

File No. 191296

Committee Item No. 9

Board Item No. 21

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date January 8, 2020

Board of Supervisors Meeting

Date January 14, 2020

Cmte Board

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

OTHER (Use back side if additional space is needed)

- Cal Home Program Guideline
- 2019 Notice of Funding Availability
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Completed by: Linda Wong

Date January 3, 2020

Completed by: Linda Wong

Date January 8, 2020

1 [Apply for Grant - State of California Department of Housing and Community Development -
2 CalHome Program - \$5,000,000]

3 **Resolution authorizing the Mayor's Office of Housing and Community Development, on**
4 **behalf of the City and County of San Francisco, to submit a grant application to the**
5 **California State Department of Housing and Community Development for funding in the**
6 **amount of \$5,000,000 under the CalHome Program; and any related documents**
7 **necessary to participate in the CalHome Program.**

8
9 WHEREAS, The Mayor's Office of Housing and Community Development on behalf of
10 the City and County of San Francisco (the "City"), a municipal corporation, wishes to apply
11 for and receive an allocation funds through the CalHome Program; and

12 WHEREAS, The State of California Department of Housing and Community
13 Development ("HCD") has issued a Notice of Funding Availability ("NOFA") on November 27,
14 2019, for the CalHome program established by Chapter 84, Statutes of 2000 (SB 1656
15 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31
16 of the Health and Safety Code (the "statute"); pursuant to the statute, HCD is authorized to
17 approve funding allocations utilizing monies made available by the State Legislature to the
18 CalHome Program, subject to the terms and conditions of the statute and the CalHome
19 Program Regulations adopted by HCD in April 2004; and

20 WHEREAS, The City wishes to submit an application to obtain from HCD an allocation
21 of CalHome funds in the amount of \$5,000,000; now, therefore, be it

22 RESOLVED, That The City is hereby authorized to submit to HCD an application
23 to participate in the CalHome Program in response to the NOFA issued on November
24 27, 2019, which will request a funding allocation for the following program activities: 1)
25 First-Time Homebuyer Mortgage Assistance (\$2,500,000) to provide downpayment

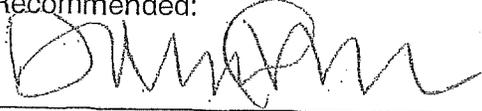
1 assistance to low income, first-time homebuyers to purchase single family residences
2 and 2) Owner-Occupied Rehabilitation Assistance (\$2,500,000) to provide financial
3 assistance to low income homeowners to rehabilitate single family residences that are
4 up to four units and located in City and County of San Francisco; and be it

5 FURTHER RESOLVED, That if the application for funding is approved, the City
6 hereby agrees to use the CalHome funds for eligible activities in the manner presented
7 in the application as approved by HCD and in accordance with program regulations
8 cited above; the City acknowledges and agrees that it may be required to execute any
9 and all other instruments necessary or required by HCD for participation in the
10 CalHome Program; and be it

11 FUTHER RESOLVED, That the City and County of San Francisco authorizes
12 the Acting Director of the Mayor's Office of Housing and Community Development to
13 execute in the name of the City, the application and any subsequent amendments or
14 modifications thereto, as well as any other documents required by HCD for participation
15 in the CalHome Program, and any amendments thereto.

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Recommended:



Dan Adams, Acting Director

Mayor's Office of Housing and Community Development

CalHome Program

NOTICE OF FUNDING AVAILABILITY (NOFA) Amended



Gavin Newsom, Governor
State of California

Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency

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

2020 West El Camino Avenue, Suite 500
Sacramento, CA 95833
Phone: (916) 263-2771
email: CalHomeNOFA@hcd.ca.gov
<http://www.hcd.ca.gov/grants-funding/nofas.shtml>

Application Technical Support email:
AppSupport@hcd.ca.gov

December 23, 2019

Application Due Date: 2/17/2020

Instructions

Rev. 12/23/19

HCD must receive one complete application and one electronic copy of the application on CD or flash drive no later than 5:00 P.M. Pacific Standard Time on February 17, 2020. HCD will only accept applications through a postal carrier service such as the U.S. Postal Service, UPS, FedEx, or other carrier services that provide date stamp verification of delivery. Personal deliveries will not be accepted. Applications shall be mailed to:

California Department of Housing and Community Development
Division of Financial Assistance, NOFA Section
CalHome Program
2020 W. El Camino Ave, Suite 500
Sacramento, CA 95833

Applications must be on the Department's forms and cannot be altered or modified by the Sponsor. Excel forms must be in Excel format and unprotected, not a .pdf document. Please fill-out the Application Support worksheet and email the entire workbook to Application Support for application errors at AppSupport@hcd.ca.gov.

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

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

Required attachments are indicated in "Orange" throughout the Application. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Application.

Self score points awarded are indicated in "blue" cells in the 'Selection Criteria' worksheet. These are automated calculations based on the inputs provided by the Applicant.

"Red" shaded cells indicate the Applicant has failed to meet a requirement of the program.

Disclosure of Application: Information provided in this application and attachments will become a public record available for review by the public pursuant to the Public Records Act. As such, any materials provided will be disclosable to any person making a public records request. Please use discretion in providing HCD with information that is not specifically requested, including but not limited to, bank account numbers, personal phone numbers and home addresses. By providing this information to HCD, the Sponsor is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request.

Overview - Activity Type and Applicant Information

Rev. 12/23/19

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

Applicant Name: §7754(a)		Applicant Type: §7716(h)	
Address	City	County	State Zip

Auth Rep: Name	Title	Email	Phone
Contact: Name	Title	Email	Phone

§7754(c) Applicant certifies it has the authority to undertake the activities applied for; that it meets the eligibility requirements; that it does not have any unresolved HCD audit findings nor pending lawsuits; that if the application is for a construction project, Construction Work has not yet begun; and that it agrees to comply with all Program requirements.

File Name: **App - Eligibility 7754(c)** | *If you answered "No" above, explain details on a separate sheet of paper.* | Attached and on USB?

§7755(c) For Applicants who have received CalHome funding in the past 36 months, up to five (5) points may be deducted for failure to meet CalHome Program Performance Goals pursuant to §7759:

Terminated and/or Disencumbered CalHome Contract Number	Contract Year	Contract Amount	Amount Disencumbered	Amount Expended

§7759(a) Has the Applicant met expenditure goals pursuant to §7759? Provide details below:

California State Assembly		California State Senate		U.S. House of Representatives	
District #	Name	District #	Name	District #	Name

§7719 Applicant certifies CalHome funds will not be used for any of the costs in §7719(b) that may be incurred in the Local Program or the project.

§7720 Applicant certifies individual households who receive benefits of CalHome funds will meet the eligibility requirements of §7720. AB 101 modified Health & Safety Code (HSC) §50650.3 to allow the CalHome Program to provide assistance to households with incomes at or below 120 percent of area median income (AMI) that are victims of a disaster.

§7721 Applicant certifies it will implement the proposed local programs or projects and also be responsible for the activity requirements of §7721.

Eligible Activities §7718

Applicants may include Project Activities or up to two Program Activities in an application. Applicants cannot apply for both Project Activities and Program Activities. Applicant may choose to apply to fund a Homeownership Development Project with or without a Self-Help Housing Project. (See NOFA, p. 10)

Program Activities:	
Project Activities:	

Total Uses of Funds §7719

Activity Type:	CalHome Funds Requested	CalHome Funds Eligible
Mortgage Assistance (MA) Programs	\$0	\$0
Owner-Occupied Rehabilitation (OOR) Programs	\$0	\$0
Technical Assistance (TA) for Shared Housing Programs (SHP)	\$0	\$0
Accessory Dwelling units (ADU)/Junior Accessory Dwelling units (JADU) Programs	\$0	\$0
PROGRAM ACTIVITY TOTAL:	\$0	\$0
Homeownership Project Development Loans (PDL)	\$0	\$0
Self-Help Technical Assistance Projects (SHTA)	\$0	\$0
PROJECT ACTIVITY TOTAL:	\$0	\$0
TOTAL FUNDS REQUESTED:	\$0	\$0

Selection Criteria §7755

(minimum points required = 55; maximum points = 100)

Rating Factors (red shading indicates minimum score has not been achieved)	MA	OOR	SHP	ADU/JADU	PDL	SHTA	Self-Score Points
Capability §7755(b)(1) - 40 Pts. Max	0	0	0	0	0	0	0
Community Need §7755(b)(2) - 15 Pts. Max	0	0	0	0	0	0	0
Feasibility §7755(b)(3) - 25 Pts. Max	0	0	0	0	0	0	0
Community Revitalization §7755(b)(4) - 10 Pts. Max	0	0	0	0	0	0	0
Volunteer, Self-Help Labor or Youth Construction §7755(b)(5) - 10 Pts. Max	0	0	0	0	0	0	0
Performance Penalty §7755(c) - Negative 5 Points	0	0	0	0	0	0	0
Self-Scoring Total (Minimum 55)	0						

General Applicant Eligibility Requirements §7717

Locality Applicant

(a)(1) Does the Applicant comply with geographic restrictions indicated in §7717(a)(1)?

(a)(1) Will the Applicant hire nonprofit or for-profit consultants within the state §7717(a)(1)? If yes, must complete Line 63 below.

(a)(1) Does the out-of-county consultants fulfill experience requirements §7717(a)(1)?

(a)(1) Will the Applicant establish a consortium with a single administrator §7717(a)(1)? If yes, must complete Line 64 below.

(b)(1) Does the Applicant have sufficient organizational stability and capacity to carry out the activity for which it is requesting funds §7717(b)(1)? If yes, must complete Line 65 below.

(b)(2) Have the Applicant or its Administrative Subcontractor been operating as housing Developers or housing program administrators for a minimum of two years prior to the date of application?

(c)(1) Did the Applicant submit outstanding reports from previous CalHome grants to HCD (see NOFA, p. 4) by the application date §7717(c)(1)?

File Name: Agreement	Provide a copy of the original agreement between the Applicant and its Administrative Subcontractor and any subsequent agreement thereto §7717(a)(1)	Attached and on USB?
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File Name: MOU	Provide an MOU that complies with requirements in §7717(a)(1)	Attached and on USB?
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File Name:	Service Area Map	Provide a Service Area Map that complies with requirements §7717(a)(1)	Attached and on USB?
File Name:	Stability & Capacity	Provide documentation that complies with requirements in §7717(b)(1), as specified in the NOFA, Section A(1), pp. 3-4	Attached and on USB?
File Name:	App - Resolution	Provide a copy of the County Resolution §7754(b) (Sample linked in cell to the left)	Attached and on USB?
File Name:	App - Government TIN Form	Locality Applicants must submit a Government TIN Form	Attached and on USB?
File Name:	App - Reuse Acct Plan	Provide a Reuse Account Plan that complies with §7724 requirements	Attached and on USB?
Nonprofit Corporation Applicant			
(a)(2) Has the Applicant developed a project or operated a housing program in California within the past two years as indicated in §7717(a)(2)?			
OR			
(a)(2) Does the Applicant have an existing 523 Self-Help Technical Assistance Grant Agreement with United States Department of Agriculture (USDA) §7717(a)(2)?			
(b)(1) Does the Applicant have sufficient organizational stability and capacity to carry out the activity for which it is requesting funds §7717(b)(1)?			
(b)(2) Has the Applicant been operating as a housing Developer or housing program administrator for a minimum of two years prior to the date of application?			
(b)(3) Have the Applicant's tax exempt purposes for the two years prior to the date of application included the activity for which it is applying?			
(b)(4) Does the Applicant certify it is financially stable to administer funds for activities in which it is applying?			
(c)(1) Did the Applicant submit all outstanding reports from previous CalHome grants to HCD by the application date §7717(c)(1)?			
File Name:	Service Area Map	Provide a Service Area Map that complies with requirements §7717(a)(1)	Attached and on USB?
File Name:	App - Experience	Provide copy of Grant's Agreement, Memorandum of Understanding, Contract with Locality to demonstrate how Applicant meets the §7717(a)(2) requirement.	Attached and on USB?
File Name:	App - Financial Statements	§7717(b)(4) Financial Statements (for last 2 fiscal years, one of which must be audited)	Attached and on USB?
File Name:	App - Articles of Inc	Articles of Incorporation (Corp. Code §154, 200 & 202) as certified by CA Secretary of State.	Attached and on USB?
File Name:	App - Cert of Amend Articles	Cert. of Amendment of Articles of Inc. - Corp. Code §5810-5820 (public benefit and religious corps.), §7810-7820 (mutual benefit corps.), or §12500-12510 (general cooperative corps.).	Attached and on USB?
File Name:	App - Restated Articles	Restated Articles of Inc. - Corp. Code §5811, 5815, 5819 (public benefit and religious corps.), §7811, 7815 and 7819 (mutual benefit corps.) and §12501, 12506 and 12510 (general cooperative corps.).	Attached and on USB?
File Name:	App - Bylaws	Bylaws and any amendments thereto - Corp. Code §207(b), 211 and 212	Attached and on USB?
File Name:	App - IRS 501C3	IRS Approval of 501(c)(3) Status	Attached and on USB?
File Name:	App - SOS Letter	Secretary of State Letter of Good Standing	Attached and on USB?
File Name:	App - Board of Directors	List of Name of Board of Directors	Attached and on USB?
File Name:	App - Signature Block	Signature Block in MS Word. Will be used in HCD legal docs such as Standard Agreement	Attached and on USB?
File Name:	App - Cert and Legal	A completed and signed Certification and Legal Disclosure is required. In addition, a wet signature original of each signed Certification & Legal Disclosure must be submitted.	Attached and on USB?
File Name:	App - STD-204	All payees must submit a Payee Data Record (STD-204)	Attached and on USB?
File Name:	App - Reuse Acct Plan	Provide a Reuse Account Plan that complies with §7724 requirements	Attached and on USB?
File Name:	App - Resolution	§7754(b) Provide a Nonprofit Governing Board Resolution. (Sample linked in cell to the left)	Attached and on USB?

Applicant Certification and Commitment of Responsibility

Rev. 12/23/19

As the official designate by the governing body, I hereby certify that if approved by HCD for a CalHome Program funding allocation, the (applicant name)

assumes the responsibilities specified in the CalHome Program authorized by Chapter 6 (commencing with §50650 of Part 2 of Division 31 of the Health and Safety Code) together with the CalHome Guidelines, as both may be amended from time to time, and all other applicable law, and certifies that:

- A. It possesses the legal authority to apply for the allocation and to execute their proposed program or project §7754(c);
- B. Before committing funds to a homebuyer/homeowner, it will evaluate the funding eligibility in accordance with CalHome Program Guidelines and will not invest any more CalHome funds in combination with other governmental assistance than is necessary to provide affordable housing;
- C. The Applicant does not have any unresolved audit findings for prior HCD or federally-funded housing or community development projects or programs §7754(c);
- D. There are no pending lawsuits that would impact the implementation of this program or project §7754(c);
- E. §7756(a)(14) It will comply with all requirements as set forth in the NOFA and the statutes and guidelines governing the CalHome Program including, but not limit to, Housing Element, Climate Adaptation (specifically Executive Order B-30-15), Long-Term Resiliency Standards and Fire and Flood Requirements;
- F. The information, statements, and attachments contained in this application are, to the best of my knowledge and belief, true and correct;
- G. It has the ability to perform the duties for the activity(s) applied for in accordance with §7718;
- H. Construction work has not begun, and will not begin, prior to the date that HCD makes an award of CalHome Funds §7718(c);
- I. If awarded, the Recipient, shall implement the local program or project and be responsible for all the activities outlined in §7721(a), including items I(1) & I(2) below;
 - 1. §7721(a)(5) Maintain complete and accurate records of all CalHome Program loan disbursements and repayments to ensure adherence to proper accounting procedures for the CalHome Program loans, which may be verified by the Department and may be subject to a fiscal and programmatic audit;
 - 2. §7721(a)(6) Comply with reporting requirements pursuant to §7758;
- J. §7725(a) CalHome Program loans to individual borrowers shall not exceed the amount published in the current NOFA or, when considered with other available financing and assistance, the minimum amount necessary;
- K. Homeowner and Homebuyer Loan Terms and Loan-to-Value Limits shall follow the regulations outlined in §7726 and §7727.
- L. The information, statements, and attachments contained in this application are, to the best of my knowledge, and belief, true and correct.

I authorize the Department of Housing and Community Development to contact any agency, whether or not named in this application, which may assist in determining the capability of the Applicant. All information contained in this application is acknowledge to be public information. (This certification must be signed by the person authorized in the Resolution.)

*Signature: _____ Title: _____
*Must be signed by authorized signatory per the resolution.

Type Name: _____ Date: _____

State	2010		2011		2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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Source: U.S. Census Bureau, State Tax Burden Database, 2010-2029. Rates are based on the 2010-2029 average. Rates are rounded to the nearest tenth of a percent.

