

File No. 260306

Committee Item No. 6

Board Item No. 17

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date April 8, 2026

Board of Supervisors Meeting Date April 14, 2026

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input 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 checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement                           |
|                                     |                                     | • Draft HCD STD 213 Form Exhibits            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Notice of Award/Award Letter                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Draft Application                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

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

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Homekey + Notice of Funding Availability 11/26/2024</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>BOS Resolution No. 98-23 3/17/2023</u>                  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>MOHCD Presentation 4/8/2026</u>                         |
| <input type="checkbox"/>            | <input type="checkbox"/>            | <u>_____</u>   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | <u>_____</u>   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | <u>_____</u>   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | <u>_____</u>   |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | <u>_____</u>   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | <u>_____</u>   |

Completed by: Brent Jalipa Date April 2, 2026

Completed by: Brent Jalipa Date April 9, 2026

1 [Apply for Grant - California Department of Housing and Community Development -  
2 Homekey+ Grant Program - 629 Post Street - Not to Exceed \$15,869,669]

3 **Resolution approving and authorizing the Mayor’s Office of Housing and Community**  
4 **Development to jointly apply with 629 Post, LLC and Swords to Plowshares: Veterans**  
5 **Rights Organization to the California Department of Housing and Community**  
6 **Development for the Homekey+ Grant for the property located at 629 Post Street in a**  
7 **total amount not to exceed \$15,869,669, or the maximum award amount allowable**  
8 **under the Notice of Funding Availability (NOFA), whichever is greater, on behalf of the**  
9 **City and County of San Francisco.**

10  
11 WHEREAS, The California Department of Housing and Community Development  
12 (“HCD”) issued a Notice of Funding Availability (“NOFA”) dated November 26, 2024, and  
13 amended January 31, 2025 and August 7, 2025 for grant funds under the Homekey+  
14 Program authorized by Health and Safety Code Section 50675.1.3 (Assem. Bill No. 140  
15 (2021-2022 Reg. Sess.), § 20.) Health and Safety Code Section 50675.1.5 (Assem. Bill No.  
16 531 (2023-2024 Reg. Sess.); Section 14184.402 of the Welfare and Institutions Code;  
17 Section 5891.5 of the Welfare and Institutions Code; and Round 5 and 6 of the Homeless  
18 Housing, Assistance and Prevention (HHAP) grant program. (Assem. Bill No. 129 (Chapter  
19 40, Statutes 2023) and Assem. Bill No. 166 (Chapter 48, Statutes 2024), (“Homekey+”); a  
20 copy of the NOFA is on file with the Clerk of the Board of Supervisors in File No. 260306;  
21 and

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

1           WHEREAS, Since the inception of the Homekey grant program in 2024, the City has  
2           been awarded approximately \$239 million in Homekey grant funds and approximately \$56  
3           million in Homekey+ grant funds that has supported the acquisition and operation of  
4           approximately 1,074 new units of permanent supportive housing serving adults, youth, and  
5           families; and

6           WHEREAS, Permanent supportive housing is the most effective, evidence-based  
7           solution to ending chronic homelessness and also prevents new incidents of homelessness  
8           among highly vulnerable people with long experiences of homelessness; and

9           WHEREAS, Homeless veterans comprise a significant proportion of homeless  
10          individuals in San Francisco, and Swords to Plowshares: Veterans Rights Organization  
11          ("Swords to Plowshares") provides housing and support services to homeless veterans;  
12          and

13          WHEREAS, Additional permanent supportive housing furthers the City's  
14          commitment to dismantling systemic racial inequities that disproportionately affect  
15          communities of color and contribute to the loss of stable housing; and

16          WHEREAS, The City has worked closely with Swords to Plowshares and the San  
17          Francisco Veterans Administration Health Care System to significantly reduce the number  
18          of homeless veterans in San Francisco; and

19          WHEREAS, Swords to Plowshares has formed 629 Post, LLC, a California limited  
20          liability company ("629 Post, LLC"); and

21          WHEREAS, On June 6, 2023, 629 Post, LLC acquired the real property and  
22          improvements located at 629 Post Street, Assessor Parcel Number Block 0305, Lot 032  
23          (the "Property"), for the purpose of operating 63 units of permanent and transitional  
24          supportive housing for formerly homeless veterans; and

1           WHEREAS, Pursuant to Resolution 098-23, MOHCD loaned funds to 629 Post, LLC  
2 for the acquisition and rehabilitation of the Property; and

3           WHEREAS, The Mayor’s Office of Housing and Community Development  
4 (“MOHCD”), on behalf of the City and County of San Francisco (“City” or “Applicant”),  
5 desires to jointly apply for the Homekey+ grant funds with 629 Post, LLC and Swords to  
6 Plowshares for the purpose of rehabilitating and operating the Property in a total amount  
7 not to exceed \$15,869,669 or the maximum award amount allowable under the NOFA,  
8 whichever is greater; and

9           WHEREAS, Upon completion of the rehabilitation, approximately forty-four (44) of  
10 the sixty-three (63) units in the Property will be permanent supportive housing serving  
11 those exiting homelessness or at risk of homelessness; and

12           WHEREAS, MOHCD intends to submit an application jointly with 629 Post, LLC and  
13 Swords to Plowshares for Homekey+ grant funds (“Application”) to HCD for review and  
14 consideration; and

15           WHEREAS, In order to be considered for an award of Homekey+ grant funds, the  
16 City must submit a Resolution approved by the Board of Supervisors authorizing the City to  
17 apply for Homekey+ grant funds; and

18           WHEREAS, Homekey+ funding allocations are subject to the terms and conditions  
19 of the NOFA, the Application, and upon award, the HCD approved STD 213, Standard  
20 Agreement, and all other legal requirements of the Homekey+ Program; now, therefore, be  
21 it

22           RESOLVED, That the Board of Supervisors hereby authorizes MOHCD and the  
23 MOHCD Director or their designee, on behalf of the City, to submit an Application to HCD  
24 in response to the NOFA to apply for Homekey+ grant funds for capital and capitalized  
25

1 operating funds in a total amount not to exceed \$15,869,669 or the maximum award  
2 amount allowable under the NOFA, whichever is greater; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the  
4 Application is approved, MOHCD will seek Board of Supervisors approval to accept and  
5 expend the Homekey+ grant funds and to authorize execution of a Standard Agreement,  
6 and any other documents required or deemed necessary to secure the Project Homekey+  
7 funds under the terms of the Project Homekey+ program guidelines.

8

9 /s/Daniel Adams

10 Daniel Adams

11 Director

12 Mayor's Office of Housing and Community Development

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**Application Development Team (ADT) Support Form** V3 4/30/25

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

Full Name:	Emily Martin	Date Requested:	1/26/26	Application Version Date:	4/30/25
Organization:	Mosaic Urban Development	Email:	<a href="mailto:emartin@mosaicurban.org">emartin@mosaicurban.org</a>	Contact Phone:	(925) 818-6503

Issue #	Sheet/Tab name	Section	Cell#	Describe the issue/error or suggestion	Urgency	ADT Status	Status Date
1	Dev Sources	Construction	H5	This cell is automatically adding the commerical costs to what is being paid by the Homekey+ grant, which is not allowed per the regs.	High	Resolved	3/10/26
2	Dev Sources	Permanent	H28	This cell is automatically adding the commerical costs to what is being paid by the Homekey+ grant, which is not allowed per the regs.	High	Resolved	3/10/26
3	Max Funds & Unit Mix Award	Relocation calc.	AA6, AA33 & P60	I correctly entered the relocation costs on the Dev Budget TAB cells D30 and E30. I correctly show the sources that are paying for these costs on the Dev S&U Budget TAB. Because HK+ will only pay for residential costs, and can only pay for 1/2 of relocation costs, the	High	Resolved	3/10/26
4	Calculation Worksheet	Builder Overhead	AL77	Because AL76 is a decimal, I think that the AL77 formula should read ... ..IF(\$AL\$76>.14, FALSE, TRUE))	High	Resolved	3/10/26
5							
6							
7							
8							
9							
10							

# 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.bcsb.ca.gov/>

## Department of Housing and Community Development (HCD)

Gustavo Velasquez, [Director](#)

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

[Homekey@hcd.ca.gov](mailto: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 [Homekeyv+ | California Department of Housing and Community](http://Homekeyv+ | 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](mailto:AppSupport@hcd.ca.gov)

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.

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.

"Yellow" 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.

"Orange" cells

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.

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	\$12,600,000	Additional Contribution	\$4,400,000	<b>Total Requested Capital Award</b>	\$13,200,000	
Operating Subsidy	\$2,657,182	50% Relocation Costs	\$12,500	<b>Total Requested Operating Subsidy</b>	\$2,657,182	
<b>Total Requested Homekey Award (capital + operating + 50% relocation costs)</b>				<b>\$15,869,682</b>		
Number of Doors at Acquisition	63	Number of Units Proposed in the Project	63	Number of Assisted Units	44	
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	0			
Number of Units accessible to persons with mobility disabilities	0	Veteran Units	44	Non HK+ units	19	

"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

<b>Eligible Applicant</b>		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	<a href="#">Reference: Applicant Certification Worksheet.</a>			Uploaded to HCD?	Yes
File Name	02b. App1 Authorizing Resolution	<a href="#">Authorizing Resolution</a>			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	<a href="#">Completed Government TIN form.</a>			Uploaded to HCD?	Yes

<b>Co-Applicant #1</b>		Entity name	629 Post, LLC			
Eligible applicant type		Limited Liability Corporation		Organization type	Non-profit Corporation	
File Name	03a. Co-App1 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>			Uploaded to HCD?	Yes
File Name	03b. Co-App1 OrgDoc1, Co-App1 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>			Uploaded to HCD?	Yes
File Name	03c. Co-App1 Authorizing Resolution	<a href="#">Authorizing Resolution</a>			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	<a href="#">Completed Payee Data Record.</a>			Uploaded to HCD?	Yes
File Name	03j. Co-App1 TIN Form	<a href="#">Completed Government TIN form (jurisdictions only).</a>			Uploaded to HCD?	N/A

<b>Co-Applicant #2</b>		Entity name	Swords to Plowshares: Veterans Rights Organization			
Eligible applicant type		Corporation		Organization type	Non-profit Corporation	
File Name	04a. Co-App2 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>			Uploaded to HCD?	Yes
File Name	04b. Co-App2 OrgDoc1, Co-App2 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>			Uploaded to HCD?	Yes
File Name	04c. Co-App2 Authorizing Resolution	<a href="#">Authorizing Resolution</a>			Uploaded to HCD?	Yes
File Name	04e. Co-App2 Signature Block	Signature Block - upload in Microsoft Word Document.			Uploaded to HCD?	Yes
File Name	04f. Co-App2 Cert of Good Standing	Dated 30 days or less from the application due date.			Uploaded to HCD?	Yes
File Name	04g. Co-App2 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)			Uploaded to HCD?	Yes
File Name	04h. Co-App2 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).			Uploaded to HCD?	Yes
File Name	04i. Co-App2 Payee Data Record	<a href="#">Completed Payee Data Record.</a>			Uploaded to HCD?	Yes
File Name	04j. Co-App2 TIN Form	<a href="#">Completed Government TIN form (jurisdictions only).</a>			Uploaded to HCD?	N/A

<b>Co-Applicant #3</b>	Entity name	N/A				
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<b>Co-Applicant #4</b>	Entity name	N/A				
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<b>Managing General Partner</b>	Entity name	N/A				
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<b>Administrative General Partner #1</b>	Entity name	N/A				
--	-------------	-----	--	--	--	--

<b>Administrative General Partner #2</b>	Entity name	N/A				
--	-------------	-----	--	--	--	--

<b>Manager of LLC</b>		Entity name	Swords to Plowshares: Veterans Rights Organization			
File Name	09a. MLLC Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>			Uploaded to HCD?	Yes
File Name	10b. MLLC OrgDoc1, MLLC OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>			Uploaded to HCD?	Yes
File Name	10c. MLLC Resolution	<a href="#">Authorizing Resolution.</a>			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

**Project Overview**

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File Name	10h. MLLC Payee Data Record	<a href="#">Completed Payee Data Record.</a>	Uploaded to HCD?	Yes
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**Additional Applicant(s) documents**

File Name	11. LLC OA	Operating Agreement	Uploaded to HCD?	Yes
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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	Rehabilitation	Housing Type	Permanent Housing	Geographic Region	Bay Area
Project Name	629 Post		Project Address	629 Post Street	
Project County	San Francisco	Project City	San Francisco	State:	CA
				Project Zip	94109
	(APNs):		Census Tract(s)		
0305-032					

Has the Applicant(s) applied, plan to apply, or been awarded other HCD program funds for this proposed Project?	No
---	----

Utilizing Tax Credits?	None
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Is Project located in a Rural Area as defined by H&S Code §50199.21? Applicant must use the TCAC Method for determining rural status.	<a href="#">Documentation of rural status (2025)</a>	No
---	--	----

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

629 Post Street, built in 1925, is originally a six-story building with an unfinished basement, three ground floor commercial units, a mezzanine level with three SRO units and 60 SRO units on floors 2 through 6. Unlike most SRO hotels in the area, each of the rooms has a private 3-fixture bathroom with a sink, toilet, and shower. The rehabilitation scope of 629 Post (Project, Property) will consist of conversion into 63 units of affordable housing for veterans who are formerly homeless and at-risk of homelessness. Homekey+ funds will support permanent supportive housing (PSH) for 20 studio units and 24 SRO units. The Project will also house a Safe Haven interim housing program consisting of 19 SRO units, and an existing commercial laundry business will remain on the ground floor. The lower Nob Hill neighborhood is a high-density mixed-use neighborhood with multifamily residential, ground floor retail, restaurants, bars, office, hotel, and entertainment. The Project has good transportation access with bus lines, BART, and cable cars in close proximity. Adjacent uses include residential and tourist hotels with ground-floor commercial uses including a salon, café, bar and restaurant; apartments, and a garage occupied by a rental car agency. The City has invested in affordable housing and services in the vicinity.

The City and County of San Francisco (City), acting by and through the Mayor's Office of Housing and Community Development (MOHCD), serves as Applicant for this Homekey+ application. MOHCD selected Swords to Plowshares, a nonprofit: Veterans Rights and Services Organization (Swords) as the City's partner for this opportunity because Swords has been a proven partner at numbers of many PSH sites in San Francisco serving veterans. Swords is the Managing Member of 629 Post LLC (LLC) which holds title to the Property. Both the MOHCD and the LLC will serve as co-applicants for HK+ funding. The building was purchased by the LLC in 2023 with a loan from MOHCD. The MOHCD loan and Homekey+ capital award are the only two capital development sources.

The HK+ capital award will be utilized for the rehabilitation, which primarily consists of a voluntary seismic upgrade, securing the floor supports to the building envelope, building out the basement level, extending the elevator to the basement, an all-new fire alarm system, underground sewer, roofing, and heating system. All units will receive new drywall and paint as needed (the seismic work requires the opening up of walls and ceilings), the installation of telecom jacks and two-way communication systems, new light fixtures, outlet covers and window coverings. The existing furniture (bed, nightstand, dresser, dining table, chairs, small sofa) is in good condition and will remain. The four larger corner units on Floors 2 through 6 will be converted to studios by adding kitchenettes that include a refrigerator, stovetop and sink for in-unit food preparation in these 20 units. The unfinished basement will be built out to include office space for service providers, a communal kitchen, a laundry room, dining room, utility room, and trash room. Of the three existing ground floor commercial spaces

**§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	
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 ( <b>Strictly for §502 project types only</b> , 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.	Yes
h. Capitalized operating subsidies for PSH units purchased, converted, constructed, or altered with funds provided pursuant to HSC §50675.1.3.	No
ii. Applicant acknowledges that the <b>Ineligible</b> 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	
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?	Yes

**§301. Additional Application Materials**

In addition to requirements detailed in §300, to be eligible for Homekey+ funding, an application shall demonstrate to HCD the following:

**Project Overview**

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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)
- 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-ix) 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

**§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 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? No  
 At time of acquisition, are there tenants residing at the Project site? Yes

- Applicants acknowledges that 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. Yes

- 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, a. 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

- 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

- vi. 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 #	Total #	Total #	Total #	Total #	Total #
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**Project Overview**

	Bedrooms	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 + Bdrm	Doors /Units	Total # Bedrooms	Total # Buildings	Total # Ingr. Units	Total # of Parking Spaces
Existing	63							63	63	1	0	0
Proposed	63	0	0	0	0	0	0	63	63	1	0	0

Building types	New Construction			Rehabilitation			Unit Size	Baths	Layout	Avg. Sq. Ft.	All Doors / Units
	Units	Stories	Bldgs.	Units	Stories	Bldgs.					
Townhouse/Row House							0 Bdrm.	1	Flat	200	63
One or Two Story Walk-Up							1 Bdrm.				0
Mid-Rise (3-5 stories)							2 Bdrm.				0
High-Rise (6+stories)				63	6	1	3 Bdrm.				0
Detached Single Family							4 Bdrm.				0
Duplex/4-Plex							5 Bdrm.				0
Non-Residential Bldg(s)											
Totals	0			63		1					63

**Applicant Notes**  
 The Property, built in 1925, is currently a six-story building with an unfinished basement, three ground floor commercial units, a mezzanine level with three SRO units and 60 SRO units on floors 2 through 6 for a total of 63 units. Unlike most SRO hotels in the area, each of the units at the Property has a private bathroom. Floors 2 through 6 each contain twelve SRO units.

**Amenities**

Unit Amenities/Features											
<input type="checkbox"/> No	Air Conditioning	<input type="checkbox"/> Yes	Refrigerator	<input type="checkbox"/> Yes	Range	<input type="checkbox"/> Yes	Microwave	<input type="checkbox"/> No	Disposal	<input type="checkbox"/> No	
<input type="checkbox"/> No	Dishwasher	<input type="checkbox"/> No	Walk-In Closet	<input type="checkbox"/> No	Fenced Rear Yard	<input type="checkbox"/> No	Ceiling Fans	<input type="checkbox"/> Yes	Curtains/Blinds	<input type="checkbox"/> Yes	
<input type="checkbox"/> No	Fireplace	<input type="checkbox"/> No	Emergency Call	<input type="checkbox"/> No	Free Cable TV	<input type="checkbox"/> No	Storage Area	<input type="checkbox"/> No	Lofts	<input type="checkbox"/> No	
<input type="checkbox"/> No	Balcony	<input type="checkbox"/> No	Patio	<input type="checkbox"/> Yes	Stovetop for units that d	<input type="checkbox"/> Yes	Furniture	<input type="checkbox"/>	(Other)	<input type="checkbox"/>	

**Project Amenities**

Elevator(s)	<input type="checkbox"/> Yes	1	Laundry Rms.	<input type="checkbox"/> Yes	1	Washers	<input type="checkbox"/> Yes	6	Dryers	<input type="checkbox"/> Yes	6
<input type="checkbox"/> Yes	Community Room	<input type="checkbox"/> Yes	Community Kitchen	<input type="checkbox"/> Yes	Computer Room	<input type="checkbox"/> Yes	High Speed Internet	<input type="checkbox"/> Yes			
<input type="checkbox"/> No	Fitness Room	<input type="checkbox"/> No	Picnic/BBQ Area(s)	<input type="checkbox"/> No	Tot Lot/Playground	<input type="checkbox"/> No	Sports Court	<input type="checkbox"/> No			
<input type="checkbox"/> No	Tennis Court	<input type="checkbox"/> No	Swimming Pool	<input type="checkbox"/> No	Jacuzzi/Sauna	<input type="checkbox"/> No	Bike Parking	<input type="checkbox"/> No			
		<input type="checkbox"/> Yes	One meal per day (in-kind)		(Other)		(Other)				

**Security & Other**

<input type="checkbox"/> Yes	Gated Entry	<input type="checkbox"/> Yes	Bldg. Card Key	<input type="checkbox"/> Yes	Security Patrol	<input type="checkbox"/> No	Security Cameras
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Describe any mandatory charges to tenants beyond allowable Rents.  
 None

List type of furnishings provided in each unit.  
 All of the units will be furnished with a bed, nightstand, dresser, dining table, chairs, and a small sofa. All of the 20 studios will also be furnished with a refrigerator.

