

File No. 221170

Committee Item No. 6

Board Item No. 19

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date December 7, 2022

Board of Supervisors Meeting Date December 13, 2022

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Grant Information Form
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Award Letter
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER (Use back side if additional space is needed)

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Cal DHCD Notice of Funding Availability 9/9/2021</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>HSH Presentation 12/7/2022</u>
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Completed by: Brent Jalipa Date December 1, 2022

Completed by: Brent Jalipa Date December 8, 2022

1 [Execute Standard Agreement and Accept and Expend Grant - California Department of
2 Housing and Community Development - 2021 Homekey Grant - 333-12th Street - Not to
3 Exceed \$56,578,000]

4 **Resolution authorizing the Department of Homelessness and Supportive Housing**
5 **(“HSH”) to execute a Standard Agreement with the California Department of Housing**
6 **and Community Development for a total amount not to exceed \$56,578,000 of Project**
7 **Homekey grant funds; to accept and expend those funds for the acquisition of the**
8 **property located at 333-12th Street for Permanent Supportive Housing for families and**
9 **to support its operations upon execution of the Standard Agreement through June 30,**
10 **2026; approving and authorizing HSH to commit approximately \$98,800,000 in required**
11 **matching funds for acquisition of the property and a minimum of five years of**
12 **operating subsidy; affirming the Planning Department’s determination under the**
13 **California Environmental Quality Act; and adopting the Planning Department’s findings**
14 **of consistency with the General Plan, and the eight priority policies of Planning Code,**
15 **Section 101.1; and authorizing HSH to enter into any additions, amendments, or other**
16 **modifications to the Standard Agreement and the Homekey Documents that do not**
17 **materially increase the obligations or liabilities of the City or materially decrease the**
18 **benefits to the City.**

19
20 WHEREAS, The Department of Homelessness and Supportive Housing’s (“HSH”) mission is to prevent homelessness when possible and to make homelessness a rare, brief,
21 and one-time experience in San Francisco through the provision of coordinated,
22 compassionate, and high-quality services; and
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24
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1 WHEREAS, In July 2020, Mayor Breed announced her Homelessness Recovery Plan,
2 which included the goal of acquiring and operating 1,500 new units of Permanent Supportive
3 Housing ("PSH") by June 30, 2022; and

4 WHEREAS, As of June 30, 2022, at the close of the Plan, the City had nearly doubled
5 the goal with 2,918 units of site-based and scattered-site PSH that were active or under
6 contract with a non-profit provider since July 1, 2020; and

7 WHEREAS, Additional permanent subsidized housing furthers the City's commitment
8 to dismantle systematic racial inequities that disproportionately affect communities of color;
9 and

10 WHEREAS, The California Department of Housing and Community Development
11 ("HCD") issued a Notice of Funding Availability Round 2 ("NOFA") dated September 9, 2021,
12 for the 2021 Homekey Grant Program ("Project Homekey") pursuant to Health and Safety
13 Code, Section 50675.1.1 (Assembly Bill No. 140 (2021-2022 Reg. Sess.), Section 20.), a copy
14 of which is on file with the Clerk of the Board in File No. 221170; and

15 WHEREAS, Such Project Homekey grants are comprised of state general fund dollars
16 and California's allocation of Coronavirus State Fiscal Recovery Fund, established by the
17 American Rescue Plan Act of 2021 (Pub. L. No. 117-2), combined into a single funding
18 stream to eligible projects; and

19 WHEREAS, On April 26, 2022, the Board adopted Resolution No.147-22, on file with
20 the Clerk of the Board of Supervisors in File No. 220344, approving the purchase of the
21 property located at 333-12th Street ("the Property") and authorizing HSH to apply to HCD's
22 2021 Project Homekey for the Property in an amount not to exceed the purchase price of
23 \$145,000,000, plus up to \$2,250,000 in interest, plus an estimated \$290,000 for typical
24 closing costs, for a total anticipated amount of \$147,540,000 ("Acquisition Cost"), or the
25

1 maximum award amount allowable under Project Homekey to purchase the Property on
2 behalf of the City and County of San Francisco ("City"); and

3 WHEREAS, A copy of the Project Homekey application ("Application") for the property
4 located at 333-12th Street is on file with the Clerk of the Board of Supervisors in File
5 No. 221170; and

6 WHEREAS, In an award letter ("Award Letter") dated July 28, 2022, HCD approved the
7 Application in an amount not to exceed \$56,578,000 subject to the terms and conditions of
8 HCD's Standard Agreement ("Standard Agreement"); copies of the Award Letter and
9 Standard Agreement are on file with the Clerk of the Board of Supervisors in File No. 221170;
10 and

11 WHEREAS, The Property includes the real property and 200 multi-family unit
12 residential building, consisting of a central lobby, community lounges, office space, laundry
13 rooms, elevator, and a shared outdoor space, as well as certain improvements,
14 appurtenances, personal property, and intangible property described in the Purchase
15 Agreement, a copy of which is on file with the Clerk of the Board of Supervisors in File No
16 220344; and

17 WHEREAS, Receipt of these Project Homekey funds for the Property requires a City
18 commitment of approximately \$98,800,000 in matching funds for acquisition of the property
19 and a minimum of five years of operating costs, estimated at approximately \$4,131,945 as
20 reflected in the Standard Agreement; and

21 WHEREAS, As of August 31, 2022, the City completed the first installment payments
22 totaling \$100,089,899 towards the purchase of the Property to the owner, City Gardens
23 Bridge, LLC., thereby meeting the Project Homekey requirement to provide matching
24 acquisition funds; and
25

1 WHEREAS, The Planning Department in a letter dated March 28, 2022 ("Planning
2 Letter"), found that the proposed acquisition of the Property is not defined as a project under
3 the California Environmental Quality Act ("CEQA") Guidelines, Sections 15378 and 15060
4 (c)(2) ("CEQA Determination") and is consistent with the General Plan, and the eight priority
5 policies of the Planning Code, Section 101.1 ("General Plan Findings"), a copy of said
6 Planning Letter is on file with the Clerk of the Board in File No. 220344; and

7 WHEREAS, The Project Homekey grant does not include any provision for indirect
8 costs; and

9 WHEREAS, The Project Homekey grant does not create any new positions, and does
10 not require an amendment to the Annual Salary Ordinance; now, therefore, be it

11 RESOLVED, The Executive Director of HSH or their designee is hereby authorized, in
12 consultation with the City Attorney, to enter into, execute, and deliver a Standard Agreement
13 for a total amount not to exceed \$56,578,000 and any and all other documents required or
14 deemed necessary or appropriate to secure the Project Homekey grant funds from HCD and
15 to participate in Project Homekey, and all amendments thereto (collectively, the "Homekey
16 Documents"); and, be it

17 FURTHER RESOLVED, HSH is hereby authorized to accept and expend up to
18 \$56,578,000 of Project Homekey grant funds for the acquisition of the Property and operating
19 costs as detailed in the Grant Budget, a copy of which is on file with the Clerk of the Board of
20 Supervisors in File No. 221158; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
22 indirect costs in the Homekey Program grant budget; and, be it

23 FURTHER RESOLVED, HSH will ensure that all such funds are used in a manner
24 consistent and in compliance with all applicable state and federal statutes, rules, regulations,
25

1 and laws, including without limitation all rules and laws regarding Project Homekey, as well as
2 any and all contracts HSH may have with HCD; and, be it

3 FURTHER RESOLVED, HSH is hereby authorized and directed to ensure that any
4 funds awarded for capital expenditures are spent by March 28, 2023, and that any funds
5 awarded for capitalized operating subsidies are spent by June 30, 2026; and, be it

6 FURTHER RESOLVED, The City acknowledges and agrees that it shall be subject to
7 the terms and conditions specified in the Standard Agreement, which includes a City
8 commitment of approximately \$98,800,000 in matching funds for acquisition of the property
9 and a minimum of five years of operating costs, and that the NOFA and the Application will be
10 incorporated in the Standard Agreement by reference and made a part thereof; any and all
11 activities, expenditures, information and timelines represented in the Application are
12 enforceable through the Standard Agreement; funds are to be used for the allowable
13 expenditures and activities identified in the Standard Agreement; and, be it

14 FURTHER RESOLVED, The Executive Director of HSH or their designee is authorized
15 to enter into any additions, amendments, or other modifications to the Standard Agreement
16 and the Homekey Documents that they determine, following consultation with the City
17 Attorney, are in the best interests of the City and that do not materially increase the
18 obligations or liabilities of the City or materially decrease the benefits to the City; and, be it

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

21 FURTHER RESOLVED, This Board affirms the Planning Department's CEQA
22 Determination and General Plan Findings, for the same reasons as set forth in the Planning
23 Letter, and hereby incorporates such findings by reference as though fully set forth in this
24 Resolution; and, be it

1 FURTHER RESOLVED, That within thirty days of the execution of the Standard
2 Agreement by all parties, HSH shall provide the Standard Agreement to the Clerk of the Board
3 for inclusion into the official file.
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RECOMMENDED:

_____/s/_____

Shireen McSpadden
Homelessness and Supportive Housing
Executive Director

Approved: _____/s/_____

Controller's Office

Approved: _____/s/_____

Mayor's Office

Item 6 File 22-1170	Department: Department of Homelessness and Supportive Housing (HSH)
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> The proposed resolution would: (a) authorize the Department of Homelessness and Supportive Housing (HSH) to execute a Standard Agreement with the California Department of Housing and Community Development (HCD) to receive \$56,578,000 of Project Homekey grant funds for acquisition and initial operations of the property located at 333 12th Street for use as permanent supportive housing, (b) approve and authorize HSH to commit approximately \$98,800,000 in required matching funds and five years of operating costs, (c) affirm the Planning Department's determination under the California Environmental Quality Act, and (d) adopt the Planning Department's findings of consistency with the General Plan and Planning Code. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> In April 2022, the Board of Supervisors approved the purchase of 333 12th Street at a total not to exceed amount of \$147,540,000. The acquisition will be financed using the proposed Homekey award and Proposition C homeless gross receipt tax funds. 333 12th Street is a newly constructed building completed in 2021 that has 200 units. The Homekey grant requires 170 of these units must be occupied by Homekey-eligible individuals of families who are or are at risk of becoming homeless. At present 95 units are fully or partially occupied by market rate tenants. As lease-up occurs, current residents will be asked to move into shared units. The total award of \$56,578,000 includes \$48,850,000 towards acquisition costs and \$7,728,000 towards operating costs for the property. The \$7,728,000 award for operating costs includes a bonus award of \$1,680,000 conditioned on the property achieving 90 percent occupancy by March 2023. HSH does not anticipate meeting this target. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> The grant agreement requires HSH to fund the remaining acquisition costs of \$98,800,000 and to fund operating and service costs for five years. HSH's is procuring property management and supportive service contracts at a cost of \$27,520,000 over five years, offset by an operating subsidy of \$6,048,000 in the Homekey award. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> Approve the proposed resolution 	

MANDATE STATEMENT

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

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

BACKGROUND

In July 2020, Mayor London Breed announced her Homelessness Recovery Plan that included the goal of acquiring or leasing 1,500 new units of Permanent Supportive Housing over the next two years. The City added 2,918 new units of permanent supportive housing that were active or under contract with a non-profit provider as of June 30, 2022 using monies made available from the state Homekey program and Proposition C, a gross receipts tax to fund homeless services and housing approved by San Francisco voters in November 2018.

In July 2020, the California Department of Housing and Community Development (HCD) announced the Homekey program, providing grants to sustain and expand housing for people experiencing homelessness impacted by COVID-19. Funding is provided jointly by the federal and state governments, and the program requires the grant recipient to provide matching funds. HSH has secured more than \$212.57 million in state Homekey awards. In Round 1, HSH was awarded \$76.9 million to acquire and operate two properties. In September 2021, HCD announced a second round of Homekey grant funding, which HSH received grant awards for all four applications submitted. As of the writing of this report, HSH has received state approval for round 2 grant funds totaling approximately \$135.7 million to acquire, improve, and operate four sites, including 333 12th Street. HSH will be introducing accept and expend legislation for the final round 2 Homekey Grant award for 5630 Mission before the end of the calendar year.

333 12th Street

In April 2022, the Board of Supervisors approved the purchase of 333 12th Street at a total acquisition cost of \$145,000,000 plus an estimated \$290,000 for typical closing costs, and up to \$2,250,000 in interest payable in two installments, for a total acquisition cost amount not to exceed \$147,540,000 (File 22-0344).¹ The authorizing legislation also permitted HSH to apply for a Project Homekey grant to partially fund the acquisition and operation of the property. In July 2022, HCD notified HSH of a Homekey grant award of \$56,578,000.

In August 2022, the City acquired 333 12th Street to provide Permanent Supportive Housing. 333 12th Street is approximately 25,533 square feet of land, with a residential building consisting of 200 multi-family units (two-, four- and five-bedroom units), office space, community lounges, a central lobby, laundry rooms, elevator, and shared outdoor space.

¹ As of August 31, 2022, the City had completed installment payments totaling \$100,089,899 towards the purchase.

According to the Department of Homelessness and Supportive Housing (HSH) staff, the property is currently being used for private, market rate housing, and current tenants are on month-to-month leases. Current residents are not required to move out of the building, and tenants have been informed the building will be operated as a supportive housing site for formerly homeless families. Approximately 120 residents currently occupy 19% of total bedrooms across 95 units. As lease up of PSH units occurs, current residents will be asked to consolidate into units per the terms of their existing leases.² HSH will be referring families exiting homelessness into vacant units through Coordinated Entry and anticipates attrition of the current market rate tenants to vacate the remaining units.

HSH has selected Abode Services as the supportive services provider and Housing for Independent People, Inc. as the property manager through a competitive bidding process. The master lease and property management agreement is pending approval by the Board of Supervisors (File 22-1171) and the supportive services contract is not yet finalized according to HSH.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would:

- Authorize HSH to execute a Standard Agreement with HCD for a total not-to-exceed amount of \$56,578,000 in Project Homekey grant funds;
- Accept and expend those funds for the acquisition of 333 12th Street for permanent supportive housing and to support its operations through June 2026;
- Authorize HSH to contribute a minimum of five years of operating costs and approximately \$98,800,000 in Proposition C matching funds for acquisition of the property;
- Affirm the Planning Department's determination under the California Environmental Quality Act;
- Adopt the Planning Department's findings of consistency with the General Plan and Planning Code Section 101.1; and
- Authorize HSH to make changes to the Standard Agreement and Homekey documents that do not materially increase the obligations or liabilities of the City or materially decrease benefits to the City.

