, the LSP will enable the applicable Veterans Affairs Case Manager to administer services in accordance with the HUD-VA Supportive Housing (VASH) Program.
- xxx. "Local Public Entity" is defined in accordance with HSC section 50079, and means any county, City, City and county, the duly constituted governing body of an Indian reservation or rancheria, Tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5, redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24, and also includes any state agency, public district, or other political subdivision of the state, and any instrumentality thereof, that is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income. "Local Public Entity" also includes two or more Local Public Entities acting jointly.
- xxxi. "Manager's Unit" is a unit in which the onsite manager of the Project resides. A Manager's Unit will not be an Assisted Unit. Manager's Units may be included for Homekey+ funding under the development budget, however no Manager's Unit may be included in funding requests for a Homekey+ operating award. Manager's Units shall be restricted to households at or below 60% AMI.
- xxxii. "NOFA" means this Notice of Funding Availability.
- xxxiii. "Operating Expenses" means the amount approved by HCD that is necessary to pay for the recurring expenses of the Project, such as utilities; maintenance; management fees; taxes; licenses; and Supportive Services costs, which may

- include staffing and service coordination. Operating Expenses do not include debt service or required reserve account deposits.
- xxxiv. "Performing Debt" refers to non-government, long-term (or permanent) financing of a Project intended to generate a profit for a private or non-profit lender requiring ongoing mandatory debt service payments.
 - xxxv. "Permanent Supportive Housing" or "PSH" means housing with no limit on length of stay, that is occupied by the Target Population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community, as defined at California Government Code Section 65582 (g) , except that "Permanent Supportive Housing" shall include associated facilities if used to provide services to housing residents.
 - xxxvi. "Point-in-Time Count" or "PIT" means a count of sheltered and unsheltered Homeless persons on a single night conducted by Continuums of Care as prescribed by HUD.
 - xxxvii. "Positive Youth Development" (PYD) is an intentional, prosocial approach that engages youth within their communities, schools, organizations, peer groups, and families in a manner that is productive and constructive; recognizes, utilizes, and enhances young people's strengths; and promotes positive outcomes for young people by providing opportunities, fostering positive relationships, and furnishing the support needed to build on their leadership strengths.
 - xxxviii. "Project" means a structure or set of structures providing housing with common financing, ownership, and management.
 - xxxix. "Project Ownership Structure" means a Project-specific entity organizational chart that shows the ownership relationship between the Project Applicants and all Project entities (including the special purpose entity). This document is used by HCD to connect the Project Ownership Structure with the provided legal organizational documents (i.e. Operating Agreement, Limited Partnership Agreement, By Laws, etc.) to ensure the Primary Applicant or Co-Applicant has legal control over the Project site. This is NOT a staff organizational chart. The Project Ownership Structure chart must be provided with the application.
 - xl. "Rehabilitation" means repairs and improvements to a substandard residential structure necessary to make it meet Rehabilitation standards. As used in this section, "substandard residential structure" has the same meaning as the term "substandard building," as defined in HSC Section 17920.3. "Rehabilitation" also includes improvements and repairs made to a residential structure acquired for the purpose of preserving its affordability and use by the Target Population.

- xli. “Renewable Sources” means funding sources that are dependent upon future budget allocations, competitive applications, or are in the process of being allocated. Per UMR Section 8310 (i) HCD may assume funds may be renewed, where the renewal of the rental assistance or operating assistance is likely. The Homekey+ Program will evaluate the following to determine whether renewal is likely:
- a. The number of years that the funding has been renewed and/or that the Homekey+ Applicant has received the renewal; and
 - b. Any back-stop funds or alternative funds the Project may utilize should the funds fail to renew.
- xlii. “Rural Area” in accordance with HSC Section 50199.21, means an area, which, on January 1 of any calendar year satisfies any of the following criteria:
- a. The area is eligible for financing under the Section 515 program, or successor program, of the Rural Development Administration of the United States Department of Agriculture.
 - b. The area is located in a nonmetropolitan area as defined in HSC Section 50090; or
 - c. The area is either:
 - i. An incorporated City having a population of 40,000 or less as identified in the most recent Report E-1 published by the Demographic Research Unit of HCD of Finance; or
 - ii. An unincorporated area which adjoins a City having a population of 40,000 or less, provided that the City and its adjoining unincorporated area are not located within a census tract designated as an urbanized area by the United States Census Bureau. HCD shall assist in determinations of eligibility pursuant to this subdivision upon request. With respect to areas eligible under subdivision (b) and this subdivision, the committee may rely upon the recommendations made by HCD. Any inconsistencies between areas eligible under subdivisions (a) and (b), and this subdivision, shall be resolved in favor of considering the area a Rural Area. Eligible and ineligible areas need not be established by regulation.
- xlii. “Secondary Tenant” is defined as 1) Veterans who are Homeless whose incomes are up to 50% AMI and are receiving income as a result of service-connected disability benefits, or 2) Veterans experiencing homelessness with an income of up to 60% AMI.
- xliv. “Severely Rent-Burdened” means being Extremely Low-Income (under 30% AMI) and paying more than 50% of income for rent.