**Miscellaneous Information**

Residential Space											
Residential Units	12,600	Common Areas	1,319	Community Room	473	Leasing Office	165	Additional Storage Space	89		
Subtotal Residential SF	14,646										
Maintenance Shop	466	Childcare Center	0	Service Area		Service Office	942				
Basement storage	0	(Other)		(Other)		(Other)					
<b>Total Residential SF</b>	<b>16,054</b>										

**Residential Parking**

Free Residential Parking Spaces											
Uncovered Tenant Parking	0	Covered Tenant Parking	0	Enclosed Tenant Parking	0	Tenant Guest Spaces	0				
Subtotal Parking Spaces	0										
Extra Spaces Tenants may Rent											
Extra Parking Spaces Tenants may Rent	0	Total Handicap Parking Spaces	2								
Grand Total Parking Spaces	0										

**Commercial Space**

Commercial Square Feet											
Commercial Area	408	Offices		Childcare Center		Storage Space					
<b>Total Commercial SF</b>	<b>408</b>										

Parking Spaces for Commercial Tenants

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Uncovered Parking	0	Covered Parking	0	<b>Total Spaces</b>	<b>0</b>
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Describe other available parking for commercial patrons

None

**Income from sources other than residential Rents and subsidies**

**Laundry**

No. of Units Using Central Laundry	44
Weekly Assumed Income Per Unit	\$6.82
<b>Annual Total Laundry Income</b>	<b>\$15,599</b>

**Other Leased Spaces**

Residential	Lease Terms	Rent/Mo.	Annual Gross
			\$0
			\$0
			\$0
			\$0
Commercial			
Wash and Fold	NNN	\$2,000.00	\$24,000
			\$0
			\$0
			\$0
<b>Total Income from Other Leased Spaces</b>			<b>\$24,000</b>

**Residential Parking**

Tenant Rental Spaces	0
Monthly Income Per Space	\$0
<b>Annual Residential Parking Income</b>	<b>\$0</b>

**Commercial Parking**

Number of Rental Spaces	0
Monthly Income Per Space	\$0
<b>Annual Commercial Parking Income</b>	<b>\$0</b>

**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	Internet	Owner							
<b>Total Tenant Utility Allowance</b>			\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Source for utility allowances**

Local PHA?	Yes	Name:	San Francisco Housing Authority				Effective date:	1/1/2025
HUD?	N/A	Utility Company (Actual Survey)?	N/A	CUAC?	N/A	Other?	N/A	
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: 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](#)

Yes

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 §7920.000) 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 §56.05 of the Civil Code.

**§507 Relocation**

In addition to the Relocation Assistance Narrative required in §500 submitted at the time of application, before the Homekey+ Award will be disbursed, Grantee must submit either:

**Project Overview**

- a. A Department-approved relocation plan; or
- b. 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.

Does the proposed Project trigger <a href="#">State Relocation Assistance Law</a> ?	Yes			
Are costs sufficient, pursuant to the relocation plan and included in the Project's Development Budget?	Yes			
File Name	18. Relocation Plan	Relocation Plan.	Uploaded to HCD?	Yes

**§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](#).

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 \(Lab. Code, §1720 et seq.\)](#)?

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](mailto: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.	7/26/26
Obtaining all necessary and discretionary public land use approvals.	7/1/25

**Project Overview**

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Submission of Final Construction Drawings and Specifications to the appropriate local building department or permitting authority.	7/1/25
Commencement of construction.	11/1/26
Construction completion.	11/1/27
Start lease up	9/1/27
Complete Occupancy	12/29/27
Complete capital expenses	12/30/27
Program funds fully disbursed.	12/31/27
<i>Have all milestone dates been entered above?</i>	Yes

Applicant comments:  
The co-applicants will first request the disbursement of the Homekey+ capital grant to be utilized for rehabilitation. As the Project nears completion and lease-up, the co-applicants will request disbursement of the Homekey+ operating grant. For the purposes of HCD deadlines, the dates above assume a "start date" of 9/30/2026 to allow time for HCD application review, post-award documentation review, and the execution of the Standard Agreement.

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	Email	Phone #	Contact Address	City	State	Zip Code
Eligible Applicant	City and County of San Francisco	City and County	Government Agency	1 South Van Ness, 5th Floor	San Francisco	CA	94103	Dan Adams	Director, Mayor's Office of Housing and Community Development	<a href="mailto:Dan.Adams@sfgov.org">Dan.Adams@sfgov.org</a>	628-652-5861	Mara Blitzer	Dir. of Special Projects, Mayor's Office of Hsg & Dev. Dir.	<a href="mailto:mara.blitzer@sfgov.org">mara.blitzer@sfgov.org</a>	628-652-5820	1 So. Van Ness Ave., 5th Floor	San Francisco	CA	94103
Co-Applicant #1	629 Post, LLC	Limited Liability Corporation	Non-profit Corporation	1060 Howard Street	San Francisco	CA	94103	Tramecia Garner	Executive Director	<a href="mailto:tgarner@stp-sf.org">tgarner@stp-sf.org</a>	415-252-4787	Steven Culbertson	Residential Progs & Housing Devt	<a href="mailto:steven.culbertson@stp-sf.org">steven.culbertson@stp-sf.org</a>	415-252-4787	1060 Howard Street	San Francisco	CA	94103
Co-Applicant #2	Swords to Plowshares: Veterans Rights Organization	Corporation	Non-profit Corporation	1060 Howard Street	San Francisco	CA	94103	Tramecia Garner	Executive Director	<a href="mailto:tgarner@stp-sf.org">tgarner@stp-sf.org</a>	415-252-4787	Stephen Chen	Chief Financial Officer	<a href="mailto:stephen.chen@stp-sf.org">stephen.chen@stp-sf.org</a>	(510) 325-4718	1060 Howard Street	San Francisco	CA	94103
Manager of LLC	Swords to Plowshares: Veterans Rights Organization	Corporation	Non-profit Corporation	1060 Howard Street	San Francisco	CA	94103	Tramecia Garner	Executive Director	<a href="mailto:tgarner@stp-sf.org">tgarner@stp-sf.org</a>	415-252-4787	Stephen Chen	Chief Financial Officer	<a href="mailto:stephen.chen@stp-sf.org">stephen.chen@stp-sf.org</a>	(510) 325-4718	1060 Howard Street	San Francisco	CA	94103
Property Management Agent	Swords to Plowshares: Veterans Rights Organization			1060 Howard Street	San Francisco	CA	94103					Monique Crossley	Dir. of Property Management	<a href="mailto:monique.crossley@stp-sf.org">monique.crossley@stp-sf.org</a>	(415) 590-5112				
Financial Consultant	Mosaic Urban Development			278 17th Street, Ste. 208	Oakland	CA	94612					Emily Martin	Director of Financial Consulting	<a href="mailto:emartin@mosaicurban.org">emartin@mosaicurban.org</a>	(925) 818-6503				
Lead (primary) Service Provider	Swords to Plowshares: Veterans Rights Organization			1060 Howard Street	San Francisco	CA	94103					Ma'at Xi	Dep. Dir., Clinical Programs	<a href="mailto:maat.xi@stp-sf.org">maat.xi@stp-sf.org</a>	(415)797-8749				
Legal Counsel	Lubin Olson & Niewiadomski, LLP			600 Montgomery Street, Suite 14	San Francisco	CA	94111					Michael Muzzy	Partner	<a href="mailto:Muzzy@lubinolson.com">Muzzy@lubinolson.com</a>	(415) 981-0550				
General Contractor	D&H Construction			2107 Kearney St	El Cerrito	CA	94530					Jansen Lum	Partner	<a href="mailto:jansen@dh-construction.com">jansen@dh-construction.com</a>	(510) 237-7883				
Architect	Saida + Sullivan			12 Gough St., Ste. 100	San Francisco	CA	94103					Mimi Sullivan	Principal	<a href="mailto:mimi@saidasullivan.com">mimi@saidasullivan.com</a>	(415) 777-0991				
Other (Specify)																			
Other (Specify)																			
Other (Specify)																			
Other (Specify)																			

**Development Sources**

		Construction Totals			\$33,354,986	\$496,984	\$33,851,970	Construction Terms			Permanent Terms							Details of Deferred Costs		
		Permanent Totals			\$33,354,986	\$496,984	\$33,851,970				Interest Rate		Repayment Terms			\$0	\$0	\$0	\$1,021,765	
Construction	Committed?	Source Name (lien priority order)	Source Type	Lien No.	Residential Amount	Commercial Amount	Total Amount	Interest Rate	Required Payment	Loan Term (months)	Rate	Type	Amortizing Period (yrs.)	Type	Due in (yrs.)	Required Residential Debt Service	Required Commercial Debt Service	Tax-Exempt Amount	Deferred Amount	Description
Construction	No	Homekey+ Grant	State-HCD	1	\$13,200,000	\$0	\$13,200,000	n/a	None	n/a								n/a	\$0	HK+ Capital Award
Construction	Yes	City & County of SF Loan	Local	2	\$19,120,721	\$496,984	\$19,617,705	0.00%	None	15								n/a	\$0	MOHCD Small Site Program Loan
Construction	No	HCD payment of 1/2 of Residential Relocation Costs	State-HCD	1	\$12,500	\$0	\$12,500	n/a	None	n/a										
		Deferred Developer Fees																		
Construction	Yes	Other Deferred Costs		n/a	\$1,021,765	\$0	\$1,021,765	0.00%	None	n/a									\$1,021,765	Capitalized Operating & Replacement Reserves
		Developer Fee Contribution																		
		GP Equity																		
Construction	Yes	Gross Tax Credit Equity																		
<b>Permanent</b>																				
Permanent	No	Homekey+ Grant	State-HCD	1	\$13,200,000	\$0	\$13,200,000				n/a					\$0		n/a		
Permanent	Yes	City & County of SF Loan	Local	2	\$20,142,486	\$496,984	\$20,639,470				3.00%	Fixed for Term	30	RR	55	\$0	\$0	n/a		
Permanent	No	HCD payment of 1/2 of Residential Relocation Costs	State-HCD	1	\$12,500	\$0	\$12,500				n/a					\$0		n/a		
		Deferred Developer Fees																		
		Developer Fee Contribution																		
		GP Equity																		
Permanent	Yes	Gross Tax Credit Equity																		

**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.

Capitalized 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**

<b>Administrative Expenses: 6200/6300</b>				
6203	Conventions and Meetings			
6210	Advertising and Marketing			
6250	Other Renting Expenses			
6310	Office/Administrative Salaries -- from above	\$81,909		
6311	Office Expenses	\$55,273		Phone, staff supplies, postage and delivery,
6312	Office or Model Apartment Rent			
6320	Management Fee	\$62,950	\$895	
6330	Site/Resident Manager(s) Salaries -- from above	\$76,204		
6331	Administrative Free Rent Unit -- from above	\$0		
6340	Legal Expense -- Project	\$10,713		
6350	Audit Expense	\$32,137		
6351	Bookkeeping Fees/Accounting Services			
6390	Miscellaneous Administrative Expenses	\$47,594		staff travel. vehicle maint. employee dev.,
6263T	Total Administrative Expenses	\$366,780	\$895	
Acct. No.	Expenses	Residential	Commercial	Comments
<b>Utilities Expenses: 6400</b>				
6450	Electricity	\$66,150		
6451	Water	\$13,230		
6452	Gas	\$11,025		
6453	Sewer	\$16,538		
	Other (Specify)			
6400T	Total Utilities Expenses	\$106,943	\$0	
<b>Operating and Maintenance Expenses: 6500</b>				
				Comments
6510	Payroll -- from above	\$586,082		
6515	Supplies	\$26,781		
6520	Contracts	\$191,888		
6521	Operating & Maintenance Free Rent Unit -- from above	\$0		
6525	Garbage and Trash Removal	\$58,918		
6530	Security Contract			
6531	Security Free Rent Unit -- from above	\$0		
6546	Heating/Cooling Repairs and Maintenance	\$5,357		
6548	Snow Removal			
6570	Vehicle & Maintenance Equipment Operation/Reports	\$10,713		
6590	Miscellaneous Operating and Maintenance Expenses	\$119,349		
6500T	TOTAL Operating & Maintenance Expenses	\$999,088	\$0	
<b>Taxes and Insurance: 6700</b>				
				Comments
6710	Real Estate Taxes	\$5,202		Local assessments
6711	Payroll Taxes (Project's Share) -- from above	\$115,815		
6720	Property and Liability Insurance (Hazard)	\$187,465		
6729	Other Insurance (e.g. Earthquake)	\$21,425		Pro Rata Share of Director's and Officers Ins.
6721	Fidelity Bond Insurance			
6722	Worker's Compensation -- from above	\$42,224		
6723	Health Insurance/Other Employee Benefits--from above	\$210,743		
6790	Miscellaneous Taxes, Licenses, Permits & Insurance	\$10,713		Licenses and fees
6700T	Total Taxes and Insurance	\$593,587	\$0	
<b>Supportive Services Costs: 6900</b>				
				Comments
6990	Staff Supervisor(s) Salaries - from above	\$49,227		
6990	Services Coordinator Salaries, On-Site - from above	\$0		
6990	Other Supportive Services Staff Salaries - from above	\$383,329		
6990	Supportive Services Admin Overhead	\$85,217		
6990	Tenant Transportation (per SSP)			
6990	Staff training (per SSP)			
6990	Equipment			
6990	Supplies			
6990	Travel			
6990	Office Rent/Occupancy Costs (don't include rent/leasing costs for SH units)			
6990	Training			
6990	Other Supportive Services Costs (Safe Haven Meals)	\$181,125		Meal program for Safe Haven Tenants
6990	Other Supportive Services Costs ( )			
6900T	Total Supportive Services Costs	\$698,898	\$0	
	Total Operating Expenses	\$2,765,296	\$895	Comments
<b>Funded Reserves: 7200</b>				
		Residential	Commercial	
7210	Required Replacement Reserve Deposits	\$31,500	\$1,000	\$500/unit/yr for residential

**Annual Income and Expenses**

7220	Other Reserves (Replacement Reserves per PNA)	\$23,625		Add'l RR req. by PNA/MOHCD \$875 PUPA
7230	Other Reserves (specify)			
7240	Other Reserves (specify)			
	Total Reserves	\$55,125	\$1,000	
	Ground Lease	Residential	Commercial	
	Ground Lease			
	Total Ground Lease	\$0	\$0	
	Net Operating Income	(\$2,157,792)	\$17,305	
<b>Financial Expenses: 6800</b>				Comments
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	(\$2,157,792)	\$17,305	
7190	Asset Management/Similar Fees			

<b>Total Operating Expenses Per Unit</b>		Per Year	Per Month	
Without any Adjustments		\$43,894	\$3,658	High due to interim hsg Safe Haven pgm costs
With the Value of Rent-Free Units Included		\$43,894	\$3,658	
Without RE Taxes, Social Services Coordinator or Social Services/Social Programs and With the Value of Rent Fee Units Included		\$32,717	\$2,726	



**Development Budget**

DEVELOPMENT COST	Total Project Costs	Residential Costs	Commercial Costs	Comments and explanation of basis changes
<b>LAND COST/ACQUISITION</b>				
Land Cost or Value	\$13,250,000	\$13,059,200	\$190,800	Commercial = Pro rata square footage 2.22%
Demolition	\$0			
Legal	\$266,891	\$263,048	\$3,843	Legal / closing costs / broker's fee
Land Lease Rent Prepayment	\$0			
Total Land Cost or Value	\$13,516,891	\$13,322,248	\$194,643	
Existing Improvements Cost or Value	\$0			
Off-Site Improvements	\$0			
Total Acquisition Cost	\$0	\$0	\$0	
Total Land Cost / Acquisition Cost	\$13,516,891	\$13,322,248	\$194,643	
Predevelopment Interest/Holding Cost	\$427,397	\$421,214	\$6,183	Incl. both Predevelopment Interest + Holding costs
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)	\$0			
Excess Purchase Price Over Appraisal	\$0			
<b>REHABILITATION</b>				
Site Work	\$0			
Structures	\$11,378,345	\$11,214,497	\$163,848	
General Requirements	\$930,917	\$917,512	\$13,405	
Contractor Overhead	\$0			
Contractor Profit	\$670,906	\$661,245	\$9,661	Overhead & profit
Prevailing Wages	\$0			
General Liability Insurance	\$388,651	\$383,055	\$5,596	Insurance + Bonds
Urban Greening	\$0			
Other Rehabilitation (Specify)	\$0			
Other Rehabilitation (Specify)	\$0			
Other Rehabilitation (Specify)	\$0			
Total Rehabilitation Costs	\$13,368,819	\$13,176,309	\$192,510	
<b>Total Relocation Expenses</b>	\$50,000	\$25,000	\$25,000	
<b>NEW CONSTRUCTION</b>				
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	
<b>ARCHITECTURAL FEES</b>				
Design	\$600,993	\$592,339	\$8,654	
Supervision	\$80,000	\$78,848	\$1,152	
Total Architectural Costs	\$680,993	\$671,187	\$9,806	
Total Survey & Engineering	\$32,060	\$31,599	\$461	Survey + Geotechnical
<b>CONSTRUCTION INTEREST &amp; FEES</b>				
Construction Loan Interest	\$0			
Origination Fee	\$0			
Credit Enhancement/Application Fee	\$0			
Bond Premium	\$0			
Cost of Issuance	\$0			
Title & Recording	\$29,162	\$28,742	\$420	
Taxes	\$0			
Insurance	\$0			
Employment Reporting	\$0			
Other Construction Int. & Fees (Inspection)	\$0			
Other Construction Int. & Fees (Specify)	\$0			
Total Construction Interest & Fees	\$29,162	\$28,742	\$420	
<b>PERMANENT FINANCING</b>				
Loan Origination Fee	\$0			