Jurisdiction	Housing Affordability	Median Owner Costs / Median Renter Costs Ratio	Area Home Sales/Proposed # of Loans	Renters <=80%AMI With Severe Cost Burden	Renters in Poverty	Renters <=30%AMI	Renters <=40%AMI	Renters Overcrowded	Rental Vacancy Rate	Renter-occupied units >30yrs old	Renter-occupied units built pre-1980	Owners in Poverty	Owners <=80%AMI	Owners Overcrowded	Owner-occupied units >30yrs old	Owner-occupied units built pre-1980	Homeless Population
	Housing Affordability: The ratio of the program-specific single-family value limit to the state Area Median Income (AMI) for a 4-person household.																
	Median Owner Costs/Median Renter Costs Ratio: The ratio of median monthly housing costs for owner-occupied housing units with a mortgage to median monthly housing costs for renter-occupied units. Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the Census Bureau and can be downloaded via the "data.census.gov" portal: https://data.census.gov/ . Data are available in Tables B2503 and B2506 under the "Advanced Search" option.																
	Area Home Sales/Proposed # of Loans: The ratio of (a) the number of home sales in the area in the previous year priced below either the program-specific single-family value limit, or \$500,000, whichever is less; to (b) the number of loans that the Applicant expects to provide in the program. Ratio = (a)/(b). Applicant will provide (a) based on real estate transaction data (e.g. local Multiple Listing Service, county records, Zillow.com, Redfin.com) and (b) based on proposed activity.																
	Renters <=80%AMI With Severe Cost Burden: The percent of renter-occupied households with incomes below 80 percent of the Area Median Income (AMI) paying 80 percent or more of their income on housing expenses. Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Renters in Poverty: The percent of families occupying rental housing whose family income is below the federal poverty line. Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the Census Bureau and can be downloaded via the "data.census.gov" portal: https://data.census.gov/ . Data are available in Table B17019 under the "Advanced Search" option.																
	Renters <=30% AMI: The percent of renter-occupied households where the household income is at or below 30 percent of the Area Median Income (AMI). Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Renters <=40% AMI: The percent of renter-occupied households where the household income is at or below 40 percent of the Area Median Income (AMI). Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Renters Overcrowded: The percent of renter-occupied households with more than 1.5 persons per room (HUD's definition of "severe overcrowding"). Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Rental Vacancy Rate: The number of vacant-for-rent units divided by the total number of rental units (vacant and occupied). Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Renter-occupied units >30 yrs old: The percent of renter-occupied units over 30 years old. Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the Census Bureau and can be downloaded via the "data.census.gov" portal: https://data.census.gov/ . Data are available in Table B25036 under the "Advanced Search" option.																
	Owners in Poverty: The percent of families in owner-occupied housing whose family income is below the federal poverty line. Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the Census Bureau and can be downloaded via the "data.census.gov" portal: https://data.census.gov/ . Data are available in Table B17019 under the "Advanced Search" option.																
	Owners <=80% AMI: The percent of owner-occupied households where the household income is at or below 80 percent of the Area Median Income (AMI). Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Owners Overcrowded: The percent of owner-occupied households with more than 1.5 persons per room (HUD's definition of "severe overcrowding"). Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the HUD Comprehensive Housing Affordability Strategy (CHAS) database, and can be downloaded at https://www.huduser.gov/portal/datasets/cp.html .																
	Owner-occupied units >30 yrs old: The percent of owner-occupied units over 30 years old. Calculated using 2013-2017 American Community Survey (ACS) 5-year average estimates. Tabulations of ACS data are from the Census Bureau and can be downloaded via the "data.census.gov" portal: https://data.census.gov/ . Data are available in Table B25036 under the "Advanced Search" option.																
	Homeless Population: The percent of residents in the jurisdiction's Continuum of Care who are homeless.																

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Application Development Team (ADT) Support Form

Rev. 12/23/19

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

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

Issue #	Program Name &	Tab	Section	Cell#	Update/Comment	Urgency	ADT Status	Status Date
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DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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November 27, 2018

MEMORANDUM FOR: ALL INTERESTED PARTIES**FROM:** Jennifer Seeger, Acting Deputy Director
Division of Financial Assistance

A handwritten signature in cursive script, appearing to read "J Seeger".

**SUBJECT: CalHome Program Final Guidelines
Summary of Changes in Response to Public Comments**

On June 6, 2019, the California Department of Housing and Community Development (HCD) released CalHome Program draft guidelines for stakeholder feedback. Public comments on the proposed guidelines were received from June 6, 2019 through July 9, 2019. This document contains a summary of major changes to the draft guidelines. The rationale for the changes are listed under the appropriate citation of the guideline section that was proposed.

Through the final CalHome Program Guidelines (Guidelines), HCD is proposing refinements to the CalHome based on prior program experience, policy objectives, and stakeholder feedback from three public comment sessions and internal sessions organized by HCD.

The proposed changes are reflected in the final Guidelines, available on the [CalHome Program webpage](#), with changes from the draft guidelines shown in highlighted strikethrough and underline format. The significant modifications since the public comment include:

1. Section 7716(c) – Definition of “Administrative Subcontractor”
The definition of “Administrative Subcontractor”, or any entity or individual which contracts with the CalHome Recipient to provide any portion of administrative services to the local CalHome activity, is added to clarify roles of subcontractors introduced in the Guidelines. This definition is modelled after HCD’s Home Investment Partnership Program (HOME).
2. Section 7716(d) – Definition of “ADU/JADU Program”
HCD is providing a clear definition of “ADU/JADU Program” for consistency with other program activities (i.e. Mortgage Assistance, Owner Occupied Rehabilitation, Self-Help Technical Assistance, Shared Housing, and Homeownership Development Project). ADU/JADU Program provides financial assistance to a Locality or Nonprofit Corporation to administer a program to fund the construction, reconstruction, repair, or Rehabilitation of Accessory Dwelling Units (ADUs) or Junior Accessory Dwelling Units (JADUs).

3. Section 7716(g) – Definition of “Annual Income”
The definition of “Annual Income” has been modified to exempt ADU or JADU-related income from the income calculation since this rental income will help low-income families achieve or maintain homeownership.
4. Section 7716(q) – Definition of “Elderly”
The definition of “Elderly” is added to make it clear that the statutory definition applies.
5. Section 7716(r) – Definition of “Eligible Household”
The definition of “Eligible Household” is expanded to elaborate on Household eligibility requirements for ADU/JADU Programs. It is specified in the Guidelines that a rented ADU or a JADU does not need to be occupied by the owner assisted through a CalHome ADU/JADU Program.
6. Section 7716(uu) – Definition of “Person With a Disability”
The definition of a “Person With a Disability” is added to comply with the California Fair Employment and Housing Act (FEHA) and other disability rights statutes.
7. Section 7716(vv) – Definition of “Predevelopment Costs”
The definition of “Predevelopment Costs”, which includes the costs directly related to eligible housing development including ADUs and JADUs, is added to clarify the terminology used in the Guidelines.
8. Section 7716(zz)(3), (4), and (7) – Definition of “Rehabilitation”
The definition of “Rehabilitation” is expanded to include construction, repair, reconstruction, or rehabilitation of an ADU or JADU, as well as a conversion of an existing space to an ADU or a JADU. In addition, the definition has been expanded to include accessibility modifications to the homes of people with disabilities.
9. Section 7716(kkk) – Definition of “TCAC/HCD Opportunity Area Map”
“High” and “Highest” resource areas as identified on the California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Area Maps” are incentivized in the Selection Criteria section of the Guidelines and a definition is added for consistency with other affordable housing programs.
10. Section 7717(a)(1) – General Applicant Eligibility Requirements, Geographic Restrictions
To help less experienced Localities qualify for funding, the Guidelines have been modified to allow Localities to establish a consortium with a single Administrator. Further, one Locality shall apply on behalf of other entities in a consortium and may serve all jurisdictions.
11. Section 7717(b)(2) – General Applicant Eligibility Requirements, Stability and capacity

- To help less experienced Localities qualify for funding, the Guidelines have been modified to allow a Locality to subcontract with an Administrative Subcontractor to qualify toward organizational stability and experience requirement.
12. Section 7720 – General Applicant Eligibility Requirements, Eligible Households
To enable flexibility in the proposed CalHome Guidelines, the section has been modified to include the following provision: If the Borrower will occupy an ADU or a JADU, then the residents of the primary unit shall not be considered as part of the Household receiving CalHome funding for purposes of this section.
 13. Section 7721(a)(3)(J) and (K) – General Applicant Eligibility Requirements, Local Program/Project Administration
ADU/JADU administration, underwriting, and construction requirements are added to the list of activities the Recipient shall be responsible for.
 14. Section 7728 – Mortgage Assistance Programs, Eligibility Requirements, Section 7732 – Owner-Occupied Rehabilitation Programs, Eligibility Requirements, Section 7739 – Shared Housing Programs, Eligibility Requirements, and Section 7742 – ADU/JADU Programs, Eligibility Requirements
Consistent with the ability to contract for experience in Section 7717, the eligibility requirement for Mortgage Assistance, Owner-Occupied Rehabilitation, Shared Housing, and ADUs/JADUs has been amended to allow an Administrative Subcontractor to meet the program-specific experience requirement.
 15. Section 7738(a)(4)(C) – Self-Help Technical Assistance Projects, Project Administration Requirements
The language in this section has been revised to require Recipients to address the process of providing reasonable accommodations to persons with a disability in their Self-Help Technical Assistance Program Guidelines that is submitted to HCD for approval.
 16. Section 7742 – ADU/JADU Programs, Eligibility Requirements
To help Applicants qualify for ADU/JADU Programs, Applicants can now use their new construction development experience involving multiple homeownership units (including single-family subdivisions).
 17. Section 7743(b) and (c) – ADU/JADU Programs, Eligible Costs
The list of eligible costs for ADU/JADU Programs has been expanded to include cost of conversion and structural modifications to the existing home necessary to accommodate an ADU or a JADU and all government fees necessary to build and occupy an ADU or a JADU.
 18. Section 7745(d) – ADU/JADU Programs, Underwriting and Construction Requirements
To protect against vacation rentals, HCD requires a rental term of at least 30 days.
 19. Section 7747(c), (d) and (e) – Development Loan Requirements, Eligible Costs

To ascertain which type of housing developments are eligible for Predevelopment Costs, onsite improvements, and carrying costs, HCD clarifies that these provisions apply to all eligible housing development (as specified in the CalHome Statute). In other words, these provisions encompass more than single-family housing developments.

20. Section 7747(j) – Development loan requirements, Eligible Costs
Attorney fees directly associated with activities related to units funded by CalHome are added to the list of eligible costs for Homeownership Development Projects.
21. Section 7752(b) – Development Loan Requirements, Development Requirements
To help Nonprofit Corporations qualify for Homeownership Development Projects (by enabling partnerships between Nonprofits and qualified for-profit developers of affordable Homeownership Projects), provision 7752(b) has been removed from the guidelines.
22. Section 7755(b)(2) – Application Procedures, Selection Criteria – Community Need
A new set of Community Need criteria is proposed in order to move toward a system where a single set of criteria is updated on an annual basis and to create consistency between CalHome and similar deferral programs (i.e. CDBG and HOME).
23. Section 7755(b)(3) – Application Procedures, Selection Criteria – Feasibility
A new set of Feasibility criteria is proposed in order to move toward a system where a single set of criteria is updated on an annual basis and to create consistency between CalHome and similar deferral programs (i.e. The Community Development Block Grant Program (CDBG) and HOME).
24. Section 7755(b)(5)(D) – Application Procedures, Selection Criteria – Volunteer Labor, Self-Help Labor or Youth Construction Skills Training Program
To incentivize Homeownership Development Projects in "High" and "Highest" resource areas as identified on the TCAC/HCD Opportunity Area Maps", HCD is adding an additional subsection (7755(b)(5)(D)) to the Volunteer Labor, Self-Help Labor or Youth Construction Skills Training Program selection criteria of the guidelines.

CalHome final guidelines and additional information regarding CalHome Program is available on the CalHome [webpage](#).

CalHome Program Guidelines



**Gavin Newsom, Governor
State of California**

**Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency**

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

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November 27, 2019

CALHOME PROGRAM GUIDELINES

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Article 1. General

Section 7715. Purpose and scope.

- (a) These guidelines implement and interpret Chapter 6 (commencing with Section 50650) of Part 2 of Division 31, Health and Safety Code (HSC), which establishes the CalHome Program administered by the California Department of Housing and Community Development (the "Department") and Chapter 365 (commencing with Section 54000) of Part 16 of Division 31, HSC.
- (b) These guidelines establish terms, conditions and procedures for the award and disbursement of funds allocated to the CalHome program pursuant to HSC Section 54006(g).
- (c) These guidelines apply only to funds made available through HSC Section 54006(g) and do not apply to funds made available to the CalHome program authorized by Chapter 6 (commencing with Section 50650) prior to the adoption of HSC Section 54006(g).

NOTE: Authority cited: Sections 50406(n), 50650.2, 50650.7, and 54014, HSC.
Reference: 50650.3, 50650.4, 50650.5, 50650.7, and 54006(g), HSC.

Section 7716. Definitions.

In addition to the definitions found in Chapter 2 (commencing with Section 50050) of Part 1 of Division 31 of the HSC, the following definitions shall apply to this subchapter. References to code sections refer to the sections of these guidelines unless otherwise noted.

- (a) "Accessory Dwelling Units" ("ADUs") shall have the same meaning as defined by paragraph (4) of subdivision (i) of Government Code (GC) Section 65852.2.
- (b) "Activity Delivery Fees" ("ADFs") are reasonable and necessary costs incurred by the Applicant and associated with the financing, or development (or both) of activities assisted with CalHome program funds. ADFs directly related to a specific activity are not part of the general administrative costs. The Fee is to defray such costs as: adequate inspections to ensure that work write-ups for contractor bid purposes are professionally done and accurately reflect required rehabilitation work; overseeing the bid process and ensuring that only qualified contractors are selected; inspecting completed work for deficiencies; or arranging for qualified architectural or engineering work as may be required. The maximum ADF amounts shall be published in the NOFA. This amount is payable to the Recipient in the form of a Grant and the amount is not included in the Borrower's Loan amount.
- (c) "Administrative Subcontractor" means any entity or individual which contracts with the CalHome program Recipient to provide any portion of administrative services to the local CalHome program activity. Individuals or groups that are

acting in the capacity of developer or owner of a project shall not act as Administrative Subcontractor for the activity.

- (d) "ADU/JADU Program" means funds are provided to a Locality or Nonprofit Corporation to administer a program to fund the construction, reconstruction, repair, or Rehabilitation of ADUs or Junior Accessory Dwelling Units (JADUs). The Eligible Household is allowed, if assisted through a CalHome program ADU/JADU Program, to rent or lease an ADU or a JADU unit.
- (e) "Affordable" as it describes a specific financial obligation, means that obligation can be paid by the person or Household, along with all of other financial responsibilities, without endangering the financial stability of the Household.
- (f) "After-Rehabilitation Value" means the appraised value of the property including completed Rehabilitation work.
- (g) "Annual Income" means all income as defined in 24 Code of Federal Regulations (CFR), Part 5, Section 5.609 (see Income Calculation and Determination Guide for Federal Programs, Chapter one, Chapter two, and Chapter three). ADU- or JADU-related income will be exempt from the Annual Income calculation.
- (h) "Applicant" is the Locality or Nonprofit Corporation, which submits an application to the Department to operate a Local Program, develop a Homeownership project, or provide Self-Help Technical Assistance to a Homeownership project.
- (i) "Assisted Units" means units purchased or rehabilitated with a Loan funded pursuant to this subchapter. Assisted Units shall also include units occupied by a Seeker successfully matched to a Homeowner Provider under a Shared Housing Local Program or a Household provided with Self-Help Technical Assistance in a project funded pursuant to this subchapter.
- (j) "Back-End Ratio" means the ratio between monthly Household income and Monthly Housing Costs plus all payments on long-term installment debt.
- (k) "Borrower" means a Homebuyer(s) or existing Homeowner(s) who has or will receive a CalHome program Loan made from a Local Program funded pursuant to this subchapter, signs the promissory note, and is or will be the Homeowner of the property being financed.
- (l) "Community Revitalization" A program or project will be considered to contribute towards Community Revitalization if all units to be assisted with CalHome program funds are, or will be, located within a federal Promise Zone or a Choice Neighborhood Initiative Area or an Opportunity Zone.
- (m) "Construction Skills Training Program" means an existing program that trains youth 16 to 24 years old in construction skills.

- (n) "Department" means the Department of Housing and Community Development.
- (o) "Developer" means a Locality or Nonprofit Corporation that owns the project land, obtains the project financing and develops the Homeownership Development Project.
- (p) "Developer Borrower" means a Developer who receives a CalHome program Loan pursuant to this subchapter for the development of a project involving multiple Homeownership units.
- (q) "Elderly" means the same as defined in HSC, Section 50067.
- (r) "Eligible Household" means a Lower- or Very Low-Income Household at or below Moderate-Income Household that is a victim of a disaster as defined in HSC, Section 50650.3 that is:
 - (1) A First-Time Homebuyer;
 - (2) An existing owner-occupant of property in need of Rehabilitation, including construction, repair, reconstruction, or rehabilitation of an ADU or a JADU;
 - (3) A Homeowner participant in a Shared Housing Local Program; or
 - (4) A First-Time Homebuyer participant in a Self-Help Construction project.

The Eligible Household shall occupy, or intend to occupy, the property as their principal residence and shall not lease or rent the property (except in the case of a Homeowner Provider assisted through a CalHome program Shared Housing program in renting a room in their home to a Seeker or in the case of an owner-occupant assisted through a CalHome program ADU/JADU Program in renting an ADU or a JADU unit).