Building Occupancy

The Homekey grant agreement requires that 170 of the 200 units in the building will be occupied by Homekey-eligible households defined as individuals or families who are homeless or at risk of becoming homeless and are impacted by COVID-19 or other communicable diseases. As lease up of PSH units occurs, current residents occupying 19% of current bedrooms across 95 units will be asked to consolidate into shared units per the terms of their existing leases. HSH anticipates some

² Residents typically rent individual rooms rather than the entire unit.

current residents will choose to leave the property. The grant agreement also requires that 85 of the 170 units (50 percent of Homekey-assisted units) will be occupied by homeless individuals or families.

FISCAL IMPACT

Acquisition and Operating Costs

The total award of \$56,578,000 includes \$48,850,000 towards acquisition costs and \$7,728,000 towards operating costs for the property. The grant agreement requires HSH to fund the remaining acquisition costs of \$98,800,000 and to fund operating and service costs for five years. At the time HSH applied for the Homekey grant, HSH estimated the City share of operating costs for five years to be \$19,800,000 based on average costs of supportive housing sites. However, property management and supportive services costs exceed prior estimates, and the total property management and supportive service costs are expected to be \$27,520,000 (see File 22-1171).

All local matching funds will be provided by existing Proposition C revenues. The estimated Proposition C funds needed for the purchase of the building and five years of operations are approximately \$105.6 million.³ Acquisition expenditures incurred in FY 2022-23 were previously appropriated in HSH's FY 2021-22 and FY 2022-23 budget.

Bonus Award

The \$7,728,000 award for operating costs includes a bonus award of \$1,680,000 conditioned on the property achieving 90 percent occupancy by March 2023. HSH does not anticipate meeting this target.

RECOMMENDATION

Approve the proposed resolution.

³ The total purchase cost was \$145 million, plus \$290,000 in closing costs, and up to \$2,250,000 in interest due to the installation payment structure of the purchase (as discussed in our report on File 22-0344), offset by the proposed Homekey award, which includes \$48,850,000 for the purchase. Five years of property management costs in the pending lease and management agreement are \$15,075,022, paid for by Proposition C (\$6,937,809), Homekey (\$6,048,000), and tenant income (\$2,089,193) and \$12,445,000 for supportive services.



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Accept and Expend: Homekey Award for 333 12th Street

Budget and Finance Committee | December 7, 2022



Accept and Expend Resolution

Resolution authorizes HSH to:

- Execute a **standard agreement** with the State of California's Department of Housing and Community Development
- Accept and expend up to **\$56.6 million** in **Homekey grant funds**.
- Commit to match:
 - **\$98.8 million in acquisition matching funds** (already fulfilled through the first installment).
 - Estimated **\$4.1 million of operating matching funds** for a minimum of 5 years of operating costs.

333 12th Street: Property Details

- Board authorized acquisition and Homekey application in April 2022.
- Affordable housing with onsite services for **families exiting homelessness**.
- **200 units** with **618 rooms**.
- New construction.
- Lobby, outdoor courtyard, **lounges and laundry rooms on each floor**.



Property at 333 12th Street



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Questions

Learn: hsh.sfgov.org | Like: @SanFranciscoHSH | Follow: @SF_HSH

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
ADMINISTRATION AND MANAGEMENT DIVISION
Business and Contract Services Branch
Contracts Office**

2020 W. El Camino Avenue, Suite 130, 95833

P. O. Box 952054

Sacramento, CA 94252-2054

(916) 263-6928 / FAX (916) 263-6917

www.hcd.ca.gov



Shireen McSpadden, Executive Director of
Department of Homelessness and Supportive Housing
City and County of San Francisco
1 Dr Carlton B Goodlett Place #200
San Francisco, CA 94102

Re: **Contract 22-HK-17485, City Gardens**

Dear Shireen McSpadden:

Attached is an electronic copy of the Homekey Program (HK) Standard Agreement 22-HK-17485 with Exhibits A through E.

A. Standard Agreement (STD. 213 and Exhibits A through E)

STD. 213 - Cover page

Exhibit A - Authority, Purpose and Scope of Work

Exhibit B – Budget Detail and Payment Provisions

Exhibit C - State of California General Terms and Conditions – GTC - 04/2017

Exhibit C is now incorporated by reference; please see the STD. 213 for additional information.

Exhibit D – Homekey General Terms and Conditions

Exhibit E – Project Specific Provisions and Special Terms and Conditions Interim, Permanent, or Interim Housing-to-Permanent Housing

For expeditious handling of the contract, please adhere to the following:

1. Review the entire Agreement thoroughly and, if necessary, discuss the requirements with your legal and financial advisors.
2. The person or persons authorized by the Resolution(s), must provide an **original signature, printed name, title and date, using blue ink**, on the lower left-hand section entitled "Contractor" on the STD 213 and/or on page 2 of the STD 213, if applicable.

B. The Department now offers two options for returning signed STD 213; please review and complete one of the following options:

1. **Option One:** For electronic signature processing, reply to this Standard Agreement email notification with the attached, fully signed STD 213 page. All signatures must be in **blue ink**. All signers must be included in the reply email and confirm acceptance of e-signing the Agreement.
2. **Option Two:** Print one copy of the Standard Agreement, STD 213. Do not send photocopies of the signed STD 213 page. The hardcopy must be an original, **wet** signature and in **blue ink**; do not return the Exhibits to HCD.
3. **Note:** If the resolution did not authorize a designated official to sign the STD 213 and amendments thereto, your governing body must adopt a resolution authorizing a designated official(s) to sign the STD 213 and any subsequent amendments. If the authorized designee as reflected in the resolution, the awarded NOFA amount or your entity status has changed, you are required to provide, to the Department, a new resolution consistent with the terms of the NOFA award and adopted by your Board.
4. Return the e-signed copy or the signed hardcopy of the STD 213; and, if applicable, the certified resolution within 30 days from the date of this letter to the following address:

**Department of Housing and Community Development
Business & Contract Services Branch
Contracts Office, Attention: Viet Huu Hoai Luong
2020 W. El Camino Avenue, Suite 130
Sacramento, CA 95833**

5. Maintain a complete electronic version of the STD 213 and Exhibits for your pending file. **Note:** **The Standard Agreement contract is not effective until it is signed by the Awardee's designated official and the Department.**

The Department reserves the right to cancel any pending Standard Agreement in its entirety if not returned within the required 30-day period.

Please contact Paul Dulai, Homekey Program Manager, Program, Design & Implementation Branch, at (916) 465-2532 or Amritpal.Dulai@hcd.ca.gov, if you have any questions regarding the Standard Agreement or the provisions therein.

Sincerely,



Contracts Analyst

Enclosures

cc: Contracts Office, Contract Manager
Contract Representative

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES		SCO ID:	
STANDARD AGREEMENT STD 213 (Rev. 04/2020)		AGREEMENT NUMBER 22-HK-17485	PURCHASING AUTHORITY NUMBER (if applicable)
1. This Agreement is entered into between the Contracting Agency and the Contractor named below:			
CONTRACTING AGENCY NAME DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT			
CONTRACTOR'S NAME City and County of San Francisco			
2. The term of this Agreement is:			
START DATE Upon HCD Approval			
THROUGH END DATE fifteen(15) Years from Effective Date			
3. The maximum amount of this Agreement is: \$56,578,000.00			
4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.			
EXHIBITS		TITLE	PAGES
Exhibit A	Authority, Purpose and Scope of Work		9
Exhibit B	Budget Detail and Payment Provisions		3
Exhibit C*	State of California General Terms and Conditions		GTC - 04/2017
Exhibit D	Homekey General Terms and Conditions		16
Exhibit E	Project-Specific Provisions and Special Terms and Conditions		7
TOTAL NUMBER OF PAGES ATTACHED			35
Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources			
IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.			
CONTRACTOR			
CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership,etc.) City and County of San Francisco			
CONTRACTOR BUSINESS ADDRESS See Attached		CITY See Attached	STATE See Attached
PRINTED NAME OF PERSON SIGNING See Attached		TITLE See Attached	
CONTRACTOR AUTHORIZED SIGNATURE See Attached		DATE SIGNED See Attached	
STATE OF CALIFORNIA			
CONTRACTING AGENCY NAME Department of Housing and Community Development			
CONTRACTING AGENCY ADDRESS 2020 W. El Camino Ave., Suite 130		CITY Sacramento	STATE CA
PRINTED NAME OF PERSON SIGNING		TITLE Contracts Office Manager, Contract Services Section	
CONTRACTING AGENCY AUTHORIZED SIGNATURE		DATE SIGNED	
California Department of General Services Approval (or exemption, if applicable)			
Exempt per; SCM Vol. 1 4.04.A.3 (DGS memo dated 06/12/1981)			

CONTRACTOR

City and County of San Francisco

a municipal corporation

By: _____

Date: _____

Shireen McSpadden

Executive Director of Department of Homelessness and Supportive Housing

Address:

440 Turk Street

San Francisco, CA 94102

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

California Assembly Bill No. 140 (Chapter 111, Statutes of 2021) (“**AB 140**”) added sections 50675.1.3 and 50675.1.4 to the Multifamily Housing Program (“**MHP**”) (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Health and Safety Code section 50675.1.3 provides the statutory basis for the Homekey Program – Round 2 (“**Homekey**” or “**Program**”). Health and Safety Code section 50675.1, subdivision (d) authorizes the Department of Housing and Community Development (“**Department**” or “**HCD**”) to administer MHP.

The Department issued a Homekey Program Notice of Funding Availability, Round 2 on September 9, 2021, which was subsequently amended on January 14, 2022 and May 5, 2022 (the “**NOFA**”). The NOFA incorporates by reference the MHP, as well as the Multifamily Housing Program Final Guidelines, dated June 19, 2019 (“**MHP Guidelines**”), both as amended and in effect from time to time. Homekey grant funds are derived primarily from the state’s direct allocation of the federal Coronavirus State Fiscal Recovery Fund (“**CSFRF**”), which was established by the American Rescue Plan Act of 2021 (“**ARPA**”) (Pub.L. No. 117-2). Homekey funds are also derived from the State of California’s General Fund.

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

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

- A. AB 140;
- B. The above-referenced MHP statutory scheme;
- C. The NOFA;

Homekey Program – Round 2 (Homekey)

NOFA Date: September 9, 2021 (amended 1/14/2022, 5/5/2022)

Project Name: City Gardens

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- D. The MHP Guidelines;
- E. ARPA and related federal guidance;
- F. The award letter issued by the Department to the Grantee; and
- G. All other applicable law.

1. Purpose

The Homekey Program is intended to provide housing for individuals and families who are homeless or who are at risk of homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations, and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases ("**Target Population**").

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

2. Definitions

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

- A. "**AMI**" means Area Median Income.
- B. "**Application**" means the application for Grant funds that was submitted in response to the Department's NOFA.
- C. "**Assisted Unit**" means a Homekey-funded residential dwelling unit that is subject to rent, income, occupancy, and other restrictions in accordance with Program Requirements. See also "**Youth Assisted Unit**."
- D. "**Chronically Homeless**" is defined in accordance with Part 578.3 of Title 24 of the Code of Federal Regulations.
- E. "**Co-Applicant**" means the nonprofit corporation, for-profit corporation, limited liability company, and/or limited partnership that applied for an award of Homekey Grant funds with the Eligible Applicant (i.e., a Public Entity or Tribal Entity).

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- F. **“Designated Payee”** means the Co-Grantee that will serve as the payee of the Program Grant funds. If applicable, the Designated Payee is identified at Exhibit E of this Agreement.
- G. **“Eligible Applicant”** means the Public Entity or Tribal Entity that applied for an award of Homekey Grant funds.
- H. **“Eligible Uses”** means the activities that may be funded by the Homekey Program Grant. Those activities are listed at Paragraph 4 of this Agreement, and at Health and Safety Code section 50675.1.3, subdivision (a).
- I. **“Expenditure Deadline for Capital Funds”** means the date by which the capital expenditure award must be fully expended. This deadline is eight (8) months from the date of the Grantee’s award unless the Department has approved an alternate arrangement in advance and in writing.
- J. **“Expenditure Deadline for Operating Funds”** means the date by which the operating subsidy award must be fully expended. This deadline is **June 30, 2026**.
- K. **“Grantee”** means the Eligible Applicant (and, if applicable, the Co-Applicant) that has been awarded funds under the Program, and that will be held responsible for compliance with and performance of all Program Requirements. The Grantee may comprise one or more entities, so long as the Grantee structure includes an “Eligible Applicant,” as defined in the NOFA and as set forth above. **“Grantee”** refers, both individually and collectively, to the Co-Applicant and/or the Eligible Applicant that received a Homekey Grant after submitting an Application or a joint Application to the Department. When the Grantee comprises two or more entities, each entity may be referred to as a **“Co-Grantee.”** On the STD 213 portion of this Agreement, the Grantee is identified as the Contractor.
- L. **“Homeless Youth”** means a child, youth, or current or former foster youth through the age of 25 who qualifies as “homeless” under any of the relevant definitions set forth or identified at Part 578.3 of Title 24 of the Code of Federal Regulations.
- M. **“Homeless Youth Project”** means a Project that was prioritized to receive set-aside Homekey funds because (i) at least 25 percent of its Assisted Units will be restricted to Homeless Youth or Youth at Risk of Homelessness; (ii) the Grantee jointly applied and/or partnered with a nonprofit corporation with experience serving the foregoing subpopulation; and (iii) the Project is in reasonable proximity to youth-centered amenities, such as community colleges, universities, trade schools, apprenticeship programs, employment programs, childcare centers for parenting youth, and community centers for youth. Alternatively, **“Homeless Youth Project”** means a Project that was prioritized to receive set-aside Homekey funds because it

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will provide Supportive Services for Youth Assisted Units using a Positive Youth Development (PYD) model and trauma-informed care.