**Development Budget**

DEVELOPMENT COST	Total Project Costs	Residential Costs	Commercial Costs	Comments and explanation of basis changes
Credit Enhancement/Application Fee	\$0			
Title & Recording	\$30,000	\$29,568	\$432	
Taxes	\$0			
Insurance	\$0			
Other Perm. Financing Costs (Specify)	\$0			
Other Perm. Financing Costs (Specify)	\$0			
Total Permanent Financing Costs	\$30,000	\$29,568	\$432	
Subtotals Forward	\$28,135,322	\$27,705,867	\$429,455	
<b>LEGAL FEES</b>				
Legal Paid by Applicant	\$16,785	\$16,544	\$241	Borrower legal fees
Other Attorney Costs (Acq/bridge lender counsel)	\$35,428	\$34,918	\$510	Const. lender counsel
Other Attorney Costs (Perm financing counsel)	\$15,000	\$14,784	\$216	Perm lender counsel
Other Attorney Costs (Specify)	\$0			
Total Attorney Costs	\$67,213	\$66,246	\$967	
<b>RESERVES</b>				
Operating Reserve	\$921,765	\$921,765		
Replacement Reserve	\$10,500	\$10,500		
Debt Service (including all HCD 0.42% Fees and Bond Is	\$0	\$0		
Transition Reserve Pool Fee	\$0	\$0		
Rent Reserve	\$0			
Other Reserve Costs (MOHCD COSR)	\$0			
Other Reserve Costs (Add'l Capitalized RR)	\$89,500	\$89,500		Add'l capitalized repl. reserve required by MOHCD
Total Reserve Costs	\$1,021,765	\$1,021,765	\$0	
<b>CONTINGENCY COSTS</b>				
Construction Hard Cost Contingency	\$1,910,623	\$1,883,111	\$27,512	
Soft Cost Contingency	\$260,135	\$256,462	\$3,673	
Total Contingency Costs	\$2,170,758	\$2,139,573	\$31,185	
<b>OTHER PROJECT COSTS</b>				
TCAC App/Allocation/Monitoring Fees	\$0			
Environmental Audit	\$5,500	\$5,421	\$79	
Local Development Impact Fees	\$0			
Permit Processing Fees	\$156,635	\$154,380	\$2,255	
Capital Fees	\$0			
Marketing	\$0			
Furnishings	\$113,150	\$111,521	\$1,629	
Market Study	\$0			
Accounting/Reimbursable	\$36,050	\$35,531	\$519	Audit
Appraisal Costs	\$11,000	\$10,842	\$158	
Broadband Readiness	\$0			
Other Costs (Insurance)	\$880,146	\$867,472	\$12,674	General liability & builder's risk
Other Costs (Property taxes)	\$30,000	\$29,568	\$432	Taxes during construction
Other Costs (Inspections-Façade - Toxics)	\$127,200	\$125,369	\$1,831	
Other Costs (Permit Consultant)	\$21,600	\$21,289	\$311	
Other Costs (PNA)	\$7,500	\$7,392	\$108	
Total Other Costs	\$1,388,781	\$1,368,785	\$19,996	
SUBTOTAL PROJECT COST	\$32,783,839	\$32,302,236	\$481,603	
<b>DEVELOPER COSTS</b>				
Developer Overhead/Profit	\$745,000	\$734,272	\$10,728	
Consultant/Processing Agent	\$203,131	\$200,206	\$2,925	Financial Consultant + Development Consultant
Project Administration	\$0			
Broker Fees Paid to a Related Party	\$0			
Construction Oversight by Developer	\$120,000	\$118,272	\$1,728	Construction management consultant
Other Developer Costs (Specify)	\$0			
Total Developer Costs	\$1,068,131	\$1,052,750	\$15,381	
TOTAL PROJECT COST	\$33,851,970	\$33,354,986	\$496,984	
			Eligible Basis:	



Construction Loan Interest	\$0		\$0															\$0	\$0	\$0			\$0	
Origination Fee	\$0		\$0																\$0	\$0	\$0			\$0
Credit Enhancement/Application Fee	\$0		\$0																\$0	\$0	\$0			\$0
Bond Premium	\$0		\$0																\$0	\$0	\$0			\$0
Cost of Issuance	\$0		\$0																\$0	\$0	\$0			\$0
Title & Recording	\$29,162		\$28,742																\$28,742	\$28,742	\$420	\$420		\$0
Taxes	\$0		\$0																\$0	\$0	\$0			\$0
Insurance	\$0		\$0																\$0	\$0	\$0			\$0
Employment Reporting	\$0		\$0																\$0	\$0	\$0			\$0
Other Construction Int. & Fees (Inspection)	\$0		\$0																\$0	\$0	\$0			\$0
Other Construction Int. & Fees (Specify)	\$0		\$0																\$0	\$0	\$0			\$0
Total Construction Interest & Fees	\$29,162	\$0	\$28,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,742	\$28,742	\$420	\$420	\$0	\$0

PERMANENT FINANCING

Loan Origination Fee	\$0		\$0																\$0	\$0	\$0			\$0
Credit Enhancement/Application Fee	\$0		\$0																\$0	\$0	\$0			\$0
Title & Recording	\$30,000		\$29,568																\$29,568	\$29,568	\$432	\$432		\$0
Taxes	\$0		\$0																\$0	\$0	\$0			\$0
Insurance	\$0		\$0																\$0	\$0	\$0			\$0
Other Perm. Financing Costs (Specify)	\$0		\$0																\$0	\$0	\$0			\$0
Other Perm. Financing Costs (Specify)	\$0		\$0																\$0	\$0	\$0			\$0
Total Permanent Financing Costs	\$30,000	\$0	\$29,568	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,568	\$29,568	\$432	\$432	\$0	\$0
Subtotals Forward	\$28,135,322	\$13,125,723	\$14,567,644	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,705,867	\$27,705,867	\$429,455	\$429,455	\$0	\$0

LEGAL FEES

Legal Paid by Applicant	\$16,785		\$16,544																\$16,544	\$16,544	\$241	\$241		\$0
Other Attorney Costs (Acq/bridge lender counsel)	\$35,428		\$34,918																\$34,918	\$34,918	\$510	\$510		\$0
Other Attorney Costs (Perm financing counsel)	\$15,000		\$14,784																\$14,784	\$14,784	\$216	\$216		\$0
Other Attorney Costs (Specify)	\$0		\$0																\$0	\$0	\$0			\$0
Total Attorney Costs	\$67,213	\$0	\$66,246	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$66,246	\$66,246	\$967	\$967	\$0	\$0

RESERVES

Operating Reserve	\$921,765		\$921,765																\$921,765	\$921,765	\$0			\$0
Replacement Reserve	\$10,500		\$10,500																\$10,500	\$10,500	\$0			\$0
Transition Reserve Pool Fee	\$0		\$0																\$0	\$0	\$0			\$0
Rent Reserve	\$0		\$0																\$0	\$0	\$0			\$0
Debt Service (including all HCD 0.42% Fees and Bond Issues Fee)	\$0		\$0																\$0	\$0	\$0			\$0
Other Reserve Costs (MOHCD COSR)	\$0		\$0																\$0	\$0	\$0			\$0
Other Reserve Costs (Add'l Capitalized RR)	\$89,500		\$89,500																\$89,500	\$89,500	\$0			\$0
Total Reserve Costs	\$1,021,765	\$0	\$1,021,765	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,021,765	\$1,021,765	\$0	\$0	\$0	\$0

CONTINGENCY COSTS

Construction Hard Cost Contingency	\$1,910,623	\$74,277	\$1,808,834																\$1,883,111	\$1,883,111	\$27,512	\$27,512		\$0
Soft Cost Contingency	\$260,135		\$256,462																\$256,462	\$256,462	\$3,673	\$3,673		\$0
Total Contingency Costs	\$2,170,758	\$74,277	\$2,065,296	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,139,573	\$2,139,573	\$31,185	\$31,185	\$0	\$0

OTHER PROJECT COSTS

TCAC App/Allocation/Monitoring Fees	\$0		\$0																\$0	\$0	\$0			\$0
Environmental Audit	\$5,500		\$5,421																\$5,421	\$5,421	\$79	\$79		\$0
Local Development Impact Fees	\$0		\$0																\$0	\$0	\$0			\$0
Permit Processing Fees	\$156,635		\$154,380																\$154,380	\$154,380	\$2,255	\$2,255		\$0
Capital Fees	\$0		\$0																\$0	\$0	\$0			\$0
Marketing	\$0		\$0																\$0	\$0	\$0			\$0
Furnishings	\$113,150		\$111,521																\$111,521	\$111,521	\$1,629	\$1,629		\$0
Market Study	\$0		\$0																\$0	\$0	\$0			\$0
Accounting/Reimbursable	\$36,050		\$35,531																\$35,531	\$35,531	\$519	\$519		\$0
Appraisal Costs	\$11,000		\$10,842																\$10,842	\$10,842	\$158	\$158		\$0
Broadband Readiness	\$0		\$0																\$0	\$0	\$0			\$0
Other Costs (Insurance)	\$880,146		\$867,472																\$867,472	\$867,472	\$12,674	\$12,674		\$0
Other Costs (Property taxes)	\$30,000		\$29,568																\$29,568	\$29,568	\$432	\$432		\$0
Other Costs (Inspections-Façade - Toxics)	\$127,200		\$125,369																\$125,369	\$125,369	\$1,831	\$1,831		\$0
Other Costs (Permit Consultant)	\$21,600		\$21,289																\$21,289	\$21,289	\$311	\$311		\$0
Other Costs (PNA)	\$7,500		\$7,392																\$7,392	\$7,392	\$108	\$108		\$0

Total Other Costs	\$1,388,781	\$0	\$1,368,785	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,368,785	\$1,368,785	\$19,996	\$19,996	\$0	\$0
SUBTOTAL PROJECT COST	\$32,783,839	\$13,200,000	\$19,089,736	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,302,236	\$32,302,236	\$481,603	\$481,603	\$0	\$0

DEVELOPER COSTS

Developer Overhead/Profit	\$745,000		\$734,272															\$734,272	\$734,272	\$10,728	\$10,728		\$0
Consultant/Processing Agent	\$203,131		\$200,206															\$200,206	\$200,206	\$2,925	\$2,925		\$0
Project Administration	\$0		\$0															\$0	\$0	\$0			\$0
Broker Fees Paid to a Related Party	\$0		\$0															\$0	\$0	\$0			\$0
Construction Oversight by Developer	\$120,000		\$118,272															\$118,272	\$118,272	\$1,728	\$1,728		\$0
Other Developer Costs (Specify)	\$0		\$0															\$0	\$0	\$0			\$0
Total Developer Costs	\$1,068,131	\$0	\$1,052,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,052,750	\$1,052,750	\$15,381	\$15,381		\$0
TOTAL PROJECT COST	\$33,851,970	\$13,200,000	\$20,142,486	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,354,986	\$33,354,986	\$496,984	\$496,984	\$0	\$0

TOTAL PROJECT COSTS	\$33,851,970	\$13,200,000	\$20,142,486	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,354,986	\$33,354,986	\$496,984	\$496,984	\$0	\$0
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Explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reasonable.

## Supportive Services Plan

### §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.

#### Part I. Tenant Selection

The plan is required by Section §302(ii)(a) and must be compliant with Section §504, and §508. Using the titled sections below, the narrative should be as specific as possible, delineating the roles of property management and the support service provider and how these functions will be coordinated. Your description should clearly and conclusively document processes to ensure compliance with the Homekey+ NOFA for Tenant Selection and Housing First Practices.

#### Section 1: Tenant Selection Criteria

##### Target Population and Eligibility Criteria

a. Do you use Housing First Practices?

Yes

b. Describe the criteria that will be used to ensure that tenants are eligible to occupy the Homekey+ Assisted Units.

The program will operate under a low barrier to entry Housing First approach as required by the State and outlined in the Welfare and Institutions Code (WIC) 8255(b). Applicants for the 24 SRO Homekey+ Assisted Units will be screened for the following criteria:

- Veteran status: as defined in the Homekey+ NOFO, a qualifying veteran will have served "in the active military, naval, or air service of the United States, or as a member of the National Guard who was called to and released from active duty or active service, for a period of not less than 90 consecutive days or was discharged from the service due to a service-connected disability within that 90-day period. This includes all veterans regardless of discharge status.
- Homeless status and at-risk for homelessness status will be based on HUD-McKinney definitions. Swords will house highly vulnerable veterans, based on priority protocols outlined by the San Francisco Department of Homelessness and Supportive Housing's Coordinated Entry and Assessment Team. San Francisco Coordinated Entry Access Points serve as the "front door" to the homelessness response system. The Access Point will assess, prioritize, and match people experiencing homelessness with housing opportunities to which they qualify. Coordinated Entry uses a locally designated population-specific assessment, a centralized data system, a "by name" database of clients, and a prioritization method. Once deemed "housing referral status" the Access Point team completes the required forms with the Veteran, and those forms are then submitted to the Department of Homelessness and Supportive Housing for approval. Once approved, the application will then be made available to the Mental Health Specialists at 629 Post through the city's centralized homeless management information system (HMIS). Once the application is received it is reviewed by the MHS and the veteran is scheduled for an onsite tour and meeting with their assigned MHS along with the onsite Property Manager to complete the application and other necessary documentation if the veteran wants to proceed with the process of applying for tenancy. For referrals to units designated as HUD-VASH, the VA's Coordinated Entry Specialist works closely with the Veterans Access Point team to ensure that veterans being referred are from the local By Names List (BNL). The VA's Coordinated Entry Specialist attends the weekly BNL calls where there is case coordination to ensure all veterans are assessed and navigated towards housing. The Access Point staff and VA also cross review the list and ensure that veterans slated for the HUD-VASH program are then navigated through the VA's internal process for voucher approval and then through the San Francisco Housing Authority process to obtain either a tenant choice or project-based voucher.
- Income eligibility: Veteran applicants will provide proof(s) of income at application. This income will be assessed by Property Management based on the AMI requirements to determine eligibility for occupancy. If a veteran has zero income, then the veteran is required to sign a self-certification form attesting to no income or assets.
- Tenancy for permanent supportive housing at 629 Post will not be based on credit history (no credit checks are performed for permanent supportive housing units), sobriety status, substance use, treatment engagement of any kind, willingness to engage with supportive services onsite, nor any other barrier to entry as outlined in the WIC 8255(b) code. In alignment with Swords' practices, veterans will be "screened in" for housing. Swords fully participates in the local Coordinated Entry System and operates the San Francisco Veteran Access Point in alignment with the City and County's Department of Homelessness and Supportive Housing guidelines, policies, and practices. Veterans

c. Description of the Target Population to be served, and identification of any additional subpopulation target or occupancy preference for the Project (all sub-population targeting must be approved by HCD prior to standard agreement issuance and must be consistent with federal and state fair housing requirements).

The program will serve veterans who are homeless and/or at-risk of homelessness who have been diagnosed with serious mental illness (or suspected to qualify for such diagnosis) or substance use disorder. The Project will provide permanent supportive housing to both Veterans Health Administration (VHA)-eligible veterans and veterans not eligible for VHA services due to a variety of issues. Some of these are having a less than honorable discharge status, serving less than two years of active service, or having criminal charges that preclude them from the HUD-VASH subsidy at program entry. All Homekey+ Assisted Units will also meet veteran status criteria as defined in the Homekey+ NOFA (as detailed in question b above). Of the Homekey+ Assisted Units, twenty (20) will be reserved for VA-eligible veterans who qualify for project-based HUD-VASH subsidies and are eligible for VHAHUD-VASH supportive services. Twenty-four (24) Homekey+ Assisted Units will be filled by veterans of any discharge status who are not eligible for VHA services.

Describe any additional eligibility criteria other than those indicated above, i.e., information needed to determine if the tenant can comply with lease terms. NOTE: Selection criteria designed to assess anything other than the ability to comply with lease terms generally run afoul of fair housing laws designed to protect equal access to housing for people with disabilities.

d. [See Between the Lines, A Question and Answer Guide on Legal Issues in Supportive Housing Chapter 4.](#)

Consistent with Housing First principles and fair housing requirements, the tenant selection process for this development will focus on serving homeless, vulnerable and low-income veterans with serious mental illness or substance use disorder and will provide a low barrier to entry. Residents will not have any background checks performed by the Project. However, the Housing Authority of the City and County of San Francisco does conduct a criminal and income eligibility check in order to issue a HUD-VASH voucher. The criminal background check is solely checking for lifetime sex offender registry status. Residents will be expected to comply with the terms of their lease upon move in which include regular income re-certifications to ensure continued eligibility for their unit. Given the intended population to be served, onsite Support Services staff will work with residents throughout their stay to maintain their housing and will provide additional support to veterans in jeopardy of losing their housing due to lease non-compliance issues. Property Management staff will also work with veterans alongside the onsite supportive services team to ensure that veterans understand what is contained within the lease and corresponding documents. Veterans are able to inquire about lease and tenancy related questions at any time they arise to the onsite property management and supportive services teams.

e. Identify all disclosures that will be provided to applicants/tenants. Example: Megan's Law disclosures, HMIS reporting, etc.

Disclosures provided to all at tenants include:

- Accessible Unit Addendum
- Asbestos Addendum
- Community Rules
- Drug Free Addendum
- Fact Sheet for HUD assisted Residents
- Grievance and Appeal procedures
- Hoarding and Cluttering Addendum
- Lead Based Paint Addendum

#### Section 2: Referrals (NOFA §505. Tenant Referrals)

The following prompts address the required use of the Coordinated Entry System (CES) for all referrals into Homekey+ Assisted Units or an alternate comparable prioritization system based on greatest need. Note that use of standard waiting lists is prohibited, in that both of these systems must prioritize referrals based on highest acuity needs, rather than first-come first served. Applicants must demonstrate efforts to coordinate with their local county behavioral health department to ensure the referral process to the Homekey+ Assisted Units is aligned with the requirements of this NOFA.

Describe how the local CES will be used to fill Homekey+ Assisted Units based on the use of a standardized assessment tool which prioritizes those with the highest need and the most barriers to housing retention. Include the CES agency's name, primary staff person's name, and contact information. If the local CES is not yet operational, describe when it will be established and the plan to use it.

a. The most barriers to housing retention. Include the CES agency's name, primary staff person's name, and contact information. If the local CES is not yet operational, describe when it will be established and the plan to use it.

Swords has been an early adopter of San Francisco's Coordinated Entry (CE) System as homeless veterans were the first population to pilot the existing system. Swords staff participate in weekly collaboration meetings with the City's CE team, VA HUD VASH and Health Care for Homeless Veterans staff, Swords' program staff, and other providers to work through the local by-name-list and identify veterans who are being prioritized for permanent supportive housing or that should be triaged to other housing supports such as rapid re-housing interventions. This weekly coordination between the Access Point, VA and the City on referrals to programs, via Coordinated Entry, with the VA taking lead on VASH eligible veterans and the Access Point doing so on non-VASH eligible veterans. Swords uses this system to fill all vacancies at all of its existing Permanent Supportive Housing sites. This system will be fully utilized to lease up 629 Post as well as any vacancies that occur post lease up.

Swords' contact with Coordinated Entry (CE) is Megan Owens Faight, Manager of Coordinated Entry, Department of Homelessness and Supportive Housing -- megan.faight@sfgov.org, Ph: (415) 355-5325/ Fax: (415) 557-6033.

- b. If using a separate comparable prioritization system than CES please describe that system. 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.

n/a

**Section 3: Housing First Certification §504**

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. Complete the checklist below to certify compliance with Housing First.

**Tenant Screening**

- |   |     |
|---|-----|
| 1. If the project cannot serve someone, it works through the coordinated entry process to ensure that those individuals or families have access to housing and services elsewhere.  | Yes |
| 2. The project does everything possible not to reject an individual or family based on poor credit or financial history, poor or lack of rental history, minor criminal convictions, or behaviors that are interpreted as indicating a lack of "housing readiness." | Yes |
| 3. Access to the project is not contingent on sobriety, minimum income requirements, lack of a criminal record, completion of treatment, participation in services, or any other unnecessary condition not imposed by the terms of the funding itself.              | Yes |
| 4. People with disabilities are offered clear opportunities to request reasonable accommodations within applications and screening processes and during tenancy. Building and units include physical features that accommodate disabilities.                        | Yes |

**Housing-Based Voluntary Services**

- |  |     |
|--|-----|
| 1. If serving youth experiencing homelessness, services use a positive youth development model and culturally competent services to engage with tenants.   | N/A |
| 2. Services are informed by a harm-reduction philosophy that recognizes that substance use/ addiction are a part of some tenants' lives. Tenants are engaged in non-judgmental communication regarding substance use and are offered education regarding safer practices and how to avoid risky behaviors. | Yes |
| 3. Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling.  | Yes |
| 4. Participation in services or compliance with service plans are not conditions of tenancy but are reviewed with tenants and regularly offered as a resource to tenants. Housing and service goals and plans are highly tenant driven.  | Yes |
| 5. Supportive services emphasize engagement and problem-solving over therapeutic goals.  | Yes |

**Housing Permanency**

- |   |     |
|---|-----|
| 1. Substance use in and of itself, without other lease violations, is not considered a reason for eviction.   | Yes |
| 2. Tenants in supportive housing are given reasonable flexibility in paying their share of rent on time and offered special payment arrangements for rent arrears and/or assistance with financial management, including representative payee arrangements. | Yes |
| 3. Every effort is made to provide a tenant the opportunity to transfer from one housing situation, program, or project to another if tenancy is in jeopardy. Whenever possible, eviction back into homelessness is avoided.                                | Yes |
| 4. Program Requires Housing Providers to Provide Tenants with Leases and Reflects Tenants' Rights & Responsibilities Of Tenancy Under CA Law (including eviction protections).  | Yes |
| 5. §302(i)(b) Applicants certifies to provide and maintain written policies and procedures covering: §302(i)(b)(1-5)  | Yes |

**Part II. Supportive Services Detail**

**Section 1: Lead Service Provider Information**

If already identified, list the supportive service provider (s) for the Target Population and any proposed sub-populations to be served by the Project. If more than one Provider will be offering services, clearly identify who the Lead Service Provider is and describe how services will be coordinated.