- (s) "First-Time Homebuyer" means a Borrower(s) who has not owned a home during the three-year period before the purchase of a home with CalHome program assistance, except that the following individual or individuals may not be excluded from consideration as a First-Time Homebuyer under this definition:
 - (1) A displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed

or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family;

- (2) A single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; or
- (3) An individual or individuals who owns or owned, as a principal residence during the three-year period before the purchase of a home with CalHome program assistance, a dwelling unit whose structure is:
 - (A) Not permanently affixed to a permanent foundation in accordance with local or state regulations; or
 - (B) Not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.
- (t) "Front-End Ratio" means the ratio between monthly Household income and Monthly Housing Cost, including first mortgage principal, interest, taxes and insurance.
- (u) "Grant" means an award of funds made from the Department to eligible Localities or Nonprofit Corporations to operate Local Programs or to provide Self-Help Technical Assistance to a project pursuant to this subchapter. In the case of a development Loan, the portion of that Loan which is used to provide Mortgage Assistance to qualified First-Time Homebuyers is converted to a Grant.
- (v) "Homebuyer Education" means a specific course of instruction, designed pursuant to Section 7722, to educate First-Time Homebuyers regarding various aspects of purchasing and maintaining a home.
- (w) "Homeowner Provider" means a Low-Income person(s) currently residing in a home they own and occupy as a principal place of residence, who desires to find a tenant to share their residence.
- (x) "Homeownership" means:
 - (1) For Mortgage Assistance: fee simple title on real property or a leasehold interest on real property that enables the lessee to make improvements on and encumber the property and has a term sufficient to secure the CalHome program Loan, ownership of a Manufactured Housing unit located on a rented space in a mobilehome park; or

- (2) For Owner-Occupied Rehabilitation: fee simple title; or a leasehold interest that enables the lessee to make improvements on and encumber the property and has a term sufficient to secure the CalHome program Loan; or ownership of a Manufactured Housing unit located on a rented space in a mobilehome park.
 - (3) A share interest in a limited equity housing cooperative; or
 - (4) An interest in a Mutual Housing project that meets the definition in Section 7716(qq).
- (y) "Homeownership Development Project" means new construction on a site, including subdivisions, or scattered sites, that is under common ownership, development financing and construction.
 - (z) "Household" means one or more persons occupying the same housing unit.
 - (aa) "Junior Accessory Dwelling Units" ("JADUs") shall have the same meaning as defined by paragraph (1) of subdivision (g) of GC Section 65852.22.
 - (bb) "Loan" shall have the same meaning as defined in HSC, Section 50076.6.
 - (cc) "Loan-to-Value-Ratio" means the ratio between the amount of all indebtedness liened; or to be liened, against a property and the appraised value of the property securing the liens.
 - (dd) "Local Public Agency", or "Locality" means a city, county, or city and county, a duly constituted governing body of an Indian reservation or rancheria or a tribally designated housing entity, or a local public entity within the state of California that has been delegated substantially all of the Locality's Housing Functions (hereinafter collectively referred to as a "Locality"). For the purpose of this definition, "Housing Functions" means engaging in or assisting in the development or operation of housing for persons of Low or moderate Income. Such delegation shall have been made prior to the issuance of the Notice of Funding Availability (NOFA) under which the local public entity is applying.
 - (ee) "Local Program" means a First-Time Homebuyer Mortgage Assistance Loan program; or an Owner-Occupant Rehabilitation Program to provide CalHome program Loans for the acquisition and/or Rehabilitation of property; or an ADU/JADU Program; or a Shared Housing program operated by a Locality or Nonprofit Corporation pursuant to the provisions of this subchapter.
 - (ff) "Lower- and Low-Income Household" mean the same as defined in Section 50079.5 of the HSC.
 - (gg) "Manufactured Housing" means a mobilehome as defined by Section 18007 of the HSC. A manufactured home can be either in a rental mobile home park, on leased land, or on property owned by the occupant. It can either be on a

permanent foundation or a foundation system. In these guidelines, with respect to Manufactured Housing not installed on a permanent foundation, terms that typically apply to conventionally constructed housing or to Loans secured by real property shall be given the appropriate analogous meaning used in the Manufactured Housing industry. For example, rather than holding fee title to the property, a manufactured Homeowner is listed as the registered owner on the certificate of title issued by the Department.

- (hh) "Maximum Sales Price/Value Limit" is the maximum allowable sales price or the maximum After-Rehabilitation Value of a home assisted with a CalHome program Loan. This shall be set at 100 percent of the current median sales price of a single-family home in the county in which the CalHome program or project is located.
- (ii) "Mobilehome Park" shall have the same meaning as defined in HSC, Section 50082.7.
- (jj) "Moderate-Income Household" mean the same as defined in HSC, Section 50093.
- (kk) "Monitoring Agreement" means the contract entered into between the Department and a Recipient pursuant to Section 7756(b).
- (ll) "Monthly Housing Cost" means the average of the estimated costs for the next twelve months for a Homebuyer or owner-occupant and shall include all of the following associated with that housing unit:
 - (1) Principal and interest on a mortgage Loan including any rehabilitation Loans, and any mortgage insurance fees associated therewith;
 - (2) Property taxes and assessments;
 - (3) Fire and casualty insurance, including flood insurance when applicable, covering replacement value of property improvements;
 - (4) Homeowner association fees or dues, if applicable;
 - (5) Lease payments, if the housing unit is situated on leased land; and
 - (6) Space rent, if a Manufactured Housing unit is situated in a mobilehome park.
- (mm) "Mortgage" means a deed of trust which is used to secure a lien on real property or, in the case of Manufactured Housing, a security instrument sufficient to legally perfect a security interest in the home.
- (nn) "Mortgage Assistance" means permanent financing used toward Homebuyer costs, up to a maximum limit as specified in the Department's NOFA.

- (oo) "Mortgage Financing" means a long-term, permanent Loan, provided by a Mortgage Lender, which is secured by a deed of trust, or, in the case of Manufactured Housing, a security instrument sufficient to perfect a security interest in the home.
- (pp) "Mortgage Lender" means a bank or trust company, mortgage banker, mortgage broker, federal or state-chartered savings and Loan association, state or federal governmental agency or credit union whose principal business is to originate, process, close and service Loans for the purchase or development (if appropriate) of property. Mortgage Lender also includes nationwide institutions whose primary purpose is to develop housing and provide first Mortgage Financing to Low-Income purchasers of the developed housing.
- (qq) "Mutual Housing" means a multi-unit Homeownership Development that allows each resident a vested financial interest that has a determinable market value, is divisible and gives the owner an exclusive right to occupy a designated unit for an indefinite period.
- (rr) "NOFA" is the acronym for Notice of Funding Availability. The NOFA is the document used by the Department to announce that funds are available, and applications may be submitted.
- (ss) "Nonprofit Corporation" means a corporation as defined in Section 50091 of the HSC.
- (tt) "Owner-Occupied Rehabilitation Program" means funds are provided to a Locality or Nonprofit Corporation to administer a program to assist owners of homes that are in need of Rehabilitation as defined in Section 7716(zz).
- (uu) "Person With a Disability" is an individual with a physical or mental impairment that limits one or more major life activities as defined by the California Fair Employment and Housing Act (FEHA) and other disability rights statutes (GC Section 12955.3, GC Section 12926(m), and GC Section 12926(j)).
- (vv) "Predevelopment Costs" means the costs directly related to Program eligible housing development, including ADUs and JADUs. Predevelopment Costs may include, but are not limited to, the costs of, or the costs associated with, land purchase or options to buy land; professional services such as architectural, engineering, or legal services; permit or application fees; and bonding, site preparation, related water or sewer development, or material expenses.
- (ww) "Program Income" or "PI" means gross income earned by the Grantee from Grant and/or program income-funded activities. PI shall be deposited into a separately maintained Reuse Account.
- (xx) "Recipient" means a Locality or Nonprofit Corporation that receives an award of funds from the CalHome program.

- (yy) "Refinance" means to pay off all or a portion of existing debt secured by the property from the proceeds of a CalHome program Loan or other financing also secured by the property.
- (zz) "Rehabilitation" means, in addition to the definition in HSC, Section 50096 and Section 50097, the following:
- (1) Repairs and improvements to a manufactured home necessary to correct any condition causing the home to be substandard pursuant to CCR, Title 25, Section 1704;
 - (2) Reconstruction;
 - (3) Construction, repair, reconstruction, or rehabilitation of an ADU or a JADU;
 - (4) Conversion of existing space to add an ADU or a JADU;
 - (5) Room additions to prevent overcrowding;
 - (6) Repairs and improvements which are necessary to meet any locally adopted standards used in local rehabilitation; and
 - (7) Modifications, alterations, and additions necessary to improve accessibility and usability for persons with disabilities who reside in or regularly visit the home;

Rehabilitation includes costs incurred in implementing resiliency mitigation measures identified in the Hazard Mitigation Plan or the Safety Element of the General Plan adopted by the jurisdiction in which the program will be offered.

Rehabilitation does not include replacement of personal property.

- (aaa) "Reuse Account" means an account established pursuant Section 7724.
- (bbb) "Rural Area" means the same as defined in HSC, Section 50101.
- (ccc) "Seeker" means a person who desires to be placed as a tenant in a home that is owner-occupied.
- (ddd) "Self-Help Construction" means owner-building as defined in HSC, Section 50692 and may include Mutual Self-Help Housing as defined in HSC, Section 50692(b).
- (eee) "Self-Help Technical Assistance" means conducting and administering a project of technical or supervisory assistance, which will aid Eligible Households in carrying out owner-builder housing efforts.

- (fff) "Shared Housing" means a Local Program designed to preserve Homeownership by matching a Homeowner Provider with a Seeker.
- (ggg) "Shared Housing Match" means a Seeker who has been successfully placed as a tenant into the residence of a Homeowner Provider.
- (hhh) "Shared Housing Technical Assistance" means the provision of services required to Match a Homeowner Provider with a Seeker.
- (iii) "Site Control" means control of a parcel of real property as described in Section 7748.
- (jjj) "Standard Agreement" means the contract entered into between the Department and a Recipient pursuant to Section 7756(a).
- (kkk) "TCAC/HCD Opportunity Area Map" means the map or maps approved periodically by the California Tax Credit Allocation Committee (TCAC) as the TCAC/HCD Opportunity Area Map.
- (lll) "Very Low-Income Household" means the same as defined in Section 50105 of the HSC.
- (mmm) "Volunteer Labor" means skilled or unskilled construction labor provided without remuneration.

NOTE: Authority cited: Sections 50406(n), 50650.2 and 50650.7, HSC. Reference: 50650.3, 50650.4, 50650.5, and 50650.7, HSC.

Article 2. General program requirements.

Section 7717. General Applicant eligibility requirements.

- (a) Geographic restrictions:
 - (1) A Locality shall only be eligible to apply for an award of CalHome program funds for a Local Program or project located within its jurisdictional boundaries. A Locality may hire nonprofit and for-profit consultants located and/or registered within or outside its jurisdictional boundaries, including other counties within the state. Out-of-county consultants are obliged to fulfill the same experience requirements as the in-county entities. Localities may establish a consortium (provided there is a Memorandum of Understanding between the parties) with a single administrator. One Locality shall apply on behalf of other entities in a consortium and may serve all jurisdictions.
 - (2) A Nonprofit Corporation shall only be eligible to apply for an award of CalHome program funds for a program or project if it has developed a project or operated a housing program in California within the past two years or if the Nonprofit Corporation has an existing 523 Self-Help

Technical Assistance Grant Agreement with United States Department of Agriculture (USDA).

(b) Stability and capacity:

- (1) To be eligible for funding, the Applicant shall demonstrate to the Department's satisfaction that it has sufficient organizational stability and capacity to carry out the activity for which it is requesting funds.
- (2) In order to demonstrate organizational stability, the Applicant shall have been operating as a housing Developer or housing program administrator for a minimum of two years prior to the date of application. A Locality may subcontract with an Administrative Subcontractor to qualify toward organizational stability and experience requirement.
- (3) A Nonprofit Corporation must be a corporation whose exempt purposes for the two years prior to the date of application have included the activity for which it is applying.
- (4) A Nonprofit Corporation shall also demonstrate financial stability to the Department's satisfaction through audited financial statements submitted for Department review as part of its application for funding.
- (5) An Applicant shall also meet the additional stability and capacity requirements set forth in these guidelines for the specific activity for which it is applying.
- (6) To the extent necessary to address a presidential declaration of disaster or emergency, or a "state of emergency" or a "local emergency" declared by the Governor under GC Section 8571, the Department may alter or waive state-required criteria set forth in this subsection (b), to the extent otherwise allowed by law.

(c) Reporting requirements

- (1) Recipients shall submit outstanding reports from previous CalHome program Grants to the Department by the application date (as specified in the NOFA). Failure to submit the reports by the application date will make the Recipients ineligible for a CalHome program award.

NOTE: Authority cited: Sections 50406(n), 50650.2 and 50650.7, HSC. Reference: 50650.3, 50650.4, 50650.5, and 50650.7, HSC.

Section 7718. Eligible activities.

- (a) The Department may make Grants to Localities or Nonprofit Corporations to fund Local Programs undertaking:

- (1) Provision of CalHome program Loans to First-Time Homebuyers for Mortgage Assistance;
 - (2) Provision of CalHome program Loans to owner-occupants for Rehabilitation, including Rehabilitation or replacement of manufactured homes not on a permanent foundation; Rehabilitation work shall comply with building standards in place as of the date of building permit application;
 - (3) Provision of Technical Assistance to Self-Help housing projects in which the Applicant organization will be directly providing the services required in Section 7738, Self-Help Technical Assistance Project Administration Requirements; or
 - (4) Provision of Technical Assistance for Shared Housing programs for which the Applicant organization will be directly providing the services required in Section 7741, Shared Housing Program Administration Requirements.
 - (5) Provision of CalHome program Loans to owner-occupants for new construction, repair, reconstruction, or rehabilitation of ADUs or JADUs; All work shall comply with building standards in place as of the date of building permit application;
- (b) The Department may make construction period Loans to Localities or Nonprofit Corporations for development of new Homeownership projects, including Program eligible housing developments that include ADUs or JADUs, or make permanent Loans for Mutual Housing and limited equity housing cooperatives.
 - (c) Proposed development projects shall be ineligible to receive funding if Construction Work has begun or will begin prior to the date that the Department makes an award of program funds. "Construction Work" includes grading; site preparation (with the exception of demolition or clearing of property); or site improvements intended for public dedication.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, HSC.

Section 7719. Eligible and ineligible uses of funds.

- (a) Eligible uses of funds for specific activities are set forth in the article dealing with that activity.
- (b) CalHome program funds shall not be used for any of the following costs that may be incurred in the Local Program or the project:
 - (1) Refinancing of existing Loans with CalHome program funds, except CalHome program funds may be used for site acquisition bridge Loans

with a term of 36 months or less on Homeownership Development Projects.

- (2) Costs associated with the Rehabilitation or repair of property owned by a mobilehome park owner.
- (3) Offsite improvements (improvements outside the boundaries of the subdivision or individual parcels for scattered site development).
- (4) Unit construction costs, except in Owner-Occupied Rehabilitation Local Programs or for construction period expenses for development of new Homeownership projects.
- (5) Recurring Loan closing costs.
- (6) Payoff of all or any portion of a Borrower's consumer debt, liens or judgments.
- (7) Self-Help Technical Assistance Grant funds may not be used to pay for purchase of land, materials, tools and construction equipment or for any costs of construction.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), HSC.

Section 7720. Eligible Households.

To be eligible to receive the benefits of CalHome program funding, an individual Household shall:

- (a) Be a Lower-Income Household, when considering the Annual Income of all Household residents 18 years old or older. When calculating income eligibility, Applicants shall refer to Chapter three of the Income Calculation and Determination Guide for Federal Programs. For Shared Housing Match services, where the provider is elderly, the income of non-occupying children who are on title will not be counted;
- (b) Be a Moderate-Income Household that is a victim of a disaster, when considering the Annual Income of all Household residents 18 years old or older. When calculating income eligibility, Applicants shall refer to Chapter three of the Income Calculation and Determination Guide for Federal Programs. For Shared Housing Match services, where the provider is elderly, the income of non-occupying children who are on title will not be counted;
- (c) Include as Borrowers on the CalHome program promissory note all persons who will be or are on title to the property; and

- (d) Either:
- (1) In the case of a Rehabilitation Loan or if receiving Shared Housing Match services, be an owner-occupant and intend to continue occupying the home as a principal place of residence; or
 - (2) In the case of a Mortgage Assistance Loan or if receiving Self-Help Technical Assistance services, be a First-Time Homebuyer and intend to occupy the home as a principal place of residence.

Residents of an ADU or a JADU shall not be considered as part of the Household receiving CalHome program funding for purposes of this section. If the Borrower will occupy an ADU or a JADU, then the residents of the primary unit shall not be considered as part of the Household receiving CalHome program funding for purposes of this section.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650(c) and 50650.3, HSC.

Section 7721. Local program/project administration.