- xliv. "Sponsor" means the definition of "Sponsor" at UMR Section 8301(s), which is: the legal entity or combination of legal entities with continuing control of the Project. Where the borrowing entity is or will be organized as a limited partnership, Sponsor includes the general partner or general partners who have effective control over the operation of the partnership, or, if the general partner is controlled by another entity, the controlling entity. Sponsor does not include the seller of the property to be developed as the Project, unless the seller will retain control of the Project for the period of time necessary to ensure Project feasibility as determined by the Department.
- xlvi. "Standard Agreement" means the STD 213, Standard Agreement, and all exhibits thereto.
- xlvii. "Supportive Services" means social, health, educational, income support, employment, and housing stability services and benefits; coordination of community building and educational activities; individualized needs assessment and case management; and individualized assistance with obtaining services and benefits.
- xl. "Target Population" means individuals, or households with an individual, who are experiencing homelessness or who are At Risk of Homelessness as defined under part 578.3 of Title 24 of the Code of Federal Regulations and who have or are suspected of having a Behavioral Health Challenge. These individuals and households must include a person described in subdivision (c) or (d) of Section 14184.402, or a person with a substance use disorder, as described in Section 5891.5. However, enrollment in Medi-Cal or in any other health plan shall not be a condition for accessing housing or continuing to be housed. For Veteran-serving Projects the Target Population also includes Veterans.
- xli. "Tribal Entity(ies)" means an Applicant that is any of the following:
- a. Applicant meets the definition of Indian Tribe under Section 4103(13)(B) of Title 25 of the United State Code.
 - b. Applicant meets the definition of Tribally Designated Housing Entity under 25 USC 4103(22).
 - c. If not a federally recognized Tribe, either:
 - i. Applicant is listed in the Bureau of Indian Affairs Office of Federal Acknowledgement petitioner list pursuant to Section 82.1 of Title 25 of the Federal Code of Regulations.
 - ii. Applicant is an Indian Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of consultation pursuant to Section 65352.3 of the Government Code.

- iii. Has organized a separate legal entity, either a non-profit or for-profit entity, in compliance with CCR Title 25, Section 8301(s) and it has demonstrated to the satisfaction of the Department that the separate legal entity is controlled by the Tribal Applicant.
- xlii. "Unit" means a residential unit that is used as a primary residence by its occupants, including individual units within the Project.
- xliii. "Veteran" means a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable and who is experiencing or at risk of homelessness as defined in Title 24 CFR Part 578.3.
- xliv. "Youth Assisted Unit" means an Assisted Unit serving Homeless Youth, or Youth at Risk of Homelessness, as defined in Title 24 CFR Part 578.3. Pursuant to Section 203, Youth Assisted Units may also serve current and former Foster Youth through the age of 25.
- xlv. "Youth at Risk of Homelessness" means a child, youth, or current or former Foster Youth through the age of 25 who qualifies as "At Risk of Homelessness" or "Homeless" under any of the relevant definitions set forth or identified at Part 578.3 of Title 24 of the Code of Federal Regulations.