Provider Name	Populations the Provider will serve	Services Provider will offer
Swords to Plowshares: Veterans Rights Organization (Swords)	Chronically Homeless (CH), Homeless with Disability (HD), Other Homeless (OH) veterans	Onsite case management, groups, activities, money management support, peer support, resource referral, transportation, linkage with services provided at Swords' Service Center located at 1060 Howard St. Those additional services would include access to Legal supports for VA monetary benefits, Discharge upgrades, and access to support for enrollment in VHA care, Employment & Training, Mental Health services, Veterans Community Center, daily hot lunch six days per
Department of Veterans Affairs	CH, HD, OH veterans	Onsite case management and attendance at onsite coordination meetings. Peer Support services.
SF Dept of Public Health (DPH), Permanent Housing Advanced Clinical Services (PHACS) team	CH, HD, OH veterans	Behavioral health needs, assessment, care coordination, medication management, overdose prevention, and will help monitor the health status and emerging chronic medical conditions among tenants.

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Describe any known conflicts and/or the mitigation strategy for when Homekey+ funding or other program requirements conflict with Housing First practices, as applicable.

There are no known conflicts with Housing First practices for this project.

If your tenant households will include minor children and/or adult dependents, describe any additional criteria that will be used to ensure prospective tenants are eligible to occupy the Homekey+ Assisted Units.

In the case of minor children and/or adult dependents of veterans, individuals will not increase the household income beyond the income requirements for the unit. Any additional tenants to the lease will need to have their income calculated as part of the tenancy process. Additionally, all adult applicants added to the lease will be required to pass any additional protocols or checks as required by the public funding agency and/or subsidy source for the unit.

**Section 2: Supportive Services Chart**

Required Services: List and describe all services as required in §302 to be offered to tenants of the Homekey+ Assisted Units.

Resident Service	Service Description	Frequency	Hours	Service Provider	Off-site Service Location
List each service separately	Describe service, including the degree to which services are provided.	Frequency of services provided	Provide the hours of availability	Provider's Name	If service is on-site, leave blank. Enter distance, in miles, to off-site service and list resident commuting options. Reasonable access is access that does not require walking more than one-half mile.
Case management	HUD-VASH residents will work directly with the VA Social Worker on their individual service plans and all other service-related needs.  Non-VASH residents: Shortly after residents are placed in housing, Swords to Plowshares' Mental Health Specialist (MHS) staff will conduct an initial needs assessment and develop an individual life plan for each resident on a voluntary basis. This plan will identify the following: the resident's current situation, their strengths and resources, their goals, and their needs.	Monthly or as needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares	
Peer support activities	HUD-VASH: The VA will provide a Peer Specialist staff member, 0.25 FTE, to provide peer services to veterans in HUD-VASH units. At 629 Post, Swords will have this work staffed by Community Organizer positions; these positions are currently held by veterans. This role, Community Organizer, will be to work with veterans across our housing programs in establishing tenant councils, working with veterans on increasing their internal advocacy skills, and to assist in increasing and organizing the needs of our residents.	Weekly or as needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares	
Mental health care	HUD-VASH: HUD-VASH staff will take the lead with veterans on their caseload; Swords will step in if they are unavailable, and a veteran is in need of immediate support. Services will be available to all veterans as needed and will be employed during individual sessions with case management staff. Staff will also facilitate groups onsite. Swords' MHS staff will also partner with our VA colleagues to facilitate onsite groups as are currently done within other Swords to Plowshares properties that also have HUD-VASH units.	Weekly or as needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares; PHACS Team (SF Department of Public Health)	Veterans who are VHA eligible and in need of mental health care services will be referred to the Fort Miley Hospital, which is approximately 6 miles away from the property and accessible by public transportation--MUNI Bus Route 38 which operates 24 hours/day (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). The MUNI stop is located 0.3 miles from the entrance of 629 Post Ave. Case Managers can provide tokens for transportation and arrange for private transportation if needed.
Substance use services	HUD-VASH: Swords to Plowshares will use a Harm Reduction approach when working with residents who struggle with substance abuse and will focus on helping the resident reduce the negative consequences of their drinking or drug use. Residents who wish to receive treatment for substance abuse will be provided with referrals and will receive support from their HUD-VASH Case Managers, including one-on-one support and emotional counseling and coordination with the treatment provider. Swords to Plowshares will also partner with our VA colleagues to facilitate onsite groups as are currently done within other Swords to Plowshares properties that also have HUD-VASH units.	Weekly or as needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares	Veterans who are VHA eligible and in need of substance use services will be referred to the Fort Miley Hospital, which is approximately 6 miles away from the property and accessible by public transportation--MUNI Bus Route 38 which operates 24 hours/day (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). The MUNI stop is located less than 0.3 miles from the entrance of 629 Post Ave. Case Managers can provide tokens for transportation and arrange for private transportation if needed.
Behavioral health services	HUD-VASH: HUD-VASH staff will take the lead with veterans on their caseload, Swords to Plowshares will step in if they are unavailable and a veteran is in need of support. Services will be available to all veterans as needed and will be employed during individual sessions with case management staff. MHS staff will also facilitate groups onsite. MHS staff will also partner with our VA colleagues to facilitate onsite groups as are currently done within other Swords to Plowshares properties that also have HUD-VASH units.	Weekly or as needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares; PHACS Team (SF Department of Public Health)	
Physical health services	HUD-VASH residents: These services and referrals will be made by HUD-VASH Case Management Staff including primary health, dental services, medication management, and all related health needs.  Non-HUD-VASH: Swords staff will provide primary health referrals to local medical facilities based upon the veteran's insurance coverage. Dental services are typically referred to the University of the Pacific Dental School (for the local residents) from our VA facilities.	As needed	24/7	Department of Veterans Affairs; PHACS Team (SF Department of Public Health)	HUD-VASH: Veterans who are VHA eligible and in need of primary health care services will be referred to the Fort Miley Hospital, which is approximately 6 miles away from the property. Residents can travel to the location by public transportation--MUNI Bus Route 38 which operates 24 hours/day (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). The MUNI stop is located less than 400 ft from the entrance of the 629 Post Ave. Case Managers can provide tokens for transportation and arrange for private transportation if needed.

Assistance obtaining benefits and essential documentation	HUD-VASH: Benefits counseling and advocacy services will include help applying for VA benefits (if eligible), applying for Character of Service Determinations, applying for Discharge Upgrades, SNAP, CalWORKs, general assistance, SSI/SSDI (SOAR), and other benefits for which residents may be eligible, as well as advocating on residents' behalf with the relevant agencies. These services will be available during case management sessions and at	As needed	Between the hours of 9am-4pm	Swords to Plowshares	Swords to Plowshares, 1060 Howard Street, 94103 (distance 0.8 miles). Residents can travel to the location by public transportation--MUNI Bus Route 27 which operates 24 hours/day (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). The MUNI stop is located less than 400 ft from the entrance of the 629 Post site. Case Managers can provide tokens for transportation and arrange for private transportation as needed.
Education and employment services	HUD-VASH and Non HUD-VASH: Swords to Plowshares offers employment and training assistance to veterans of all eras of service and all discharges at our main office Monday-Friday from 9am to 4pm. Veterans work one-on-one with our Employment & Training Program staff to address their individual needs, overcome obstacles to employment, and determine a long-term career plan. Swords to Plowshares assists veterans with finding a job, enrolling in job training, building a resume and cover letter and preparing for job interviews. Available resources include computer labs, job readiness training and services, transportation and meal	As needed	Between the hours of 9am-4pm	Swords to Plowshares	Swords to Plowshares, 1060 Howard Street, 94103 (distance 0.8 miles). Residents can travel to the location by public transportation--MUNI Bus Route 27 which operates 24 hours/day (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). The MUNI stop is located less than 400 ft from the entrance of the 629 Post site. Case Managers can provide tokens for transportation and arrange for private transportation as needed.
If applicable, Veteran specific Supportive Services (required for Veteran serving projects)	Please see above. All services to be offered to 629 Post residents are veteran specific supportive services. Both Swords to Plowshares and the Department of Veterans Affairs provide services to veterans and eligible family members.	As needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares	
Supportive Services for people with co-occurring conditions	HUD-VASH residents will work directly with the VA Social Worker on their individual service plans and all other service-related needs.  Non-VASH residents: Shortly after residents are placed in housing, Swords to Plowshares staff will conduct an initial needs assessment and develop an individual life plan for each resident on a voluntary basis. This plan will identify the challenges the resident faces, as well as their goals around housing stability, self-sufficiency, and wellness. The Mental Health Specialist will help the resident develop a timeline around their goals and identify services and resources	Monthly or as needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares; PHACS Team (SF Department of Public Health)	
Recreational and social activities	Swords to Plowshares Community Organizer staff will engage veterans in various social and recreational activities such as game nights, movie nights, annual tenant appreciation day, and other onsite engagements and activities. Community Organizer staff also take veterans to events offsite based on requests from veterans such as bowling, movies, fishing, sports games, and walks in various downtown San Francisco locations. Swords provides transportation, funding for the activities, along with meals and snacks. The clinical team also offers Equine Therapy to veterans who express interest in attending. These activities are open to any veteran	Weekly and Monthly	Between the hours of 9am-4pm	Swords to Plowshares	
Potential out-placements for higher level of care	HUD-VASH residents: These services and referrals will be made by HUD-VASH Case Management Staff.  Non-HUD-VASH: Every effort will be made to keep the veteran in housing through reasonable unit accommodations, but when those methods are not enough case managers will work with the veterans' medical providers to assess for the appropriate level of care. When it is determined that veterans within the project need a higher level of care due to physical or cognitive decline, case management staff will work closely with the veteran and medical providers to assess need for higher levels of care. MHS will make	As needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares	
Other services, such as housing retention skills, legal assistance, family connection services, access to food and clothing, representative payee services, adult day care, financial counseling, etc.	Life skills: Will be taught as needed throughout a resident's stay by their assigned case manager, MHS or HUD-VASH Social worker and will be tailored to a veteran's needs. MHS routinely work with veterans individually on hygiene, how to clean their units, basic cooking/nutrition, and how to wash their clothes. These skills are not always practiced when homeless, so individual assistance is sometimes needed. Effective interpersonal communication strategies are emphasized in case management. These skills and timing will be based upon individual need and life	As needed	Between the hours of 9am-4pm	Department of Veterans Affairs; Swords to Plowshares; Project Open Hands; HomeBridge; Stepping Stone; The Bar Association of San Francisco (V-HUB)	Swords to Plowshares, 1060 Howard Street, 94103 (distance 0.8 miles). Residents can travel to the location by public transportation--MUNI Bus Route 27 which operates 24 hours (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). The MUNI stop is located less than 400 ft from the entrance of the 629 Post site. Case Managers can provide tokens for transportation and arrange for private transportation as needed. 1.1 Miles to the nearest location for Stepping Stone which is located at 350 Golden Gate Ave.
Parenting education, childcare, DV support in compliance with required services in Sect 302	DV Support: Swords to Plowshares MHS staff will provide assistance to any veteran that experiences domestic violence during their residency. MHS staff will assist veterans in accessing resources such as filing for restraining orders, contacting law enforcement, court appearances, working with the local victims advocate as needed, creating a safety	As needed		Children's Council; Compass Family Services; La Casa de Las Madres	Children's Council San Francisco is located 3 miles from 629 Post. Residents can travel to the location by public transportation via MUNI Bus Route 38 (app. 400 feet from the property) and connecting to the Route 22 line. These routes operate 24hours/day (\$2.75/ride; \$1.25 for youth, seniors, and people with disabilities). Case

Other Residential Services (specify)						
Other Residential Services (specify)						
Other Residential Services (specify)						
File Name:	22. LSP Contract	Lead Service Provider Contract, Agreement or Letter of Intent.			Uploaded to HCD?	Yes
File Name:	22. LSP NonApplicant Contract	Lead Service Provider Contract, Agreement or Letter of Intent (non-Applicant provider).			Uploaded to HCD?	N/A

**Section 3: Supportive Services Coordination**

- Describe the accessibility of Supportive Services, whether they are on-site or off-site, the frequency, and travel time required to access the Supportive Services including both public and private transportation services (e.g. van owned by the provider). Ensure transportation costs for off-site Supportive Services are reflected in the Project budget.

Swords to Plowshares will offer a myriad of services on site as outlined above such as case management, mental health services, groups, activities, peer support, and tenant supports; however, additional services--Employment assistance, Legal Benefits assistance, Support Groups and Group Therapy--will be provided at Swords to Plowshares' headquarters and Drop-in Center located at 1060 Howard Street, San Francisco, CA 94103 approximately 0.8 miles from the site, a 10-minute car ride or 17 minute bus ride depending on traffic.

Services such as medical care will be obtained through offsite providers. Medical care for VHA-eligible veterans will be offered off-site at either the local VA Downtown San Francisco Outpatient Clinic, located 1.2 miles from the Property at 401 3rd St. San Francisco; or at the VA medical facility and hospital at Fort Miley, 4150 Clement Ave. San Francisco, which is approximately 6 miles from this Property. The VA offers a direct shuttle between their smaller Downtown San Francisco clinic and the larger medical center throughout the day, as well as privately chartered buses that veterans can access from multiple locations within San Francisco that are all accessible through public transportation. The trip is approximately 45 minutes.

- Describe how the Supportive Services will be provided in a manner that is culturally and linguistically competent for persons of different races, ethnicities, sexual orientations, gender identities, and gender expressions. This includes explaining how services will be provided to Homekey+ tenants who do not speak English, or have other communication barriers, including sensory disabilities, and how communication among the services providers, the property manager and these tenants will be facilitated. Additionally, describe how services will accommodate trauma-based, barriers to services. Responses should be as specific as possible in addressing the specific populations served by the Project. For example, if the Project will have Veteran serving units, responses should evidence competency in Supportive Service delivery to Veterans. If available, provide documentation, in the form of Memorandum of Understanding, Memorandum of Agreement, letters of support or contracts demonstrating who will be responsible for ensuring access to services and how accessibility will be accomplished.

Swords to Plowshares prides itself on being a veteran-led advocacy organization. Swords serves veterans regardless of discharge status or access to VA health care. All direct services provided are free of charge to tenants. The services offered at 629 Post are based on best practices learned and adopted by Swords to Plowshares in its 50-year history serving vulnerable veterans and its 25-year history operating permanent supportive housing. Swords to Plowshares opened the country's first Permanent Supportive Housing site dedicated to veterans in 2000 on a formerly military base at the Presidio and has operated this model continuously for over 25 years. Swords continuously takes feedback from the veterans in an effort to make service delivery applicable to the needs of each community and stay abreast of emerging promising and best practices. While the veteran population is unique in needing to understand and speak English while in the military, veterans do have diverse backgrounds and language preferences. If veterans have specific language barriers, limited literacy abilities, or other challenges such as hearing or sight limitations, Swords will make sure to deliver any information in a manner in which it is appropriate for the veteran, and will engage a translator or interpreter as well as have letters and other documents translated into a native language based upon need. Swords currently holds a contract with Acclaro to provide translation and

Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

HUD-VASH teams will be trained in accordance with the VA's standards of care which can be found here: <https://www.va.gov/STANDARDSOFPRACTICE/about.asp>.

Swords to Plowshares case management and property management staff are trained to work with veterans using our Combat to Community® educational program within the first 90 days of hire. The training will encompass an understanding of military culture, trauma that can be experienced during military service, and the transition from service member to veteran and the complexities related to that transition. This training will be at no cost to the agency as this training was created by Swords to Plowshares. Property Management and Supportive services staff will be trained in best practices related to the engagement of property management and supportive services teams working in tandem to support housing stability of tenants. This

- Describe how you will engage with tenant and/or participant to encourage voluntary participation in services as well as in community building, such as resident councils or similar forums. Included a description of tenant/participant outreach, engagement and retention strategies to be used.

The Community Organizer roles are dedicated to the support and coordination of veteran residents in the Swords to Plowshares Housing Programs. This role will be coordinated with the Deputy Directors of Clinical Services and Deputy Director for Housing and Residential Programs and onsite staff to determine best strategies for engaging with veteran residents at 629 Post. Previous strategies utilized by Swords to Plowshares and proposed at 629 Post include annual anonymous tenant satisfaction surveys, monthly resident meetings, creation of a tenant council, cooking classes, cultural outings, game nights, movie nights, and other events both on and offsite that residents request. Housing operations also plan to advocate to have a community Senior and Disabled Younger Adult meal program located at this site which has been found in other housing programs to be a great way to assure nutrition needs are being met, connect veterans to the larger community and create daily opportunities for interaction and the reduction of isolative behaviors. As this will be a veteran specific community with a significant number of low-income veterans in residence, community-building events will be a focus in efforts to create programming that supports the needs of this site and based on input from veterans who will reside at 629 Post. These will include barbecues, holiday events, and cultural outings available to all residents planned in conjunction with the VA's HUD-VASH

Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

HUD-VASH teams will be trained in accordance with the VAs standards of care.

Swords to Plowshares case management and property management staff are trained to work with veterans using our Combat to Community® educational program within the first 90 days of hire. The training will encompass an understanding of military culture, trauma that can be experienced during military service, and the transition from service member to veteran and the complexities related to that transition. This training will be at no cost to the agency as this training was created by Swords to Plowshares. Property Management and Supportive services staff will be trained in best practices related to the engagement of tenants towards the goal of long-term housing stability. This training will be provided virtually by the Corporation for Supportive Housing through their training program series which offers a variety of training to ensure high-quality supportive services and property management services are delivered to

- Describe how the Supportive Services will be provided in a manner that demonstrates cultural competency in working with families with children, including single parent households.

Staff working at this site will be trained in best practices when working with veteran families to include parents with minor children, parents with children with disabilities, and families with more than one disabled household member. These households have unique needs that require staff to be competent in accessing services to ensure family stability. Staff will assist veteran families in accessing and connecting to resources within the San Francisco Unified School System to include the charter school system, parks and recreation services, local youth clubs, daycare options, food resources, employment opportunities, family friendly outings and activities and other services as deemed appropriate by the veteran head of household and family members. The staff will assist with connecting veteran families to the Temporary Assistance for Needy Families (TANF) program, CalFresh (Supplemental Nutrition Assistance Program), Women Infants and Children (WIC) program, California Alternative Payment Program (CAPP for daycare subsidies), and any other monetary and non-cash benefits to which

Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

Within the first 90-days of hire staff will receive training on topics such as understanding mandated reporting requirements as it relates to minors and adults with disabilities, domestic and intimate partner violence, trauma informed care, family therapy resources, and available caregiver support system resources. These trainings will be provided via platforms available to the agency such as through the Corporation for Supportive Housing training portal, PESI which provides various trainings for clinical staff, and other accredited vendors and local non-profit service providers. Training on local resources will be provided by the supportive services management team. Additional training needs that must be provided by external sources will be paid by Swords to Plowshares, and they typically cost on average \$65-\$250 per staff member being trained by an outside vendor. Swords will also work with La Casa de Las Madres to provide training to the team via their Community Education Program.