- (a) The Recipient shall implement the Local Program or project and be responsible for the following activities:
- (1) Marketing the Local Program or project;
 - (2) Determination of a Household's income-eligibility pursuant to the income requirements of this subchapter;
 - (3) Where applicable, based on the nature of the Local Program or project, compliance with the following requirements:
 - (A) Section 7722 Homebuyer Education requirements;
 - (B) Section 7723 Loan servicing requirements;
 - (C) Section 7724 Reuse Account requirements;
 - (D) Section 7730 Mortgage Assistance administration requirements;
 - (E) Section 7731 Mortgage Assistance underwriting requirements;
 - (F) Section 7734 Owner-Occupied Rehabilitation administration requirements;
 - (G) Section 7735 Owner-Occupied Rehabilitation underwriting and construction requirements;
 - (H) Section 7738 Self-Help Technical Assistance requirements; and

- (I) Section 7741 Shared Housing administration requirements.
 - (J) Section 7744 ADU/JADU administration requirements; and
 - (K) Section 7745 ADU/JADU underwriting and construction requirements.
- (4) For Mortgage Assistance or Owner-Occupied Rehabilitation Loans, disbursing funds on behalf of Borrowers at time of property acquisition or during Rehabilitation;
 - (5) Maintaining complete and accurate records of all CalHome program Loan disbursements and repayments to ensure adherence to proper accounting procedures for the CalHome program Loans, which may be verified by the Department and may be subject to a fiscal and programmatic audit;
 - (6) Complying with reporting requirements pursuant to Section 7758; and
 - (7) Complying with all other Locality and/or Nonprofit Corporation requirements as set forth in these guidelines and all applicable federal and state regulations.

NOTE: Authority cited: Sections 50406(n) and 50650.2HSC. Reference: 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7722. Homebuyer education requirements.

- (a) Homebuyer Education shall be provided to all Homebuyers receiving a CalHome program Mortgage Assistance Loan and to all Self-Help participants being assisted under a CalHome program Self-Help Technical Assistance Grant. For each home purchase completed by an assisted Household, the CalHome program shall provide a Grant of up to a maximum amount as published in the latest NOFA per assisted Household toward the cost of the Homebuyer Education, provided the following conditions are met:
 - (1) Homebuyer Education curriculum shall be pre-approved by the Department and at a minimum, shall include the following topics:
 - (A) Preparing for Homeownership;
 - (B) Available financing and credit analysis;
 - (C) Loan closing and Homebuyer responsibilities;
 - (D) Home maintenance and Loan servicing.

- (2) A certificate of successful completion of Homebuyer Education shall be issued to each prospective Homeowner and a copy submitted to the Department.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b), HSC.

Section 7723. Loan servicing requirements.

- (a) Recipients shall develop and employ a Loan servicing plan that has been submitted to and approved by the Department as addressing the following topics:
 - (1) Process for monitoring the requirement of owner-occupancy
 - (2) Annual review hazard and flood insurance.
 - (3) Timely payment of property taxes and assessments
 - (4) Accounting for repayment of CalHome program Loans
 - (5) Properly calculate payoffs
 - (6) Processing demands
 - (7) Reconveyance of deeds of trust
 - (8) Collection of CalHome program notes in default or foreclosure
- (b) If Loan servicing will be performed under a contract with a third party, that third party must be in the business of performing Loan servicing; and
- (c) Recipients shall be required to enter into a long-term Monitoring Agreement with the Department allowing Department monitoring of Loan servicing for compliance with these guidelines.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7724. Reuse account.

- (a) CalHome program Recipients shall develop and employ a Reuse Account plan that has been submitted to and approved by the Department as addressing the following topics:
 - (1) Description of a tracking system to ensure the reuse of funds for eligible activities including:
 - (A) Loans to individual Homeowners and Homebuyers,
 - (B) CalHome program Loan processing, housing Rehabilitation processing, Homebuyer Education and other eligible ADF, and
 - (C) Allowable 5 percent Loan servicing fee.

- (b) All repayments of CalHome program Loan principal and any CalHome program Loan interest (i.e. PI) shall be deposited into a separately maintained Reuse Account.
- (c) Any interest earned on deposited CalHome program reuse funds must accrue to the CalHome program identified funds and be reused for CalHome program purposes.
- (d) Funds in the Reuse Account shall only be used by the Recipient for CalHome program eligible activities which are subject to these guidelines.
- (e) Recipients shall be required to enter into a long-term Monitoring Agreement with the Department allowing Department monitoring of Reuse Accounts for compliance with these guidelines.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.3(d), HSC.

Article 3. Homeowner/Homebuyer Loan requirements.

Section 7725. Maximum Homeowner/Homebuyer Loan amounts.

- (a) CalHome program Loans to individual Borrowers shall not exceed the amount published in the current NOFA or, when considered with other available financing and assistance, the minimum amount necessary:
 - (1) In the case of First-Time Homebuyer Mortgage Assistance, to ensure Affordable Monthly Housing Costs as defined by the first Mortgage Lender.
 - (2) In the case of Owner-Occupant Rehabilitation, to fund eligible Rehabilitation costs only, in accordance with program requirements.
 - (3) In the case of ADU/JADU assistance, to fund eligible costs only, in accordance with program requirements.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Section 7726. Homeowner/Homebuyer Loan terms.

- (a) CalHome program Loans shall be secured by the property or leasehold interest, as applicable.
- (b) The lien securing repayment of the CalHome program Loan shall be subject only to liens, encumbrances and other matters of record reviewed and approved by the Recipient responsible for underwriting the CalHome program Loan.

- (c) Homeowner/Homebuyer CalHome program Loans shall have the following terms and conditions:
- (1) Principal and interest payments shall be deferred for the term of the CalHome program Loan;
 - (2) Loans shall be repayable upon sale or transfer of the property, when the property ceases to be owner-occupied, or upon the CalHome program Loan maturity date; However, if it is determined by the Recipient that repayment of the CalHome program Loan at the maturity date causes a hardship to the Borrower, the Recipient has two other options. They are:
 - (A) Amending the note and deed of trust to defer repayment of the amount due at Loan maturity, that is the original principal and the accrued interest, for up to an additional 30 years (at 0 percent additional interest), this may be offered one time, or
 - (B) Converting the debt at Loan maturity, that is the original principal balance and any accrued interest, to an amortized Loan, repayable in 15 years at 0 percent additional interest.
 - (3) Loans are not assumable;
 - (4) The following transfers of interest shall not require the repayment of the CalHome program Loan:
 - (A) Transfer to a surviving joint tenant by devise, descent, or operation of law on the death of a joint tenant;
 - (B) A transfer, in which the transferee is a person who occupies or will occupy the property, which is:
 - (i) A transfer where the spouse becomes an owner of the property;
 - (ii) A transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse becomes an owner of the property; or
 - (iii) A transfer into an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the property.
 - (5) The term for First-Time Homebuyer Mortgage Assistance CalHome program Loans shall be 30 years with the following exception: when USDA, Rural Housing Service (RHS) 502 mortgage Loans are in first lien position, the term shall be the term of the 502 mortgage (30 to 38 years);

- (6) The term for Owner-Occupied Rehabilitation CalHome program Loans shall be a maximum of 30 years as determined by the Recipient; and
 - (7) A Borrower may pay the CalHome program Loan amount, in part or in whole, at any time without penalty.
- (d) All CalHome program assistance to individual Households shall be made in the form of a Loan. Recipients may make CalHome program Loans bearing simple interest up to 3 percent per annum and may allow forgiveness of all or a portion of the accrued interest as part of its Local Program design. Loan principal shall not be forgiven, except as allowed by statute. In lieu of making Loans bearing a fixed rate of interest, Recipients may instead charge contingent deferred interest in the form of shared net appreciation as set forth in subsection (e).
- (e) Shared net appreciation is allowed, only as follows:
- (1) Gross appreciation is calculated by subtracting the original sales price from the current sales price or the current appraised value if the Loan accelerating event is other than sale of the property;
 - (2) Net appreciation is calculated by subtracting the seller's applicable closing costs, seller's cash contribution in the original purchase transaction, the value of seller's sweat equity, if applicable, and the documented value of capital improvements from the gross appreciation amount;
 - (3) The Recipient may only claim repayment of the principal, interest and a portion of the net appreciation. That maximum portion of the net appreciation which may be claimed by the Recipient is equal to the percentage of the value of the residence financed by the CalHome program Loan. That is, if the Loan equals 20 percent of the initial value of the residence, a maximum of 20 percent of the appreciation may be charged by Recipient.
- (f) In any Loan transaction where there is no other public subsidy or public resale restriction, the Borrower cannot be restricted from selling the home at its fair market value at any time.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Section 7727. Homeowner/Homebuyer Loan-to-Value Limits.

- (a) The Loan-to-Value Ratio for a Mortgage Assistance CalHome program Loan, when combined with all other indebtedness to be secured by the property, shall not exceed 100 percent of the sales price plus a maximum of up to 5 percent of the sales price to cover actual closing costs.

- (b) The Loan-to-Value Ratio for an Owner-Occupied Rehabilitation CalHome program Loan, when combined with all other indebtedness secured by the property, shall not exceed 105 percent of the After-Rehabilitation Value estimated pursuant to Section 7735(b)(1).

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), 50650.3(c), and 50650.7, HSC.

Article 4. Mortgage Assistance programs.

Section 7728. Eligibility requirements.

In addition to the requirements of Section 7717, to be eligible to apply for CalHome program funding for a Mortgage Assistance program, the Applicant or its Administrative Subcontractor shall have successfully administered a Homebuyer program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.4, HSC.

Section 7729. Eligible costs.

CalHome program funds in support of a Mortgage Assistance program shall be used only for the following costs:

- (a) Mortgage Assistance for permanent financing of:
 - (1) A dwelling unit, which may include an ADU or a JADU, ready for occupancy; or
 - (2) A unit, which may include an ADU or a JADU, acquired by a Loan such as a HUD FHA 203(k) Loan. This includes self-help housing Mortgage Assistance, except that CalHome program permanent financing may be disbursed at time of lot purchase where the self-help housing is being financed under the USDA-RHS 502 program.
- (b) Homebuyer Education, which will be reimbursed in the form of a Grant from the Department to the Recipient in an amount not to exceed the maximum published in the current NOFA.
- (c) Non-recurring Loan closing costs.
- (d) A CalHome program Loan-processing ADF not to exceed the maximum amount published in the current NOFA will be reimbursed in the form of a Grant from the Department to the Recipient.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b), HSC.

Section 7730. Administration requirements.

The Recipient of CalHome program funds to operate a local Mortgage Assistance program shall be responsible for the following activities:

- (a) Providing information and assistance to First-Time Homebuyers on obtaining maximum amount of first Mortgage Financing pursuant to the underwriting requirements in Section 7731;
- (b) Reviewing CalHome program required appraisals for property eligibility under value limits established pursuant to Section 7731(b)(3). The appraised value shall not exceed these limits;
- (c) In the case of acquisition of existing housing, the Recipient shall be responsible for inspection of properties to be purchased or a review of Uniform Residential Appraisal Reports, including the Valuation Conditions, to ensure that they conform to the requirements of State Housing Law (California HSC, Section 17910 et seq.);
- (d) Ensuring completion by each assisted Household of a Homebuyer Education class that meets the requirements of Section 7722; and
- (e) Originating, underwriting, packaging and closing CalHome program Loans in accordance with program requirements.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Section 7731. Underwriting requirements.

- (a) CalHome program Recipients shall develop and employ Mortgage Assistance Program Underwriting Guidelines that have been submitted to and approved by the Department as addressing the following underwriting topics:
 - (1) Establish Front- and Back-End Ratios used to qualify the Borrower;
 - (2) What criteria will be used to determine the credit worthiness of the Borrower;
 - (3) Requirements for the first Mortgage:
 - (A) Borrower shall obtain the maximum first lien mortgage Loan with a term and interest rate from a Mortgage Lender consistent with Affordable housing costs as defined in each program's guidelines.
 - (B) Mortgage Loans shall not include provisions for negative amortization, principal increases, balloon payments or deferred interest.

- (4) Financing subordinate to the CalHome program Loan:
 - (A) Fees and/or charges for subordinate financing shall be reasonable Loan origination fees for first Mortgage Financing as determined by the Department to be consistent with industry standards;
 - (B) There must not be a balloon payment due before the maturity date of the CalHome program Loan;
 - (C) All subordinate financing provided shall defer principal and interest payments for the term of the CalHome program Loan;
- (b) Prior to close of escrow, the Recipient shall ensure that an appraisal has been obtained which meets the following requirements:
 - (1) The appraisal shall be prepared by a state-licensed, residential property appraiser;
 - (2) The appraisal shall use the sales of comparable properties approach to determine value; and
 - (3) Maximum appraised home values at time of purchase or upon completion of acquisition/Rehabilitation work shall not exceed the appraised value limit established by the Department and published in the NOFA.
- (c) Cash out of escrow to Borrowers are limited to the amount deposited into escrow by the Borrowers and not needed for any lender-required minimum down-payment.
- (d) Recipients must obtain title insurance in the amount of the CalHome program Loan at close of escrow.
- (e) Fire insurance (and flood insurance where applicable) requirements are as follows:
 - (1) Recipient must require Borrowers to maintain insurance on the property in an amount at least equal to the replacement value of the improvements; and
 - (2) Recipient must be named as additional loss payee on the policy.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Article 5. Owner-Occupied Rehabilitation Programs.

Section 7732. Eligibility requirements.

In addition to the requirements of Section 7717, to be eligible to apply for CalHome program assistance for an Owner-Occupied Rehabilitation Program, the Applicant or its Administrative Subcontractor shall have successfully administered a local Owner-Occupied Rehabilitation Program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.4 and 50650.7, HSC.

Section 7733. Eligible costs.

CalHome program funds in support of an Owner-Occupied Rehabilitation program shall be used only for the following costs:

- (a) Cost of Rehabilitation of the property, as defined in Section 7716(zz).
- (b) Cost of building permits and other related government fees.
- (c) Cost of an appraisal, architectural, engineering, and other consultant services that are directly related to the Rehabilitation of the property.
- (d) Non-recurring Loan closing costs.
- (e) Replacement cost of a manufactured home not on a permanent foundation up to the maximum amount published in the current NOFA in the case where it has been determined by the Recipient it is infeasible to rehabilitate the home.
- (f) A CalHome program ADF in an amount not to exceed the maximum amount published in the current NOFA per Assisted Unit will be reimbursed in the form of a Grant from the Department to the Recipient.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b) and 50650.7, HSC.

Section 7734. Administration requirements.

The Recipient of CalHome program funds for the operation of a local Owner-Occupied Rehabilitation Program shall be responsible for the following activities:

- (a) Reviewing CalHome program required After-Rehabilitation appraisals for property eligibility under value limits established in the current published NOFA;
- (b) Originating, underwriting, packaging and closing CalHome program Loans in accordance with program requirements; and

- (c) Completion of Rehabilitation construction requirements pursuant to the Owner-Occupied Rehabilitation Program Guidelines required by Section 7735(a):

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Section 7735. Underwriting and construction requirements.

- (a) CalHome program Recipients shall develop and employ Owner-Occupied Rehabilitation Program Guidelines submitted to and approved by the Department as addressing the following topics:
 - (1) Owner-Occupied Rehabilitation underwriting guidelines including Borrower credit requirements; and
 - (2) Rehabilitation construction requirements.
- (b) Prior to commencement of Rehabilitation work, an appraisal shall be obtained with the following requirements:
 - (1) The appraisal may be prepared by Recipient's staff using the sales of comparable properties approach to determine value. If comparable sales are not available, the appraisal shall be prepared by a state-licensed, residential property appraiser;
 - (2) The appraisal shall take into consideration the estimated value of the Rehabilitation work to be completed on the property and shall include the pre-rehabilitated value and the After-Rehabilitated Value; and
 - (3) An appraisal is not required in the case of Rehabilitation work on a manufactured home not on a permanent foundation.
- (c) Any cash out of escrow to Borrowers is prohibited.
- (d) Recipients must obtain title insurance in the amount of the CalHome program Loan at close of escrow.
- (e) Fire insurance (and flood insurance where applicable) requirements are as follows:
 - (1) Recipient must require Borrowers to maintain insurance on the property in an amount at least equal to the replacement value of the improvements; and
 - (2) Recipient must be named as additional loss payee on the policy.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Article 6. Self-Help Technical Assistance projects.

Section 7736. Eligibility requirements.

In addition to the requirements of Section 7717, to be eligible to apply for CalHome program assistance for a Self-Help Technical Assistance project, the Applicant shall meet the criteria set forth in the CCR, Title 25, Division 1, Chapter 7, Subchapter 6.5, Article 1, Section 7532 "Eligible Sponsors", and have successfully completed a minimum of two self-help, new construction projects within the four years immediately preceding the application.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7737. Eligible costs.

CalHome program funds in support of a Self-Help Technical Assistance project shall be used only for the following costs:

- (a) Costs for assistance, training and supervision on Self-Help Construction activities and techniques;
- (b) Homebuyer Education, which will be reimbursed in the form of a Grant from the Department to the Recipient in an amount not to exceed the maximum published in the current NOFA;
- (c) Costs of assistance provided in project development which includes, but is not limited to, the preparation of contracts for professional services, application for project funding, packaging Households' applications for assistance, preparation of subdivision maps, review of engineering plans and specifications for construction and Rehabilitation projects and compliance with appropriate requirements of funding agencies and local government;
- (d) Administrative costs of providing Technical Assistance for the project funded by the Department including, but not limited to, wages, salaries and fringe benefits of clerical and management personnel and payment for rent, utilities, communications, printing and travel expenses.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), HSC.