APPENDIX A: Homekey+ Capital Contributions

Assisted Unit, 1:1 Match	Homekey+ Capital Contributions		
	Total Cost Per Door *	Maximum Homekey+ Contribution	Applicant Contribution
Homekey+ Target Population and Manager's Units	\$180,000	\$180,000	\$0
	\$190,000	\$190,000	\$0
	\$200,000	\$200,000	\$0
	\$220,000	\$210,000	\$10,000
	\$240,000	\$220,000	\$20,000
	\$260,000	\$230,000	\$30,000
	\$280,000	\$240,000	\$40,000
	\$300,000	\$250,000	\$50,000
	\$320,000	\$260,000	\$60,000
	\$340,000	\$270,000	\$70,000
	\$360,000	\$280,000	\$80,000
	\$380,000	\$290,000	\$90,000
	\$400,000+	\$300,000	\$100,000+

* The total cost per door referenced in the table above includes all eligible capital expenses, including acquisition, Rehabilitation, and new construction costs.

APPENDIX B: Homekey+ Organizational Document Requirements

	Documents to submit with Application	Needed to pass Threshold	Needed to pass Feasibility
All Applicants	Certification & Legal Disclosure		x
	Signature Block (in Word document format)		x
	Payee Data Record (STD 204) (except jurisdictions)		x
	EIN Verification (IRS form SS-4) (except jurisdictions)		x
	Tax-Exempt Status from IRS and FTB (if applicable)		x
Eligible Applicant or Co-Applicant	Project Ownership Structure (<i>only one needed</i>)	x	
Eligible Applicant (Jurisdiction)	Authorizing Resolution	x	
	Taxpayer Identification Number (FIRS Cal TIN Form)	x	
Tribal Entity	Authorizing Resolution	x	
	Tribe Formation Documents (constitution, charters, etc.)	x	
	Federal Register of Indian Entities Recognized (if applicable)	x	
Corporation	Authorizing Resolution	x	
	Articles of Incorporation	x	
	Certificate of Amended Articles of Incorporation, if applicable	x	
	Corporate Bylaws (all amendments and/or restatements)	x	
	Restated Articles of Incorporation	x	
	Cert of Good Standing (dated within 30 days of app due date)		x
	Statement of Information		x
Limited Liability Company	Shareholder Agreements (if applicable)		x
	Authorizing Resolution	x	
	Articles of Organization including restatements (LLC-1)	x	
	Certificate of Amended Articles of Organization (LLC-2) if applicable	x	
	Operating Agreement	x	
Limited Partnership	Cert of Good Standing (dated within 30 days of app due date)		x
	Authorizing Resolution	x	
	Certificate of Limited Partnership (LP-1)	x	
	Amendment to Certificate of Limited Partnership (LP-2)	x	
	Limited Partnership Agreement	x	
LLC: Manager of LLC if applicable	Cert of Good Standing (dated within 30 days of app due date)		x
	See org doc requirement based on organization type	x	
Limited Partnership: MGP	See org doc requirement based on organization type	x	
Limited Partnership: AGP	See org doc requirement based on organization type	x	

	Documents to submit with Application	Needed to pass Threshold	Needed to pass Feasibility
Limited Partnership: LP or GP	See org doc requirement based on organization type	x	

APPENDIX C: Homekey+ Streamlining

State of California Health and Safety Code Section 50675.1.5: Streamlined Ministerial Review Process (excerpt from Homekey+ authorizing statute)

50675.1.5. (a) (1) Notwithstanding any other law, projects to provide housing pursuant to paragraph (1) or (2) of subdivision (a) of Section 5965.04 of the Welfare and Institutions Code, shall be a use by right and shall be subject to the streamlined, ministerial review process, pursuant to subdivision (b), if it meets all of the following criteria:

(A) It is located in a zone where multifamily residential use, office, retail, or parking are a principally permitted use.

(B) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses.

(C) It satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4 of the Government Code.

(D) It is not on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.

(E) The development will meet the following objective zoning standards, objective subdivision standards, and objective design review standards:

(i) The applicable objective standards shall be those for the zone that allows residential use at a greater density between the following:

(I) The existing zoning designation for the parcel if existing zoning allows multifamily residential use.

(II) The zoning designation for the closest parcel that allows residential use at a density deemed appropriate to accommodate housing for lower income households in that jurisdiction as specified in paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code.