- Describe how the Supportive Services will be provided in a manner that demonstrates cultural competency in working with people who identify as female.

Swords to Plowshares housing program staff receive cultural competency training annually, provided by the agency. Swords to Plowshares' Combat to Community® education training is a series of accredited cultural competency curricula developed by our Institute for Veteran Policy team with the purpose of educating the community to address the challenges veterans face re-integrating and the unique skill sets they acquire in service.

In our general Combat to Community® training for service providers, we include information on the unique barriers and challenges women veterans face. We also provide a specific **Combat to Community training on Women Veterans and have created a Women Veterans Screening Guide (see attached) for service providers. The strategies provided in the screening** Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

At hire, and within the first 90 days and annually thereafter, supportive services staff are required to take a host of trainings which will include understanding the resources available to women veterans in San Francisco and the broader Bay Area. Our staff will be trained as well on resources available to female veterans through local providers such as the VA Hospital's Women's Clinic which provides tailored medical care in addition to individual and group counseling options. All staff receive training in the risk factors specific to women veterans, and the need for gender-specific outreach materials and approach to service delivery. Clinical supervisory staff will also provide ongoing training to staff members with information learned at formal training sessions provided by certified vendors such as PESI Inc., a well-known non-profit agency specializing in behavioral health trainings and seminars. In addition, Swords provides **access to funds for ongoing training by outside vendors to ensure that staff are trained on the latest best practice information and therapeutic techniques. Swords will also ensure that staff**

6. Describe how the Supportive Services will be provided in manner that demonstrates cultural competency in working with people identifying as LGBTQ.

Swords to Plowshares has a long history of working with veterans across a spectrum of identities to include veterans identifying as part of the LGBTQ community, including staff who have direct experience as LGBTQ service members. While many veterans are unable to be open about their identity as LGBTQ during their service for fear of being discharged, Swords to Plowshares is now helping to right those wrongs through our Legal Department who works on discharge upgrades for veterans who were discharged under the "Don't Ask, Don't Tell" policies and those policies that sought to silence LGBTQ veterans of earlier eras of service. Legal staff also help transgender veterans obtain VA paperwork and identification that matches their gender identity where possible. Within our Housing programs, we do not discriminate against LGBTQ veterans and work tirelessly to create safe zones throughout our programs. We **work closely with our veterans to educate them on LGBTQ issues throughout their stay by bringing in outside speakers to community meetings and other community events to reinforce our** Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

At hire, within the first 90 days, supportive services and property management staff are required to take a host of trainings such as motivational interviewing, critical time intervention, voluntary moving-on, de-escalation, trauma-informed care, crisis management, understanding suicidality, harm reduction, and Sexual Orientation and Gender Identity (SOGI) training. All staff participate in any training provided and that is relevant to their work. Clinical supervisory staff will also provide ongoing training to staff members with information learned at formal training sessions provided by certified vendors such as PESI Inc., a well-known non-profit agency specializing in behavioral health trainings and seminars. In addition, Swords provides access to funds for ongoing training by outside vendors to ensure that staff are trained on the latest best practice information and therapeutic techniques. Swords does provide annual **refresher trainings, or will provide money for outside vendors, to ensure that staff have the training they need to provide high quality care to veteran clients. If training needs to be provided** Describe how the Supportive Services will be provided in a manner that demonstrates cultural competency in working with people experience Post Traumatic Stress Disorder or sexual trauma (or military sexual trauma as applicable).

7. Describe how the Supportive Services will be provided in a manner that demonstrates cultural competency in working with people experience Post Traumatic Stress Disorder or sexual trauma (or military sexual trauma as applicable).

As a veteran-only serving agency, Swords to Plowshares is uniquely poised to understand issues that are specific to this population such as Military Sexual Trauma (MST), Post Traumatic Stress Disorder (PTSD), Traumatic Brain Injury (TBI), and other conditions that are seen as hallmarks of military service. Swords to Plowshares housing program staff receive cultural competency training annually, provided by the agency. Swords to Plowshares' Combat to Community® education training is a series of accredited cultural competency curricula developed by our Institute for Veteran Policy team with the purpose of educating the community to address the challenges veterans face re-integrating and the unique skill sets they acquire in service. This training is further supplemented by trainings specifically targeted to working with people diagnosed with PTSD wherein clinical staff are trained on how to identify symptomology and **behaviors that can manifest itself in someone diagnosed with PTSD. Staff will be trained in the DSM diagnostic criteria for PTSD through either agency trained clinicians or external sources** Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

At hire, and within the first 90 days, staff are required to take a host of trainings such as motivational interviewing, critical time intervention, voluntary moving-on, de-escalation, trauma-informed care, crisis management, suicidality, harm reduction, and understanding local laws regarding service, therapy and companion animals. The Mental Health Specialists, Property Management, and Community Organizers will participate in any training provided that is related to their work and within their scope of practice. Clinical supervisory staff will also provide ongoing training to support services staff members with information learned at formal training sessions provided by certified vendors such as PESI Inc., a well-known non-profit agency specializing in behavioral health trainings and seminars. Swords to Plowshares Housing Staff also have access to a locally funded Corporation for Supportive Housing Training Portal **where there are various trainings related to de-escalation, trauma informed service delivery, among other curriculums that are free of charge. These are webinars that can be accessed at** Describe how the Supportive Services will be provided in a manner that demonstrates cultural competency in working with people who have survived domestic violence and clients with trauma histories.

8. Describe how the Supportive Services will be provided in a manner that demonstrates cultural competency in working with people who have survived domestic violence and clients with trauma histories.

Swords to Plowshares case management and property management staff receive cultural competency training annually, provided by the agency. Swords to Plowshares' Combat to Community® education training is a series of accredited cultural competency curricula developed by our Institute for Veteran Policy team with the purpose of educating the community to address the challenges veterans face re-integrating and the unique skill sets they acquire in service.

In our general Combat to Community® training for service providers and our specific training on Veterans and Domestic Violence, we include information on the veterans who have been **involved with intimate partner violence, the risk factors for veterans, and the unique challenges veterans face. Swords to Plowshares will also work closely with local non-profits that focus** Describe initial and periodic training plans associated with the above item including who will be trained, the type of training, cost, and how often training occurs.

At hire, within the first 90 days, staff are required to take a host of trainings such as motivational interviewing, critical time intervention, de-escalation, trauma-informed care, crisis management, suicidality, and harm reduction. The Mental Health Specialist and Community Organizers will participate in any training provided that is relevant to their work and within their scope of practice. Clinical supervisory staff will also provide ongoing training to staff members with information learned at formal training sessions provided by certified vendors such as PESI Inc., a well-known non-profit agency specializing in behavioral health trainings and seminars. Swords to Plowshares Housing Staff also have access to a locally funded Corporation for Supportive Housing Training Portal where there are various trainings related to de-escalation, trauma informed service delivery, among other curriculums that are free of charge. **These are webinars that can be accessed at any time along with written information that is directly relatable to staff providing services in permanent supportive housing from case managers**

9. Provide 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).

Staff and resident safety are very important to the agency. Swords to Plowshares trains housing staff to be able to respond to many of the emergencies they may face while at work. Front desk staff have access to a secured office at all times in case they are in danger while at the desk. This space will have access to a phone so that emergency services can be called. Additionally, panic buttons will be installed in private offices. We have installed panic buttons at all service locations and established a Panic Button Alarm Procedure for each site. Staff are trained at on-boarding and annually on Panic Button Alarm Procedures which include instructions for Use and Activation (including threatening of physical violence, physical violence and verbal or physical aggression), Designated Staff Roles, Response when Alarm is Activated, and a list of Current Emergency Contacts. Staff will also be aware of emergency exits and **protocols in case of fire or other incidents that may require evacuation. Staff are aware they must ensure their own safety in order to better support residents at the property. A safety**

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.

10. 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.

Describe how your experience meets this criteria, including any need for training by CalVet.

Swords to Plowshares has been providing services to veterans for over 50 years in the San Francisco Bay Area. Swords as an agency prides itself on defining a veteran as anyone who has ever served, regardless of their discharge status or time served in the military. We are a nationally recognized leader in veteran services to include the creation of the Combat to Community® training program along with our hallmark Legal services for veterans with "bad paper", veterans who were discharged from the military under circumstances that preclude them from VA Healthcare and other services and monetary benefits from the VA. Swords to Plowshares has worked over these 50 years on behalf of veterans who were discharged from the military with no benefits in order to assist them to regain those benefits through discharge upgrades, service connection claims, and other administrative processes. We understand that **access to VA healthcare can be lifesaving care and also potential access to a permanently affordable housing voucher and supportive services. For those veterans that do not have**

### Part III. Staffing

#### Section 1a: Staffing Description

Describe the overall staffing pattern, including the roles and responsibilities for each position listed in the Staffing Chart below. List the target populations served through each position.

The staffing chart below is for the 44 Homekey+ Assisted Units; the staffing for the 19 Safe Haven units is not included per HCD instructions. Of the 44 Homekey+ Assisted Units, the 20 HUD VASH units will serve homeless veterans, and the 24 non-VASH units will serve veterans at risk of homelessness, as defined in the Homekey+ NOFA. All positions listed herein serve veterans eligible for Homekey+ Assisted Units deemed eligible for the program based on their homeless status, income at entry, and disabling condition(s). Operating subsidy for the 44 Homekey+ Assisted Units consists of VASH vouchers for 20 studio units and a 20-Year MOHCD-funded capitalized operating reserve (MOHCD COSR) of \$5,948,136 for the 24 non-VASH SRO units as the local operating match for the Homekey+ capitalized operating grant of \$2,657,182 (HK+ COSR), the combined which will allow the funding of onsite case management and supportive services provided by Swords to Plowshares for 20 years. Staffing for the 20 Homekey+ Assisted Units supported by HUD-VASH will include 0.67 FTE VA Social Worker who will provide onsite supportive services, connection to offsite resources and referrals to care and services not provided by the VA, a 0.125 FTE Peer Specialist to assist veterans with engaging with the onsite VA Social work staff, support veterans in getting to and from appointments, and encouraging veterans to be active participants in their care and community, and a .0625 FTE register nurse. These VA staff members will utilize the VA Office on the ground floor. Staffing for the remaining 24 Homekey+ Assisted Units consists of Swords staff that will be assigned to the project, including a 1.0 FTE Mental Health Specialists (MHS) who will provide onsite supportive services, groups and activities, connections to offsite resources and referrals to care and services not provided by Swords onsite or at our offsite location at 1060 Howard St. Swords, will also provide 0.17 FTE Program Manager for staff who will provide support with the implementation of an onsite Tenant Council that will meet monthly, provide access to curated offsite activities in the community. Swords to Plowshares will also commit 0.17 FTE of a Residential Programs Administrative Coordinator to assist with data entry for the local HMIS system in addition to monitoring data quality and reporting for this project. The staffing pattern outlined will ensure that veterans living at 629 Post will have access to supportive services and activities both on and offsite. The staffing pattern meets the requirements of HK+ as outlined in the NOFA. All positions will provide services onsite, with the exception of the HMIS Administrative Coordinator who will be located offsite. For veterans not engaged in VA medical care, the San Francisco Department of Public Health's PHACS team (Permanent Housing Advanced Clinical Services) is a multidisciplinary team that will provide crisis intervention, assessment, care coordination, medication management, overdose prevention, and will also help monitor the health status and any emerging chronic medical conditions. The PHACS team also provides consolation services to the onsite case management teams when needed. PHACS staff will consist of a 0.02 FTE Registered Nurse, 0.02 FTE Behavioral Health Clinician, 0.02 FTE Community Health Worker and a 0.02 FTE Nurse

**Section 1b: Staffing Chart**

List all staff positions that will provide services to the tenants of the Homekey+ Assisted Units. Include any staff positions of partnering organizations who have committed time to the Project. Include the services coordination staff. For each position, list the position title, minimum requirements, the full-time equivalent (FTE), the organization under which the position resides, and the location of the position (on-site or off-site). Do not include staff which serve non-Homekey+ Units and supervisors, peer support positions, or HMIS Administration positions. If a staff position serves both tenants in Homekey+ and non-Homekey+ units, include only that portion (i.e., % FTE) of the staff position dedicated to Homekey+ Assisted Units. Attach a copy of each positions duty statement, if these documents are available.

**NOTE: Indicate which staff position will be responsible for Homeless Management Information System data entry and CoC coordination.**

Title	Minimum requirements	Total FTE:	Employing Organization	Location
		1.9		
List each staff position	List minimum required staff preparation include (education & experience).	Indicate FTE staff positions for Homekey+ units (half-time is 0.5)	List which organization will employ each staff position	Select "On-Site" or "Off-Site"
Case Manager - Swords (Mental Health Specialist)	Mental Health Specialist – Min.4 years of experience providing direct services to homeless, substance use disorder and dual diagnosed individuals. Provides individualized case management to a caseload of dually diagnosed veteran residents; and assists veteran residents to meet program goals regarding Residential Stability, Increased Skills or Income, Greater Self-determination,	1.00	Lead Service Provider	On-Site
Case Manager - VA	VA HUD-VASH Case Manager - Education and experience determined by the VA, minimum education MSW level  Provided In-Kind by the VA for the 20 VASH units	0.67	Other Supportive Services Provider	On-Site
Peer Support - VA	VA Peer Support Specialist. Veteran status is required. Discharged or released from active duty in the armed forces under other than honorable conditions accepted. A person with mental health and/or co-occurring conditions who has been trained to help others with these conditions, identify and achieve specific life and recovery goals. Must be certified as a Section 405 of Public Law 110-387, as codified in 38	0.13	Other Supportive Services Provider	On-Site
Registered Nurse - VA	QUALIFICATIONS: • Citizen of the United States • Possession of current, full, active, and unrestricted RN license • Meets mental and physical requirements to satisfactorily perform assigned duties including home visiting and community outreach	0.06	Other Supportive Services Provider	On-Site
Registered Nurse (DPH PHACS)	Requires completion of high school, supplemented by graduation from an accredited school of nursing or an equivalent combination of training and experience. Requires thorough working knowledge of modern methods, techniques and procedures used in professional nursing, including understanding of medical terminology and hospital routines, procedures, equipment and facilities. Requires ability to: work	0.02	Other Supportive Services Provider	On-Site
Behavioral Health Clinician (DPH PHACS)	Possession of a valid license as a Licensed Clinical Social Worker (LCSW), issued by the California Board of Behavioral Sciences (BBS); OR Possession of valid registration as an Associate Clinical Social Worker (ASW) , issued by the California Board of Behavioral Sciences (BBS); OR Possession of a valid license as a Licensed Marriage and Family Therapist (LMFT) , issued by the California Board of	0.02	Other Supportive Services Provider	On-Site
Community Health Worker (DPH PHACS)	Two (2) years of verifiable experience within the last five (5) years, working with a culturally diverse population performing a combination of at least two (2) of the following duties: Serving as a liaison between targeted communities and healthcare agencies; providing culturally appropriate health education/information and outreach to targeted populations; providing referral and follow up services or otherwise	0.02	Other Supportive Services Provider	On-Site
Nurse Practitioner (DPH PHACS)	Minimum Qualifications (Required): LICENSE: Possession of a valid California Nurse Practitioner (NP) license issued by the California Board of Registered Nursing; AND LICENSE: Possession of a current medication furnishing license issued by the California Board of Registered Nurses; AND	0.02	Other Supportive Services Provider	On-Site
Other Medical and Behavioral Health Providers - VA	Additional medical services are provided at the Fort Miley Hospital, which is approximately 6 miles away from the property and accessible by public transportation. Case Managers can provide tokens for transportation or arrange for private transportation as needed. Fort Miley offers free health and dental care for homeless veterans, a 24-hour triage nurse line, behavioral health counseling and		Other Supportive Services Provider	Off-Site

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	Uploaded to HCD?	Yes
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**Section 2: Staffing Ratios**

1. Complete case manager staffing ratio chart to show how many staff are assigned per client (for example 2:1, 3:1, etc.). Include all case management. Provide only the number of ongoing direct service staff positions that will provide services to the tenants of the Homekey+ Assisted Units, (for example, case manager, psychiatric nurse, services coordinator, etc.). Do not include supervisors, peer support positions, or HMIS Administration positions.

Population Type:	Chronically Homeless (cannot exceed 20 to 1 ratio)	Homeless (cannot exceed 25 to 1 ratio)	At-Risk of Homelessness (cannot exceed 40 to 1 ratio)	Homeless Youth, or Youth at Risk of Homelessness (cannot exceed 15 to 1 ratio)	Veterans Chronically Homeless (cannot exceed 20 to 1 ratio)	Veterans Homeless (cannot exceed 25 to 1 ratio)	Veterans At-Risk of Homelessness (cannot exceed 40 to 1 ratio)	Veterans Homeless Youth, or Youth at Risk of Homelessness (cannot exceed 15 to 1 ratio)	Totals Units
Units Serving Subpopulation	0	0	0	0	0	20	24	0	44
Staff Serving Subpopulation					0	0.89	1.043636364		1,9375
Case Manager Ratio						22.4 to 1	23.0 to 1		22.7 to 1

Describe staffing ratio special circumstances below.

The staffing above is only for the 44 Homekey+ Assisted Units; it does not include staffing for the 19 Safe Haven units.

However, the chart below is inclusive of staffing for the Safe Haven units.

**Part IV. Supportive Services and Property Management Budget**

Provide a line item supportive services budget for the Project using the format below. Complete both income and expense portions of the budget on a yearly basis. Include all costs associated with implementing your SSP, including any in-kind services. Include income and expenses for all staff positions and partnering organizations who have committed time to the Project. Total expenses should equal total income. Add expense item categories & lines as necessary. Don't include costs associated with providing services in non-Homekey+ Assisted Units. If costs are associated with both Homekey+ & non-Homekey+ Assisted Units, include only the Homekey+ Assisted Units portion.

Staff Salaries: List by title of position. (This list must match the Staffing Chart above.)

Expense Item	FTE	Amount	Type	Funding Status	% of Total Budget
On-Site Manager(s)	1.00	\$76,204	Cash	Committed	4.41%
On-Site Assistant Manager(s)	0.00	\$0			0.00%
Supportive Services Staff Supervisor(s)	0.34	\$49,227	Cash	Committed	2.85%
Supportive Services Coordinator, On-Site	0.00	\$0			0.00%
Other Supportive Services Staff (inc. Case Manager)	5.12	\$383,329	Cash	Committed	22.20%
On-Site Maintenance Employee(s)	1.00	\$61,364	Cash	Committed	3.55%
On-Site Leasing Agent/Administrative Employee(s)	0.72	\$81,909	Cash	Committed	4.74%
On-Site Security Employee(s)	9.15	\$524,718	Cash	Committed	30.39%
	0.00	\$0			0.00%
	0.00	\$0			0.00%
	0.00	\$0			0.00%
	0.00	\$0			0.00%
Fringe Benefits		\$368,782	Cash	Committed	21.36%
<b>Total Staff Expenses</b>		<b>\$1,545,533</b>			<b>89.51%</b>

Staff Salaries: List by title of position. (This list must match the Staffing Chart above.)