- N. **“Interim Housing”** or **“Transitional Housing”** means any facility that is primarily intended to provide temporary shelter or lodging for the Target Population, and which does not require occupants to sign leases or occupancy agreements, or to pay any rent, fees, or charges.
- O. **“Local Public Entity”** is defined at Health and Safety Code section 50079, and means any county, city, city and county, the duly constituted governing body of an Indian reservation or rancheria, tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5, redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24, and also includes any state agency, public district, or other political subdivision of the state, and any instrumentality thereof, that is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income. In addition, and in accord with this Health and Safety Code definition, the term **“Local Public Entity”** also includes two or more local public entities acting jointly.
- P. **“Performance Milestones”** means the indicators and metrics of progress and performance that are identified as such at Exhibit E of this Agreement. Grantee’s failure to satisfy any one of the Performance Milestones will constitute a breach of this Agreement and will entitle the Department to exercise any and all available remedies, including the recapture of disbursed Grant funds and the cancellation of this Agreement.
- Q. **“Permanent Housing”** means housing, dwellings, or other living accommodations where the landlord does not limit the tenant’s length of tenancy, the landlord does not restrict the tenant’s movements, and the tenant has a lease and is subject to the rights and responsibilities of tenancy.
- R. **“Program Requirements”** means the legal authority and Program materials listed at Paragraph 1.A – G, above.
- S. **“Project”** means a structure or set of structures with common financing, ownership, and management and which provides Permanent Housing, Interim Housing, or Transitional Housing for the Target Population.
- T. **“Public Entity”** is defined in accordance with Health and Safety Code section 50675.1.3, subdivision (a), and means a city, a county, a city and county, and any

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other state, regional, or Local Public Entity, including any council of government, metropolitan planning organization, and regional transportation planning agency designated in Section 29532.1 of the Government Code. For purposes of this Agreement, a “**Local Public Entity**” is defined in accordance with Health and Safety Code section 50079 and as set forth above.

- U. “**Scope of Work**” or “**Work**” means the work to be performed by the Grantee to accomplish the Program purpose.
- V. “**Supportive Services**” means social, health, educational, income support, employment, and housing stability services and benefits; coordination of community building and educational activities; individualized needs assessment and case management; and individualized assistance with obtaining services and benefits.
- W. “**Target Population**” means individuals and families who are “homeless” or “at risk of homelessness,” as those terms are defined in Part 578.3 of Title 24 of the Code of Federal Regulations, and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases.
- X. “**TCAC**” means the California Tax Credit Allocation Committee.
- Y. “**Tribal Entity**” means an entity that meets any of the following criteria:
 - i. Meets the definition of Indian tribe under section 4103(13)(B) of title 25 of the United States Code;
 - ii. Meets the definition of Tribally Designated Housing Entity under section 4103(22) of title 25 of the United States Code;
 - iii. Is not a federally recognized tribe, but is either:
 - I. Listed in the petitioner list of the Office of Federal Acknowledgment (OFA) within the Office of the Assistant Secretary – Indian Affairs of the Department of the Interior pursuant to Part 82.1 of Title 25 of the Code of Federal Regulations; or
 - II. Is an Indian tribe located in the State of California and identified on the contact list maintained by the Native American Heritage Commission for the purpose of consultation pursuant to Government Code section 65352.3.
- Z. “**Youth Assisted Unit**” means an Assisted Unit serving Homeless Youth or Youth at Risk of Homelessness. See also “**Assisted Unit.**”

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

3. Eligible Uses

Grantee shall apply the Program Grant funds to one or more of the following uses. All costs in connection with such Eligible Uses must be incurred on or after March 3, 2021, by the Expenditure Deadline for Capital Funds, and by the Expenditure Deadline for Operating Funds, respectively and as applicable. Grantee’s use of the funds and scope of work (**“Scope of Work”** or **“Work”**) are specified at Exhibit E of this Agreement.

- A. Acquisition or rehabilitation, or acquisition and rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing.
- B. Master leasing of properties for non-congregate housing.
- C. Conversion of units from nonresidential to residential.
- D. New construction of dwelling units.
- E. The purchase of affordability covenants and restrictions for units.
- F. Relocation costs for individuals who are being displaced as a result of the Homekey Project.
- G. Capitalized operating subsidies for units purchased, converted, or altered with Homekey Grant funds provided pursuant to Health and Safety Code section 50675.1.3.

4. Rent Standards

Permanent Housing. Rent limits for initial occupancy, and for each subsequent occupancy, of an Assisted Unit shall not exceed 30 percent of that Assisted Unit’s designated income-eligibility level.

Interim Housing, Transitional Housing. No rent shall be charged to the Target Population residents of Interim Housing or Transitional Housing.

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EXHIBIT A**5. Program Deadlines**

For Projects that involve acquisition, the Grantee shall expend any capital expenditure award and the Project escrow must be closed by the Expenditure Deadline for Capital Funds.

For Projects that involve construction and/or rehabilitation, the Grantee shall expend any capital expenditure award by the Expenditure Deadline for Capital Funds and complete any construction or rehabilitation activities within twelve (12) months of the date of the award.

All acquisition-only Projects shall achieve full occupancy of the Assisted Units within ninety (90) calendar days of the Expenditure Deadline for Capital Funds. Otherwise, Projects shall achieve full occupancy of the Assisted Units within ninety (90) calendar days of construction and/or rehabilitation completion. For purposes of this paragraph, “full occupancy” means fully occupied with consideration for an average 10 percent vacancy rate at any given time.

Projects that received a bonus award for expedited occupancy shall achieve full occupancy within eight (8) months of the date of the award. For purposes of this paragraph, “full occupancy” means fully occupied with consideration for an average 10 percent vacancy rate at any given time. No bonus award shall be granted for expedited occupancy if the Grantee requests and the Department approves an extension for full occupancy.

Grantee may ask the Department for an extension to complete construction and/or rehabilitation, where the Grantee clearly demonstrates that the extension is due to circumstances or conditions beyond the Grantee’s control, and that granting the extension will enable the construction and/or rehabilitation to be completed and full occupancy of the Assisted Units to be achieved. Where the Department grants an extension for completion of construction and/or rehabilitation, the Expenditure Deadline for Capital Funds and the deadline for full occupancy of the Assisted Units may also be extended within the constraints of applicable law.

Grantee shall expend any Homekey-funded operating subsidy award by the Expenditure Deadline for Operating Funds.

6. Performance Milestones

Grantee shall complete each of the Performance Milestones set forth at Exhibit E of this Agreement by the date designated for such completion therein (each, a “**Milestone Completion Date**”). The Performance Milestones shall include, but not be limited to,

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any applicable Expenditure Deadline for Capital Funds, Expenditure Deadline for Operating Funds, occupancy deadline, or expedited occupancy deadline.

Grantee may apply to the Department for an extension of any such Milestone Completion Date. Approval of any such extension request shall be in the Department's reasonable discretion. In no event will the Department approve an extension request in the absence of Grantee's demonstration of good cause for said extension, along with Grantee's reasonable assurances that the extension will not result in Grantee's failure to meet other Performance Milestones or any Expenditure Deadline under this Agreement.

7. Reporting Requirements

Grantee shall submit an annual Homekey Program and Expenditure Report, and comply with all additional reporting requirements, as set forth and specified at Section 601 of the NOFA, all in accordance with the Milestone Completion Date(s) set forth at Exhibit E of this Agreement.

After satisfaction of each Performance Milestone, the Grantee shall promptly report its progress, in writing, to the Department.

Upon the Department's request and as specified, the Grantee shall provide progress reports in connection with the development plan and any updates to the timeline for completion of the Project. The development plan should include the Project's completion milestones and any updates or substantial changes.

In addition, the Grantee shall submit to the Department such periodic reports, updates, and information as deemed necessary by the Department to monitor compliance and/or perform Program evaluation. Any requested data or information shall be submitted in electronic format on a form provided by the Department.

Grantee shall, at the request of the Department, report back on any racial equity strategies described in the Homekey Application.

8. Department Contract Coordinator

The Department's Contract Coordinator for this Agreement is the Deputy Director of the Division of State Financial Assistance, or the Deputy Director's designee. Unless otherwise informed, Grantee shall mail any notice, report, or other communication required under this Agreement by First-Class Mail to the Department Contract Coordinator at the following address or email to Homekey2SGM@hcd.ca.gov:

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California Department of Housing and Community Development
Attention: Homekey Program – Round 2 (Homekey)
State Grant Management Section
2020 West El Camino Avenue, Suite 400, 95833
P. O. Box 952050
Sacramento, CA 94252-2050

9. Grantee Contract Coordinator

The Grantee Contract Coordinator for this Agreement may coordinate with the State Grant Management Section Manager for the Homekey Program. Unless otherwise informed, the Department shall mail any notice, report, or other communication required under this Agreement by First-Class Mail, or through a commercial courier, to the Grantee Contract Coordinator at the address specified at Exhibit E of this Agreement.

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BUDGET DETAIL AND PAYMENT PROVISIONS

1. Budget Detail

Grantee has been awarded the Grant amount set forth in this Agreement.

2. Conditions of Disbursement

The Department will disburse the full amount of the Grant award to the Grantee after this Agreement has been fully executed and after the Department receives the Grantee's request for funds, with all required supporting documents appended thereto. The Grantee shall append the following supporting documents to the request for funds, all in form and substance acceptable to the Department:

- A. Payee Data Record (STD 204) or Government Agency Taxpayer ID Form, as applicable;
- B. An authorizing resolution or set of authorizing resolutions that, in the Department's reasonable determination, materially comports with the Program Requirements (if the Grantee has not already submitted same);
- C. Documentary evidence of any eligible costs incurred on or after March 3, 2021 and before the execution of this Agreement;
- D. Certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law;
- E. A copy of the Department-approved relocation plan for the Project, or a copy of a Department-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, which has been duly executed by the Grantee and approved by the Department;
- F. Evidence of the insurance coverages required under the Program and/or a written acknowledgment of self-insured status;
- G. Documentary evidence of capacity to provide operating funds for the Project for at least five (5) years;
- H. A current title report (dated within 15 days of the request for funds); or for tribal trust land, a title status report ("**TSR**") or an attorney's opinion regarding chain of title and current title status;

EXHIBIT B

- I. Any forms, certifications, or documentation required pursuant to Paragraph 5– Additional Conditions Precedent to Disbursement of Exhibit E of this Agreement; and
- J. Any other forms, certifications, or documentation deemed necessary by the Department prior to disbursement of Grant funds.

3. Performance

After disbursement of the funds, the Grantee shall meet each Performance Milestone set forth at Exhibit E by the relevant Milestone Completion Date. After satisfaction of each Performance Milestone, the Grantee shall promptly report its progress, in writing, to the Department. Grantee may apply to the Department for an extension of any Milestone Completion Date based on good cause shown and best efforts and assurances from the Recipient for timely completion of the remaining Performance Milestones.

FAILURE TO SATISFY ANY ONE OF THE PERFORMANCE MILESTONES WILL CONSTITUTE A BREACH OF THIS AGREEMENT AND ENTITLES THE DEPARTMENT TO MANDATE THE GRANTEE TO RETURN TO THE DEPARTMENT ANY FUNDS DISBURSED; IN ANY SUCH INSTANCE, THE DEPARTMENT MAY ALSO CANCEL THIS AGREEMENT WITHOUT OWING ANY DAMAGES OR OTHER PAYMENT TO GRANTEE.

4. Fiscal Administration

- A. Grantee shall either deposit the Grant funds with an escrow company licensed to do business in the State of California and in good standing or deposit the Grant funds in an interest-bearing checking or savings account insured by the federal or state government. All interest earned from the deposit of Grant funds shall be used for eligible Program activities.
- B. Any capital expenditure award funds that have not been expended by the Expenditure Deadline for Capital Funds must be returned to the Department with accrued interest. Any operating subsidy award funds that have not been expended by the Expenditure Deadline for Operating Funds must be returned to the Department with accrued interest. Checks shall be made payable to the Department of Housing and Community Development and shall be mailed to the Department at the address below, no later than thirty (30) calendar days after the applicable Expenditure Deadline.

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Department of Housing and Community Development
Accounting Division, Suite 300
2020 W. El Camino Avenue
Sacramento, California 95833

5. Duplication of Benefit

Homekey funding is not required to be used as funding of last resort. However, Grantee may not use Homekey funding to cover expenditures that have already been funded through other sources. Expenses that have been or will be reimbursed under any federal program are not eligible uses of Homekey funding.

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HOMEKEY GENERAL TERMS AND CONDITIONS

1. Effective Date, Term of Agreement, Timing, and Deadlines

- A. This Agreement, when fully executed by the Department and the Grantee, is effective upon the date of the Department representative's signature on the STD 213, Standard Agreement (such date, the "**Effective Date**").
- B. This Agreement shall terminate fifteen (15) years after the Effective Date, as stated in Paragraph 2 of the STD 213, Standard Agreement (such date, the "**Expiration Date**").
- C. Grantee will receive the disbursement of Program funds after satisfying all conditions precedent to such disbursement, as set forth under Paragraph 2 of Exhibit B and, as necessary and applicable, under Paragraph 5 – Additional Conditions Precedent to Disbursement of Exhibit E.
- D. Any expenses incurred prior to March 3, 2021, after the Expenditure Deadline for Capital Funds, or after the Expenditure Deadline for Operating Funds, respectively and as applicable, are not eligible for payment under the Program, unless an alternate arrangement is legally permissible and has been approved by the Department in advance and in writing.
- E. Grant funds that have not been expended by the applicable Expenditure Deadlines shall revert to the Department in the absence of an alternate arrangement that has been approved by the Department in advance and in writing.

2. Termination for Cause

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

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in equity. Cause shall consist of Grantee's breach of, or failure to satisfy, any of the terms or conditions of this Agreement. Cause includes but is not limited to the following:

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

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

EXHIBIT D

3. **Cancellation**

- A. It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to the State of California by the United States Government for fiscal years 2021-2022 through 2025-2026 for CSFRF purposes. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
- C. The parties mutually agree that if the Congress does not appropriate sufficient funds for the CSFRF, this Agreement shall be amended to reflect any subsequent reduction in CSFRF funds.
- D. The Department may cancel this Agreement, in whole or in part, if (i) sufficient funds are not made available by the United States Government; (ii) Congress enacts any restrictions, limitations, or conditions that impact this Agreement or the funding of this Agreement; or (iii) cancellation is otherwise permitted under state contracting law.
- E. To cancel this Agreement pursuant to this paragraph, the Department shall give thirty (30) calendar days' advance written notice to the Grantee. The Locality shall return any undisbursed portion of its Grant award to the Department within thirty (30) calendar days from the date on the Department's written notice of cancellation, unless (i) the parties have agreed upon an alternate arrangement in advance and in writing; or (ii) an alternate arrangement is necessary for one or both parties to remain in compliance with ARPA or other applicable law.

4. **Eligible Activities**

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

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5. Performance Milestones

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

6. Article XXXIV

Per Health and Safety Code section 37001, subdivision (h)(2), article XXXIV, section 1 of the California Constitution (“**Article XXXIV**”) is not applicable to development that consists of the acquisition, rehabilitation, reconstruction, alterations work, new construction, or any combination thereof, of lodging facilities or dwelling units using moneys received from CSFRF established by ARPA. As such, Article XXXIV is not applicable to Homekey-funded development, construction, or acquisition.