Section 7738. Administration requirements:

- (a) The Recipient shall develop and employ Self-Help Technical Assistance Program Guidelines submitted to and approved by the Department as addressing the following topics:
 - (1) Program Marketing
 - (2) Recruitment of Homebuyers and selection criteria

- (3) Income limits for participation and income determination procedures
- (4) Criteria for Homebuyer participation in the program including:
 - (A) Residency requirements
 - (B) Credit requirements
 - (C) Process of providing reasonable accommodations to persons with a disability
- (5) List of activities to be performed by self-help participants
- (6) Construction training plan
- (7) Homeownership training plan
- (b) A home assisted with Self-Help Technical Assistance shall not be sold at a price that exceeds its appraised value;
- (c) Prior to the disbursement of an advance, not to exceed 25 percent of the total Grant amount, the Recipient must submit a certification that the Recipient does not have available funds to initiate the project.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), HSC.

Article 7. Shared Housing programs.

Section 7739. Eligibility requirements.

In addition to the requirements of Section 7717, to be eligible to apply for CalHome program assistance for a Shared Housing program, the Applicant or its Administrative Subcontractor shall have successfully administered a shared housing program for renters or Homeowners for a minimum of two years immediately preceding the application.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7740. Eligible Costs.

CalHome program Shared Housing Technical Assistance funds shall be used only for the following costs:

- (a) Indirect costs of administering a Shared Housing Local Program, including the costs of providing information and referrals; outreach/marketing costs; program evaluation; and CalHome program reporting requirements; and/or

- (b) Costs of direct services, including Shared Housing Matching, documentation of match efforts, and match follow-up services.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), HSC.

Section 7741. Administration requirements.

- (a) A Shared Housing Technical Assistance Local Program shall, at a minimum, include the following features:
 - (1) Information regarding services available, procedures and program requirements, which shall be provided to all individuals requesting assistance;
 - (2) Outreach and marketing activities shall be conducted to reach both potential Homeowner Providers and potential Seekers and provide information about the availability, purpose and requirements of Shared Housing Match services;
 - (3) Program evaluations shall be obtained from clients (Homeowner Providers and Seekers) by the Shared Housing Technical Services provider to be used as a basis for assessment and improvement of services provided to clients;
 - (4) All services required to affect a Shared Housing Match between a Low-Income qualified Homeowner Provider and a Seeker, which must include at minimum, intake forms/applications, face-to-face interviews between Homeowner Providers/Seekers and Shared Housing agency staff, reference checks, and income determinations to determine Homeowner Provider eligibility;
 - (5) Documentation of a minimum 10 percent reduction in housing costs (or increased income) for Homeowner Providers, except in instances where a Homeowner Provider is age 60 or over or disabled and the Seeker (renter) will be providing services to the Homeowner Provider. In cases that do not meet this requirement, the Recipient shall provide written justification; and
 - (6) Match follow-up services to determine Match satisfaction and to help clients maintain a successful Shared Housing Match.
- (b) A Seeker may not be matched to a Homeowner Provider who rents out more than two rooms in their home.
- (c) The aggregate annual CalHome program reimbursement cannot exceed 50 percent of the Locality's or Nonprofit Corporation's annual budget for their Shared Housing Match Local Program.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Article 8. ADU/JADU Programs.

Section 7742. Eligibility requirements.

In addition to the requirements of Section 7717, to be eligible to apply for CalHome program assistance for an ADU/JADU Program, the Applicant or its Administrative Subcontractor shall have successfully administered a local Owner-Occupied Rehabilitation Program, new construction development involving multiple Homeownership units (including single-family subdivisions), or an ADU/JADU Program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.4 and 50650.7, HSC.

Section 7743. Eligible costs.

CalHome program funds in support of an ADU/JADU Program shall be used only for the following costs:

- (a) Cost of construction, reconstruction, repair, conversion or rehabilitation.
- (b) Cost of structural modifications to the existing home necessary to accommodate an ADU or a JADU.
- (c) Cost of building permits and other related government fees, including all fees necessary to build and occupy an ADU or a JADU.
- (d) Cost of an appraisal, architectural, engineering, and other consultant services that are directly related to the construction.
- (e) Non-recurring Loan closing costs.
- (f) A CalHome program ADF in an amount not to exceed the maximum amount published in the current NOFA per Assisted Unit will be reimbursed in the form of a Grant from the Department to the Recipient.

NOTE: Authority cited: Sections 50406(n), 50650.2, HSC. Reference: 50650.3 and 50650.7, HSC.

Section 7744. Administration Requirements.

The Recipient of CalHome program funds for the operation of a local ADU/JADU Program shall be responsible for the following activities:

- (a) Originating, underwriting, packaging and closing CalHome program Loans in accordance with program requirements; and

- (b) Completion of construction requirements pursuant to Section 7745(a) of these guidelines.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b) and 50650.7, HSC.

Section 7745. Underwriting and construction requirements.

- (a) Recipients shall develop and employ ADU/JADU Program Guidelines submitted to and approved by the Department as addressing the following topics:
 - (1) ADU and/or JADU underwriting guidelines, including Borrower credit requirements;
 - (2) ADU and/or JADU construction requirements; and
 - (3) ADU and/or JADU site standards required by local jurisdictions.
- (b) Recipients must obtain title insurance in the amount of the CalHome program Loan at close of escrow.
- (c) Fire insurance (and flood insurance where applicable) requirements are as follows:
 - (1) Recipient must require Borrowers to maintain insurance on the property in an amount at least equal to the replacement value of the improvements; and
 - (2) Recipient must be named as additional loss payee on the policy.
- (d) Recipients shall set a minimum tenancy of 30 days and shall not use this program for short-term rentals.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b) and 50650.7, HSC.

Article 9. Development Loan requirements

Section 7746. Eligibility requirements.

In addition to the requirements of Section 7717, to be eligible to apply for a development Loan, an Applicant shall have successfully developed a minimum of two similar projects within the last four years, and the Applicant shall have staff that will be committed to the proposed project that possess the knowledge, skills and ability to perform the tasks required in a Homeownership Development Project.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7747. Eligible costs.

CalHome program funds in support of a development project shall be used only for the following costs:

- (a) Purchase of real property;
- (b) Building permits and state and local fees;
- (c) Predevelopment Costs directly related to eligible housing development, including ADUs and JADUs;
- (d) Onsite improvements related to eligible housing development (within the boundaries of the subdivision or individual parcels for scattered site developments);
- (e) Carrying costs during construction, including insurance, construction financing fees and interest, taxes, and any other expenses necessary to hold the property while the eligible housing development, including ADUs and JADUs, is under construction;
- (f) Escrow, title insurance, recording and other related costs;
- (g) Costs for items intended to assure the completion of construction, such as contractor bond premiums;
- (h) Environmental hazard reports, surveys, and investigations;
- (i) Payoff of bridge Loan financing for site acquisition which has a term of 36 months or less; and
- (j) Attorney fees directly associated with activities related to units funded by the CalHome program.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b), HSC.

Section 7748. Site Control.

To be eligible to apply for a Homeownership Development Project Loan, the Applicant shall have Site Control of the proposed project property through the application award date listed in the NOFA, as evidenced by one of the following:

- (a) Fee simple title;
- (b) An enforceable option to purchase, which shall extend, or may be extended, for a minimum of 120 days beyond the deadline for application submittal;
- (c) A disposition and development agreement with a public agency;
- (d) A sales contract, or other enforceable agreement for the acquisition of the property;
- (e) A leasehold interest, or an enforceable option to lease. The option to lease shall extend for a minimum of 120 days beyond the deadline for application submittal. The leasehold term must be for a minimum of 40 years. The leasehold must have provisions that enable the lessee(s) to make improvements on and encumber the property for a term sufficient to secure the CalHome program lien; or
- (f) Other forms of Site Control that give the Department equivalent assurance that the project will be able to proceed without inordinate delay.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), HSC.

Section 7749. Maximum development Loan amount.

The maximum project development Loan amount shall be published in the current NOFA.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Section 7750. Development Loan terms.

- (a) All CalHome program development Loans shall be secured by the project real property and improvements, subject only to liens, encumbrances and other matters of record which have been reviewed and approved by the Department on a case-by-case basis.
- (b) The development Loan term shall end no later than the date specified in the Standard Agreement.
- (c) Principal and interest payments shall be deferred for the term of the development Loan.

- (d) Development Loans shall be repayable at permanent closings of the individual Homebuyer CalHome program Loans or at the development Loan maturity date, whichever occurs first. The portion of development Loan repayments that are used to provide Mortgage Assistance to qualified First-Time Homebuyers will be converted to a Grant to the Recipient. The balance of the development Loan will be repaid to the Department.
- (e) Development Loans shall bear interest at the rate of 6 percent simple interest per annum. The Department may forgive accrued interest on a pro rata basis to the extent that the number of Lower-Income Households and disaster-affected Moderate-Income Households originally proposed to be served, have been served upon completion of the project.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.3(b) and 50650.7, HSC.

Section 7751. Development Loan-to-Value Limits.

Loan-to-Value limits include all liens recorded or to be recorded on the project property.

- (a) When development Loan funds are used for the purchase of unimproved real property, the Loan-to-Value Ratio shall not exceed 100 percent of the unimproved appraised value.
- (b) When development Loan funds are used for the purchase of improved real property, the Loan-to-Value Ratio shall not exceed 100 percent of the improved appraised value.
- (c) When development Loan funds are used for predevelopment or site improvement costs, the Loan-to-Value Ratio shall not exceed 100 percent of the appraised land value, plus predevelopment and/or site improvements costs.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b) and 50650.7, HSC.

Section 7752. Development requirements.

- (a) Prior to disbursement of development Loan proceeds:
 - (1) The Developer Borrower shall be the sole owner of the development site or upon close of purchase escrow when CalHome program funds are being used for site acquisition;
 - (2) The Developer Borrower shall have a firm financing commitment(s) for all costs to complete the development;

- (3) The Department shall have approved a final construction budget that ensures that the estimated sales price of the homes to be constructed:
 - (i) Do not exceed the limits established in the NOFA; and
 - (ii) Can reasonably be expected to be Affordable to eligible buyers; and
 - (4) The Developer Borrower shall have met all other Department conditions for disbursement as stated in the Standard Agreement required by Section 7756(a).
- (b) A home assisted with a development Loan shall not be sold at a price that exceeds its appraised value.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3(b), 50650.4 and 50650.7, HSC.

Article 10. Application procedures

Section 7753. Application process.

- (a) The Department shall periodically issue a NOFA that specifies, among other things, the amount of funds available, the minimum/maximum application amount, the minimum/maximum activity amount, minimum/maximum amount per Assisted Unit, the Maximum Sales Price/Value Limit which will represent 100 percent of the current local median sales price of a single family home, minimum number of units per Homeownership Development Project, application requirements, the activities eligible for funding, the number of activities that may be applied for in one application, the allocation of rating points, the deadline for submittal of applications, the schedule for rating and ranking applications and awarding funds, and the general terms and conditions of funding commitments.
- (b) In order to implement goals and purposes of the CalHome program, the Department may adopt measures to direct funding awards to designated Local Program types or project types including, but not limited to Local Programs or projects that: are utilizing self-help labor; are utilizing Volunteer Labor; involve a Construction Skills Training Program; contribute toward Community Revitalization; are located in Rural Areas or other areas to achieve a reasonable geographic distribution of funding, to the extent feasible; or are located in a geographic area subject to a presidential declaration of disaster or emergency, or a "state of emergency", or a "local emergency", as those terms are defined in GC Section 8558. Such measures may include, but are not limited to:
 - (1) Issuing a separate NOFA for designated Local Program or project types;

- (2) Awarding bonus points to designated Local Program or project types within a particular NOFA;
- (3) Reserving a portion of funds in the NOFA for designated Local Program or project types; and/or
- (4) Notwithstanding anything in these guidelines to the contrary, a separate NOFA issued pursuant to this subsection may establish an over-the-counter application process meaning the Department continuously accepts and rates applications until the funding available under the NOFA is exhausted. At a minimum, a separate NOFA shall include a description of the application process and funding conditions, shall require compliance with paragraph (a) of this Section, and shall establish minimum funding threshold criteria based on the rating criteria set forth in subdivision 7755.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.7, HSC.

Section 7754. Application requirements.

Application shall be made in a format provided by the Department. The Department shall request the following information:

- (a) Applicant identification information including: name, address, telephone number, contact person and, for Nonprofit Corporations, corporate governing documents and financial information (e.g., articles and by laws, certificate of good standing, confirmation of 501(c)(3) status, audited financial statements), and list of legislative representatives for the area where the program or project will be undertaken.
- (b) Governing board resolution which legally authorizes the application and conforms to the Department's requirements.
- (c) Documentation evidencing that the Applicant: has the authority to undertake the activities applied for; that it meets the eligibility requirements; that it does not have any unresolved Department audit findings nor pending lawsuits; that if the application is for a construction project, Construction Work has not yet begun; and that it agrees to comply with all program requirements.
- (d) Project or program description including amount applied for, number of units or Households to be assisted, income levels of Households to be assisted, description of prior experience with the type of program or project applied for, geographic location of the activities, financing sources and uses, and description of any contributed labor.
- (e) For development projects, the description of the project also shall include: a description of how the Applicant has Site Control; the status of all local government approvals; availability of on and off site improvements and utilities; soil condition and environmental conditions; project costs; unit

description in terms of size, number of bedrooms; per unit construction cost; estimated sales price and sources of financing; estimated Monthly Housing Costs of purchasers; and description of the Homebuyer Education program.

- (f) A description of how the Applicant will comply with the requirements for Local Program/project administration set forth in Section 7721 applicable to the program or project being applied for.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.7, HSC.

Section 7755. Selection criteria.

- (a) Applications shall not be considered for funding unless the application is received by the deadline as stated in the NOFA and demonstrates that all of the following conditions exist:
 - (1) The application contains all of the information required by Section 7754 and contains sufficient information to allow the Department to apply the rating factors set forth in subsection (b) of this Section;
 - (2) The Applicant is eligible;
 - (3) The Applicant proposes an eligible activity;
 - (4) The Applicant proposes an eligible use of the funds;
 - (5) The Applicant does not have any unresolved audit findings or unresolved compliance issues for prior Department or federally funded housing or community development projects or programs;
 - (6) The Applicant has no pending lawsuits that would impact implementation of the program or project for which funding is being requested;
 - (7) If the application is for a development project, construction on the project has not yet begun; and
 - (8) The proposed program or project is consistent with any special terms and conditions of the NOFA (e.g., maximum amounts for downpayment assistance, sales price, development Loan).
- (b) Each application considered for funding shall be rated using the following criteria and maximum possible rating points. The maximum points an application may receive shall not exceed 100 points. Applications must receive a minimum of 55 points to be considered for funding.
 - (1) Capability to operate the local the proposed program, administer and conduct the Self-Help Technical Assistance project, or develop the type

of Homeownership project proposed in the application as follows (up to 40 points):

- (A) Prior experience with administration/implementation of the type of program proposed in the application; or
 - (B) Prior experience in developing the type of Homeownership Development Project or Self-Help Technical Assistance Homeownership project as proposed in the application; and
 - (C) Prior experience with Loan servicing or a plan to provide Loan servicing/management capabilities.
- (1) Community need in a geographic area of the proposed Local Program or project will be based on one or more of the following factors (up to 15 points): the percentage of renter Households that are low income, the percent of renter Households occupying overcrowded housing, the rental vacancy rate, the age of the housing stock, the percentage of Homeowner Households who are in poverty, the percentage of Homeowner Households who are low income, and the percent of Homeowner Households occupying overcrowded housing, as reported in U.S. Census Bureau data; and housing affordability in the geographic area. The specific community need factors that will apply to each activity will be calculated by the Department annually and identified in the NOFA.
- (3) Feasibility of the proposed activity as demonstrated by the following (up to 25 points):
- (A) For applications proposing Mortgage Assistance programs, feasibility will be determined by one or more of the following market indicators in the proposed geographic service area: the affordability of Homeownership relative to renting, as reported in U.S. Census Bureau data; and the availability of affordable homes for sale relative to the proposed amount of lending activity. The specific feasibility indicators that will apply to this activity will be identified in the NOFA;
 - (B) For applications proposing Owner-Occupied Rehabilitation, feasibility will be determined by one or more of the following market indicators in the proposed geographic service area: the age of the housing stock and the percent of Homeowner Households occupying overcrowded housing, as reported in U.S. Census Bureau data; and the Applicant's proposed marketing plan. The specific feasibility indicators that will apply to this activity will be identified in the NOFA;
 - (C) For applications for proposing Shared Housing programs, feasibility will be determined by one or more of the following market indicators in the proposed geographic service area: the

incidence of severe cost burden for renters, and the rental vacancy rate, as reported in U.S. Census Bureau data. The specific feasibility indicators that will apply to this activity will be identified in the NOFA;

- (D) For applications proposing a Homeownership Development Project, Self-Help Technical Assistance Homeownership project, or ADU/JADU Programs:
 - (i) The readiness of the project development to proceed as evidenced by the status of local government approvals, project financing commitments, and resolution to impediments to development; and
 - (ii) Evidence of ability to serve Low- and Very Low-Income Households pursuant to the Mortgage Assistance underwriting requirements stated in Section 7731, as evidenced by the development budget and proposed unit sales prices; and
 - (iii) The affordability of Homeownership relative to renting, as reported in U.S. Census Bureau data.
- (4) Contributes to Community Revitalization as defined in Section 7716(l), meets a legislatively mandated priority for funds allocated to the CalHome program, or develops a Rehabilitation Program that addresses climate adaptation or resiliency consistent with the Hazard Mitigation Plan or the Safety Element of the General Plan adopted by the jurisdiction in which the program will be offered. (up to 10 points)
- (5) Volunteer Labor, Self-Help Labor or Youth Construction Skills Training Program (up to 10 points)

Applications applying for Homeownership Development Projects, Self-Help Technical Assistance Homeownership projects, or a Mortgage Assistance Local Program for new construction housing or acquisition with substantial rehabilitation when the Recipient is acquiring and substantially rehabilitating properties for sale to First-Time Homebuyers, will receive up to 10 points to the extent that they are utilizing:

- (A) Volunteer or Self-Help Construction labor, where a minimum of 500 hours of on-site construction labor per Assisted Unit is provided; or
- (B) Labor provided by youth participating in a Construction Skills Training Program, where a minimum of 500 hours of on-site construction labor per Assisted Unit is provided. The 500 hours

of construction training labor must be provided by the 16- to 24-year old program participants; or

- (D) Minimum 15 percent of units include an ADU or a JADU.
- (E) Homeownership development projects are located in a High Resource or Highest Resource area, as identified on the TCAC/HCD Opportunity Area Map.