Expense Item	Amount	Type	Funding Status	% of Total Budget
Tenant Transportation (per SSP)	\$0			0.00%
Staff training (per SSP)	\$0			0.00%
Equipment	\$0			0.00%
Supplies	\$0			0.00%
Travel	\$0			0.00%
Office Rent/Occupancy Costs (don't include rent/leasing)	\$0			0.00%
Training	\$0			0.00%
Other Supportive Services Costs (Safe Haven Meals)	\$181,125	Cash	Intend to Fund or Provide	10.49%
Other Supportive Services Costs ( )	\$0			0.00%
<b>Total Expenses</b>	<b>\$1,726,658</b>			<b>10.49%</b>
Supportive Services Admin Overhead	\$85,217	Cash	Committed	0.00%
Security Contract	\$0			0.00%

**Part V. Property Management Plans and Tenant Selection**

**Section 1: Property Management Plans and Tenant Selection**

The Property Management Plan and tenant selection policies submitted with the Homekey+ application will be evaluated for the following consistent with state Housing First requirements. These documents must identify, describe, and utilize Housing First and low-barrier tenant selection processes that prioritize those with the highest needs for available housing. The descriptions of the use of Housing First and tenant selection in this SSP must be consistent with the Property Management Plan and the tenant selection policies. The Property Management Plan and tenant selection policies should address the following and be consistent with state Housing First requirements, as well as and other Homekey+ program requirements:

1. Applicant eligibility and screening standards	Included in Property Management Plan?	Yes
2. Confidentiality	Included in Property Management Plan?	Yes
3. Substance abuse policy	Included in Property Management Plan?	Yes
4. Communication between property manager and supportive services staff	Included in Property Management Plan?	Yes
5. Eviction policies and eviction prevention procedures	Included in Property Management Plan?	Yes
6. 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	Included in Property Management Plan?	Yes
7. How applicants and residents will be assisted in making reasonable accommodation requests, in coordination with the services provider and persuasive to outside entities, such as Housing Authorities, to ensure that persons with disabilities have access to and can maintain housing	Included in Property Management Plan?	Yes
8. Policies and practices to facilitate Voluntary Moving On strategies	Included in Property Management Plan?	Yes
9. Appeal and Grievance Procedures	Included in Property Management Plan?	Yes
10. Payment of rent by residents during periods of hospitalization.	Included in Property Management Plan?	Yes
11. Coordination with property management for resolution of complaints from tenants or on behalf of tenants.	Included in Property Management Plan?	Yes
12. 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.	Included in Property Management Plan?	Yes
13. 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.	Included in Property Management Plan?	N/A
File Name	24. Property Management Plan	Submit Property Management Plan and Tenant Selection Policies
		Uploaded to HCD?
		Yes

**Part VI. Measurable Outcomes and Plan for Evaluation**

Specific target populations will likely have varying outcomes and evaluation strategies. List outcomes and evaluations plans specific to each target population.

**Section 1: Measurable Outcomes**

Outcomes are what you expect to happen for the people served by your Project. Outcomes are sometimes called results. Outcome objectives are time-specific measurable goals that identify how you know if you are achieving your desired results. Outcome objectives are sometimes called outcome benchmarks or indicators. Categorize the outcomes for your Project into the following three categories:

Category	Outcomes	Outcome Objectives
<b>Residential Stability:</b> Tenants maintain permanent housing (see examples in cell comments to the right)	100% of veterans will be assessed at entry for linkage to mental health, medical care, and income supports. Property Management and Supportive Services staff will meet at least bi-weekly to coordinate on cases where there is a concern about a loss of housing.	Number of households moved in during the period/number of households assessed for linkage to care.
<b>Increased Skills and/or Income:</b> Tenants gain job-related skills, participate in job-related training and/or education, gain stipend part-time or full-time supported employment, gain access to mainstream service/income support Programs for which they are eligible (see examples in cell comments to the right)	100% of veterans who express interest in employment and/or education supports will be assisted by case management for linkage to those services either within Swords to Plowshares and the VA or other community agencies as appropriate. 100% of veterans at entry will be engaged by case management to assess for entitlement benefits as appropriate. Case management staff will also follow up with veterans if a loss of income occurs to offer support in reconnecting veterans with	Unduplicated number of households who identify a need for employment and education supports; Number of unduplicated households who have zero income at entry/number of unduplicated households who have income after 90 days; Unduplicated number of households who have reported a loss of income to case management.
<b>Greater Self-Determination:</b> Tenants gain daily living skills and ability to plan and advocate for themselves to maximize independence and self-sufficiency (see examples in cell comments to the right)	Swords to Plowshares will offer at least one weekly onsite group based on feedback from veteran tenants. Swords to Plowshares will engage veterans in order to create an onsite Tenant Council group to meet monthly once established as a mechanism for tenant feedback around concerns directly impacting their community.	1 group or community activity will be held each week, for a total of 52 per year.
Other (specify)		

**Section 2: Plan for Evaluation**

Describe your evaluation plan, including how you intend to collect, track and analyze data on the effectiveness of your Project, including the outcomes Projected above. Indicate who will analyze the data and perform your Program evaluation. (e.g., staff, consultant, etc.).

Swords to Plowshares case management staff (MHS) will track outcomes related to the number and type of groups and/or community activities offered and their frequency. This information will be analyzed by onsite MHS staff and will also be entered into and can be reported on from our internal case management data tracking system, Exponent Case Management (ECM). For the outcomes related to residential stability and increased skills and/or income, for veterans directly case managed by the Swords to Plowshares case management staff (MHS), that data will be tracked and stored in our internal case management data tracking system ECM. For veterans case managed by the VA, Swords will work in collaboration with the VA to obtain the data related to those veterans for this reporting.

Applicant Comments



Project Name	629 Post	Number of Project Units:	63
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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	\$0
(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>	\$500	\$31,500
			\$31,500

**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:	\$2,765,296	Amount subject to reserve calculation: <i>(a - b)</i>	\$2,765,296	\$691,324	\$921,765
	(b) <i>Minus: On-Site Service Coordinator Salaries:</i>	\$0				
2	Replacement Reserve amount from above: <i>(Cell AJ10)</i>			\$31,500	\$7,875	\$10,500
3	Debt Service (including all HCD 0.42% Fees and Bond Issuer Fee)					
	<b>Name of Lender</b> <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
	2nd Mortgage Debt Service			\$0	\$0	\$0
	3rd Mortgage Debt Service			\$0	\$0	\$0
	Other HCD .42% (Specify)			\$0	\$0	\$0
	Other HCD .42% (Specify)			\$0	\$0	\$0
	Bond Issuer Fee			\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)			\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)			\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)			\$0	\$0	\$0
	Miscellaneous Financial Expenses (specify)			\$0	\$0	\$0
	Other (Specify)			\$0	\$0	\$0
<b>Totals</b>			\$0	\$0	\$0	
<b>UMR Required Operating Reserve Amount:</b>				<b>\$699,199</b>	<b>\$932,265</b>	

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

MOHCD's Capitalized Replacement Reserve requirement is the higher of \$1k per unit or the amount necessary per the PNA, which concluded \$100,000 for the Capitalized Replacement Reserve.

**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.

Yes
Yes
Yes

- 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.

**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?

Yes
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Anaheim Irvine Oakland San Diego Santa Ana  
 Bakersfield Long Beach Riverside San Francisco Stockton  
 Fresno Los Angeles Sacramento San Jose

- b. California's 58 Counties

County	San Francisco
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- 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.

Yes
-----

- 2 An approved HHAP regionally coordinated homelessness action plan.

Applicant(s) certifies to have an approved HHAP regionally coordinated homelessness action plan.

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
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- 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

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.

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
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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.

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

- vii. Applicants shall provide a written non-discrimination policy that complies with the requirements in §508 - Accessibility and Non-Discrimination.

Yes
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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?*

- 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.

[Homekey + website](#)

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
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#### Site Control UMR §8303 and §8316

At time of application, does Applicant, or its wholly controlled affiliate have site control pursuant to UMR §8303?	Yes
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For Acq/Rehabilitation and Rehabilitation Projects **ONLY**: Provide 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? No

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 b. 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: 629 Post, 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 a. 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	629 Post, 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 629 Post. 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 is the sole member of the EML ownership entity, Property Manager and the Service Provider for veterans at EML, as it will be at 629 Post. While 629 Post is a purchase and renovation project, it is of similar complexity to EML. EML's units are reserved for chronically homeless veterans and includes VASH subsidy and a CoC contract. Like EML, 629 Post will include coordination with the San Francisco Veterans Administration Medical Center (VA) on use of the 20 HUD-VASH operating subsidies and coordination with the VA Social Workers on provision of services to the 20 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 Kearney 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
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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 Kearney 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

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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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 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 Plowshares	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, and this project, as well as Swords' advocacy on a national level, fueled the start of the HUD-VASH Program. Over the last several years, Swords has obtained various funding sources, including project-based HUD-VASH, CoC funding, and Homkey+ funding to support the development of new PSH projects. Today, Swords has five projects (listed above) that provide PSH to over 500 veterans in San Francisco: 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). In addition, Swords has two PSH projects in development in San Francisco: 1035 Van Ness and 629 Post.

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

Yes

Date of pre-application consultation: 10/1/2025

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



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: 629 Post 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):	\$43,448,895
SRO/Studio	\$689,665	63	\$43,448,895	TOTAL HCD ADJ. THRESHOLD BASIS LIMIT:	\$69,518,232
1 Bedroom	\$795,177	0	\$0	Adjusted Threshold Basis Limit multiplied by 160%:	\$111,229,172
2 Bedrooms	\$959,200	0	\$0	HCD HIGH COST TEST RESULT FOR: 629 Post	0%
3 Bedrooms	\$1,227,776	0	\$0		
4+ Bedrooms	\$1,367,819	0	\$0		
<b>Total Eligible Basis</b>					\$0

Manager Units in Project:	0	TOTAL UNITS:	63
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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	\$8,689,779
(A)	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%).	No	\$0
(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).	Yes	\$6,517,334
	If Yes, select type of work: Seismic Upgrading 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. <b>WAIVED IMPACT FEES ARE INELIGIBLE.</b>	No	
(H)	Projects where at least 95% of the Project's upper floor units are serviced by an elevator (10%).	Yes	\$4,344,890
(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	\$6,517,334
(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 #: 06077003111 Opportunity Map Resource Level: Low Resource		

End of Document

2025 BASIS LIMITS

County	SRO & STUDIO	1 BEDROOM	2 BEDROOMS	3 BEDROOMS	4+ BEDROOMS
Alameda	\$473,390	\$545,814	\$658,400	\$842,752	\$938,878
Alpine	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Amador	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Butte	\$319,236	\$368,076	\$444,000	\$568,320	\$633,144
Calaveras	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Colusa	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Contra Costa	\$473,390	\$545,814	\$658,400	\$842,752	\$938,878
Del Norte	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
El Dorado	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242
Fresno	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Glenn	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Humboldt	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Imperial	\$324,988	\$374,708	\$452,000	\$578,560	\$644,552
Inyo	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Kern	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Kings	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Lake	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Lassen	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Los Angeles	\$437,727	\$504,695	\$608,800	\$779,264	\$868,149
San Francisco	\$689,665	\$795,177	\$959,200	\$1,227,776	\$1,367,819
San Joaquin	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
San Luis Obispo	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
San Mateo	\$532,060	\$613,460	\$740,000	\$947,200	\$1,055,240
Santa Barbara	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
Santa Clara	\$532,060	\$613,460	\$740,000	\$947,200	\$1,055,240
Santa Cruz	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
Shasta	\$319,236	\$368,076	\$444,000	\$568,320	\$633,144
Sierra	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Siskiyou	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Solano	\$384,234	\$443,018	\$534,400	\$684,032	\$762,054
Sonoma	\$384,234	\$443,018	\$534,400	\$684,032	\$762,054
Stanislaus	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Sutter	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242
Tehama	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Trinity	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Tulare	\$307,732	\$354,812	\$428,000	\$547,840	\$610,328
Tuolumne	\$352,022	\$405,878	\$489,600	\$626,688	\$698,170
Ventura	\$404,366	\$466,230	\$562,400	\$719,872	\$801,982
Yolo	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242
Yuba	\$331,890	\$382,666	\$461,600	\$590,848	\$658,242

HCD 2024 Developer Fee Calculator - 04/03/2024

TCAC regulations - 04/03/2024

Project Name: 629 Post  
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?

No

Developer Fee Summary		TCAC Project #	
		n/a	
	HCD Limit	Project Amt.	
Maximum Total Developer Fee - 2d	\$1,495,500	\$1,068,131	
Max Developer Fee payable from development funding sources	\$1,495,500	\$1,068,131	
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)	<input type="text" value="63"/>		
First 30 units at:	\$35,000	each	\$1,050,000
Units in excess of 30 at:	\$13,500	each	\$445,500
<b>Total substantial rehab</b>	<b>\$1,495,500</b>		

**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)	<input type="text"/>		
First 30 units at:	\$16,000	each	\$0
Units in excess of 30 at:	\$7,500	each	\$0
<b>Total acquisition and non-substantial rehab</b>	<b>\$0</b>		

**c. All other projects UMR §8312(a)(3)**

Number of units (include manager's unit)	<input type="text"/>		
<b>Total other at:</b>	\$2,000	per unit	\$0

**Maximum allowable Developer Fee**



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 3 points)

At proposed Project site, Applicant certifies to provide High speed internet service as described above?

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., LGBTIQ+ centers, drop-in youth centers). (up to 2 points)

Number of Homeless Assisted Units for Homeless Youth  Are there at least two amenities located within 1 mile radius as described above?

Relocation Projects (Up to 28 Points)

For any Project resulting in the permanent displacement of residents (not businesses or farm operations):

Does the proposed Project trigger State Relocation Assistance Law?  Total Project Units

Will the proposed Project be resulting in the ~~significant~~ displacement of persons?  Percentage of residential units (Residents to be permanently displaced)

Total number of Units (Residents to be permanently displaced)

Negative Points

Negative Points assessed by HCD to the Applicant pursuant to the Department's [Negative Points Policy](#).

**General NOTE:** In the event of program over-subscription, 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.

**Certification & Legal Disclosure**

<p><b>On behalf of the entity identified in the signature block below, I certify that:</b></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
<b>Legal Disclosure</b>			
<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><b>Explain all positive responses on a separate sheet and include with this questionnaire in the application.</b></p> <p><b>Exceptions:</b></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>			
<b>Civil Matters</b>			
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 past ten years?			[ ]
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?			[ ]
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?			[ ]
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?			[ ]
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?			[ ]
<b>Criminal Matters</b>			
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?			[ ]
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?			[ ]
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?			[ ]
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?			[ ]
10. Within the past ten years, has the applicant been convicted of any felony?			[ ]
11. Within the past ten years, has the applicant been convicted of any misdemeanor related to the conduct of the applicant's business?			[ ]
12. Within the past ten years, has the applicant been convicted of any misdemeanor for any financial or fraud related crime?			[ ]
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:	1 South Van Ness, 5th Floor
Applicant/Co-Applicant City:	San Francisco
Project Name:	629 Post
Project Address/site:	629 Post Street
Project City:	San Francisco
Project County:	San Francisco
Assessor Parcel Numbers (APNs):	0305-032

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"?		Yes	
	Applicable for this Project	% Complete	Approved Date
CEQA Environmental Clearance is in progress, approved, or determined to be unnecessary	<b>CEQA</b>	Yes	100%
NEPA Environmental Clearance is in progress, approved, or determined to be unnecessary	<b>NEPA</b>	Yes	100%

Specify in the box below, items not required and explain why (include documentation, if applicable):

Both CEQA and NEPA have been determined to be unnecessary.  
Project is eligible for ministerial approval pursuant to CA Govt. Code Section 65650 et. Seq. and CEQA is not required.

	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:	No		

Specify in the box below, items not required and explain why (include documentation, if applicable):

The project does not require any discretionary or non-discretionary public land use approvals, except building permits and ministerial approvals.

Dated:

Statement Completed by (please print):	Carly Grob
Signature:	
Title:	Principal Planner
Agency or Department:	SF Planning
Agency or Department Address:	49 South Van Ness, Suite 1400 San Francisco, CA 94103
Agency or Department Phone:	(628) 652-7600

## Full list of Uploads

Green checkmark =

X mark, means not a responsibility of the

FILE NAME		FILE DESCRIPTION	
<b>HCD Excel Application</b>			
File Name	01. HK Application Workbook	HK Application Excel Workbook.	Included <span style="float: right;">✓</span>
<b>"Project Overview" Sheet/Tab</b>			
File Name	02a. App1 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included <span style="float: right;">✓</span>
File Name	02b. App1 Authorizing Resolution	<a href="#">Authorizing Resolution</a>	Included <span style="float: right;">✓</span>
File Name	02c. App1 Signature Block	Signature Block - upload in Microsoft Word Document.	Included <span style="float: right;">✓</span>
File Name	02d. App1 TIN Form	<a href="#">Completed Government TIN form.</a>	Included <span style="float: right;">✓</span>
File Name	03a. Co-App1 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included <span style="float: right;">✓</span>
File Name	03b. Co-App1 OrgDoc1, Co-App1 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Included <span style="float: right;">✓</span>
File Name	03c. Co-App1 Authorizing Resolution	<a href="#">Authorizing Resolution</a>	Included <span style="float: right;">✓</span>
File Name	03e. Co-App1 Signature Block	Signature Block - upload in Microsoft Word Document.	Included <span style="float: right;">✓</span>
File Name	03f. Co-App1 Cert of Good Standing	Dated 30 days or less from the application due date.	Included <span style="float: right;">✓</span>
File Name	03g. Co-App1 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)	Included <span style="float: right;">✓</span>
File Name	03h. Co-App1 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Included <span style="float: right;">✓</span>
File Name	03i. Co-App1 Payee Data Record	<a href="#">Completed Payee Data Record.</a>	Included <span style="float: right;">✓</span>
File Name	03j. Co-App1 TIN Form	<a href="#">Completed Government TIN form (jurisdictions only).</a>	Not Applicable <span style="float: right;">✗</span>
File Name	04a. Co-App2 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included <span style="float: right;">✓</span>
File Name	04b. Co-App2 OrgDoc1, Co-App2 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Included <span style="float: right;">✓</span>
File Name	04c. Co-App2 Authorizing Resolution	<a href="#">Authorizing Resolution</a>	Included <span style="float: right;">✓</span>
File Name	04e. Co-App2 Signature Block	Signature Block - upload in Microsoft Word Document.	Included <span style="float: right;">✓</span>
File Name	04f. Co-App2 Cert of Good Standing	Dated 30 days or less from the application due date.	Included <span style="float: right;">✓</span>
File Name	04g. Co-App2 EIN Verification	EIN Verification (IRS form SS-4) (except jurisdictions)	Included <span style="float: right;">✓</span>
File Name	04h. Co-App2 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Included <span style="float: right;">✓</span>
File Name	04i. Co-App2 Payee Data Record	<a href="#">Completed Payee Data Record.</a>	Included <span style="float: right;">✓</span>
File Name	04j. Co-App2 TIN Form	<a href="#">Completed Government TIN form (jurisdictions only).</a>	Included <span style="float: right;">✗</span>
File Name	05a. Co-App3 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable <span style="float: right;">✗</span>

File Name	05b. Co-App3 OrgDoc1, Co-App3 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable	✘
File Name	05c. Co-App3 Authorizing Resolution	<a href="#">Authorizing Resolution</a>	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	<a href="#">Completed Payee Data Record.</a>	Not Applicable	✘
File Name	05j. Co-App3 TIN Form	<a href="#">Completed Government TIN form (jurisdictions only).</a>	Not Applicable	✘
File Name	06a. Co-App4 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable	✘
File Name	06b. Co-App4 OrgDoc1, Co-App4 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable	✘
File Name	06c. Co-App4 Authorizing Resolution	<a href="#">Authorizing Resolution</a>	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	<a href="#">Completed Payee Data Record.</a>	Not Applicable	✘
File Name	06j. Co-App4 TIN Form	<a href="#">Completed Government TIN form (jurisdictions only).</a>	Not Applicable	✘
File Name	07a. MGP Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable	✘
File Name	07b. MGP OrgDoc1, MGP OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable	✘
File Name	07c. MGP Resolution	<a href="#">Authorizing Resolution.</a>	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	<a href="#">Completed Payee Data Record.</a>	Not Applicable	✘
File Name	08a. AGP1 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable	✘
File Name	08b. AGP1 OrgDoc1, AGP1 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable	✘
File Name	08c. AGP1 Resolution	<a href="#">Authorizing Resolution.</a>	Not Applicable	✘
File Name	08e. AGP1 Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	✘
File Name	08f. AGP1 Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	✘
File Name	08g. AGP1 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	✘
File Name	08h. AGP1 Payee Data Record	<a href="#">Completed Payee Data Record.</a>	Not Applicable	✘