7. Appraisals

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

8. Compliance with Prevailing Wage Law

Grantee’s Project is subject to state and federal prevailing wage law. Grantee is urged to seek professional legal advice about prevailing wage law requirements and Grantee’s potential obligations thereunder. Prior to disbursing the Grant funds, the Department will require a certification of compliance with California’s prevailing wage law, as well as all applicable federal prevailing wage law. The certification must verify that prevailing wages have been or will be paid if such payment is required by law, and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by Grantee and its general contractor(s).

9. Environmental Conditions

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

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

10. **Insurance**

Grantee shall obtain the insurance coverages identified in the NOFA. Grantee shall maintain such insurance coverages for either the term of this Agreement or the term of any required restrictive covenant or regulatory agreement, whichever applicable term is longer. Grantee shall name the State of California and the Department, as well as their respective appointees, officers, agents, and employees, as additional insureds on all such policies. Such policies shall provide for notice to the Department in the event of any lapse of coverage or insurance claim thereunder. Prior to disbursement of any Grant funds, Grantee shall provide evidence satisfactory to the Department of its compliance with these insurance requirements.

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

11. **Operating Funds**

Grantee shall demonstrate its capacity to provide five (5) years of operating funds for the Project. As set forth at Exhibit B of this Agreement, Grantee shall provide documentary evidence of such capacity prior to disbursement of any Grant funds.

12. **Relocation**

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

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award will be disbursed, Grantee must have either:

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

13. One-for-One Replacement of Assisted Units

One-for-one replacement of Assisted Units is permissible if approved in advance by the Department per Section 301 of the NOFA, after the Department's determination, in its sole and absolute discretion, that such replacement will not reduce the inventory of units that are already available at affordable rents to households that are at or under 30 percent AMI.

14. Site Control

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

- A. Fee title.
- B. A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit compliance with, and satisfaction of, all program objectives and requirements, including, without limitation, those set forth in this Agreement. If the Grantee's interest in the property is a leasehold, and the lessee and the lessor are affiliated or related parties, then the Department may require that both the lessee and the lessor must execute this Agreement.
- C. An executed disposition and development agreement, or irrevocable offer of dedication to a public agency.

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- D. A sales contract, or other enforceable agreement for the acquisition of the property. If this form of evidence was relied upon at the time of Application, the Department may impose additional Performance Milestones (e.g., presentation of additional or supplemental evidence of eventual site control closer to any projected close of escrow).
- E. A letter of intent, executed by a sufficiently authorized signatory of the Grantee, that expressly represents to the Department, without condition or reservation, that, upon successful application, the Grantee shall purchase or otherwise acquire a sufficient legal interest in the property to accomplish the purpose of the award. The letter of intent must also be duly acknowledged by the party selling or otherwise conveying an interest in the subject property to the Grantee. If this form of evidence was relied upon at the time of Application, the Department may impose additional Performance Milestones (e.g., presentation of additional or supplemental evidence of eventual site control closer to any projected close of escrow).
- F. Other evidence of site control that gives the Department assurance (equivalent to A-E above) that the Grantee will be able to complete the Project in a timely manner and in accordance with the Program's objectives and requirements, including, without limitation, those set forth or referenced in this Agreement.

15. Adaptability and Accessibility

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

16. Title Status and Reports

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

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17. Title Insurance

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

18. Property Management Plan

Grantee shall submit a property management plan to the Department for its review and approval. Such management plan shall be consistent with any representations made in the Application, and it shall meet the Program Requirements (e.g., include the management, maintenance, and repair information required by the MHP Guidelines).

19. Supportive Services Plan

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

20. Compliance with Title VI of the Civil Rights Act of 1964

Grantee and any of its contractors, subcontractors, successors, transferees, and assignees shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement. Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement.

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21. Nondiscrimination

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

- A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and the U.S. Department of the Treasury's implementing regulations at 31 CFR Part 22;
- B. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.);
- C. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794);
- D. The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.);
- E. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. § 12101 et seq.); and
- F. The State of California nondiscrimination statutes, regulations, and standards set forth and identified in the NOFA and at Exhibit C of this Agreement.

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

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22. Affirmative Fair Housing Marketing Plan and Fair Housing Compliance

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

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

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

24. Final Certificate of Occupancy

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

25. Occupancy

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

26. Tenant Selection

Referrals to Assisted Units shall be made through the local Coordinated Entry System (“CES”), or another comparable prioritization system based on greatest need shall be used. All referral protocols for Assisted Units shall be developed in

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collaboration with the local Continuum of Care and implemented consistent with the Program Requirements.

27. **Participation in Statewide HDIS/HMIS**

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

28. **Restrictive Covenants and Regulatory Agreements**

A restrictive covenant, regulatory agreement, or similar use restriction shall be recorded against the Project real property, depending on the Project type. For Interim Housing or Transitional Housing Projects that will not result in Permanent Housing, the Department will prepare, and the Public Entity shall cause, a 15-year restrictive covenant to be recorded against the Project real property. For Interim Housing or Transitional Housing Projects that will ultimately result in Permanent Housing, the Public Entity or Tribal Entity shall prepare and cause a 15-year restrictive covenant to be recorded against the Project real property. For Permanent Housing Projects, the Public Entity or Tribal Entity shall prepare and cause a 55-year regulatory agreement to be recorded against the Project real property. For Permanent Housing Projects located on tribal trust land, a 50-year use restriction shall be recorded against the Project real property.

All use restrictions shall require integration of the Target Population within all entrances, common areas, and buildings that comprise the Project.

All use restrictions shall include occupancy and rent restrictions that maintain the Project’s accessibility to the Target Population over the full term of the use restriction.

All use restrictions are subject to the advance written approval of the Department, and shall be acceptable to the Department in form, substance, and priority. Project-specific requirements and deadlines are set forth at Exhibit E of this Agreement.

29. **Restrictions on Sales, Transfers, and Encumbrances**

Grantee shall not, for the duration of this Agreement, sell, assign, transfer, or convey

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the Project, or any interest therein or portion thereof, without the express prior written approval of the Department.

30. **Retention, Inspection, and Audit of Records**

Grantee is responsible for maintaining records which fully disclose the activities funded by the Grant. Grantee shall retain all records for a period of five (5) years after the expiration of this Agreement, unless a longer retention period is stipulated. If any litigation, claim, negotiation, audit, monitoring, inspection or other action commences during this required retention period, all records must be retained until a full and final resolution of the action.

The Department, as well as its appointees, employees, agents, and delegates, shall have the right to review, obtain, and copy all records pertaining to performance under this Agreement. The U.S. Department of the Treasury and any authorized oversight body or representative, including, without limitation, the Treasury's Office of Inspector General, the Government Accountability Office, and the Pandemic Relief Accountability Committee, shall have the right of access to such records in order to conduct audits or other investigations. Grantee shall provide any relevant information requested, and shall permit access to its premises, upon reasonable notice and during normal business hours, for the purpose of interviewing employees and inspecting and copying books, records, accounts, and other relevant material.

At any time during the term of this Agreement, the Department may perform or cause to be performed a financial audit of any and all phases of the Project. At the Department's request, the Grantee shall provide, at its own expense, a financial audit prepared by a certified public accountant. The audit shall be performed by a qualified state, local, independent, or Department auditor. Where an independent auditor is engaged, the audit services agreement shall include a clause which permits the Department to have access to the independent auditor's relevant papers, records, and work product.

If there are audit findings, the Grantee shall submit a detailed response to the Department for each audit finding. The Department will review the response. If the Department determines, in its sole and absolute discretion, that the response is satisfactory, the Department will conclude the audit process and notify the Grantee in writing. If the Department determines, in its sole and absolute discretion, that the response is not satisfactory, the Department will contact the Grantee, in writing, and explain the action required to cure any audit deficiencies. Such action could include the repayment of ineligible costs or other remediation.

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If so, directed by the Department upon the termination or expiration of this Agreement, the Grantee shall deliver all records, accounts, documentation, and other materials that are relevant to this Agreement to the Department as depository.

31. **Site Inspection**

The Department reserves the right, upon reasonable notice, to inspect the Project to determine whether it meets the Program Requirements. If the Department reasonably determines that the site is not acceptable for the Project in accordance with the Program Requirements, the Department reserves the right to rescind the award and the Grant. Nothing in this paragraph is intended to create or imply any obligation of the Department to inspect the Project.

32. **Compliance with State and Federal Laws, Rules, Guidelines, and Regulations**

Grantee agrees to comply with all state and federal laws, rules, guidelines, and regulations that are applicable to the Project, including those that pertain to construction, health and safety, labor, fair employment practices, and equal opportunity.

33. **Updated Information**

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

34. **Survival of Obligations**

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

35. **Litigation**

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

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Department, and the objectives of the Homekey Program.

36. Entire Agreement; Severability

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

37. Modification or Waiver under AB 1010

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

38. Waivers

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

39. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

This Agreement is subject to the administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities, which are set forth at 2 Code of Federal Regulations part 200.

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40. Single Audit Requirements

Grantee is responsible for complying, as necessary, with the Single Audit Act and its implementing regulation at 2 Code of Federal Regulations part 200, subpart F regarding audit requirements.

41. Disputes

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

42. Consent

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

43. Grantee Liability

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

44. Defense and Indemnification

Grantee agrees to defend, indemnify, and hold harmless the Department, and its appointees, agents, employees, and officers, from any losses, damages, liabilities, claims, actions, judgments, court costs and legal or other expenses (including attorneys' fees), which may arise in connection with Grantee's use of the Grant funds and performance under this Agreement. If any attorney, including the

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California Attorney General, is engaged by the Department to enforce, construe, or defend any provision of this paragraph, with or without the filing of any legal action or proceeding, Grantee shall, individually or jointly, pay to the Department, immediately upon demand, the amount of all attorneys' fees and costs incurred by the Department in connection therewith.

45. Time Is of the Essence

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

EXHIBIT E**PROJECT-SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS****Permanent Housing****A. PROJECT-SPECIFIC PROVISIONS**

City Gardens 333 12th Street San Francisco, CA 94103 County of San Francisco				Accessor Parcel Number (APN): Block 3521, Lot 95	
# of Bedrooms	Units	Non-Homekey Units	Homekey-Assisted Units	AMI Income Limit	Restriction to Subset of Target Population
Manager Unit	2	0	2	N/A	N/A
2-Bedroom	84	0	84	Greatest Need*	N/A
4-bedroom	74	0	74	Greatest Need*	N/A
5-Bedroom	10	0	10	Greatest Need*	N/A
Totals:	170	0	170		

*The Sponsor must use referrals to the Homekey Assisted Units through the local Coordinated Entry System (CES) or comparable prioritization system based on greatest need. All referral protocols for Homekey Assisted Units must be developed in collaboration with the local Continuum of Care (CoC) and implementation consistent with the requirements set forth in the Homekey NOFA.

- Permanent Housing – Award, Disbursement, and Eligible Use(s).** Grantee received Homekey Program award letter on July 28th, 2022 (the “**Award Date**”). Pursuant to that award letter, the Grantee is receiving Homekey Grant funds in the amount of \$54,898,000.00 (the “**Award**”). The Payee of these funds is City and County of San Francisco Department of Homelessness and Supportive Housing. Grantee will use the funds to provide Permanent Housing for the Target Population. Specifically, the Grantee will apply these funds towards the following eligible use(s):

- Acquisition of a hotel to provide Permanent Housing for the Target Population.

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- Capitalization of an operating subsidy for the Assisted Units.

Grantee's Award includes \$48,850,000.00 for capital expenditures and \$6,048,000.00 for operating funds. The Expenditure Deadline for Capital Funds is set forth herein as a Milestone Completion Date. The Expenditure Deadline for Operating Funds is set forth herein as a Milestone Completion Date.

Grantee will receive additional funds in the amount of \$1,680,000.00 (the "**Bonus Award**") if the Project's Assisted Units achieve full occupancy (with consideration for an average of 10 percent vacancy) within eight (8) months of the Award Date. The occupancy deadline in connection with Grantee's Bonus Award is set forth herein as a Milestone Completion Date. The Department will not disburse the Bonus Award until it receives documentary evidence, in form and substance reasonably satisfactory to the Department, that the Milestone Completion Date has been met. Grantee shall only use such Bonus Award for its incurred or prospective operating costs for the Project. If Grantee duly satisfies all requirements and conditions relative to the Bonus Award, Grantee's total award amount will be \$56,578,000.00 (the "**Total Award Amount**").

2. **Project Narrative.** The City and County of San Francisco (CCSF) will acquire the City Gardens, a 200-Unit property in the heart of San Francisco. The 8-story building will be converted from general multifamily to Permanent Supportive Housing for 168 persons experiencing homelessness. The project site is located within ½ mile of transit, a full-scale grocery store, health facility, and a pharmacy.

Obligation to Serve Subsets of the Target Population. Grantee shall ensure that at least 50 percent of the Project's Assisted Units are restricted to occupancy by the Homeless. Grantee shall ensure that at least 25 percent of the Project's Assisted Units have three or more bedrooms, and that an additional 25 percent of the Project's Assisted Units have two or more bedrooms, consistent with TCAC regulations.

3. **Scope of Work.** City Gardens is a great fit for immediate occupancy due to its recent age, having been completed in 2021. All units have kitchens and bathrooms. No renovation is required, and all of these residential units are safe and sanitary. City and County of San Francisco Department of Homelessness and Supportive Housing (HSH) is the lead service provider for Supportive Services. The Case Manager Ratio for the Homeless Population is 20:1.

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EXHIBIT E**Supportive Services to be Provided:**

- **Case Management:** Case management staff provide services to tenants with the primary goal of maintaining housing stability, including ongoing meetings and counseling to establish goals, develop services plans that are tenant-driven without predetermined goals, provide referrals and linkages to off-site Support Services, and support tenants toward achieving those goals.
- **Behavioral Health Services:** HSH will coordinate provision of Behavioral Health services through onsite case management. HSH contracts with a community provider that accepts direct referrals from case management, as needed, and who provides on-site (mobile) behavioral health services to families and children. Additional clinical consultation and crisis services are available through the Department of Public Health (DPH) mobile services hub for Permanent Supportive Housing (PSH).
- **Physical Health Services:** Case Management staff will assist tenants to access primary care to ensure health care needs are met. HSH partners with In-Home Support Services (IHSS) to connect tenants to services as needed. A trauma informed approach will be utilized to ensure tenant's physical health needs are met. Additionally, HSH is continuing to partner with DPH and the National Harm Reduction Coalition's Drug Overdose Prevention and Education program to create and tailor education services and resources to the community working with people experiencing homelessness. This program will adopt the uniform overdose prevention policy created for PSH programs.
- **Education and Employment Services:** HSH employs case management in a 20:1 ratio for supportive services. This includes 10 FTE that work at the property to provide referral services and coordination of workshops and trainings as needed by the tenants.
- **Assistance obtaining benefits and essential documentation:** HSH employs case management in a 20:1 ratio for supportive services. This includes 10 FTE that work at the property to provide referral services and coordination of workshops and trainings as needed by the tenants.
- **Community Building:** Community Building opportunities like weekly coffee and pastries, holiday events, and other programs to provide socialization and stability, will be offered to all residents and their children.