- (c) Performance Penalty (up to 5 points)

A deduction to the total score may be applied for failure to meet CalHome program Performance Goals pursuant to Section 7759.

- (d) Applicants will be subject to the appeal process as detailed in the NOFA.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.3, 50650.4 and 50650.7, HSC.

Article 11. Program operations

Section 7756. Legal documents.

- (a) Upon the award of funds, the Department shall enter into a Standard Agreement with the Recipient constituting a conditional commitment of funds. This contract shall require the parties to comply with the requirements and provisions of these guidelines. The Standard Agreement shall encumber State monies in an amount sufficient to fund the approved Local Program or project, subject to limits established in the NOFA and consistent with the application. The Standard Agreement shall contain, but not be limited to, the following as appropriate for the activity. In the case of a Self-Help Technical Assistance award, the Department shall enter into a Technical Assistance Standard Agreement (TASA) pursuant to CCR Title 25, Division 1, Chapter 7, Subchapter 6.5, Article 3, Section 7554. Where that section and the following deviate, the aforementioned Section 7554 takes precedence.
 - (1) A description of the approved Local Program or project and the permitted uses of CalHome program funds;
 - (2) Provisions governing the amount, terms and conditions of the Department's development Loan or Grant to the Recipient;
 - (3) For Homeownership Development Projects, provisions governing the Construction Work and, as applicable, the acquisition of the project site, and the disbursement of Loan proceeds;
 - (4) For Self-Help Technical Assistance projects, a budget and a timetable for completion of the project;

- (5) Requirements for the execution, and where appropriate, the recordation of the agreements and documents required under the CalHome program ;
 - (6) For a Local Program or project, the Recipient's responsibilities for operation of the Local Program or completion of the project, including, but not limited to, number of units to be assisted, marketing, CalHome program Loan processing and funding, construction monitoring and disbursement, report submissions, file documentation;
 - (7) For a Homeownership Development Project, the Recipient's responsibilities for the development of the project, including, but not limited to, number of units to be assisted, marketing, processing of individual Homebuyer CalHome program Loans, expiration date, report submissions, file documentation;
 - (8) Manner, timing and conditions for disbursement of CalHome program or project funds to Recipients;
 - (9) Provisions relating to the placement on or in the vicinity of the Homeownership Development Project site, a sign indicating that the Department has provided financing for the project. The Department may also arrange for publicity of the Department CalHome program Homeownership Development Loan in its sole discretion;
 - (10) Remedies available to the Department in the event of a violation, breach or default of the Standard Agreement;
 - (11) Requirements that the Recipient permit the Department or its designated agents and employees the right to inspect the project or Local Program and all books, records and documents maintained by the Recipient in connection with the Local Program or Self-Help Technical Assistance project Grant or development Loan or Local Program individual CalHome program Loans;
 - (12) Special conditions imposed on a case-by-case basis as part of Department approval of the Local Program or project;
 - (13) Terms and conditions required by federal or state law; and
 - (14) Other provisions necessary to ensure compliance with the requirements of the CalHome program.
- (b) Prior to the disbursement of funds, the Department shall enter into a 20-year Monitoring Agreement with the Recipient requiring the parties to comply with the requirements and provisions of Section 7724 regarding a Reuse Account

established pursuant to the CalHome program legislation. The Monitoring Agreement shall contain, but not be limited to, the following:

- (1) Requirements regarding the establishment of a Reuse Account for the deposit of CalHome program Loan repayments, including interest and principal, and the requirements for disbursement of funds from the Reuse Account;
 - (2) The plan for servicing of the CalHome program Loans as prepared by the Recipient and reviewed and approved by the Department;
 - (3) The plan for the reuse of CalHome program funds;
 - (4) Requirements for submittal of an annual report;
 - (5) Remedies available to the Department in the event of a violation, breach or default of the Monitoring Agreement;
 - (6) Requirements that the Recipient permit the Department or its designated agents and employees the right to inspect the Local Program or project and all books, records and documents maintained by the Recipient in connection with the Reuse Account and long-term Loan servicing; and
 - (7) Other provisions necessary to ensure compliance with the requirements of the CalHome program.
- (c) All Homeowner/Homebuyer CalHome program Loans originated by a Recipient shall be evidenced by the following documents and provisions:
- (1) A promissory note evidencing the CalHome program Loan, payable to the Recipient in the principal amount of the CalHome program Loan and stating the terms and rate of interest of the CalHome program Loan consistent with the requirements of the CalHome program. The Recipient is prohibited from assigning their beneficial interest under the note. The note shall be secured by a deed of trust, or other appropriate security instrument acceptable to the Department, on the Homeowner/Homebuyer property naming the Recipient as beneficiary. This deed of trust or other appropriate security instrument shall be recorded and shall secure the Recipient's financial interest in the project.
 - (2) In the case of Homeowner Rehabilitation CalHome program Loans, a Loan agreement between the Homeowner and the Recipient governing the Rehabilitation and the CalHome program Loan terms. The terms of any other financing provided by the Recipient should also be included.

- (d) Development Loan legal documents shall include, but not be limited to:
 - (1) A promissory note evidencing the Loan, payable to the Department in the principal amount of the Loan and stating the terms of the Loan consistent with the requirements of the CalHome program. The note shall be secured by a deed of trust on the project property naming the Department as beneficiary. This deed of trust shall be recorded junior only to such liens, encumbrances and other matters of record approved by the Department and shall secure the Department's financial interest in the project and the performance of the Developer Borrower's program obligations;
 - (2) A development agreement between the Department and the Developer Borrower for not less than the term of the development Loan.
- (e) Self-Help Technical Assistance Grant legal documents shall include, but not be limited to, an agreement between the Recipient and self-help participants which clearly sets forth what is expected of each party and which clearly shows what work is expected of the participating Household.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.2, 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7757. Disbursement of Loan and Grant funds.

- (a) CalHome program funds shall be disbursed on an advance basis. Details of the process for advance disbursements will be published in the current NOFA and shall be included in all Standard Agreements. Advances may include, but are not limited to:
 - (1) Homeownership project development Loan disbursements;
 - (2) Advances of up to 25 percent of the award for self-help and Shared Housing Technical Assistance;
 - (3) Advances for Owner-Occupied Rehabilitation Programs up to the amount of the Recipient's anticipated volume of closed Loans for the following 60 days; or
 - (4) Advances to escrow for Mortgage Assistance Loans.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.2, 50650.3(b), 50650.4 and 50650.7, HSC.

Section 7758. Reporting requirements.

- (a) During the term of the Standard Agreement, and no later than 30 days after the end of each calendar quarter, the Recipient shall submit to the Department a performance report which shall address the following topics;

- (1) Description of current status of program activity, including number of units assisted,
 - (2) Description of activities to be undertaken in the next reporting period,
 - (3) Description of problems or delays encountered in program implementation, and course of action taken to address them,
 - (4) Description of actions taken to achieve program expenditure deadlines,
 - (5) Summary of program fiscal status, including:
 - (A) Award amount
 - (B) Funds drawn
 - (C) Remaining balance
- (b) During the term of the Standard Agreement and Monitoring Agreement, no later than 30 days after June 30th of each year, the Recipient shall submit to the Department an annual performance which shall address the following topics:
- (1) Number of units assisted with CalHome program Loans by program activity type,
 - (2) Amount of CalHome program funds spent on CalHome program eligible activities by category,
 - (3) Summary of fiscal status for the reporting period, including
 - (A) Award amount,
 - (B) Funds drawn as of June 30, and
 - (C) Remaining balance.
- (c) At any time during the term of the Standard Agreement or the Monitoring Agreement, the Department may perform or cause to be performed an independent financial audit of any and all phases of the Recipient's Local Program, Self-Help Technical Assistance project or Homeownership Development Project. At the Department's request, the Recipient shall provide, at its own expense, a financial audit prepared by a certified public accountant.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.2, 50650.3(b), and 50650.7, HSC.

Section 7759. Performance goals.

- (a) For all Local Program activities:
 - (1) 100 percent of funds shall be expended within 36 months of the date of the award of funds by the Department. If this goal is not met:
 - (A) The remaining unused funds may be disencumbered by the Department; and
 - (B) If less than 95 percent of the funds are expended at the end of the 36th month, the Recipient's next application for funding under the CalHome program may receive a penalty deduction in the total points awarded pursuant to the current NOFA.
- (b) For Homeownership Development Projects:
 - (1) The Recipient shall draw down CalHome program funds or begin onsite construction within 22 months of the award of funds by the Department. If this goal is not met the Department may disencumber all funds and cancel the Department commitment to the project; and
 - (2) Unit construction must be completed and CalHome program Mortgage Assistance Loans closed within 36 months of the award of funds by the Department. If the projected number of Assisted Units has not been achieved by the end of the 36th month, the Recipient's next application for funding under the CalHome program may receive a penalty deduction in the total points awarded pursuant to the current NOFA.
- (c) For Self-Help Technical Assistance Grants:
 - (1) The Recipient shall begin onsite construction within 12 months of the award of funds by the Department. If this goal is not met the Department may disencumber all funds and cancel the Department commitment to the project; and
 - (2) Unit construction shall be completed within 36 months of the award of funds by the Department. If this goal is not met, then:
 - (A) The remaining unused funds may be disencumbered by the Department; and
 - (B) If the projected number of Assisted Units has not been completed by the end of the 36th month, the Recipient's next application for funding under the CalHome program may receive a penalty deduction in the total points awarded pursuant to Section 7755.

- (d) The Department may exercise its reasonable discretion to disencumber funds discussed under this provision or to Grant an extension of time; provided however that any extensions are in all events subject to any and all applicable encumbrances, deadlines, and limitations, including but not limited to HSC 54006(g).

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.2 and 50650.7, HSC.

Section 7760. Defaults and Loan cancellations.

- (a) Funding commitments may be canceled by the Department under any of the following conditions:
 - (1) The objectives and requirements of the CalHome program cannot be met;
 - (2) Implementation of the Local Program or project cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement; or
 - (3) Funding conditions have not been fulfilled within required time periods.
- (b) In the event of a breach or violation by the Recipient of any of the provisions of the Standard Agreement, the Development Agreement, the Homeownership project development Loan promissory note, or the Homeownership project development Loan deed of trust, or any other agreement pertaining to the Homeownership Development Project, the Department may give written notice to the sponsor to cure the breach or violation within a period of not less than 15 days. If the breach or violation is not cured to the satisfaction of the Department within the specified time period, the Department, at its option, may declare a default under the relevant document and may seek legal remedies for the default including the following:
 - (1) The Department may accelerate all amounts, including outstanding principal and interest, due under the Loan and demand immediate repayment thereof. Upon a failure to repay such accelerated amount in full, the Department may proceed with a foreclosure in accordance with the provisions of the deed of trust and state law regarding foreclosures;
 - (2) The Department 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 CalHome program requirements; and
 - (3) The Department may seek such other remedies as may be available under the relevant agreement or any law.

- (c) Upon receipt of a notice of intent to cancel the commitment from the Department, the Recipient shall have the right to appeal to the Director.

NOTE: Authority cited: Sections 50406(n) and 50650.2, HSC. Reference: 50650.2, 50650.3(b), and 50650.7, HSC.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE2020 W. El Camino Ave, Suite 670
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 263-2771 / FAX (916) 263-2763
www.hcd.ca.gov

November 27, 2019

MEMORANDUM FOR: POTENTIAL APPLICANTS *Seeger*

FROM: Jennifer Seeger, Acting Deputy Director
Division of Financial Assistance

SUBJECT: CalHome Program
Notice of Funding Availability

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of approximately \$57 million in state CalHome Program funds from the Affordable Housing Bond Act Trust Fund of 2018 to fund Local Public Agencies or Nonprofit Corporations for eligible activities within the CalHome program.

HCD will rate applications in accordance with Guidelines Section 7755, subd. (b). CalHome program funds will be allocated through a competitive process based on the merits of the application.

HCD will hold one workshop in Northern California, one workshop in Southern California, and a webinar to review the CalHome program 2019 Notice of Funding Availability (NOFA) and application. In addition, a recorded webinar will be posted on the CalHome program webpage. For the workshop dates, times, and locations, please go to HCD's website at <http://www.hcd.ca.gov/grants-funding/active-no-funding/calhome.shtml>. Please contact CalHomeNofa@hcd.ca.gov for registration.

HCD must receive one complete application and one electronic copy of the application on CD or flash drive no later than **5:00 P.M.** Pacific Standard Time on **January 27, 2020**. HCD will only accept applications through a postal carrier service such as the U.S. Postal Service, UPS, FedEx, or other carrier services that provide date stamp verification of delivery. **Personal deliveries will not be accepted.** Applications shall be mailed to:

California Department of Housing and Community Development
Division of Financial Assistance, NOFA Section
CalHome Program
2020 W. El Camino Ave, Suite 500.
Sacramento, CA 95833

To receive information on workshops and other updates, please subscribe to the CalHome listserv. [http://www.hcd.ca.gov/HCD_SSI/subscribe-form.html].

If you have any questions, please contact Lori Hermann, NOFA Program Manager, at (916) 263-1071 or CalHomeNOFA@hcd.ca.gov.

Attachment

CALHOME PROGRAM

2019 Notice of Funding Availability



**Gavin Newsom, Governor
State of California**

**Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency**

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

2020 W. El Camino Ave, Suite 500, Sacramento, CA 95833
Phone: (916) 263-2771

Website: <http://www.hcd.ca.gov/grants-funding/active-no-funding/calhome.shtml>

Email address: CalHomeNofa@hcd.ca.gov

November 27, 2019

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**CALHOME PROGRAM
NOTICE OF FUNDING AVAILABILITY**

I. Overview

A. Notice of Funding Availability

The California Department of Housing and Community Development (HCD) is pleased to announce that it is accepting applications for funds from the CalHome program. HCD is making approximately \$57 million available to fund Local Public Agencies or Nonprofit Corporations for the following activities within the CalHome program:

- First-Time Homebuyer Mortgage Assistance (including the purchase of a home with an Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU))
- Owner-Occupied Rehabilitation Assistance (including reconstruction and Rehabilitation of manufactured homes not on a permanent foundation, and construction, repair, reconstruction, or Rehabilitation of ADUs or JADUs)
- Technical Assistance for Self-Help Housing Projects
- Technical Assistance for Shared Housing Programs
- ADU/JADU Assistance (including construction, repair, reconstruction, or Rehabilitation of ADUs or JADUs)
- Homeownership Project Development Loans (including Predevelopment Costs and carrying costs during construction related to ADUs and JADUs)

NOFA release	November 27, 2019
Application due date	January 27, 2020 by 5:00 P.M.
Award announcements	May 2020

B. Authorizing legislation

This NOFA will be governed by CalHome Program Guidelines (the "Guidelines") available on HCD's website at [\(link\)](#). Accordingly, applications need to be completed pursuant to the requirements stated in the Guidelines. This NOFA is also subject to the requirements of the CalHome program authorized by Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety (H&S) Code.

II. Program requirements

The following is provided as a summary and is not to be considered a complete representation of the entirety of the eligibility, threshold, and other requirements or terms and conditions of the CalHome program. References should be made to all applicable statutes and guidelines, which shall in all events control.

A. Eligible Applicants

Table 1 – Eligibility Requirements for Local Public Agencies and Nonprofit Corporations

	Local Public Agencies	Nonprofit Corporation
Geographic Eligibility	A Local Public Agency shall only be eligible to apply for an award of CalHome funds for a Local Program or project located within its jurisdictional boundaries. A Local Public Agency may hire nonprofit and for-profit consultants located and/or registered within or outside its jurisdictional boundaries, including other counties within the state. Out-of-county consultants shall meet the same requirements as in-county consultants. Local Public Agencies may establish a consortium (provided there is a Memorandum of Understanding between the parties) with a single administrator. One Local Public Agency shall apply on behalf of other entities in a consortium and may serve all jurisdictions. (Guidelines Section 7717, subd. (a)(1)).	A Nonprofit Corporation shall only be eligible to apply for an award of CalHome funds for a program or project if it has developed a project or operated a housing program in California within the past two years, or if the Nonprofit Corporation has an existing 523 Self-Help Technical Assistance Grant Agreement with the United States Department of Agriculture (Guidelines Section 7717, subd. (a)(2)).
Mortgage Assistance Experience (required to apply for this activity)	Applicants or their Administrative Subcontractors shall have successfully administered a Homebuyer Education Program for a minimum of two years within the four years immediately preceding the application (Guidelines Section 7728).	
Housing Rehabilitation Experience (required to apply for this activity)	Applicants or their Administrative Subcontractors shall have successfully administered a local Owner-Occupied Rehabilitation Program for a minimum of two years within the four years immediately preceding the application (Guidelines Section 7732).	
Technical Assistance for Self-Help Housing Projects Experience (required to apply for this activity)	Applicants shall have successfully completed a minimum of two self-help new construction projects within the four years immediately preceding the application (Guidelines Section 7736).	
Technical Assistance for Shared Housing Program Experience (required to apply for this activity)	Applicants or their Administrative Subcontractors shall have successfully administered a Shared Housing program for renters or homeowners for a minimum of two years immediately preceding the application (Guidelines Section 7739).	