(ii) The applicable objective standards shall be those in effect at the time that the development application is submitted to the local government pursuant to this section.

(iii) A development proposed pursuant to this section shall be eligible for the same density bonus, incentives or concessions, waivers or reductions of development standards, and parking ratios applicable to a project that meets the criteria specified in subparagraph (G) of paragraph (1) of subdivision (b) of Section 65915 of the Government Code.

(F) No housing units were acquired by eminent domain.

(G) The housing units will be in decent, safe, and sanitary condition at the time of their occupancy.

(H) The project meets the labor standards contained in Sections 65912.130 and 65912.131 of the Government Code.

(I) The project provides housing for persons who meet the criteria specified in subdivision (a) of Section 5830 of the Welfare and Institutions Code and their families.

(J) Long-term covenants and restrictions require the housing units to be restricted to persons who meet the criteria specified in subdivision (a) of Section 5830 of the Welfare and Institutions Code for no fewer than 30 years.

(2) (A) For purposes of this subdivision, parcels only separated by a street or highway shall be considered to be adjoined.

(B) For purposes of this subdivision, “dedicated to industrial use” means any of the following:

- (i) The square footage is currently being used as an industrial use.
 - (ii) The most recently permitted use of the square footage is an industrial use.
 - (iii) The site was designated for industrial use in the latest version of a local government’s general plan adopted before January 1, 2022.
- (b) The project shall be subject to the following streamlined, ministerial review process:
- (1) (A) If the local government determines that a development submitted pursuant to this section is consistent with the objective planning standards specified in this section, it shall approve the development.
 - (B) If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in this section, it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, within the following timeframes:
 - (i) Within 60 days of submission of the development proposal to the local government if the development contains 150 or fewer housing units.
 - (ii) Within 90 days of submission of the development proposal to the local government if the development contains more than 150 housing units.
 - (C) If the local government fails to provide the required documentation pursuant to subparagraph (B), the development shall be deemed to satisfy the required objective planning standards.
 - (D) (i) For purposes of this section, a development is consistent with the objective planning standards if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.
 - (ii) For purposes of this section, a development is not in conflict with the objective planning standards solely on the basis that application materials are not included, if the application contains substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.
 - (E) The determination of whether a proposed project submitted pursuant to this section is or is not in conflict with the objective planning standards is not a “project” as defined in Section 21065 of the Public Resources Code.
- (2) Design review of the development may be conducted by the local government’s planning commission or any equivalent board or commission responsible for design review. That design review shall be objective and be strictly focused on assessing compliance with criteria required for streamlined, ministerial review of projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submittal of the development to the local government and shall be broadly applicable to developments within the jurisdiction. That design review shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:
- (A) Within 90 days of submittal of the development proposal to the local government pursuant to this section if the development contains 150 or fewer housing units.
 - (B) Within 180 days of submittal of the development proposal to the local government pursuant to this section if the development contains more than 150 housing units.

(c) Division 13 (commencing with Section 21000) of the Public Resources Code shall not apply to actions taken by HCD of Housing and Community Development, the State Department of Health Care Services, or a local agency to provide financial assistance or insurance for the development and construction of projects built pursuant to this section.

(d) The applicant shall file a notice of exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152 of the Public Resources Code.

(e) For purposes of this section, the following definitions shall apply:

(1) "Objective zoning standards," "objective subdivision standards," and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a City or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances.

(2) "Use by right" means a development project that satisfies both of the following conditions:

(A) The development project does not require a conditional use permit, planned unit development permit, or other discretionary local government review.

(B) The development project is not a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

APPENDIX D: Homekey+ Grantee Publicity Guidelines

Grantees are required to acknowledge HCD in all publications, websites, signage, invitations, and other media-related and public-outreach products and events related to the Homekey+ Project. HCD staff will provide their respective logo file(s) and guidance on their usage directly to the Grantees.