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- **Housing Stability:** Case Management will outreach to and offer services and/or referrals to all residents who display indications of housing instability. Housing instability indicators include but are not limited to, discontinuance from benefits, rules violations or warnings from Property Management, and conflicts with staff or other residents. Residents will be assisted with communicating, responding to, and meeting with Property Management. They will also collaborate with property management to identify clients who have not been seen or have shown signs of concern to staff on at least a weekly basis. Outreach efforts shall be used to make contact with and check in with these residents.
- **Other Services:** HSH employs case management in a 20:1 ratio for supportive services. This includes 10 FTE that work at the property to provide referral services as needed by the tenants. In addition, services staff connect each tenant with resources needed to be food secure as they live independently.

FTE Staff Positions for Homekey Units:

- Supportive Services Staff Supervisor (2.0 FTE)
- Case Manager (10.0 FTE)
- Services Coordinator (2.0 FTE)

4. Grantee Contract Coordinator.

Authorized Representative Name:	Shireen McSpadden
Authorized Representative Title:	Executive Director
Entity Name:	City and County of San Francisco
Address:	440 Turk Street San Francisco, CA 94102
Telephone No.:	(415) 350-4258
E-Mail Address:	Shireen.mcspadden@sfgov.org

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5. Additional Conditions Precedent to Disbursement.

- The Grantee shall submit a complete supportive services plan, including a property management plan, for the Project, and such plan must be approved by the Department in its sole and reasonable discretion, prior to the disbursement of funds.
- The Department will not disburse the Award until it receives a fully conforming resolution authorizing Grantee, through its authorized representative, to execute and deliver this Standard Agreement and other Homekey Documents and that, in the Department's reasonable determination, material comports with Program requirements and is legally sufficient.

6. Budget Detail.

Grantee is obligated to cover the Project's operations and service costs for five (5) years. Grantee will satisfy this obligation by leveraging funding commitments, or other reasonable funding assurances, from the following funding sources:

-Homekey: An award letter dated July 28th, 2022, committed to the amount of \$56,578,000.00 for acquisition.

-City and County of San Francisco, HSH: A letter dated June 15th, 2022, committed to the amount of \$98,800,000.00 in capital support for acquisition of the project. The source of funds is Proposition C, as stated in Resolution No. 147-22 as adopted by the Board of Supervisors of the City and County of San Francisco on April 26th, 2022.

Grantee shall maintain the ongoing affordability of the Project by leveraging the following non-Homekey sources of rental or operating subsidies:

-City and County of San Francisco, HSH: A letter dated June 15th, 2022, committed to the amount of \$4,131,945.00 for operating subsidies. The source of funds is Proposition C, as stated in Resolution No. 147-22 as adopted by the Board of Supervisors of the City and County of San Francisco on April 26th, 2022.

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EXHIBIT E**7. Performance Milestones.**

Performance Milestones	Milestone Completion Date
Capital funds must be fully expended.	March 28 th , 2023
All Homekey-funded construction or rehabilitation must be completed.	July 28 th , 2023
Full occupancy by the Target Population must be accomplished in accordance with the descriptions and representations set forth in the Application.	March 28 th , 2023
A copy of Grantee's written nondiscrimination policy (in accordance with <u>Exhibit D</u> of this Agreement) must be submitted to the Department.	March 28 th , 2023
A [DRAFT] Regulatory Agreement or other use restriction must be submitted to the Department for review and approval.	March 28 th , 2023
A Department-approved Regulatory Agreement or other use restriction must be recorded against the Project real property as specified and described in the NOFA and this Agreement.	July 28 th , 2023
Homekey-funded operating funds must be fully expended.	June 30, 2026
A Homekey Program and Expenditure Report must be submitted to the Department as specified and described in the NOFA.	January 31 – Each year for five (5) years following the Effective Date of this Agreement

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EXHIBIT E**B. SPECIAL TERMS AND CONDITIONS**

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

1. **Use Restriction.** The state, regional, local, or tribal Grantee shall ensure that the Project is duly encumbered with a 55-year covenant, declaration, regulatory agreement, or similar use restriction (the “**Regulatory Agreement**”) that **(a)** is recorded in first position against the Project for the benefit of the state, regional, local, or tribal Grantee; **(b)** restricts the use, operation, occupancy, and affordability of the Project in accordance with this Agreement and the applicable Program Requirements; **(c)** duly names the Department as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof; and **(d)** is otherwise in form and substance acceptable to the Department.

The Regulatory Agreement must be recorded against the real property of the Project site by the Milestone Completion Date set forth herein. The Grantee shall obtain the Department’s express written approval of the Regulatory Agreement prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Regulatory Agreement.

Unless otherwise authorized by the prior and express written approval of the Department, the Regulatory Agreement must be recorded as a lien against the Project in first position, and must remain in first position, over all other Project agreements, covenants, or other matters of record on the real property for the period of affordability required by the Program.

2. Grantee has committed to a 55-year use restriction for the Project and has waived any potential accommodation by the Department to increase income limits, as described in the NOFA, for 100 percent of the Assisted Units.

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

Grant Resolution Information Form
(Effective July 2011)

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

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

1. Grant Title: 2021 Project Homekey
2. Department: Department of Homelessness and Supportive Housing
3. Contact Person: Dylan Schneider Telephone: 628.652.7742
4. Grant Approval Status (check one):

☒ Approved by funding agency ☐ Not yet approved

5. Amount of Grant Funding Approved or Applied for: not to exceed \$56,578,000

6. a. Matching Funds Required: \$98,800,000

b. Source(s) of matching funds (if applicable): Our City, Our Homes Fund (Prop C Homeless Gross Receipts Tax Revenue) Family Housing funds.

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

b. Grant Pass-Through Agency (if applicable): Acquisition funds are funded through the Coronavirus State and Local Fiscal Recovery Fund administered by the U.S. Department of the Treasury.

8. Proposed Grant Project Summary:

2021 Project Homekey funds would be used to supplement local funding to purchase the property located at 333 12th Street and provide a minimum of 5 years of operating funds for the housing site. The property has 200 multi-family units that would be used as Permanent Supportive Housing for Families. Based on the affordability restrictions, HSH plans to request annual appropriations to provide ongoing operating support for the project through the 15-year restriction period.

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

Capital Start-Date: Upon executed standard agreement Capital End-Date: March 28, 2023
Operating Start-Date: Upon executed standard agreement Operating End-Date: June 30, 2026

10. a. Amount budgeted for contractual services: The grant provides up to \$7,728,000 in state General Fund funding, including bonus funds, for multi-year operating expenditures for the project which will be part of a City master lease and property management agreement to a nonprofit homeless service provider to manage, maintain and operate the building.

- b. Will contractual services be put out to bid? Yes, a procurement has been completed.
- c. If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements? N/A
- d. Is this likely to be a one-time or ongoing request for contracting out? Yes, one-time. Contracted services are for the term of the City's master lease, currently five (5) years with an option to extend.

11. a. Does the budget include indirect costs?

☐ Yes ☒ No

1. If yes, how much?

2. How was the amount calculated?

3. If no, why are indirect costs not included?

☒ Not allowed by granting agency ☐ To maximize use of grant funds on direct services

☐ Other (please explain):

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

12. Any other significant grant requirements or comments: None.

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

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

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

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

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

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

Comments:

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

Heather Venisse
(Name)

Transfer Request Manager, Department of Homelessness and Supportive Housing

(Title)

11/2/2022

Date Reviewed: _____

DocuSigned by:

Heather Venisse

(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Gigi Whitley
(Name)

Deputy Director of Administration and Finance

(Title)

11/2/2022

Date Reviewed: _____

DocuSigned by:

Gigi Whitley

(Signature Required)



Homekey Program - Round 2 – 333 12 th Street Grant Budget	
City and County of San Francisco – 333 12 th Street	
Contract No. 21-HK-17485	
Sources:	
Homekey Award	
Coronavirus Fiscal Recovery Fund (ARPA)	\$48,850,000
State General Fund	\$6,048,000
State General Fund (Bonus award)	\$1,680,000
Total Sources:	\$56,578,000
Uses:	
<u>Capital</u>	
Purchase of Property	\$48,850,000
<u>Master Lease/Property Management</u>	
Permanent Supportive Housing Operations	\$7,728,000
Total Uses:	\$56,578,000

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

2020 W. El Camino Avenue, Suite 670, 95833
P.O. Box 952054
Sacramento, CA 94252-2054
(916) 263-2771
www.hcd.ca.gov



July 28, 2022

Shireen McSpadden, Executive Director of
Department of Homelessness and Supportive Housing
City and County of San Francisco
1 Dr Carlton B Goodlett Place, Suite 200
San Francisco, CA 94102

Dear Shireen McSpadden:

**RE: Award Announcement – Homekey Program
Notice of Funding Availability, Fiscal Year 2022/2023, Round 2
City and County of San Francisco – *City Gardens*
Contract No. 22-HK-17485**

The California Department of Housing and Community Development (Department) is pleased to announce that the City and County of San Francisco (Awardee) has been awarded a Homekey program, Round 2, award in the amount of \$56,578,000. This letter constitutes notice of the designation of Homekey funds for the Awardee.

Awardees will be able to draw down funds when the Standard Agreement is fully executed, and any general and special conditions have been cleared in writing.

Your Ambassador will be in communication with you to develop a Standard Agreement and confirm any documents needed to execute this contract.

Congratulations on your successful application. For further information, please contact Paul Dulai, Homekey Program Manager, Program Design and Implementation Branch, at (916) 465-2532 or Amritpal.Dulai@hcd.ca.gov.

Sincerely,

Jennifer Seeger
Deputy Director
Division of State Financial Assistance

Homekey Round 2

Notice of Funding Availability (NOFA) September 9, 2021

(As Amended January 14, 2022)

Application Workbook

Rev. 2/1/22



State of California
Governor Gavin Newsom

Lourdes M. Castro Ramirez, Secretary
Business, Consumer Services and Housing Agency

Gustavo Velasquez, Director
Department of Housing and Community Development

2020 West El Camino Avenue
Sacramento, CA 95833
Phone: (916) 263-2771
Email: Homekey@hcd.ca.gov
Website: <https://homekey.hcd.ca.gov/>