File Name	09a. AGP2 Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Not Applicable	✗
File Name	09b. AGP2 OrgDoc1, AGP2 OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Not Applicable	✗
File Name	09c. AGP2 Resolution	<a href="#">Authorizing Resolution.</a>	Not Applicable	✗
File Name	09e. AGP2 Signature Block	Signature Block - upload in Microsoft Word Document.	Not Applicable	✗
File Name	09f. AGP2 Cert of Good Standing	Dated 30 days or less from the application due date.	Not Applicable	✗
File Name	09g. AGP2 Tax-Exempt Status	Evidence of tax-exempt status from IRS and FTB for Corporations (Non-Profits Only).	Not Applicable	✗
File Name	09h. AGP2 Payee Data Record	<a href="#">Completed Payee Data Record.</a>	Not Applicable	✗
File Name	10a. MLLC Cert & Legal Disclosure	<a href="#">Reference: Applicant Certification Worksheet.</a>	Included	✓
File Name	10b. MLLC OrgDoc1, MLLC OrgDoc2, etc.	<a href="#">Reference: Entity Org Docs Worksheet.</a>	Included	✓
File Name	10c. MLLC Resolution	<a href="#">Authorizing Resolution.</a>	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	<a href="#">Completed Payee Data Record.</a>	Included	✓
File Name	11. LLC OA	Operating Agreement	Included	✓
File Name	11. LP-1	Certificate of Limited Partnership (LP-1)	Not Applicable	✗
File Name	11. LP-2	Amendment to Certificate of Limited Partnership (LP-2)	Not Applicable	✗
File Name	11. LPA	Limited Partnership Agreement	Not Applicable	✗
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	✗
File Name	14. Existing HCD Award	Provide a copy of your existing HCD award letter - Upload as Capital EFCs	Not Applicable	✗
File Name	15. Tax Credit Reservation	If the Project has already received a tax credit reservation, upload documentation - Upload as Capital EFCs	Not Applicable	✗
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	✗
File Name	18. Relocation Plan	Relocation Plan.	Included	✓
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	✓
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**"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	<a href="#">35. Development Plan</a>	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.	Not Applicable	✗

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	<a href="#">42. Relocation narrative</a>	Applicant's Relocation Assistance Narrative shall include or identify the following: §300(xvii)(a-i)	Included	✓
File Name	<a href="#">43. EFC #1, EFC #2, etc.</a>	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	Letter of explanation for any "Yes" answers or red shaded items above. Copy this sheet and upload separate from the application.	Not Applicable	✗
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# 629 POST STREET

BUDGET AND FINANCE  
COMMITTEE

APRIL 8, 2026

MAYOR'S OFFICE OF HOUSING AND  
COMMUNITY DEVELOPMENT

## 629 POST STREET - BUDGET AND FINANCE COMMITTEE AGENDA ITEMS



File # 260306

Authorization for MOHCD to jointly apply with 629 Post, LLC for California Department of Housing and Community Development for the Homekey+ Grant for the rehabilitation of 629 Post Street.

# HOMEKEY

**Homekey** was a statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness.

- Launched during pandemic to meet urgent housing needs.
- Acquire and convert hotels, motels, multi-family apartments, and more, into permanent or interim housing.
- The City has been awarded approximately \$239 million in Homekey grant funds and approximately \$56 million in Homekey+ grant funds that has supported the acquisition and operation of approximately 1,074 new units of permanent supportive housing

1,074 new units of PSH

# HOMEKEY+

## Homekey+ NOFA Released November 2024

- **\$1.972 billion** in from State Prop 1 for HomeKey+
- Homekey+ is the permanent housing component of the Bond and will be administered by HCD.
- Focuses on quick delivery of permanent affordable housing, generally within 12 months of award.
- Homekey+ will serve Veterans and other individuals with a behavioral health challenge who are at- risk of, or experiencing, homelessness.

# PROPOSITION I

## Proposition I

- Proposition I passed by California voters in March 2024.
- The Behavioral Health Services Act (policy) and Behavioral Health Bond (funding).
- The Bond authorizes **\$6.4 billion** to finance behavioral health treatment beds, supportive housing, community sites, and funding for housing veterans with behavioral health needs.

# 629 POST STREET

- Swords to Plowshares owns, and operate as PSH for Veterans
- 629 Post Street (Sheldon Hotel) is a six-story, 63-unit mixed-use building located between Taylor Street and Shannon Street in Lower Nob Hill.
- A City Small Site Program loan for acquisition and rehabilitation was approved by the Board of Supervisors in March 2023.

## **\$15.8 Homekey+ (rehab and operations)**

- Rehabilitation scope includes structural seismic upgrades, electrical, HVAC and plumbing upgrades, basement remodel, and the conversion of 20 SRO units to studios to meet minimum HUD-VASH requirements.
- Renovations will include the conversion of a full stack of units to 6 ADA accessible units. Including installation of a new wheelchair lift.
- Creation of an ADA accessible entrance at main entry by converting one commercial space to ADA compliant building entrance off Post Street.



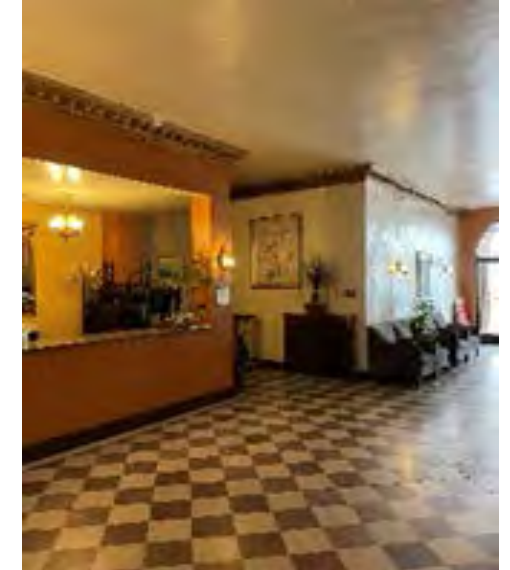
## FINANCING

- Total Development Costs: \$42.4M
  - MOHCD: \$20.6M
  - MOHCD COSR: \$5.9M
  - Homekey+: \$13.2M
  - Homekey+ COSR: \$2.7M



## TIMELINE

- Tentative Start of Construction, contingent on HK+ award November 2026
- Construction finish November 2027
- Lease up complete December 2027



# Thank you



**Tramecia Garner**, *Executive Director,*  
*Swords to Plowshares*

**Lakessa Scott**, *Project Manager*  
*Mayor's Office of Housing and Community Development (MOHCD)*

**Sheila Nickolopoulos**, *Director of Policy & Legislative Affairs*  
*Mayor's Office of Housing and Community Development (MOHCD)*

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

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November 26, 2024  
Amended January 31, 2025  
**Amended August 7, 2025**

**MEMORANDUM FOR:** Potential Applicants

**FROM:** Jennifer Seeger, Deputy Director  
Division of State Financial Assistance

**SUBJECT:** **Homekey+ Program Amended 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).

### Summary of Amended Guidelines

Given the rate of undersubscription after the May 30th application deadline, HCD will continue to accept applications over the counter until all funds are exhausted. Effective August 7, 2025, the Department is announcing the reopening of the NOFA for all project types described herein. All applications submitted after the reopening of the NOFA on August 7, 2025 will be prioritized based on inclusion of veteran units. Additional details on veterans prioritization is provided in Section 203 of the attached Guidelines. After October 7, 2025 any funds remaining unrequested in Rural, Youth or Geographic Allocations will be transferred to the Discretionary Reserve and funded in a manner that will continue to prioritize veteran serving projects.

### Background

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 Homekey+ 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 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 for 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).

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](mailto: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 Bannan St, Suite 400 Sacramento, CA 95811**

Website: [Homekey+ | California Department of Housing and Community Development](https://www.cdph.ca.gov/Programs/OPA/Pages/NR20240110.aspx)  
Homekey+ Program Email: [Homekey@hcd.ca.gov](mailto:Homekey@hcd.ca.gov)

November 26, 2024  
Amended January 31, 2025  
**Amended August 7, 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 Turner 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 for **Section 502 Gap Financing**.
- 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
Application due date	<p>Applications for all Project types will be accepted continuously until all funds have been exhausted. <sup>1</sup></p> <p>Applications received on or after <u>August 7, 2025</u> will be prioritized for review based on the inclusion of veteran-serving units (see Section 203 for additional information).</p> <p><u>Effective October 8, 2025</u>, any funds remaining unrequested in Rural, Youth or Geographic Allocations will be transferred to the Discretionary Reserve and applications received after that date will be funded in the manner described in Section 203.</p>
<p><sup>1</sup> Gap financing applications received after August 7, 2025, must meet at least one of the criteria outlined in Section 502 of this NOFA and will be funded in the manner described in Section 203.</p>	
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 <sup>st</sup> , 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. Entities qualifying under (a) and (b) above 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**

<b>Allocation (% of appropriation)</b>	<b>Veterans</b>	<b>General Population</b>	<b>NOFA Total</b>
Youth - 8%	\$85,200,000	\$102,320,000	\$187,520,000
Rural - 5%	\$53,250,000	\$63,950,000	\$117,200,000
Available for Regions	\$788,100,000	\$817,586,000	\$1,605,686,000
Discretionary Reserve - 10%	\$106,500,000	\$127,900,000	\$234,400,000
<b>Totals</b>	<b>\$1,033,050,000</b>	<b>\$1,111,756,000</b>	<b>\$2,144,806,000</b>

i. Allocations

Allocations for Youth at Risk or Experiencing Homelessness, Rural and Geographic Regions are detailed below. These allocations will be in effect and available until such time that either 1) the funds have been awarded to eligible Projects or 2) as of October 8, 2025 at which time any remaining funds will be transferred to the Discretionary Reserve.

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

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.

Applications for Projects in Rural Area jurisdictions received on or after August 7, 2025, will be prioritized for review based on the criteria outlined in (d)(2) below.

c. 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.

Applications for projects in geographic regions with remaining funds received on or after August 7, 2025, will be prioritized for review based on the criteria outlined in (d)(2) below.

**Table 3: Homekey+ Geographic Regions**

Counties by Region					
<b>Balance of State</b>	Alpine	<b>Bay Area</b>	Alameda	<b>San Diego County</b>	
	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
	Lassen		San Benito		Orange
	Mariposa	San Luis Obispo	Riverside		
	Mendocino	Santa Barbara	San Bernardino		
	Modoc	Santa Cruz	Ventura		
	Mono	<b>Los Angeles County</b>			
	Nevada	<b>Sacramento County</b>	El Dorado		
	Plumas		Placer		
	Shasta		Sacramento		
	Sierra		Sutter		
	Siskiyou		Yolo		
	Tehama		Yuba		
	Trinity				
	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**

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
<b>Total</b>	<b>170,333</b>	<b>1,074,060</b>	<b>\$817,586,000</b>

\*Figures do not include Veterans

**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
<b>Total</b>	<b>10,589</b>	<b>45,048</b>	<b>\$788,100,000</b>

**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
<b>Totals</b>	<b>\$788,100,000</b>	<b>\$817,586,000</b>	<b>\$1,605,686,000</b>

d. Discretionary Reserve

HCD will allocate ten percent (10%) of available Homekey+ funds, **in addition to any remaining funds from unrequested Youth, Rural or Geographic Allocations within detailed in (a), (b) and (c) above as of October 8, 2025** 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 Projects from oversubscribed regions and allocations submitted after October 7, 2025. Any such applications will be prioritized for review based on the following:**
  - I. **First priority to projects where the Homekey+ funding request is exclusively for Veteran units with an award from the Veteran allocation.**
  - II. **Second Priority will be for Veteran-serving Projects requesting both Veteran and Non-Veteran funds ranked based on the highest percentage of Veteran units in the Project.**
  - III. **Third priority to any remaining applications to the extent funds are available.**

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 Capital Expenditure	Complete Occupancy
<b>New Construction and Gap Financing</b>	6 months	24 months	27 months	27 months
<b>All other Eligible Uses in Section 201</b>	N/A	12 months	15 months	15 months

\*Deadlines begin 60 days from the date of the 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 ~~15~~ 12-months. Capital Expenditure for new construction and gap financing must be completed within ~~27~~ 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 **Veteran-serving projects with more than 50% Veterans Units** and large Projects (over 75 units) up to an additional three (3) months and/or for Veteran serving projects.
- 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.

**Failure to meet construction and occupancy deadlines may result in negative points to applications for competitive housing development programs (e.g. MFSN and AHSC) administered by HCD to the Grantees named in the Standard Agreement. Grantees acting as tenant service providers or who are otherwise not involved in activities related to project construction and lease-up will not be assessed negative points. Any negative points assessed will NOT apply to formula allocation programs including the Homeless Housing, Assistance and Prevention (HHAP) and Permanent Local Housing Allocation (PHLA) programs. Any negative points received for failure to meet Homekey+ deadlines may be cleared at such time the construction and occupancy does ultimately complete so long as the Sponsor(s) have no other outstanding negative points assessed to them under any other HCD program or requirement at the time.**

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. For Projects demonstrating the required minimum commitment of three (3) 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.
- k. **Supportive Services for Veterans Families**

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. **Notwithstanding (i), (ii), and (iii) of this Section, Projects with Veteran units will receive an additional operating award of \$30,000 per Veteran unit, to be expended according to the provisions described in (iv), (v), and (vi) of this Section. The additional operating award is available to all Projects with Veteran units, regardless of whether the application was submitted prior to or after this August 7, 2025 NOFA amendment.**
- ix. 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
- x. 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 between 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.

If a duly executed resolution is not available at the time of application submission, a draft resolution authorizing the entity to apply for funds and to participate in the Homekey+ Program may be submitted. However, the Eligible Applicant and/or Co-Applicant that submitted the draft resolution must submit a duly executed resolution within 60 calendar days from the date of application submission.

Failure to submit an executed resolution within 60 days will result in HCD placing the application on hold for Award consideration and the application may forgo its place in the queue, until such time that HCD receives an adopted and legally sufficient resolution.

- 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 on 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 on 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 the 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. 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. The 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, **committed for a minimum of three (3) years of Project operations**. 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.
  
- xxii. HCD, in its sole discretion, during its review may request documentation necessary to demonstrate consistency with any threshold requirement that was inadvertently omitted from the application package. Any such submission must be provided to HCD within three (3) business days from the date of the request or the application may be placed on hold for Award consideration until such time that required documentation is received and deemed adequate to demonstrate threshold requirements.

### 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 (i)(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
<b>At Risk of Homelessness</b>	<b>1:40</b>

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:

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**Table 9: Homekey+ Application Scoring Criteria**

Categories and Maximum Point Scores	Evaluation Criteria
<p>1. Site Control</p> <p><b>(Up to 20 points)</b></p>	<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.). <b>NOTE:</b> Sections 300-303 of this NOFA further outline site control requirements related to specific Project type. <b>(up to 20 points)</b></p> <ul style="list-style-type: none"> <li>- Fee title (20 points)</li> <li>- Leasehold (20 points)</li> <li>- Option agreement/sales contract (20 points)</li> <li>- Exclusive negotiating agreement (15 points)</li> <li>- Letter of intent (15 points)</li> <li>- Other forms approved by HCD (10 points)</li> </ul>
<p>2. Cost Containment</p> <p><b>(Up to 15 points)</b></p>	<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. <b>(up to 10 points)</b></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. <b>(5 points)</b></p>

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)**

3. Sustained Operating Leverage  
**(Up to 45 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
<i>*For years that are uncommitted or not allocated. Years with existing current subsidy will be considered Committed Operating Subsidy.</i>	

- 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 <b>(Up to 40 points)</b></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. <b>NOTE:</b> Sections 300-303 of this NOFA further outline threshold experience requirements.</p> <ul style="list-style-type: none"> <li>- 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). <b>(up to 15 points)</b></li> </ul> <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. <b>NOTE:</b> Sections 300-303 of this NOFA further outline threshold experience requirements.</p> <ul style="list-style-type: none"> <li>- One point awarded for each year of service experience, after 3 years. <b>(up to 10 points)</b></li> </ul> <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. <b>(15 Points)</b></p>

Categories and Maximum Point Scores	Evaluation Criteria
<p>5. Community Impact <b>(Up to 40 points)</b></p>	<p>a. Assisted Units include units for large family housing types <b>(10 points)</b></p> <ul style="list-style-type: none"> <li>- 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)</li> </ul> <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). <b>(up to 20 points)</b></p> <ul style="list-style-type: none"> <li>- At least 25% of Assisted Units restricted (3 points)</li> <li>- At least 50% of Assisted Units restricted (5 points)</li> <li>- At least 75% of Assisted Units restricted (10 points)</li> <li>- 100% of Assisted Units restricted (20 points)</li> </ul> <p>c. The extent to which the Project commits to being accessible to persons with disabilities. <b>(up to 10 points)</b></p> <ul style="list-style-type: none"> <li>- 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)</li> <li>- 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)</li> </ul>

<p>6. Site Selection</p> <p><b>(Up to 16 points)</b></p>	<p><b>Site Selection (Up to 12 points; for Rural Projects: up to 16 points; for Youth Projects: up to 15 points)</b></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. <b>(4 points)</b></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. <b>(up to 2 points)</b></p> <ul style="list-style-type: none"> <li>- within 1/2-mile radius of Project (2 points)</li> <li>- within 1 mile radius of Project (1 point)</li> <li>- within 1 mile radius for Projects in Rural Areas (2 points)</li> <li>- within 2 miles radius for Projects in Rural Areas (1 point)</li> </ul> <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). <b>(up to 1 point)</b></p> <ul style="list-style-type: none"> <li>- within 1/2-mile radius of Project (1 point)</li> <li>- within 1 mile radius of Project (1/2 point)</li> <li>- within 1 mile radius for Projects in Rural Areas (1 point)</li> <li>- within 2 miles radius for Projects in Rural Areas (1/2 point)</li> </ul> <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 (book-lending public library) <b>(up to 1 point)</b></p> <ul style="list-style-type: none"> <li>- within 1/2-mile radius of Project (1 point)</li> <li>- within 1 mile radius of Project (1/2 point)</li> <li>- within 1 mile radius for Projects in Rural Areas (1 point)</li> <li>- within 2 miles radius for Projects in Rural Areas (1/2 point)</li> </ul>
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<p>6. Site Selection (continued)</p> <p><b>(Up to 16 points)</b></p>	<p>e. Pharmacy – may be included in a grocery store or health facility. <b>(up to 2 points)</b></p> <ul style="list-style-type: none"> <li>- within 1/2-mile radius of Project (2 points)</li> <li>- within 1 mile radius of Project (1 point)</li> <li>- within 1 mile radius for Projects in Rural Areas (2 points)</li> <li>- within 2 miles radius for Projects in Rural Areas (1 point)</li> </ul> <p>f. A public park or a community center accessible to the general public. <b>(up to 1 point)</b></p> <ul style="list-style-type: none"> <li>- within 1/2-mile radius of Project (1 point)</li> <li>- within 1 mile radius of Project (1/2 point)</li> <li>- within 1 mile radius for Projects in Rural Areas (1 point)</li> <li>- within 2 miles radius for Projects in Rural Areas (1/2 point)</li> </ul> <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. <b>(up to 2 points)</b></p> <ul style="list-style-type: none"> <li>- 2 points</li> <li>- 3 points for rural Projects</li> </ul> <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). <b>(up to 2 points)</b></p> <ul style="list-style-type: none"> <li>- at least two amenities located within 1 mile radius of Project (2 points)</li> </ul>
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Categories and Maximum Point Scores	Evaluation Criteria
7. Relocation Impacts  <b>(Up to -20 points)</b>	a. For any Project resulting in the permanent displacement of residents (not businesses or farm operations), as outlined below: <ul style="list-style-type: none"> <li>- The Project permanently displaces existing residents in 5% of total units. (- 5 points)</li> <li>- Applicants lose one point (up to an additional 15 points) for each additional percentage point of households displaced out of total units.</li> </ul>
8. Negative Points	a. Negative Points assessed by HCD to the Applicant pursuant to the Department's <a href="#">Negative Points Policy</a> .