<p>Accessory Dwelling Units/Junior Accessory Dwelling Units Programs Experience (required to apply for this activity)</p>	<p>Applicants or their Administrative Subcontractors shall have successfully administered a local Owner-Occupied Rehabilitation Program, new construction development involving multiple Homeownership units (including single-family subdivisions), or an ADU/JADU program for a <u>minimum of two years within the four years immediately preceding the application</u> (Guidelines Section 7742).</p>
<p>Homeownership Project Development Experience (required to apply for this activity)</p>	<p>Applicants shall have successfully developed a <u>minimum of two similar projects within the last four years</u> and the Applicant shall have staff that will be committed to the proposed project that possess the knowledge, skills, and ability to perform the tasks required in a Homeownership Project Development (Guidelines Section 7746).</p>

Applicants (Guidelines Section 7716, subd. (h)) shall also demonstrate the following requirements, as applicable (Guidelines Section 7717, subd. (b)):

1. Local public agencies

- a. Sufficient organizational stability and capacity to administer the Local Programs and/or projects. This requirement may be satisfied through documents such as organizational charts, resumes, statements of qualifications, or other documentation, as specified in the application. If applicable, the Applicant shall also provide a Loan servicing plan.
- b. Sufficient organizational stability by demonstrating that the Applicant has operated as a housing developer or housing program administrator for a minimum of two years prior to the date of application. A Local Public Agency may subcontract with an Administrative Subcontractor to qualify toward the organizational stability and experience requirement.

2. Nonprofit corporations

- a. Sufficient organizational stability and capacity to administer the Local Programs and/or projects. This requirement may be satisfied through documents such as organizational charts, resumes, statements of qualifications, or other documentation, as specified in the application. If applicable, the Applicant shall also provide a Loan servicing plan.
- b. Sufficient organizational stability by demonstrating that the Applicant has operated as a housing developer or housing program administrator for a minimum of two years prior to the date of application.
- c. Proof that the Nonprofit Corporation is a corporation whose exempt purpose for the two years prior to the date of application included the activity for which it is applying.
- d. Proof that the Nonprofit Corporation is financially stable. Financial stability may be demonstrated through audited financial statements, or other documentation submitted with the application for funding.

Applicants that were previously awarded CalHome Grants shall submit all outstanding reports from the past two years to HCD by the application date. Failure to submit the reports by the application date will result in the Applicant being ineligible for a CalHome award under this NOFA (Guidelines Section 7717, subd. (c)).

B. Eligible activities

HCD is making CalHome funds available as Grants to eligible Local Public Agencies and Nonprofit Corporations for the following activities:

1. **First-Time Homebuyer Mortgage Assistance** (including the purchase of homes with ADUs or JADUs) (commencing with Guidelines Section 7728) for Loans to Households at or below 80 percent of Area Median Income (AMI) (H&S Code, Section 50052.5, subd. (b)), or at or below 120 percent of AMI for Households who were victims of a disaster (in compliance with H&S Code, Section 50650.3, subd. (a)).

CalHome funds, for the purposes of this activity, can only be used as gap financing (Guidelines Section 7725, subd. (a)(1)).

Homebuyer Education (Guidelines Section, 7729 subd. (b)) will be reimbursed in the form of a Grant from HCD to the Recipient in an amount not to exceed \$250 per assisted unit.

2. **Owner-Occupied Rehabilitation Assistance** (including repair, full reconstruction, or the addition of an ADU or JADU) (commencing with Guidelines Section 7732) for Loans to Households at or below 80 percent of AMI (in compliance with H&S Code, Section 50052.5, subd. (b)), or at or below 120 percent of AMI for Households who were victims of a disaster (in compliance with H&S Code, Section 50650.3, subd. (a)).

Manufactured Housing is also eligible, including replacement of a manufactured home, whether located in a Mobilehome Park or elsewhere (Guidelines Section 7716, subd. (s)(3) and Guidelines Section 7733, subd. (e)).

CalHome funds, for the purposes of this activity, can only be used as gap financing (Guidelines Section 7725, subd. (a)(2)).

3. **Technical Assistance for Self-Help Housing Projects** (commencing with Guidelines Section 7736) in which the Applicant organization will be directly providing the services required in Guidelines Section 7738.

Homebuyer Education (Guidelines Section 7729, subd. (b)) will be reimbursed in the form of a Grant from HCD to the Recipient in an amount not to exceed \$250 per assisted unit.

4. **Technical Assistance for Shared Housing Programs** (commencing with Guidelines Section 7739) to operators of Shared Housing Programs that will directly provide match services where the providers are homeowners who occupy their homes as their principal place of residence.

5. **ADU/JADU Programs** (commencing with Guidelines Section 7742) for Loans for ADU/JADU construction, reconstruction, repair, or Rehabilitation to Households at or below 80 percent of AMI (in compliance with H&S Code, Section 50052.5, subd. (b)) or at or below 120 percent of AMI for Households who were victims of a disaster (in compliance with H&S Code, Section 50650.3, subd. (a)).

CalHome funds, for the purposes of this activity, can only be used as gap financing (Guidelines Section 7725, subd. (a)(3)).

6. **Homeownership Project Development Loans** (Guidelines Section 7746) for conditional awards of development Loans to the Applicants to be used for land acquisition, Predevelopment Costs, and on-site improvements, including costs related to ADUs and JADUs (unit construction is not an eligible expense).

CalHome funds, for the purposes of this activity, can only be used as gap financing (Guidelines Section 7749).

Note: Proposed projects are ineligible to receive CalHome funds if construction work has begun or will begin prior to the date HCD executes the Standard Agreement with the Recipient and all conditions have been satisfied. Construction work includes grading, site preparation (with the exception of demolition or clearing properties), or site improvements intended for public dedication (Guideline Section 7718, subd. (c)).

C. Compliance requirements

Recipients funded pursuant to this NOFA shall meet the following requirements:

1. First-Time Homebuyer Mortgage Assistance

- a. Recipients shall comply with the Local Program administration requirements listed in Guidelines Section 7730.
- b. Recipients shall comply with the underwriting requirements listed in Guidelines Section 7731 and any other additional program requirements. Recipients may use the most recent median sales price, by county, posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. However, if prices have significantly changed, Recipients may request HCD approval to use different limits based on a local calculation of median values (Guidelines Section 7731, subd. (b)).

2. Owner-Occupied Rehabilitation Assistance

- a. All assisted units shall have After-Rehabilitation Values (Guidelines Section 7716, subd. (f)) at or below the current local median sales price of a single-family home (Guidelines Section 7734, subd. (a)). Recipients may use the most recent median sales price, by county, posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. However, if prices have significantly changed, Recipients may request HCD approval to use different limits based on a local calculation of median values (Guidelines Section 7735, subd. (b)).

- b. Recipients shall comply with the Local Program administration requirements listed in Guidelines Section 7734.
- c. Recipients shall comply with the underwriting and construction requirements listed in Guidelines Section 7735 and any other additional program requirements.

3. Technical Assistance for Self-Help Housing Projects

- a. Recipients shall comply with the Technical Assistance requirements listed in Guidelines Section 7738 and any other additional program requirements.

4. Technical Assistance for Shared Housing Programs

- a. Recipients shall comply with the program administration requirements listed in Guidelines Section 7741.

5. ADU/JADU Assistance

- a. Recipients shall comply with the Local Program administration requirements listed in Guidelines Section 7744 and any other additional program requirements.
- b. Recipients shall comply with the underwriting and construction requirements listed in Guidelines Section 7745 and any other additional program requirements.

6. Homeownership Project Development Loans

- a. Recipients shall comply with the Site Control requirements listed in Guidelines Section 7748.
- b. Recipients shall comply with the development requirements listed in Guidelines Section 7752 and any other additional program requirements. Recipients may use the most recent median sales price, by county, posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. However, if prices have significantly changed, Recipients may request HCD approval to use different limits based on a local calculation of median values (Guidelines Section 7731, subd. (b)).

D. Funding amounts and limits

1. **Minimum and Maximum Application Amounts.** The minimum application amount for any single activity or program (except if the activity or program is Technical Assistance for Self-Help Housing Projects or Technical Assistance for Shared Housing Programs) is \$500,000. The minimum application amount for any single activity or program (if the activity/program is Technical Assistance for Self-Help Housing Projects or Technical Assistance for Shared Housing Programs) is \$100,000. If applying for more than one activity, the minimum application amount for those activities is \$600,000.

The maximum application amount for one or more activities is \$5 million. If applying only for Technical Assistance for Self-Help Housing Projects, the maximum application amount is \$500,000. If applying only for Technical Assistance for Shared Housing Programs, the maximum application amount is \$300,000.

2. Minimum and maximum per-unit funding limits

a. **Per-unit funding limits: Loans**

The minimum CalHome Loan to a Borrower will be no less than \$1,000. For the purposes of this NOFA, the maximum CalHome Loan per-unit will be:

First-Time Homebuyer Assistance

The maximum Loan amount will be 20 percent of the Borrower's purchase price for the property, up to a maximum of \$100,000.

Owner-Occupied Rehabilitation Assistance

The maximum Loan amount will be \$75,000, except in the following case:

The maximum Loan amount will be \$125,000 if the home is in need of reconstruction (Guidelines Section 7716, subd. (zz)(2))

ADU/JADU Assistance

The maximum per-unit Loan amount for ADU construction will be \$100,000.

Homeownership Project Development

The maximum per-unit Loan amount for Homeownership Project Development Loans will be \$100,000. If an Applicant is applying to fund Homeownership Project Development with a Self-Help Housing Project, the Applicant may additionally apply for Technical Assistance of \$15,000 per-unit on top of the application amount requested for Homeownership Project Development.

b. **Funding limits: Grants**

The minimum CalHome Grant to a Borrower will be no less than \$1,000. For the purposes of this NOFA, the maximum CalHome Grant per-unit will be:

Technical Assistance for Self-Help Housing Projects

The maximum per-unit Grant amount will be \$15,000. All expenses should be documented.

Technical Assistance for Shared Housing Programs

The maximum activity amount for Self-Help Housing Programs is established in Section (D)(1) of this NOFA.

E. **Eligible uses of funds**

1. **Mortgage Assistance and Rehabilitation Loans to Eligible Households.** Funds provided to CalHome Recipients shall be used by individual Households (Guidelines Section 7720) at or below 80 percent of the AMI (H&S Code, Section 50052.5, subd. (b)), or at or below 120 percent of AMI for Households who were victims of a disaster at the time of the Loan application (in compliance with H&S Code, Section 50650.3, subd. (a)). AMI limits are updated annually and are available on HCD's website.

- a. Financial assistance provided to qualified individual homeowners for Mortgage Assistance and Rehabilitation, including repair, full reconstruction, or the addition of an ADU or a JADU, shall be in the form of deferred payment Loans, repayable upon the sale or transfer of the homes, when they cease to be owner-occupied, or upon the Loan maturity date, whichever occurs first (H&S Code, Section 50650.3, subd. (c)(1)). The Loan shall be up to a 30-year term (Guidelines Section 7726; subd. (c)(5-6)). The interest rate is set by the Recipient at up to 3 percent simple interest per annum (Guidelines Section 7726, subd. (d)). Borrowers (Guidelines Section 7716, subd. (k)) shall occupy units as their principal place of residence for the term of the Loan (Guidelines Section 7720, subd. (d)). Loans shall also be made in a manner consistent with the purposes described in Section II. B., Eligible Activities, as well as with the CalHome Guidelines and applicable statutes.

Recipients shall comply with the Homeowner/Homebuyer Loan-to-Value Limits for Mortgage Assistance and Owner-Occupied Rehabilitation CalHome program Loans defined in Guidelines Section 7727.

- b. Financial assistance provided to individual Households to rehabilitate, repair, or replace Manufactured Housing located in a Mobilehome Park and not permanently affixed to a foundation shall be in the form of a secured forgivable loan, which shall also be made in a manner consistent with the Guidelines and applicable Statutes (H&S Code, Section 50650.3; subd. (c) and Guideline 7733 subd. (e)).

Note: The Loan shall be due and payable in 20 years, with 10 percent of the original principal to be forgiven annually for each additional year beyond the 10th year that the home is owned and continuously occupied by the Borrower (H&S Code, Section 50650.3, subd. (c)).

2. **Technical Assistance for Self-Help Housing Projects.** Recipients shall comply with the eligible costs for Self-Help Technical Assistance defined in Guidelines Section 7737.
3. **Technical Assistance for Shared Housing.** Recipients shall comply with the eligible costs for Shared Housing Technical Assistance defined in Guidelines Section 7740.
4. **Homeownership Project Development Loans.** Homeownership Project Development Loans will be funded pursuant to the development Loan terms specified in Guidelines Section 7750. The portion of a development Loan, which is used to provide Mortgage Assistance to qualified First-Time Homebuyers, is converted to a Grant. Recipients shall comply with the development Loan-to-Value Limits defined in Guidelines Section 7751.

Homeownership Development Projects must have a minimum of four units (Guidelines Section 7753).

Note: Projects are only eligible if construction work has not begun prior to the date that HCD awards a commitment of program funds. Construction work includes: (1) site improvements intended for public dedication, (2) site preparation, or (3) grading (Guidelines Section 7718, subd. (c)).

5. Activity Delivery Fees

Mortgage Assistance loans. HCD may provide funding to cover Activity Delivery Fees (ADFs) of up to 10 percent of the total award. Up to 5 percent of the total award may be provided within 90 days after the execution of the Standard Agreement for program development expenses, and up to 5 percent of the total award may be reimbursed on a per-Loan basis. The per-Loan reimbursement maximum will be 5 percent of the total award divided by the estimated number of Loans to be made under the contract.

Owner-Occupied Rehabilitation Loans. HCD may provide funding to cover ADFs of up to 20 percent of the total award. Up to 10 percent of the total award may be provided within 90 days after the execution of the Standard Agreement for program development expenses, and up to 10 percent of the total award may be reimbursed on a per-Loan basis. The per-Loan reimbursement maximum will be 10 percent of the total award divided by the estimated number of Loans to be made under the contract.

Applicants need to provide documentation verifying their Activity Delivery expenses. This requirement may be satisfied through documents such as invoices, receipts, time tracking, or other documentation of valid program expenses.

F. Eligibility and threshold evaluation criteria

Applications will not be considered for funding unless the application is received by the deadline as stated in this NOFA, and demonstrates compliance with all CalHome program statutes and Guidelines, including the following conditions:

- The Applicant meets geographic restrictions per CalHome Guidelines (Guidelines Section 7717 subd. (a))
- The Applicant is an eligible Local Public Agency or Nonprofit Corporation (Guidelines Section 7717)
- The Applicant has complied with reporting requirements (Guidelines Section 7717, subd. (c))
- The activity is eligible (Guidelines Section 7718)
- The proposed use of funds is eligible (Guidelines Section 7719)
- The Applicant meets the eligibility requirements for the activity or activities for which they are applying:
 - First-Time Homebuyer Mortgage Assistance (Guidelines Section 7728)
 - Owner-Occupied Rehabilitation Assistance (Guidelines Section 7732)
 - Technical Assistance for Self-Help Housing Projects (Guidelines Section 7736)
 - Technical Assistance for Shared Housing Programs (Guidelines Section 7739)
 - ADU/JADU Assistance (Guidelines Section 7742)
 - Homeownership Project Development Loans (Guidelines Section 7746)
- The application is complete (Guidelines Section 7754)
- The application shall be on HCD forms and cannot be altered or modified by the Applicant
- The application is signed by the party authorized in a complete and proper resolution (Guidelines Section 7754)

- The Applicant does not have any unresolved audit findings for prior HCD or federally funded housing or community development projects or programs (Guidelines Section 7755)
- The Applicant has no pending lawsuits that would impede the implementation of the program (Guidelines Section 7755)

G. Rating

Evaluation criteria. All eligible Applicants that have met eligibility and threshold requirements shall receive a minimum score of 55 points to be considered for funding (Guidelines Section 7755, subd. (b)). All applications passing eligibility and threshold criteria will be evaluated on the following factors (Table 2). If there are more eligible Applicants than can be funded, HCD will award funding by descending order of points. For more detail on each of the rating factors, please see Appendix A and Guidelines Section 7755, subd. (b).