Homekey Round 2 Project Overview												2/1/22							
§401 Pre-Application Consultation Requirement																			
Has the lead applicant (a public entity or tribal entity) undertaken a preapplication consultation with HCD regarding the proposed Homekey Project?												Yes							
Instructions																			
"Yellow" shaded cells are for Applicant input. Failure to submit a complete application including the required documentation may result in the need for you to amend and resubmit your application resulting in your application's HCD review to be repositioned to the date of resubmittal.																			
"Red" shaded cells indicate the Applicant has likely failed to meet a Homekey requirement. 'Applicant Scoring Criteria' worksheet cells shaded in "red" indicate that the Applicant has failed to meet the minimum points required.																			
"Orange" shaded cells' indicated required attachments. Electronically attached files must use the naming convention in the Application. For Example: "Housing Site Map" for the map indicating the original target housing location and all proposed housing location(s).																			
"Green" shaded cells indicate HCD Use Only.																			
"Blue" shaded cells indicate Application scores.																			
NOFA section references are made with "\$" and the corresponding NOFA section number.																			
Please don't hesitate to contact us with any questions or if you need assistance in completing this application.																			
For general Homekey NOFA and program questions email: homekey@hcd.ca.gov .																			
For application specific assistance complete the 'App Support' worksheet & email your Excel application to: appsupport@hcd.ca.gov																			
Homekey Summary (auto populated from Award, Match and Revenue worksheet)																			
Maximum Homekey Award				Applicant Requested Homekey Award				Lesser of Maximum and Requested Award											
Capital Baseline Award		\$31,850,000.00		Capital Baseline Award		\$31,850,000.00		Capital Baseline Award		\$31,850,000.00									
Additional Contribution		\$17,000,000.00		Additional Contribution		\$17,000,000.00		Additional Contribution		\$17,000,000.00									
Total Maximum Capital Award		\$48,850,000.00		Total Requested Capital Award		\$48,850,000.00		Total Capital Award		\$48,850,000.00									
Operating Subsidy		\$6,048,000.00		Operating Subsidy		\$6,048,000.00		Operating Subsidy		\$6,048,000.00									
50% of Relocation Costs		\$0.00		50% of Relocation Costs		\$0.00		50% of Relocation Costs		\$0.00									
\$207 Bonus Award - app submittal		\$0.00		\$207 Bonus Award - app submittal		\$0.00		\$207 Bonus Award - app submittal		\$0.00									
\$207 Bonus Award - full occupancy		\$1,680,000.00		\$207 Bonus Award - full occupancy		\$1,680,000.00		\$207 Bonus Award-full occupancy		\$1,680,000.00									
Total Maximum Homekey Award		\$56,578,000.00		Total Requested Homekey Award		\$56,578,000.00		Total Homekey Award		\$56,578,000.00									
Number of Doors at Acquisition		200		Number of Units Proposed in the Project		200													
Number of At-Risk of Homelessness Units		0		Number of Chronically Homeless Units		0		Number of Homeless Units		168									
Number of Homeless Youth or Youth at Risk of Homelessness Units				0		Number of Assisted Units		168											
Number of Units accessible to persons with mobility disabilities				0		Number of Units accessible to persons with hearing or vision disabilities				0									
Project Overview																			
Project Name		City Gardens																	
Project Address		333 12th Street				Project City		San Francisco		State		CA		Zip		94103			
Project County		San Francisco		Is the Project in a Rural Area per H&S Code §50199.21? (use the TCAC Method for determining rural status)										No					
Assessor Parcel Number (APN)		Block 3521, Lot 95																	
Assessor Parcel Number (APN)																			
Geographic Set Aside		Bay Area				Data Universal Numbering System (DUNS):													
Project Type (Transitional Housing is Interim Housing)		Permanent Housing																	
Building Type		Existing multifamily																	
Other building type not listed above (describe below)																			
N/A																			
Project Narrative																			
The City and County of San Francisco (CCSF) intends to purchase the City Gardens, a 200-unit property located in the heart of San Francisco. This 8-story building, plus basement, was recently completed in 2021. The owner submitted this property for potential sale to the CCSF's Request for Information for potential new Homekey sites. After completing due diligence, the CCSF entered into a Purchase and Sale Agreement (PSA) with the seller, which was approved by the Board of Supervisors on April 26, 2022. The CCSF intends to purchase this property and convert it from general multifamily to Permanent Supportive Housing under the Homekey program, serving homeless adults, couples, and families.																			
If Project is also known under another name(s) or was formerly known under another name(s), provide the name(s).														No					
Have you applied, do you plan to apply, or has the Project been awarded other HCD program funds?												No							
Other HCD Program(s) Name(s):				Funding Amount		Funding Status			NOFA Date		Award Date/Expected Award Date								
§200 Eligible Applicants																			
Applicant #1																			
Entity name		City and County of San Francisco						Organization type		City and County									
Address		440 Turk Street				City		San Francisco		State		CA		Zip		94102			
Auth Rep		Shireen McSpadden		Title		Executive Director		Email		shireen.mcspadden@sfgov.org		Phone		415-350-4258					
Contact		Dan Adams		Title		Senior Advisor, Housing Initiatives		Email		dan.adams@sfgov.org		Phone		415-505-9842					
Address		1 Dr. Carlton B Goodlett Place, #200				City		San Francisco		State		CA		Zip		94102			
File Name		App1 Cert & Legal		See Certifications & Legal worksheet.								Uploaded to HCD?		Yes					
File Name		App1 Resolution		Signature required; see Applicant Documents worksheet.								Uploaded to HCD?		Yes					
File Name		App1 TIN Form		See Applicant Documents worksheet.								Uploaded to HCD?		Yes					
Co-Applicant #1 (if applicable)																			
Entity name								Organization type											
Address						City				State				Zip					
Auth Rep				Title				Email				Phone							
Contact				Title				Email				Phone							
Address						City				State				Zip					
File Name		Co-App1 Cert & Legal		See Certifications & Legal worksheet.								Uploaded to HCD?							
File Name		Co-App1 Resolution		Signature required; see Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App1 OrgDoc1, OrgDoc2, etc		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App1 OrgChart		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App1 Signature Block		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App1 Payee Data Record		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App1 TIN Form		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App1 Cert of Good Standing		Dated 30 days or less from the Application due date.								Uploaded to HCD?							
File Name		Co-App1 Tax-Exempt Status		Evidence of tax-exempt status from IRS and Franchise Tax Board, if applicable								Uploaded to HCD?							
Co-Applicant #2 (if applicable)																			
Entity name								Organization type											
Address						City				State				Zip					
Auth Rep				Title				Email				Phone							
Contact				Title				Email				Phone							
Address						City				State				Zip					
File Name		Co-App2 Cert & Legal		See Certifications & Legal worksheet.								Uploaded to HCD?							
File Name		Co-App2 Resolution		Signature required; see Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App2 OrgDoc1, OrgDoc2, etc		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App2 OrgChart		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App2 Signature Block		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App2 Payee Data Record		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App2 TIN Form		See Applicant Documents worksheet.								Uploaded to HCD?							
File Name		Co-App2 Cert of Good Standing		Dated 30 days or less from the Application due date.								Uploaded to HCD?							
File Name		Co-App2 Tax-Exempt Status		Evidence of tax-exempt status from IRS and Franchise Tax Board for Non-profit Corp.								Uploaded to HCD?							
Development Team Contacts (provide information that is currently available)																			
Property Management Company																			
Legal Name		TBD				Contact Name				Email									
Phone				Address				City				State				Zip			

Homekey Round 2 Project Overview

2/1/22

Financial Consultant

Legal Name	N/A	Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

Legal Counsel

Legal Name	City and County of San Francisco	Contact Name	Virginia Dario Elizondo	Email	virginia.dario.elizondo@sfcityatty.org
Phone	N/A	Address	1390 Market Street, 5th Floor	City	San Francisco
				State	CA
				Zip	94102

General Contractor

Legal Name	N/A	Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

Architect

Legal Name	N/A	Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

Development/Operating Funding Source

Legal Name	City and County of San Francisco	Contact Name	Gigi Whitley	Email	gigi.whitley@sfgov.org
Phone	(628) 652-7739	Address	440 Turk Street	City	San Francisco
				State	CA
				Zip	94102

Development/Operating Funding Source

Legal Name		Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

Development/Operating Funding Source

Legal Name		Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

Development/Operating Funding Source

Legal Name		Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

Development/Operating Funding Source

Legal Name		Contact Name		Email	
Phone		Address		City	
				State	
				Zip	

§201 Eligible Uses

Select below the eligible uses you are applying for:				
i. Acquisition or rehabilitation, or acquisition and rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing.				Yes
File Name:	Rehab Description	Narrative description of current condition of structure(s) and overall scope of work.		Uploaded to HCD?
File Name:	PNA	Physical Needs Assessment prepared by a qualified independent third party contractor.		Uploaded to HCD?
ii. Master leasing of properties for non-congregant housing. If Yes, provide a recent market study and/or rent roll, and/or other supporting documentation.				No
File Name:	Market Study	Provide a recent market study within the past year which conforms to Tax Credit Allocation Committee (TCAC) guidelines, and/or a rent roll, and/or other supporting documentation per §205 of the NOFA.		Uploaded to HCD?
iii. Conversion of units from nonresidential to residential.				No
iv. New construction of dwelling units.				No
v. The purchase of affordability covenants and restrictions for units. If Yes, provide a recent market study and/or rent roll, and/or other supporting documentation.				No
File Name:	Market Study	Provide a recent market study within the past year which conforms to TCAC guidelines, and/or a rent roll, and/or other supporting documentation per §205 of the NOFA.		Uploaded to HCD?
vi. Relocation costs for individuals who are being displaced as a result of your Homekey Project.				No
vii. Capitalized operating subsidies for units purchased, converted, constructed, or altered with funds provided pursuant to HSC §50675.1.3.				Yes

§202 Eligible Projects

Select below the eligible project types you are applying for:				
i. Conversion of nonresidential structures to residential dwelling units.				No
ii. Conversion of commercially zoned structures, such as office or retail spaces, to residential dwelling units.				No
iii. Adult residential facilities, residential care facilities for the elderly, manufactured housing, and other buildings with existing residential uses.				No
iv. Multifamily rental housing projects.				Yes
v. Excess state-owned properties.				No
vi. Shared housing or scattered site housing is permitted as long as the resulting housing has common ownership, financing, and property management, and each household signs a lease.				No
vii. Structure(s) lacking a permanent foundation such as manufactured home, recreational vehicle, and floating home, for temporary use only. HCD encourages Applicants to explore financing alternatives to Homekey for such structures. Must submit with application a detailed explanation of how the use will meet all Homekey requirements, including the requirements for use and affordability restrictions set forth at §208 of the NOFA. Applicants seeking HCD's approval of structures lacking a permanent foundation are encouraged to discuss their options at the required pre-application consultation.				No
File Name:	Non-Perm Structure	Detailed narrative of how the use will meet all Homekey Program requirements, including the requirements for use and affordability restrictions set forth at §208 of the NOFA		Uploaded to HCD?
Other eligible project not listed above (describe below)				No
N/A				
viii. Applicant acknowledges Homekey Assisted Units previously awarded under the first round of Homekey funding are ineligible for Homekey Round 2 funding.				Yes

Threshold					2/1/22	
§300 Threshold Requirements						
To be eligible to receive funding, all projects must meet the following requirements as they relate to the Eligible Applicant and the project types.						
i. Applicant acknowledges that applications may be submitted independently by an Eligible Applicant, as defined in §200 and Article VII. Alternatively, each of the foregoing Eligible Applicants may apply jointly with a nonprofit or for-profit corporation as Co-Applicant, as specified?					Yes	
ii. Applicant agrees Project(s) must serve persons qualifying as members of the Target Population per Article VII(xxxii)?					Yes	
iii. Applicant has completed the 'Supportive Services Plan' worksheet based on the anticipated needs of the Target Population and any proposed sub-populations to be served by the Project?					Yes	
iv. Applicant acknowledges the requirement to submit an overview below of the plan and timeline for any required entitlements, permits, and environmental clearances? Applicants must also complete the 'Local & Env Verification' worksheet. Applicants are encouraged to discuss their land use and environmental clearance plans, and related statutory authorities at the required pre-application consultation.					Yes	
This project is currently zoned and permitted as multifamily residential. No unit renovation work is required so no permits are needed at this time. All environmental clearances are complete.						
File Name	Env. Report 1	Phase I (prepared or updated no earlier than 12 months prior to the application due date).			Uploaded to HCD?	Yes
File Name	Env. Report 2	If Phase I requires a Phase II study, submit a Phase II (prepared or updated no earlier than 12 months prior to the application due date).			Uploaded to HCD?	N/A
File Name	CEQA	Copy of CEQA Determination Documents			Uploaded to HCD?	Yes
File Name	NEPA	Copy of Authority of Use Grant Funds (NHTF Verification from Responsible Entity)			Uploaded to HCD?	N/A
File Name	Local Approvals	'Local & Env Verification' worksheet(s) completed and signed by local authority or Responsible Entity, if different from jurisdiction.			Uploaded to HCD?	Yes
Construction start date		N/A		Construction completion date		N/A
				Estimated occupancy date		8/1/22
v. Applicant acknowledges the requirement to submit a Racial Demographic Data Worksheet (reports Continuum of Care (CoC) outcomes by race/ethnicity)?					Yes	
File Name	Racial Demographics	Racial Demographic Data Worksheet, which reports CoC outcomes by race and ethnicity. The worksheet on the Homekey webpage			Uploaded to HCD?	Yes
vi. Applicant must have site control of all properties at the time of application, and control must not be contingent on the approval of any other party. Does Applicant have site control? If Yes, enter site control information for each APN and most recent execution date. Describe site control special circumstances below.					Yes	
APN		Address		Type of Site Control	Current owner	Execution date
Block 3521, Lot 95		333 12th Street, San Francisco, CA 94103		f. Executed letter of intent that represents to HCD, the Applicant will acquire a sufficient legal interest in the property to accomplish the purpose of the award	City Gardens Bridge LLC	2/23/22
0						
0						
0						
0						
0						
0						
0						
0						
0						
h. Applicant acknowledges that if one or more sites will require a use change for permanent housing, Applicant must submit a commitment and plan to facilitate or expedite those processes, so as to not delay expenditure and occupancy requirements?					N/A	
File Name:	Use Change	Provide a commitment and plan to facilitate or expedite the use change processes			Uploaded to HCD?	N/A
Provide details below for unusual site control special circumstances or "Other" types of site control:						
Board of Supervisors approved the Purchase and Sale Agreement on 4/26/2022 but the agreement was not signed in time for this application.						
File Name:	Site Control1, Site Control2, etc	Provide documentation of the type of site control for each site above			Uploaded to HCD?	Yes
File Name:	Prelim1, Prelim2, etc	Provide current preliminary title report for each site above			Uploaded to HCD?	Yes
File Name:	Liability Insurance	Proof of General Liability Insurance that meets the requirements in §800(i)			Uploaded to HCD?	Yes
File Name:	Automobile Insurance	Proof of Automobile Liability Insurance that meets the requirements in §800(ii)			Uploaded to HCD?	Yes
File Name:	Property-Hazard Insurance	Proof of Property Insurance that meets the requirements in §800(v)			Uploaded to HCD?	Yes
vii. Applicant acknowledges that the Eligible Applicant applying for the Homekey funding is the entity that HCD relies upon for experience and capacity, and will control the project during acquisition, development, and occupancy?					Yes	
Indicate which Eligible Applicant HCD can rely on for experience and capacity:				City and County of San Francisco		
viii. Applicant agrees to provide a development plan that supports acquisition of a site and fund expenditure before all program deadlines and demonstrates evidence of strong organizational and financial capacity to develop the project?					Yes	
File Name:	Development Plan	Provide a development plan			Uploaded to HCD?	Yes
ix. Applicant agrees that Assisted Units and other units of the Project must meet all applicable state and local requirements pertaining to rental housing, manufactured housing, including but not limited to requirements for minimum square footage, and requirements related to maintaining the Project in a safe and sanitary condition?					Yes	
x. Applicant acknowledges all Applicants must be in good standing with the State of California and all agencies and departments thereof? By way of example and not limitation, all Applicants must be qualified to do business in the State of California and must be in good standing with the California Secretary of State and the California Franchise Tax Board. Applicants that are delinquent in meeting material requirements of previous HCD awards may fail threshold review.					Yes	
xi. Applicant acknowledges that HCD will require Eligible Applicants to submit a complete application with all required documents? HCD reserves the right to request clarification of unclear or ambiguous statements made in an application and other supporting documents.					Yes	
xii. Applicant acknowledges the requirement to submit a concise, sufficiently detailed Relocation Assistance Narrative? The Narrative must show the Applicant's consideration of (I) applicable relocation assistance laws and requirements; and (II) all persons, businesses, or farm operations that may or will be displaced as a result of the Applicant's Homekey-funded activities. This Relocation Assistance Narrative does not take the place of the relocation plan, or the Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, that the Grantee shall submit as a condition of funding.					Yes	
File Name:	Relocation Narrative	Relocation Assistance Narrative for relocation or no relocation			Uploaded to HCD?	Yes
§301 Permanent Housing Requirements						
i. Applicant has funding commitments or other reasonable assurance to cover operations and service costs with specific funding sources (government/philanthropic/private) for the proposed Project for 5 years and a budget which covers operations and services costs through year 15 from the recordation of the use restriction?					Yes	
ii. Is the Applicant acquiring, rehabilitating, and operating a Permanent Housing project? If Yes, the Applicant or Co-Applicant must demonstrate the following minimum experience and capacity requirements below:					Yes	
a. Development, ownership, or operation experience (a1. or a2. must be Yes to pass Threshold)				Passes threshold?		
a1. Has Applicant developed, owned, or operated a project similar in scope and size to the Project? If Yes, provide details below:				Yes		
Project name and address		Who provides the experience	Experience type	Housing type	Population served	Latest date developed, owned, or operated
Granada Hotel, 1000 Sutter Street, San Francisco, CA (Homekey Round 1)		City and County of San Francisco	Developed	Affordable Rental	Homeless	11/13/20