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 **commitment to serve Veterans**, 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.

- iv. Applications will be prioritized as described in Section 203 and Section 400.
- v. HCD will evaluate applications for compliance with the minimum Homekey+ Program Requirements set forth in this NOFA.
- vi. 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.
- vii. 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.
- viii. Applicant shall self-acknowledge the ability to obtain the insurance coverages outlined in Section 606 of this NOFA.
- ix. **The application, including any and all supplemental documents submitted during the review process, is a public record, which is 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 awards have been issued, the Department may disclose any materials provided by the Applicant to any person making a request under the CPRA. The Department 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 the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

- x. 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.
- xi. 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](mailto: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 HCD's written determination that an application is 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 **only in situations where the negative points cause the score to drop below 100 points** 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](mailto: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. **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.**
- iii. During a vacancy, if units cannot be filled with Veterans at or below 30% AMI, Secondary Tenants can be housed. Secondary Tenants are defined as 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.
- iv. ~~"The remaining units should still be used to house the most vulnerable Veterans,"~~ **Prior to housing Secondary Tenants,** 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.

- v. 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.
- vi. 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 percent AMI with the goal of returning the Project into compliance with the unit mix required by the Project's Standard Agreement.
- vii. 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 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\*.~~ **In other words, no more than 70% of the Veterans Units may be leased to Secondary Tenants.**
- ix. **For VASH Applicants, follow the 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)" ("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.<sup>1</sup> 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

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<sup>1</sup> 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).

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 unhoused 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. DVBE: 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.

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 \[dgs.ca.gov\]](https://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 [2025 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 after the Grantee has cleared all conditions of disbursement**. 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 to prioritize funding for Priority (i.), 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. 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~~ 15 years from the **date the Homekey+ program receives the Temporary Certificate of Occupancy for the Project. Gap financing Project Grantees with a fully executed tax credit allocation award letter evidenced at the time of Homekey+ application are prohibited from completing a resyndication prior to the later of:**
  - a. **15 years from the date Homekey+ program receives the Temporary Certificate of Occupancy for the Project; or**
  - b. **the expiration of the tax credit 15-year compliance period associated with that tax credit award and related syndication.**

These prohibitions 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, For awarded projects without a fully executed tax credit allocation award letter evidenced at the time of the Homekey+ application, if 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 by HCD to the Sponsor in the event the Project is sold or refinanced with a distribution of net equity. 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. Exceptions to this requirement may be granted by HCD where a Sponsor demonstrates that such syndication proceeds would either (i) pay for the lowest reasonable development cost increase that is consistent with the Project's original scope as identified in the original HCD application, or (ii) capitalize a services reserve for special needs projects. Approval of these exceptions is required prior to assignment, transfer, or conveyance of any ownership interest in the Project. Negative points may be assessed by HCD 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](mailto: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 300 v.] 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.

The first disbursement of Homekey+ Capital Award funds must be wired to an escrow company. HCD will disburse remaining award funds not wired to escrow, including operating award funds, via check. 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. **For Gap applicants HCD may grant flexibility to remove or change a co-applicant under specific circumstances such as removal of a shell entity due to unsuccessful tax credit award for the project, or other circumstances as determined solely by HCD.**

#### 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 condition 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:

- a. The [individual] has one or both of the following:
  - (1) Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.
  - (2) A reasonable probability of significant deterioration in an important area of life functioning; and
- b. The beneficiary's condition as described in paragraph (1) is due to either of the following:
  - (1) 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.
  - (2) 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:

- a. 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
- b. The [individual] meets both of the following requirements:
  - (1) 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

(2) The beneficiary's condition as described in subparagraph 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):** 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)(d) 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:

- e. 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
  - f. 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 laws.
- 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.
  
- xliii. “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 [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. 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
<b>Homekey+ Target Population and Manager's Units</b>	\$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
<b>All Applicants</b>	Certification & Legal Disclosure	x	x
	Signature Block (in Word document format)	x	x
	Payee Data Record (STD 204) (except jurisdictions)	x	x
	EIN Verification (IRS form SS-4) (except jurisdictions)	x	x
	Tax-Exempt Status from IRS and FTB (if applicable)	x	x
<b>Eligible Applicant or Co-Applicant</b>	Project Ownership Structure ( <i>only one needed</i> )	x	x
<b>Eligible Applicant (Jurisdiction)</b>	Authorizing Resolution	x	x
	Taxpayer Identification Number (FI\$Cal TIN Form)	x	x
<b>Tribal Entity</b>	Authorizing Resolution	x	x
	Tribe Formation Documents (constitution, charters, etc.)	x	x
	Federal Register of Indian Entities Recognized (if applicable)	x	x
<b>Corporation</b>	Authorizing Resolution	x	x
	Articles of Incorporation	x	x
	Certificate of Amended Articles of Incorporation, if applicable	x	x
	Corporate Bylaws (all amendments and/or restatements)	x	x
	Restated Articles of Incorporation	x	x
	Cert of Good Standing (dated within 30 days of app due date)	x	x
	Statement of Information	x	x
	Shareholder Agreements (if applicable)	x	x
<b>Limited Liability Company</b>	Authorizing Resolution	x	x
	Articles of Organization including restatements (LLC-1)	x	x
	Certificate of Amended Articles of Organization (LLC-2) if applicable	x	x
	Operating Agreement	x	x
	Cert of Good Standing (dated within 30 days of app due date)	x	x
<b>Limited Partnership</b>	Authorizing Resolution	x	x
	Certificate of Limited Partnership (LP-1)	x	x
	Amendment to Certificate of Limited Partnership (LP-2)	x	x
	Limited Partnership Agreement	x	x
	Cert of Good Standing (dated within 30 days of app due date)	x	x
LLC: Manager of LLC if applicable	See org doc requirement based on organization type	x	x
Limited Partnership: MGP	See org doc requirement based on organization type	x	x

	<b>Documents to submit with Application</b>	<b>Needed to pass Threshold</b>	<b>Needed to pass Feasibility</b>
Limited Partnership: AGP	See org doc requirement based on organization type	x	
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 groundbreaking, grand openings, and press conferences related to the Award by emailing HCD [Homekey@hcd.ca.gov](mailto: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.

**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**”).

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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.

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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.

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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.

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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.

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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.

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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](mailto: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**

Homekey+ Program (Homekey+)

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

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## EXHIBIT B

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.

Homekey+ Program (Homekey+)

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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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**EXHIBIT D**

**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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## EXHIBIT E

**PROJECT-SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS****Gap 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:

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

C. Unit Mix [see next page]

EXHIBIT E

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 All foregoing subpopulations must include behavioral health challenge. ["Chronically Homeless", "Homeless", "At-Risk of Homelessness", "Homeless Youth", "Youth At-Risk of Homelessness" <i>Enter below and delete this highlighted text after completion]</i>
0 Bedroom/ Studio				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4 Bedroom				
<b>Veterans Units Total</b>				
<b>Homekey+ General Population Total</b>				
<b>Youth Units Total</b>				
<b>Manager Units Total</b>				
<b>Total Homekey+ Units</b>				
<b>Non-Homekey+ Units- See Table 2</b>				

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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].

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

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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## EXHIBIT E

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 CHOSE ONE: Grantee will manage the Project OR [coordinate with third-party property manager [INSERT NAME IF IDENTIFIED].

[CHOSE 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>

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Performance Milestones	Milestone Completion Date
<p>[Select one and edit into sentence: Gap Financing; New Construction] 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 [select one and edit into sentence: New Construction, Rehabilitation] 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>

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<p>Full occupancy by the Target Population must be accomplished in accordance with the descriptions and representations set forth in the Application.</p>	<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>
---	---

REFERENCE ONLY-

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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 Exhibit D 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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Approved Date: XX/XX/2025

**Prep Date: XX/XX/2025**

## EXHIBIT E

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.]

Homekey+ Program

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

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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]

Homekey+ Program

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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.

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/2025

**EXHIBIT E**

**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
<b>LAND COST/ACQUISITION</b>							
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							
<b>REHABILITATION</b>							
Site Work							
Structures							
General Requirements							
Contractor Overhead							
Contractor Profit							

REFERENC

Homekey+ Program

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

Project Name:

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Prep Date: XX/XX/2025

**EXHIBIT E**

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							
<b>Total Relocation Expenses</b>							
<b>NEW CONSTRUCTION</b>							
Site Work							
Structures							
General Requirements							
Contractor Overhead							
Contractor Profit							
Prevailing Wages							
General Liability Insurance							
Urban Greening							
Other New Construction (Specify)							
Total New Construction Costs							

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**

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
<b>ARCHITECTURAL FEES</b>							
Design							
Supervision							
Total Architectural Costs							
Total Survey & Engineering							
<b>CONSTRUCTION INTEREST &amp; FEES</b>							
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							
<b>PERMANENT FINANCING</b>							
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							
Subtotals Forward							
<b>LEGAL FEES</b>							
Legal Paid by Applicant							
Managing General Partner Legal							
Other Attorney Costs (Specify)							
Other Attorney Costs (Specify)							
Total Attorney Costs							

Page 1

REFL

Homekey+ Program

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

Project Name:

Approved Date: 09/XX/2025 Prep. Date:

XX/XX/XXXX

**EXHIBIT E**

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
<b>RESERVES</b>							
<u>Operating Reserve</u>							
<u>Replacement Reserve</u>							
<u>Transition Reserve Pool Fee</u>							
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							
<b>CONTINGENCY COSTS</b>							
Construction Hard Cost Contingency							
Soft Cost Contingency							
Total Contingency Costs							
<b>OTHER PROJECT COSTS</b>							
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							
<b>SUBTOTAL PROJECT COST</b>							

REF

Homekey+ Program

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

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Approved Date: 09/XX/2025 Prep. Date:

XX/XX/XXXX

**EXHIBIT E**

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							
<b>DEVELOPER COSTS</b>							
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 - V

Homekey+ Program

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

Project Name:

Approved Date: 09/XX/2025 Prep. Date:

XX/XX/XXXX

1 [Loan Documents - 629 Post Street - Small Sites Program, Academy of Art University  
2 Settlement Fund - Not to Exceed \$30,385,225]

3 **Resolution approving and authorizing the Director of the Mayor’s Office of Housing and**  
4 **Community Development to execute documents relating to a loan for the acquisition**  
5 **and rehabilitation of 629 Post Street, pursuant to the Small Sites Program, utilizing the**  
6 **Academy of Art University Settlement Fund for a total loan amount not to exceed**  
7 **\$30,385,225; confirming the Planning Department’s determination under the California**  
8 **Environmental Quality Act; and finding that the Project loan is consistent with the**  
9 **General Plan, and the eight priority policies of Planning Code, Section 101.1.**

10  
11 WHEREAS, San Francisco ranked as the eighth most expensive city in the world to live  
12 in 2022, according to the Economist Intelligence Unit’s Worldwide Cost of Living Index; and

13 WHEREAS, High housing costs across the Bay Area have caused displacement, the  
14 loss of cultural and ethnic diversity in some communities, transportation pressures, and  
15 overall social and economic hardship; and

16 WHEREAS, It is estimated that there were 4,397 unsheltered individuals living in San  
17 Francisco in 2022, and over one third of these individuals were long-term San Francisco  
18 residents, having lived in the City for 10 or more years, according to the San Francisco  
19 Department of Homelessness and Supportive Housing (“HSH”); and

20 WHEREAS, Nearly one in 10 unsheltered individuals living in San Francisco in 2022  
21 were veterans, and veterans experiencing homelessness in San Francisco cited job loss and  
22 eviction as the top two reasons for homelessness in 2022, according to HSH; and

23 WHEREAS, Swords to Plowshares Veterans Rights Organization (“Swords to  
24 Plowshares”) has been working to end veteran homelessness for nearly 50 years and

25

1 currently operates veteran programming providing housing for 39 veterans in a leased  
2 building on Eddy Street in San Francisco; and

3 WHEREAS, Swords to Plowshares seeks to acquire and rehabilitate 629 Post Street  
4 (the “Project”) to create 62 units of permanently affordable housing in order to permanently  
5 relocate Swords to Plowshare’s programming from the Eddy Street location, add additional  
6 units to serve formerly homeless veterans, and prevent the displacement of formerly  
7 homeless veterans in San Francisco; and

8 WHEREAS, The City and County of San Francisco, through the Mayor’s Office of  
9 Housing and Community Development (“MOHCD”), is a leader in the creation and  
10 preservation of affordable housing, offering a variety of loan and grant programs to  
11 individuals, community-based organizations, and housing developers to create and maintain  
12 affordable housing and provide essential community and supportive services; and

13 WHEREAS, The funding for these loans and grants comes from a variety of sources,  
14 all of which are restricted to affordable housing and are subject to various housing program  
15 restrictions; and

16 WHEREAS, Among its programs, MOHCD administers the Small Sites Program (or  
17 “SSP”) for the purpose of preserving and stabilizing San Francisco’s existing rental housing  
18 stock of buildings, and converting properties to permanently affordable housing;

19 WHEREAS, The Citywide Affordable Housing Loan Committee approved revised SSP  
20 Guidelines on September 9, 2022, which consider sites with over 40 residential units, subject  
21 to achievement of minimum scoring criteria per the SSP Scoring Rubric;

22 WHEREAS, MOHCD administers the Academy of Art University Settlement Fund  
23 (“AAU Fund”) with a first priority for uses related to the creation or preservation of single room  
24 occupancy (“SRO”) units; and

1           WHEREAS, MOHCD desires to loan an amount not to exceed \$30,385,225 from the  
2 AAU Fund and pursuant to the SSP Program, to Swords to Plowshares in order to provide  
3 Swords to Plowshares a two-year acquisition and rehabilitation loan for the Project, which will  
4 permanently provide 62 SRO units of affordable housing for veterans; and

5           WHEREAS, The two-year acquisition and rehabilitation loan will not bear interest in  
6 order for the Project to undergo significant seismic, structural, and building system upgrades  
7 during the loan term. The Project is projected to be stabilized by the end of the two-year  
8 acquisition and rehabilitation loan, and MOHCD plans to convert the loan to a permanent loan  
9 that incorporates debt service at that time; and

10           WHEREAS, The form of loan documents (the “Loan Documents”) evidencing and  
11 securing the SSP Program loan for the Project are on file with the Clerk of the Board in File  
12 No. 230173, and include: a Declaration of Restrictions restricting the Project to affordable  
13 housing; a Loan Agreement; a Promissory Note; and a Deed of Trust; and

14           WHEREAS, A Declaration of Restrictions will restrict the Project as affordable housing  
15 to low- and moderate-income households with annual maximum rent and income established  
16 by MOHCD as long as all or any portion of the building remains on the property, but in no  
17 event less than 99 years; and

18           WHEREAS, The Declaration of Restrictions for the Project will not be subordinated to  
19 any third party financing instrument; and

20           WHEREAS, On November 4, 2022, the Citywide Affordable Housing Loan Committee,  
21 consisting of representatives of MOHCD, the Department of Homelessness and Supportive  
22 Housing, and the Office of Community Investment and Infrastructure, recommended approval  
23 to the Mayor of a two-year acquisition and rehabilitation loan for the Project in an amount not  
24 to exceed \$30,385,225; and

1           WHEREAS, The Planning Department, by letter dated December 23, 2022, determined  
2 that the proposed Project is categorically exempt under the California Environmental Quality  
3 Act (“CEQA”, Pub. Resources Code, Section 21000 et seq.) pursuant to CEQA Guidelines,  
4 Section 15301, and Chapter 31 of the City’s Administrative Code, and is consistent, on  
5 balance, with the General Plan, and the eight priority policies of Planning Code,  
6 Section 101.1, which letter is on file with the Clerk of the Board of Supervisors in File  
7 No. 230173, and incorporated herein by this reference; now, therefore, be it

8           RESOLVED, This Board affirms the Planning Department’s determination under CEQA  
9 and finds that the proposed Project loan is consistent, on balance, with the General Plan, and  
10 the eight priority policies of Planning Code, Section 101.1, for the reasons set forth in the  
11 Director of Planning’s letter; and, be it

12           FURTHER RESOLVED, That the Board of Supervisors hereby approves the Loan  
13 Documents, and authorizes the Mayor and the Director of MOHCD or the Director’s designee  
14 to negotiate and enter into agreements based upon and substantially in the form of the Loan  
15 Documents for the Project (including, without limitation, modifications of the Loan Documents,  
16 and preparation and attachment of, or changes to, any of all of the exhibits and ancillary  
17 agreements) and any other documents or instruments necessary in connection therewith, that  
18 the Director determines, in consultation with the City Attorney, are in the best interest of the  
19 City, do not materially increase the obligations or liabilities for the City or materially diminish  
20 the benefits of the City, or are necessary or advisable to effectuate the purposes and intent of  
21 this Resolution and are in compliance with all applicable laws, including the City Charter; and,  
22 be it

23           FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and  
24 delegates to the Director of MOHCD and/or the Director of Property, and their designees, the  
25 authority to undertake any actions necessary to protect the City’s financial security in the

1 Project and enforce the affordable housing restrictions, which may include, without limitation,  
2 acquisition of a Project site upon foreclosure and sale at a trustee sale, acceptance of a deed  
3 in lieu of foreclosure, or curing the default under a senior loan; and, be it

4 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
5 heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors;  
6 and be it

7 FURTHER RESOLVED, That within thirty (30) days of the Loan Documents being fully  
8 executed by all parties, MOHCD shall provide the Loan Agreement to the Clerk of the Board  
9 for inclusion into the official file; and be it

10 FURTHER RESOLVED, That it is the City's intent to record a City Option to Purchase  
11 in a future loan agreement.

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RECOMMENDED:

          /s/          

Eric D. Shaw  
Director, Mayor’s Office of Housing and Community Development

OFFICE OF THE MAYOR  
SAN FRANCISCO



DANIEL LURIE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Dexter Darmali, Legislative & Ethics Secretary  
RE: Apply for Grant - California Department of Housing and Community Development – Homekey+  
Grant Program - 629 Post Street - Not to Exceed \$15,869,669  
DATE: March 24, 2026

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**Resolution approving and authorizing the Mayor's Office of Housing and Community Development to** jointly apply with 629 Post, LLC and Swords to Plowshares: Veterans Rights Organization to the California Department of Housing and Community Development for the Homekey+ Grant for the property located at 629 Post Street in a total amount not to exceed \$15,869,669, or the maximum award amount allowable under the NOFA, whichever is greater, on behalf of the City and County of San Francisco.

Should you have any questions, please contact Adam Thongsavat at [adam.thongsavat@sfgov.org](mailto:adam.thongsavat@sfgov.org)