- i. Long-form written materials, such as reports, must include the following standard language about HCD and Homekey+:
 - a. Housing stability is vital to mental health wellness. With safe, affordable housing and Supportive Services to address Behavioral Health Challenges California's most vulnerable residents will have the foundation they need to thrive. With funding allocated from the passage of Proposition 1 and HHAP Supplemental funds, HCD will expand on the success of its Homekey program through Homekey+ to help support the development of PSH for Veterans and individuals (or households with individuals) who are At Risk of or experiencing homelessness and with mental health or substance use challenges.
- ii. Informational materials that do not qualify as long-form, but include at least a paragraph of text, such as press releases, media advisories, short case studies, some flyers, etc., should include the following language:
 - a. Long version: Homekey+ is funded by almost \$2.145 billion from Proposition 1 bond and HHAP supplemental funds, allowing HCD to expand on the success of its Homekey program to help support the development of Permanent Supportive Housing for Veterans and individuals At Risk of or experiencing homelessness and with mental health or substance use challenges.
 - b. Short version: Funded by Proposition 1 and HHAP, Homekey+ creates Permanent Supportive Housing for Californians with Behavioral Health Challenges.
- iii. Grantees may at times produce promotional materials that are primarily visual in nature, such as banners, signage, certain flyers, and sharable images for social media. In such cases, when including the boilerplate language acknowledging Homekey+ support is not practical, Grantees should instead include the official logo of HCD preceded by the words "Funded by."
- iv. Grantees are required to identify a point of contact for all press inquiries and communications needs related to the Project and provide the name, phone number, and email address of this individual to HCD.

- v. Grantees are encouraged to distribute a press release after grant decisions are made public by the HCD or Governor's Office and any embargo lifted, and for other major milestones throughout the lifecycle of the Project. All press releases must be approved by HCD prior to distribution, and HCD must be alerted and invited to participate in any and all groundbreakings, grand openings, and press conferences related to the Award by emailing HCD Homekey@hcd.ca.gov.
- vi. Grantees are required to prepare one or more two- to four-page documents that provide a summary of the Project components and tell the story of the Homekey+ development process and/or implementation. All such materials must be approved by HCD prior to distribution. These materials may be displayed on the Homekey+ website.
- vii. Applicants and Grantees are encouraged to use social media to share the process of creating a Homekey+ proposal and to inform the public throughout implementation. @California_HCD and @CAbcsh should be tagged on all posts related to the Homekey+ grant. Use of the hashtags #Homekey+ and #WhereFoundationsBegin is encouraged.



Shireen McSpadden, Executive Director

Daniel Lurie, Mayor

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Dylan Schneider, Manager of Legislative Affairs, Department of Homelessness and Supportive Housing

DATE: October 30, 2025

SUBJECT: Accept and Expend Resolution for Homekey+ Award for 1035 Van Ness Avenue

GRANT TITLE: Homekey+ for 1035 Van Ness Avenue - \$39,044,030

Attached please find the original* and 1 copy of each of the following:

- Proposed grant resolution; original* signed by Department, Mayor, Controller (Document 2)

Grant information form, including disability checklist (Document 3)

Grant budget (Document 4)

Grant application (Document 5)

Letter of Intent or grant award letter from funding agency (Document 6)

Ethics Form 126 (if applicable) (Document 11)

Contracts, Leases/Agreements (if applicable) – HCD Standard Agreement Form (STD 213) (Document 7)

Other (Explain):

 - Document 8: 2023 Homekey NOFA
 - Document 9: Planning Letter
 - Document 10: Project Report
 - Document 12: Declaration of Restrictions

Special Timeline Requirements:

Respectfully request this be heard by the Budget and Finance Committee on December 3, 2025.

Departmental representative to receive a copy of the adopted resolution:

Name: Dylan Schneider Phone: 628.652.7742
Interoffice Mail Address: 440 Turk Street, San Francisco CA, 94102
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).



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102
 Phone: 415.252.3100 . Fax: 415.252.3112
ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 251108

Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)
 A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION	
TYPE OF FILING	DATE OF ORIGINAL FILING <i>(for amendment only)</i>
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD	
OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT	
NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
Office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT	
NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Omar Masry	6286525839
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
MYR	omar.masry@sfgov.org
Mayor's Office of Comm. Dev.	