Threshold										2/1/22		
a2. If a1 above is Yes, skip. Applicant has operated at least two affordable rental housing projects in the last ten years, with at least one of those projects containing at least one unit housing a tenant who qualifies as a member of the Target Population (enter Project information below)?										Yes		
Project name and address				Who provides the experience		Experience type	Housing type	Qualifying unit population served		Latest date developed, owned, or operated		
Hotel Diva, 440 Geary Street, San Francisco, CA (Homekey Round 1)				City and County of San Francisco		Developed	Affordable Rental	Homeless		12/2/20		
1321 Mission Street, San Francisco, CA (Homekey Round 2)				City and County of San Francisco		Owned	Affordable Rental	Homeless		3/25/22		
b. Experience helping persons address barriers to housing stability & providing support services			Property manager service years	3.00	Supportive Service Provider service years		36.00	Pass threshold (three or more years of experience)?		Yes		
Has a property manager been selected?	No	If Yes, enter property manager name and complete experience chart below:					If No, Applicant certifies that this requirement will be reflected in future solicitation or memorandum of understanding?			Yes		
Has a supportive service provider been selected?	No	If Yes, enter supportive service provider name and complete experience chart below:					If No, Applicant certifies that this requirement will be reflected in future solicitation or memorandum of understanding?			Yes		
Project name and address				Experience provider		Housing type	Population Served		# of months serving			
Soltitation for Operator in May 2022				Property Manager		Affordable Rental	Homeless		36			
				Property Manager		Affordable Rental						
				Property Manager		Affordable Rental						
				Property Manager		Affordable Rental						
				Property Manager		Affordable Rental						
Enter Supportive Service Provider name and complete experience chart below:												
City and County of San Francisco, Department of Homelessness and Supportive Housing and Department of Public Health				Supportive Service Provider		Affordable Rental	Homeless		396			
Soltitation for Operator in May 2022				Supportive Service Provider		Affordable Rental	Homeless		36			
				Supportive Service Provider		Affordable Rental						
				Supportive Service Provider		Affordable Rental						
				Supportive Service Provider		Affordable Rental						
c. Experience administering a Housing First program that includes principles of harm reduction and low barriers to entry.										Yes		
File Name:	Housing First Perm		Provide experience administering a Housing First program of harm reduction and low barriers to entry					Uploaded to HCD?		Yes		
d. Development, ownership, or operation capacity.												
d1. Does Applicant have the capacity to develop, own, and operate a Permanent Housing Project? If Yes, provide details in the Project Staffing Chart below:										Yes		
d2. Applicant certifies that it will employ experienced staff without reliance upon another entity or parent company?										Yes		
d3. Applicant certifies that it has sufficient financial capacity to provide payroll and employment benefits to staff without reliance upon another entity or parent company?										Yes		
d4. Applicant certifies that it has sufficient financial capacity to carry out its obligations pursuant to Program requirements including, but not limited to providing financial guarantees without reliance upon another entity or parent company?										Yes		
Project Staffing Chart												
Staff type	Employee / Consultant full name			Position title		Full time / Part time		% of time dedicated to this project				
Consultant	Dan Adams			Senior Advisor, Housing Initiatives,		Full Time		25%				
Consultant	Kathleen Mertz			President, REANA Consulting Inc		Part Time		10%				
Employee	Salvador Menjivar			Director of Housing, HSH		Full Time		5%				
Employee	Elizabeth Hewson			Manager of Supportive Housing		Full Time		10%				
Employee	Alison Schlageter			Supportive Housing Program		Full Time		10%				
Employee	Mili Choudhury			Family Housing Program Manager, HSH		Full Time		20%				
Employee	Sharon Christen			Real Estate Principal Analyst, HSH		Full Time		25%				
iii. One-for-one replacement of assisted housing												
a. Will the acquired housing or site be redeveloped/repositioned as part of the locality's overall goal to address the needs of Target Population and community?										No		
b. If Yes to iii a. above, will the target site be demolished before any occupancy by the Target Population?										N/A		
File Name:	One-for-one Replacement		iii(a) and (b): If the acquired housing or site will be redeveloped/repositioned per the locality's overall goal to address the needs of the Target Population and the community (unless the target site is going to be demolished before any occupancy by the Target Population), provide a letter of commitment to ensure one-for-one replacement of units.					Uploaded to HCD?		N/A		
c. Will all of the proposed housing be located within the original target housing location neighborhood?										Yes		
File Name:	Housing Site Map		Map indicating the original target housing location and all proposed housing location(s).					Uploaded to HCD?		Yes		
File Name:	Outside Neighborhood		If replacement housing is proposed outside the target neighborhood, include a justification explaining why it is necessary to locate this replacement housing outside the target neighborhood (i.e., offsite) and how doing so supports and enables the Target Population to maintain housing.					Uploaded to HCD?		N/A		
§302 Interim Housing Requirements (skip this application section as your Project Type is Perament Housing; please complete §301)												
i. Applicant acknowledges the Interim Housing Project will be evaluated on Funding commitments or other reasonable assurance to cover operations and service costs with specific funding sources (government/philanthropic/private) for the Project for five years and submit a budget to cover operations and services costs through year 15 from the recordation of the use restriction.												
ii. Is the Applicant acquiring, rehabilitating, and/or operating an Interim Housing project? If Yes, the Applicant must meet the following experience and capacity below:												
a. Successful development, ownership, or operation of an Interim Housing project, such as an emergency shelter or Transitional Housing for at least three of the last ten years for individuals who qualify as members of the Target Population.						Years	0.00	Pass Threshold	No			
Project Name and Address				Who provided experience	Experience type	Interim Housing project type		Population Served		# of months serving in the last ten years		
Explanations:												
b. Does Applicant have experience linking Interim Housing program participants to Permanent Housing to ensure long-term housing stability?												
File Name:	Interim Hsg Exp		Provide experience in linking Interim Housing program participants to Permanent Housing to ensure long-term housing stability					Uploaded to HCD?				
c. Does Applicant have experience administering a Housing First program that includes principles of harm reduction and low barriers to entry?												
File Name:	Housing First Interim		Provide experience administering a Housing First program that includes principles of harm reduction and low barriers to entry					Uploaded to HCD?				
d. Development, ownership, or operation capacity.												
d1. Does Applicant have the capacity to develop, own, and operate a Permanent Housing Project? If Yes, provide details in the Project Staffing Chart below:												
d2. Applicant certifies that it will employ experienced staff without reliance upon another entity or parent company?												
d3. Applicant certifies that it has sufficient financial capacity to provide payroll and employment benefits to staff without reliance upon another entity or parent company?												
d4. Applicant certifies that it has sufficient financial capacity to carry out its obligations pursuant to Program requirements including, but not limited to providing financial guarantees without reliance upon another entity or parent company?												
Project Staffing Chart												
Staff type	Employee / Consultant full name			Position title		Full time / Part time		% of time dedicated to this project				

Threshold				2/1/22	
§500 Article XXXIV					
Applicant acknowledges per HSC §37001, subdivision (h)(2), article XXXIV, §1 of the California Constitution is not applicable to a development that consists of the acquisition, rehabilitation, reconstruction, alterations work, new construction, or any combination thereof, of lodging facilities or dwelling units using moneys received from the CSFRF established by the federal American Rescue Plan Act of 2021 (ARPA) (Public Law 117-2)? As such, Article XXXIV is not applicable to Homekey funded development.				Yes	
§501 Housing First					
Applicant acknowledges that the Eligible Applicant shall certify to employ the core components of Housing First, as set forth at Welfare and Institutions Code §8255, in its property management and tenant selection practices? Projects shall accept tenants regardless of sobriety, participation in services or treatment, history of incarceration, credit history, or history of eviction in accordance with practices permitted pursuant to Housing First practices, including local Coordinated Entry System prioritization protocols, or other federal or state Project funding sources..				Yes	
§502 Tenant Selection					
Applicant acknowledges that referrals to Homekey Assisted Units shall be made through the local Coordinated Entry System (CES) for persons who are experiencing homelessness? For persons At Risk of Homelessness, CES or another comparable prioritization system based on greatest need shall be used. All referral protocols for Homekey Assisted Units must be developed in collaboration with the local CoC and implemented consistent with the requirements set forth in the NOFA. CoC collaboration in Project and supportive service design is also strongly encouraged to help target and serve greatest need populations. If referrals will be made using a prioritization system other than CES, the Applicant must describe the plan for tenant selection, and it shall be reasonably detailed and comprehensive, as determined by the Department in its sole and absolute discretion.				Yes	
§503 Participation in Statewide HDIS/HMIS					
Applicant acknowledges Homekey Grantees must support CoC participation in the statewide Homeless Data Integration System (HDIS), and, in accordance with state and federal law (including all applicable privacy law), disclose relevant data to the local Homeless Management Information System (HMIS)? Note: Another comparable data collection system may be appropriate for specific projects or sub-populations including, but not limited to, domestic violence victims, veterans, and youth.				Yes	
§504 Relocation					
Applicant acknowledges Homekey Grantees must comply with all applicable federal, state, and local relocation law. Grantees must have a relocation plan prior to proceeding with any phase of a project or other activity that will result in the displacement of persons, businesses, or farm operations?				Yes	
File Name:	Relocation Plan	Relocation Assistance Narrative for relocation or no relocation		Uploaded to HCD?	Yes
§505 Accessibility and Non-Discrimination					
Applicants acknowledges all developments shall adhere to the accessibility requirements set forth in California Building Code Chapter 11A and 11B and the Americans with Disabilities Act, Title II?				Yes	
File Name:	Access & Non-Discrimination	Provide a non-discrimination policy		Uploaded to HCD?	Yes
§506 Prevailing Wage					
Applicant acknowledges use of Homekey funds is subject to California's prevailing wage law (Lab. Code, § 1720 et seq.). Applicant is urged to seek professional legal advice about the law's requirements. Prior to disbursing the Homekey funds, HCD will require a certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law. The certification must verify that prevailing wages have been or will be paid, and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by the general contractor(s) and the Grantee.				Yes	
File Name:	Prevailing Wage	Provide a prevailing wage certification		Uploaded to HCD?	Yes
§507 Environmental Clearances					
Applicant acknowledges HCD encourages Eligible Applicants to fully engage with HCD's technical assistance and to consider the CEQA exemption set forth at HSC §50675.1.4 and the provision for land use consistency and conformity set forth at HSC §50675.1.3, subdivision (i)? Applicants should consult with their counsel for legal advice in construing application of the foregoing exemptions to their Project. It is entirely within an Applicant's discretion to determine whether to use the statutory CEQA exemption, whether the exemption applies to the Applicant's proposed activity, or whether some other mechanism applies and could be used to satisfy obligations under CEQA.				Yes	
§508 Land Use					
Applicant acknowledges Pursuant to HSC section 50675.1.3, subdivision (i), Homekey Projects are deemed consistent and in conformity with any applicable local plan, standard, or requirement, and any applicable coastal plan (local or otherwise). Such Projects shall not be subject to any discretionary local permit review or approval process (e.g., a discretionary use permit process) before being able to proceed as a permitted use.				Yes	

Certification & Legal Disclosure			2/1/22
On behalf of the entity identified in the signature block below, I certify that:			
1. The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct.			
2. I possess the legal authority to submit this application on behalf of the entity identified in the signature block.			
3. The following is a complete disclosure of all identities of interest - of all persons or entities, including affiliates, that will provide goods or services to the Project either (a) in one or more capacity or (b) that qualify as a "Related Party" to any person or entity that will provide goods or services to the Project. "Related Party" is defined in Section 10302 of the California Code of Regulations (CTCAC Regulations):			
N/A			
4. As of the date of application, the Project, or the real property on which the Project is proposed (Property) is not party to or the subject of any claim or action at the State or Federal appellate level.			
5. I have disclosed and described below any claim or action undertaken which affects or potentially affects the feasibility of the Project.			
In addition, I acknowledge that all information in this application and attachments is public, and may be disclosed by the State.			
Shireen McSpadden	Executive Director, Department of Homelessness and Supportive Housing		
Printed Name	Title of Signatory	Signature	Date
Legal Disclosure			
For purposes of the following questions, and with the exceptions noted below, the term "applicant" shall include the applicant and joint applicant, and any subsidiary of the applicant or joint applicant if the subsidiary is involved in (for example, as a guarantor) or will be benefited by the application or the project.			
In addition to each of these entities themselves, the term "applicant" shall also include the direct and indirect holders of more than ten percent (10%) of the ownership interests in the entity, as well as the officers, directors, principals and senior executives of the entity if the entity is a corporation, the general and limited partners of the entity if the entity is a partnership, and the members or managers of the entity if the entity is a limited liability company. For projects using tax-exempt bonds, it shall also include the individual who will be executing the bond purchase agreement.			
The following questions must be responded to for each entity and person qualifying as an "applicant," or "joint applicant" as defined above.			
Explain all positive responses on a separate sheet and include with this questionnaire in the application.			
Exceptions:			
Public entity applicants without an ownership interest in the proposed project, including but not limited to cities, counties, and joint powers authorities with 100 or more members, are not required to respond to this questionnaire.			
Members of the boards of directors of non-profit corporations, including officers of the boards, are also not required to respond. However, chief executive officers (Executive Directors, Chief Executive Officers, Presidents or their equivalent) must respond, as must chief financial officers (Treasurers, Chief Financial Officers, or their equivalent).			
Civil Matters			
1. Has the applicant filed a bankruptcy or receivership case or had a bankruptcy or receivership action commenced against it, defaulted on a loan or been foreclosed against in past ten years ?	No		
2. Is the applicant currently a party to, or been notified that it may become a party to, any civil litigation that may materially and adversely affect (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?	No		
3. Have there been any administrative or civil settlements, decisions, or judgments against the applicant within the past ten years that materially and adversely affected (a) the financial condition of the applicant's business, or (b) the project that is the subject of the application?	No		
4. Is the applicant currently subject to, or been notified that it may become subject to, any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency?	Yes		
5. In the past ten years, has the applicant been subject to any civil or administrative proceeding, examination, or investigation by a local, state or federal licensing or accreditation agency, a local, state or federal taxing authority, or a local, state or federal regulatory or enforcement agency that resulted in a settlement, decision, or judgment?	Yes		
Criminal Matters			
6. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, felony charges against the applicant?	No		
7. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, misdemeanor charges against the applicant for matters relating to the conduct of the applicant's business?	No		
8. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, involving, or that could result in, criminal charges (whether felony or misdemeanor) against the applicant for any financial or fraud related crime?	No		
9. Is the applicant currently a party to, or the subject of, or been notified that it may become a party to or the subject of, any criminal litigation, proceeding, charge, complaint, examination or investigation, of any kind, that could materially affect the financial condition of the applicant's business?	No		
10. Within the past ten years, has the applicant been convicted of any felony?	No		
11. Within the past ten years, has the applicant been convicted of any misdemeanor related to the conduct of the applicant's business?	No		
12. Within the past ten years, has the applicant been convicted of any misdemeanor for any financial or fraud related crime?	No		
Provide a letter of explanation if you responded "Yes" to any of the questions above.			
File Name:	Cert & Legal Explanation	Letter of explanation for any "Yes" answers or red shaded items above.	Uploaded to HCD?
Shireen McSpadden	Executive Director		
Printed Name	Title of Signatory	Signature	Date