Table 2 – Evaluation Criteria

Evaluation Criteria	Maximum Points
Capability	40
Community Need	15
Feasibility	25
Community Revitalization	10
Volunteer Labor, Self-Help Labor or Youth Construction Skills Training Program	10
Total	100

Applicants may apply to fund up to two programs (First-Time Homebuyer Mortgage Assistance Program, Owner-Occupied Rehabilitation Program, Shared Housing Program, and/or ADU/JADU Program) in a single application. Each program will be scored separately; therefore, an Applicant applying to fund two programs will have two separate scores. The two scores will be averaged into one score. Applicants may apply to fund a Homeownership Development Project with or without a Self-Help Housing Project. If the Homeownership Development Project proposes to do a Self-Help Housing Project, the Applicant may additionally apply for Technical Assistance. Applicants cannot apply to fund both a program and a project (Guidelines Section 7753, subd (a)).

- 1. Performance penalty.** Applicants that have previously received a CalHome Grant will be reviewed for performance (Guidelines Section 7755, subd. (c)).

Failure to have expended at least 95 percent of the most recently awarded Grant by the 36th month of the prior CalHome contract may result in five-point penalty deduction from the score of the application (Guidelines Section 7759, subd. (a)(1)(B)).

If an Applicant has been penalized in a prior NOFA round and is now in compliance, the penalty will not be deducted in the current round.

An Applicant with any project currently in HCD’s compliance resolution unit shall not be eligible to apply (Guidelines Section 7717, subd. (b)(1)).

III. State requirements

A. Climate adaptation

Executive Order B-30-15 addressing the need for climate adaptation ordered that:

1. All state agencies with jurisdiction over sources of greenhouse gas emissions shall implement measures, pursuant to statutory authority, to achieve reductions of greenhouse gas emissions to meet the 2030 and 2050 greenhouse gas emissions reductions targets.
2. State agencies shall take climate change into account in their planning and investment decisions and employ full life-cycle cost accounting to evaluate and compare infrastructure investments and alternatives.

In response to the Governor's Executive Order, HCD strongly encourages CalHome Recipients to implement CalHome funded activities in a manner that reduces greenhouse gas emissions and adapts to climate change.

For additional information and guidance, please contact Nuin Tara-Key with the Governor's Office of Planning and Research at Nuin-Tara.Key@opr.ca.gov.

IV. Application procedures and deadline

A. Application packaging and submittal

The application form is available on HCD's website under the CalHome program, <http://www.hcd.ca.gov/grants-funding/active-no-funding/calhome.shtml>.

One hard copy of the application shall be submitted with original signatures, and one copy of the application on a compact disc or USB flash drive and received by HCD by January 27, 2020. HCD will only accept applications through a postal carrier service such as the U.S. Postal Service, UPS, FedEx, or other carrier services that provide date stamp verification confirming delivery to HCD's office. Please contact HCD if delivery is not completed by fault of the carrier service. Personal deliveries are not accepted. The delivery address is:

California Department of Housing and Community Development
Division of Financial Assistance, NOFA Section
CalHome Program
2020 W. El Camino Ave, Suite 500
Sacramento, CA 95833

B. Application workshops

HCD will hold one workshop in Northern California, one workshop in Southern California, and a webinar to review the CalHome NOFA and application. In addition, a recorded webinar will be posted on the CalHome program webpage. For the workshop dates, times, and locations, please go to HCD's website at <http://www.hcd.ca.gov/grants-funding/active-no-funding/calhome.shtml>. Please contact CalHomeNofa@hcd.ca.gov for workshop registration.

C. Disclosure of application

Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (Chapter 1473, Statutes of 1968). As such, any materials provided will be disclosable to any person making a request under this Act. HCD cautions Applicants to use discretion in providing information not specifically requested, including, but not limited to, bank account numbers, personal phone numbers and home addresses. By providing this information to HCD, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

V. Appeal and award process

A. Appeals

Pursuant to Guidelines Section 7755, subd. (d), Applicants will be subject to the appeal process as detailed in this NOFA:

1. Basis of appeals

- a. Upon being noticed in writing that its application is incomplete, fails threshold requirements, or has a reduced preliminary point score, applicants may appeal these decisions pursuant to Section V of this NOFA. Upon receipt of HCD's notice that an application has been determined to be incomplete, fail threshold, or have a reduction to the preliminary point score, Applicants under this NOFA may appeal such decision(s) to HCD pursuant to this section.
- b. No Applicant shall have the right to appeal a decision of HCD relating to another Applicant's eligibility, point score, award, denial of award, or any other matter related thereto.
- c. Prior program NOFAs: The appeal process provided herein applies solely to HCD decisions made in this NOFA and does not apply to any decisions made respecting any previously issued NOFAs or decisions to be made respecting future NOFAs.

2. Appeal process and deadlines

- a. Process: In order to lodge an appeal, Applicants shall submit to HCD, by the deadline set forth in subsection (b) below, a written appeal that states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant shall provide a detailed reference to the area or areas of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be accepted 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 either via email at CalHomeNofa@hcd.ca.gov or at the following address:

California Department of Housing and Community Development
Attn: Division of Financial Assistance, NOFA Section
2020 W. El Camino Ave, Suite 500
Sacramento, California 95833

HCD will accept appeals through a carrier service such as the U.S. Postal Service, UPS, FedEx, or other carrier services that provide date stamp verification of delivery. Deliveries shall be received during HCD weekday (non-state holiday) business hours of 9:00 a.m. to 5:00 p.m. Pacific Standard Time. Emails to the email address listed above will be accepted as long as the email time stamp is prior to the appeal deadline.

- b. Filing Deadline: Appeals shall be received by HCD no later than five (5) business days from the date of HCD's eligibility, threshold review or determination letters, representing HCD's decision made in response to the application.

3. Decision

Any request to amend HCD's decision shall be reviewed for compliance with the Guidelines (commencing with Section 7715), the November 27, 2019, CalHome program NOFA, and any subsequent clarifying documents, such as the CalHome program's responses to "Frequently Asked Questions." It is HCD's intent to render its decision in writing within 15 business days of receipt of the Applicant's written appeal. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of HCD with respect to the appeal.

4. Effectiveness

In the event that the statute, regulations, or Guidelines governing this program contain an existing process for appealing HCD decisions with respect to NOFA awards made under such programs, then this section shall be inapplicable, and all appeals shall be governed by such existing authority.

B. Awards

Awards made by HCD shall not be deemed final until such time as HCD has resolved any appeals filed by Applicants pursuant to the appeal process provided for in Section V. A. hereof. At such time as HCD has completed the appeal process and made its determinations, it will issue the final awards and post notification thereof on HCD's website.

VI. Standard Agreements and release of funds

A. Standard Agreements

Recipient(s) will enter into a Standard Agreement with HCD. The Standard Agreement will contain relevant state contracting and program requirements, specific information about the award, the work to be performed, a project/program timeline, and any special conditions required to make the project feasible (Guidelines Section 7752, subd. (a)(4) and Section 7756, subd. (a)(12)).

The Recipient(s) shall remain a party to the Standard Agreement for the agreement's entire term and removal of the Recipient(s) shall be prohibited.

The Standard Agreement allows a maximum of 36-months from the date of the Standard Agreement execution to expend funds (Guidelines Section 7759, subd. (a)(1)). HCD may

exercise its reasonable discretion to disencumber funds or to grant an extension of time for completion (Guidelines Section 7759, subd. (d)). Any extensions are subject to any and all applicable encumbrances, deadlines, and limitations, including, but not limited to, H&S Code, Section 54006, subd. (g). Documentation to support the Recipient's expenditure of funds shall be received prior to the contract expiration date. The Standard Agreement expires at the end of 42 months from the Standard Agreement execution date, unless extended. Recipients remain subject to the terms of the 20-year Monitoring Agreement (Guidelines Section 7756, subd. (b)).

B. Release of funds

Funds shall not be obligated to a Borrower prior to the date a Standard Agreement contract is fully executed between the Recipient and HCD. Funds will be released after the Standard Agreement execution, and after HCD has reviewed and approved the following Recipient submissions (Guidelines Section 7756, subd. (a)(5)):

- Loan servicing plan (Guidelines Section 7723, subd. (a))
- Program guidelines
- Loan document templates
- Reuse Agreement with verification of established Reuse Account (Guidelines Section 7724)
- Fully executed 20-year Monitoring Agreement (Guidelines Section 7756, subd. (b))
- If a Recipient contracts with a third party for the above functions, the Recipient shall submit the original contract and any amendments for HCD review

Funds may be requested as either a reimbursement or as an advance. Pursuant to Guidelines Section 7757, subd. (a), advances may include, but are not limited to, any of the following:

- Homeownership Project Development Loan disbursements
- Advances of up to 25 percent of the award for Self-Help and Shared Housing Technical Assistance
- Advances for Owner-Occupied Rehabilitation or ADU/JADU Programs up to the Recipient's anticipated volume of closed Loans for the following 60-day period
- Advances to escrow for Mortgage Assistance Loans

All Recipients shall reconcile advances within 90 days. Documentation showing at least two-thirds of the funds previously released for program activities were expended shall be submitted to HCD before another advance request will be processed. Recipients shall also consistently complete quarterly performance reports and be up to date on their submissions before another advance request will be processed (Guidelines Section 7758, subd. (a)).

VII. Other terms and conditions

A. Right to modify or suspend

HCD reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including, without limitation, the amount of funds available hereunder. If such an action occurs, HCD will notify all interested parties via listserv and

will post the revisions to the CalHome website. Please remember to subscribe at the listserv link.

B. Conflicts

In the event of any conflict between the terms of this NOFA and applicable state law or regulation, the terms of the applicable state law or regulation shall control.

**APPENDIX A
RATING FACTORS**

The list below is a summary. For more specific information, please refer to Guidelines Section 7755, subd. (b).

Criteria Defined	Maximum Points
<p>Capability to operate the proposed program, administer and conduct the Self-Help Technical Assistance Project, or develop the type of Homeownership Project proposed in the application:</p> <ul style="list-style-type: none"> • Number of Mortgage Assistance units assisted within the last four years: <ul style="list-style-type: none"> ▪ 2 - 5 ~ 20 points ▪ 6 - 10 ~ 30 points ▪ 11 or more ~ 40 points • Number of Rehabilitation/Reconstructed units assisted within the last four years: <ul style="list-style-type: none"> ▪ 2 - 5 ~ 20 points ▪ 6 - 10 ~ 30 points ▪ 11 or more ~ 40 points • Number of Self-Help, new construction units within the last four years: <ul style="list-style-type: none"> ▪ 2 - 10 ~ 20 points ▪ 11 - 20 ~ 30 points ▪ 21 or more ~ 40 points • Number of Shared Housing units assisted within the last two years: <ul style="list-style-type: none"> ▪ 2 ~ 20 points ▪ 3 - 4 ~ 30 points ▪ 5 or more ~ 40 points • Number of ADU/JADU or Rehabilitation/Reconstructed units assisted within the last four years: <ul style="list-style-type: none"> ▪ 2 - 5 ~ 20 points ▪ 6 - 10 ~ 30 points ▪ 11 or more ~ 40 points • Number of Homeownership Development Projects within the last four years: <ul style="list-style-type: none"> ▪ 2 ~ 20 points ▪ 3 - 4 ~ 30 points ▪ 5 or more ~ 40 points 	40
<p>Community Need in a geographic area for the proposed Local Program or project will be based on the following factors:</p> <p>For Mortgage Assistance Programs, Technical Assistance for Self-Help Housing Projects, Technical Assistance for Shared Housing</p>	15

Programs: ABU/JADU Programs, and Homeownership Project Development Loans

- **Housing affordability in the geographic area:** The ratio of the current median sales price of a single-family home to the AMI for a 4-person Household, in the county in which the CalHome program or project is located. The current median sales price is the most recent available from the California Association of Realtors as of the NOFA date, and the AMI is updated on an annual basis by HCD.
- **Percent of renter Households that are Low Income:** The percent of Households in renter-occupied housing with incomes below 80 percent of AMI, as reported in the most recent HUD Comprehensive Housing Affordability Strategy U.S. Census Bureau American Community Survey (HUD CHAS) data.
- **Percent of renter Households occupying overcrowded housing:** The percent of renter-occupied housing units with more than 1.5 occupants per room, as reported in the most recent HUD CHAS data, and
- **Rental vacancy rate:** The percent of rental housing units that are currently vacant, as reported in the most recent HUD CHAS data.

For Rehabilitation Programs

- **Age of the housing stock:** The percent of owner-occupied housing units over 30 years old, as reported in the most recent U.S. Census Bureau American Community Survey (ACS) data.
- **Percent of homeowner Households that are in poverty:** The percent of families in owner-occupied housing with incomes below the federal poverty line, as reported in the most recent ACS data.
- **Percent of homeowner Households that are Low Income:** The percent of Households in owner-occupied housing with incomes below 80 percent of AMI, as reported in the most recent HUD CHAS data, and the
- **Percent of homeowner Households occupying overcrowded housing:** The percent of owner-occupied housing units with more than 1.5 occupants per room, as reported in the most recent HUD CHAS data.

Feasibility in a geographic area for the proposed Local Program or project will be based on the following factors:

For Mortgage Assistance Programs

- **Affordability of Homeownership relative to renting:** The ratio of median Monthly Housing Costs for owner-occupied housing units with a Mortgage, to median Monthly Housing Costs for renter-occupied housing units, as reported in the most recent ACS data.
- **Availability of homes for sale relative to the proposed lending activity:** The ratio of the following:
 - The number of home sales in the previous year priced below either the current median sales price of a single-family home to the

<p>county in which the CalHome program is located, or \$500,000, whichever is less, to:</p> <ul style="list-style-type: none"> o The number of loans that the Applicant expects to provide in the program. o The Applicant will provide home sales information based on publicly available real estate transactions data (e.g., Zillow.com, Redfin.com). <p>For Owner-Occupied Rehabilitation Programs</p> <ul style="list-style-type: none"> • Age of the housing stock: The percent of owner-occupied housing units over 30 years old, as reported in the most recent ACS data, and • Percent of homeowner households occupying overcrowded housing: The percent of owner-occupied housing units with more than 1.5 occupants per room, as reported in the most recent HUD CHAS data. <p>For Technical Assistance for Shared Housing Programs</p> <ul style="list-style-type: none"> • Incidence of severe cost burden for low-income renters: The percent of households in renter-occupied housing units spending 50 percent or more of income on housing expenses, as reported in the most recent HUD CHAS data, and the • Rental vacancy rate: The percent of rental housing units that are currently vacant, as reported in the most recent HUD CHAS data. <p>For Technical Assistance for Self-Help Housing Programs, Homeownership Project Development Loans, and ADU Programs</p> <ul style="list-style-type: none"> • The readiness of the project development to proceed as evidenced by the status of local government approvals, project financing commitments, and resolution to impediments to development, • Evidence of ability to serve Low- and Very Low Income Households pursuant to the Mortgage Assistance underwriting requirements stated in Section 7731, as evidenced by the development budget and proposed unit sales prices, and • Affordability of Homeownership relative to renting: The ratio of median Monthly Housing Costs for owner-occupied housing units with a Mortgage, to median Monthly Housing Costs for renter-occupied housing units, as reported in the most recent ACS data. 	
<p>Contributes to Community Revitalization as defined in Section 7716(d), or meets a legislatively-mandated priority for funds allocated to the CalHome program, or develops a Rehabilitation Program that addresses climate adaptation or resiliency consistent with the Hazard Mitigation Plan or the Safety Element of the General Plan adopted by the jurisdiction in which the program will be offered.</p>	<p>10</p>

<p>Volunteer Labor, Self-Help Labor or Youth Construction Skills Training Program. Applications applying for Homeownership Project Development, Self-Help Technical Assistance Homeownership Projects, or a Mortgage Assistance Local Program for new construction housing or acquisition with substantial Rehabilitation, when the Recipient is acquiring and substantially rehabilitating properties for sale to first-time homebuyers, will receive up to 10 points to the extent that:</p> <ul style="list-style-type: none"> • The Applicant utilizes Volunteer Labor or Self-Help Construction labor, where a minimum of five hundred (500) hours of on-site construction labor per assisted unit is provided; or • The Applicant utilizes labor provided by youth participating in a construction skills training program, where a minimum of five hundred (500) hours of on-site construction labor per assisted unit is provided. The five hundred (500) hours of construction training labor shall be provided by the 16- to 24-year-old program participants; • 15 percent of units to be developed include an ADU or a JADU; • Homeownership development projects are located in a High Resource or Highest Resource area, as identified on the TFCAC/HCD Opportunity Area Map. 	<p>10</p>
<p>MAXIMUM TOTAL POINTS</p>	<p>100</p>

For the Applicants who already received CallHome funds, up to 5 points may be deducted for failure to meet CallHome Program Performance Goals pursuant to Section 7759 in the Guidelines.

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Sophia Kittler
RE: [Apply for Grant -- \$5,000,000.00 -- State of California Department of
Housing and Community Development CalHome Program]
DATE: Tuesday, December 17, 2019

SK

Resolution authorizing the Mayor's Office of Housing and Community Development, on behalf of the City and County of San Francisco, to submit a grant application to the California State Department of Housing and Community Development for funding under the CalHome Program; and any related documents necessary to participate in the CalHome Program.

Should you have any questions, please contact Sophia Kittler at 415-554-6153.

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SAN FRANCISCO
2019 DEC 17 PM 2:55

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200
SAN FRANCISCO, CALIFORNIA 94102-4681
TELEPHONE: (415) 554-6141