5. CONTRACTOR	
NAME OF CONTRACTOR 1035Vets LLC	TELEPHONE NUMBER 4152524788
STREET ADDRESS (including City, State and Zip Code) 1060 Howard Street, San Francisco, CA 94103	EMAIL steven.culbertson@stp-sf.or

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 251108
DESCRIPTION OF AMOUNT OF CONTRACT \$39,044,030		
NATURE OF THE CONTRACT (Please describe) Accept and Expend of Homekey+ Award from the State of California Department of Housing and Community Development (HCD) for an amount not to exceed \$39,044,030 including up to \$36,044,030 disbursed by HCD as a grant to 1035Vets LLC for acquisition of real property located at 1035 Van Ness for permanent supportive housing for veterans (the "Property") and support of operating costs, and up to \$3,000,000 disbursed by HCD as a grant to the City for rehabilitation of the Property; 2) retroactively accept and expend anticipated revenue from the City's portion of Homekey+ grant funds in an amount up to \$3,000,000 for the rehabilitation of the Property; 3) approving and authorizing the City to commit up to \$8,000,000 in required matching funds for rehabilitation of the Property and a minimum of 5 years of operating subsidy		

7. COMMENTS	
Swords to Plowshares Veterans Rights Organization (Swords), as sole member and manager of 1035Vets LLC	

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Garner/Swords	Tramecia	CEO
2	Kim/Swords	Elena	COO
3	Chen/Swords	Stephen	CFO
4	Corliss Murakami/Swords	Colleen	Other Principal Officer
5	Thiel/Swords	Michael	Board of Directors
6	Cane/Swords	Julie	Board of Directors
7	Saavedra/Swords	Barbara	Board of Directors
8	Adame/Swords	Chris	Board of Directors
9	Cox/Swords	Paul	Board of Directors
10	Dekshenieks/Swords	Michael	Board of Directors
11	Edwards/Swords	Erik	Board of Directors
12	Fassler/Swords	Michael	Board of Directors
13	Guy/Swords	Dottie	Board of Directors
14	McQuaid/Swords	John	Board of Directors
15	Ordonea/Swords	Placido "Joe"	Board of Directors
16	Richardson/Swords	Kate	Board of Directors
17	Seymour/Swords	Deleano "Del"	Board of Directors
18	Steward/Swords	Seth	Board of Directors
19	Solit/Swords	Micah	Board of Directors

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
20	Wiliamson/Swords	Diane	Board of Directors
21	Yeates-Rowe/Swords	Maile	Board of Directors
22			
23			
24			
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9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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50			
<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK	DATE SIGNED
BOS Clerk of the Board	

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Adam Thongsavat, Liaison to the Board of Supervisors
RE: Execute Standard Agreement Not to Exceed \$39,044,030 – Accept and Expend Homekey+ Grant
Not to Exceed \$3,000,000 - California Department of Housing and Community Development -
Permanent Supportive Housing for Veterans at 1035 Van Ness Avenue
DATE: November 4, 2025

Resolution authorizing the City and County of San Francisco ("City"), through the Department of Homelessness and Supportive Housing ("HSH"), to 1) execute a Standard Agreement with the California Department of Housing and Community Development ("HCD") and co-applicants Swords to Plowshares: Veterans Rights Organization and 1035Vets LLC for a total award not to exceed \$39,044,030 under the Homekey+ Program, including up to \$36,044,030 disbursed by HCD as a grant to 1035Vets LLC for acquisition of real property located at 1035 Van Ness for permanent supportive housing for veterans (the "Property") and support of operating costs, and up to \$3,000,000 disbursed by HCD as a grant to the City for rehabilitation of the Property; 2) accept and expend anticipated revenue from the City's portion of Homekey+ grant funds in an amount up to \$3,000,000 for the rehabilitation of the Property; 3) approving and authorizing the City to commit up to \$8,000,000 in required matching funds for rehabilitation of the Property and a minimum of 5 years of operating subsidy, additionally the City committed up to 15 years of operating subsidies through the City's Local Operating Subsidy Program ("LOSP") subject to budget appropriations; 4) authorizing the City to assume any joint and several liability for expenditure of the Homekey+ grant under the Standard Agreement; 5) adopting the Planning Department's findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and 6) authorizing HSH to enter into any additions, amendments, or other modifications to the Standard Agreement and the Homekey+ Documents that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org