Applicant Documents		2/1/22
Certifications & Legal Disclosure		
A completed and signed Certification is required for each Joint Applicant. Each Joint Applicant must sign an individual Certification form. A completed and signed Legal Disclosure is also required for each Joint Applicant. The hard copy Certifications & Legal Disclosure should be submitted with the application as detailed in the NOFA.		
Resolutions		
Applicant may use their own Resolution format as long as it contains ALL of the authorizations as in the sample. The person attesting to the resolution signing cannot be the same person authorized to execute the documents in the name of the applicant. If more than one authorized signatory is identified, state whether both signatories are required or only one signatory is required to submit and execute Program docs. If the application is being signed by a designee of the authorized signatory, the applicant must also submit a designee letter or other proof of signing authority.		
A resolution is required of each Joint Applicant - both private and public entities. A sample resolution template is available on the Homekey website.		
Organizational Documents		
Organizational documents are required for all Applicants except Governmental entities are not required. Submit organizational documents supporting the Resolution submitted with the application.		
Corporation organizational documents Articles of Incorporation (Corp. Code §154, 200 and 202) as certified by the CA Secretary of State. Bylaws and any amendments thereto (Corp. Code §207(b), 211 and 212) Certificate of Amendment of Articles of Incorporation (Corp. Code §900-910 (general stock), §5810-5820 (public benefit and religious corporations), §7810-7820 (mutual benefit corporations), or §12500-12510 (general cooperative corporations)) as applicable. Restated Articles of Incorporation (Corp. Code §901, 906, 910 (general stock), §5811, 5815, 5819 (public benefit and religious corporations), §7811, 7815 and 7819 (mutual benefit corporations) and §12501, 12506 and 12510 (general cooperative corporations)) as applicable. Statement of Information (CA Secretary of State form SI-100 or SI-200) Shareholder Agreements (Corp. Code §186) if applicable. Certificate of Good Standing certified by Secretary of State.		
Limited Liability Company Articles of Organization (CA Secretary of State form LLC-1) Certificate of Amendment (CA Secretary of State form LLC-2) if applicable Restated Articles of Organization (CA Secretary of State form LLC-10) if applicable Certificate of Correction (CA Secretary of State form LLC-11) if applicable Statement of Information (CA Secretary of State form LLC-12 or LLC-12NC) Operating Agreement (Corp. Code §17707.02(s) and 17701.10) Certificate of Good Standing certified by Secretary of State		
Limited Partnership Certificate of Limited Partnership (CA Secretary of State form LP-1) Amendment to Certificate of Limited Partnership (CA Secretary of State form LP-2) if applicable. Certificate of Correction (CA Secretary of State form LP-2) if applicable. Limited Partnership Agreement (CA Corp. Code §15901.02(x) and 15901.10) Certificate of Good Standing certified by Secretary of State.		
Any other CA Secretary of State filings applicable to revivals, conversions or mergers.		
Organizational Chart		
The Organizational chart must depict the organizational structure of the entities in relation to the applicant.		
Signature Block		
All Applicants must submit a Signature Block in a Microsoft Word Document that will be used in the HCD legal documents such as the Standard Agreement.		
Payee Data Record STD-204 or Taxpayer Identification Number (TIN)		
The TIN must be submitted by all governmental entity Applicants. All other Applicants must submit the STD-204 Payee Data Record. Available on the Homekey website.		

§300(iii) Supportive Services Plan (SSP)		2/1/22
Homekey applications must include an initial plan for providing supportive services based on the anticipated needs of the Target Population and any proposed sub-populations to be served by the Project. The checklist below shall serve as a guide to ensure your SSP is complete.		
Part I.	Tenant Selection	
Yes	Section 1: Tenant Selection Criteria	
Yes	Section 2: Referrals	
Yes	Section 3: Housing First Certification §501	
Part II.	Supportive Services Detail	
Yes	Section 1: Supportive Services Provider Information	
Yes	Section 2: Supportive Services Chart	
Yes	Section 3: Supportive Services Coordination	
Part III.	Staffing	
Yes	Section 1a: Staffing Description	
Yes	Section 1b: Staffing Chart	
Yes	Section 2: Staffing Ratios	
Part IV.	Supportive Services Budget	
Part V.	Property Management Plans and Tenant Selection	
Yes	Section 1: Property Management Plans and Tenant Selection	
Part VI.	Measurable Outcomes and Plan for Evaluation	
Yes	Section 1: Measurable Outcomes	
Yes	Section 2: Plan for Evaluation	
Part I. Tenant Selection		
§502 asks for a detailed description of the Tenant Selection process. Using the titled sections below, the narrative should be as specific as possible, delineating the roles of property management and the support service provider and how these functions will be coordinated. Your description should clearly and conclusively document processes to ensure compliance with the Homekey Round 2 NOFA for Tenant Selection and Housing First Practices.		
Section 1: Tenant Selection Criteria		
Target Population and Eligibility Criteria		
a. Do you use Housing First Practices?		Yes
b. Describe the criteria that will be used to ensure that tenants are eligible to occupy the Homekey Assisted Units.		
All tenants will be referred to the property through the City of San Francisco's Coordinated Entry System, designated to serve homeless adults, TAY, and families referred through the One System established by the Department of Homelessness and Supportive Housing. All referrals for vacancies come from the SF family Coordinated Entry System. Households referred to vacancies through CES have been prioritized via an assessment administered by the City's Access Points. Families who are prioritized for housing in the CES are currently homeless. Factors that affect prioritization for housing in the CES are vulnerability, chronicity of homelessness, and barriers to housing.		
c. Description of the Target Population to be served, and identification of any additional subpopulation target or occupancy preference for the Project. (all sub-population targeting must be approved by HCD prior to standard agreement issuance and must be consistent with federal and state fair housing requirements).		
All 170 units will serve the Target Population and will be prioritized for homeless family households.		
d. Describe any additional eligibility criteria other than those indicated above, i.e., information needed to determine if the tenant can comply with lease terms. NOTE: Selection criteria designed to assess anything other than the ability to comply with lease terms generally run afoul of fair housing laws designed to protect equal access to housing for people with disabilities. See Between the Lines, A Question and Answer Guide on Legal Issues in Supportive Housing Chapter 4.		
All placements will be made using the core components of Housing First, as set forth in the Welfare and Institutions Code Section 8255. Applicants will be referred based on Homekey program eligibility and occupancy standards. Applicant must have the ability to maintain the housing unit in accordance with local health standards. No distinction will be drawn between a person who keeps his/her own unit and one who does so with the assistance of an attendant. Homeless status will be verified in writing. Chronically homeless adults will have written disability verification. All applicants may request a reasonable accommodation as part of the referral and application process.		
e. Identify all disclosures that will be provided to applicants/tenants. Example: Megan's Law disclosures.		
The leasing package includes a full set of disclosures as required by law. This includes, but is not limited to, disclosures and policies such as bed bug disclosures, grievance policy, smoke detector notice, guest policy, community rules, safe housing addendum, and Covid-19 addendum.		
Section 2: Referrals		
The following addresses the required use of the Coordinated Entry System (CES) for all referrals into Homekey Assisted Units or an alternate comparable prioritization system for those At Risk of Homelessness based on greatest need. Note that use of standard waiting lists is prohibited, in that both of these systems must prioritize referrals based on highest acuity needs, rather than first-come first served.		
a. Describe how the local CES will be used to fill Homekey Assisted Units based on the use of a standardized assessment tool which prioritizes those with the highest need and the most barriers to housing retention. Include the CES agency's name, primary staff person's name, and contact information. If the local CES is not yet operational, describe when it'll be established and the plan to use it.		
The City of San Francisco's Coordinated Entry is the foundation of the Homelessness Response System (HRS) and is designed to assess, prioritize and match people experiencing homelessness to housing opportunities. Coordinated Entry organizes the Homelessness Response System with a common population-specific assessment, a centralized data system, a "by name" database of clients and a prioritization method. Coordinated Entry Access Points are the community gateways into San Francisco's Homelessness Response System and serve: Adults, Families and Transitional Age Youth (age 18 to 24). CE Access Points are located throughout the City and are operated by local non-profit service providers. At these community Access Points, eligible individuals and families experiencing homelessness are provided with Problem Solving opportunities and solutions, shelter, housing opportunities, and other services in San Francisco. The city operates separate Access Points for adults, families, and youth, which are designed to facilitate access to the HRS for each population. All Access Points provide the same assessment approach, including standardized decision-making based on the unique needs of the individuals and families they are designed to serve. The Department of Homelessness and Supportive Housing adopted CES Standards on February 1, 2021 and are attached to this application for reference.		
b. If using a separate comparable prioritization system than CES to refer persons At Risk of Homelessness describe that system. All referral protocols for Homekey Assisted Units must be developed in collaboration with the local CoC and implemented consistent with the requirements set forth in the Homekey NOFA.		
N/A		
Section 3: Housing First Certification §501		
The Eligible Applicant shall certify to employ the core components of Housing First, as set forth at Welfare and Institutions Code §8255, in its property management and tenant selection practices. Complete the checklist below to certify compliance with Housing First.		
Tenant Screening		
1. If the project cannot serve someone, it works through the coordinated entry process to ensure that those individuals or families have access to housing and services elsewhere.		Yes
2. The project does everything possible not to reject an individual or family based on poor credit or financial history, poor or lack of rental history, minor criminal convictions, or behaviors that are interpreted as indicating a lack of "housing readiness."		Yes
3. Access to the project is not contingent on sobriety, minimum income requirements, lack of a criminal record, completion of treatment, participation in services, or any other unnecessary condition not imposed by the terms of the funding itself.		Yes
4. People with disabilities are offered clear opportunities to request reasonable accommodations within applications and screening processes and during tenancy. Building and units include physical features that accommodate disabilities.		Yes
Housing-Based Voluntary Services		
1. If serving youth experiencing homelessness, services use a positive youth development model and culturally competent services to engage with tenants.		N/A
2. Services are informed by a harm-reduction philosophy that recognizes that substance use/ addiction are a part of some tenants' lives. Tenants are engaged in non-judgmental communication regarding substance use and are offered education regarding safer practices and how to avoid risky behaviors.		Yes
3. Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling.		Yes
4. Participation in services or compliance with service plans are not conditions of tenancy but are reviewed with tenants and regularly offered as a resource to tenants. Housing and service goals and plans are highly tenant driven.		Yes
5. Supportive services emphasize engagement and problem-solving over therapeutic goals.		Yes
Housing Permanency		
1. Substance use in and of itself, without other lease violations, is not considered a reason for eviction.		Yes
2. Tenants in supportive housing are given reasonable flexibility in paying their share of rent on time and offered special payment arrangements for rent arrears and/or assistance with financial management, including representative payee arrangements.		Yes
3. Every effort is made to provide a tenant the opportunity to transfer from one housing situation, program, or project to another if tenancy is in jeopardy. Whenever possible, eviction back into homelessness is avoided.		Yes

§300(iii) Supportive Services Plan (SSP)					2/1/22
4. Program Requires Housing Providers to Provide Tenants with Leases and Reflects Tenants' Rights & Responsibilities Of Tenancy Under CA Law (including eviction protections).					Yes
Part II. Supportive Services Detail					
Section 1: Supportive Services Provider Information					
If already identified, list the supportive service provider (s) for the Target Population and any proposed sub-populations to be served by the Project. If more than one Provider will be offering services, describe how services will be coordinated.					
Provider Name		Populations the Provider will serve		Services Provider will offer	
City and County of San Francisco Department of Homelessness and Supportive Housing (HSH)		Homeless		Outreach, Intake and Assessment, Case Management, Housing Stability Support, Coordination with Property Management, Wellness and Safety Checks, Socialization	
Describe any known conflicts and/or the mitigation strategy for when Homekey funding or other program requirements conflict with Housing First practices, as applicable.					
None					
If your tenants include minor children and/or adult dependents of Homekey Tenants, describe any additional criteria that will be used to ensure applicants are eligible to occupy the Homekey Assisted Units.					
Evidence of guardianship and/or relationship between adult and child(ren).					
Section 2: Supportive Services Chart					
Required Services: List and describe all services as required in §300 to be offered to tenants of the Homekey Assisted Units.					
Resident Service	Service Description	Frequency	Hours	Service Provider	Off-site Service Location
List each service separately	Describe service, including the degree to which services are provided.	Frequency of services provided	Provide the hours of availability	Provider's Name	If service is on-site, leave blank. Enter distance, in miles, to off-site service and list resident commuting options. Reasonable access is access that does not require walking more that one-half mile.
Case management	HSH administered housing sites have a case management ratio of 20:1 for supportive services depending on the population. This equates to 10 FTE at this 200 unit property. Case management staff provide services to tenants with the primary goal of maintaining housing stability, including ongoing meetings and counseling to establish goals, develop services plans that are tenant-driven without predetermined goals, provide referrals and linkages to off-site Support Services, and support tenants toward achieving those goals.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Behavioral health services	HSH will coordinate provision of Behavioral Health services through onsite case management. HSH contracts with a community provider that accepts direct referrals from case management, as needed, and who provides on-site (mobile) behavioral health services to families and children. Additional clinical consultation and crisis services are available through the DPH mobile services hub for PSH.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Physical health services	Case Management staff will assist tenants to access primary care to ensure health care needs are met. HSH partners with In-Home Support Services (IHSS) to connect tenants to services as needed. A trauma informed approach will be utilized to ensure tenant's physical health needs are met. Additionally, HSH is continuing to partner with DPH and the National Harm Reduction Coalition's Drug Overdose Prevention and Education program to connect tenants to services.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Assistance obtaining benefits and essential documentation	Onsite case managers assist with obtaining public benefits and HSH facilitates identity and income documentation for all tenants at the point of housing referral/ move-in.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Education and employment services	HSH employs case management in a 20:1 ratio for supportive services. This includes 10 FTE that work at the property to provide referral services and coordination of workshops and trainings as needed by the tenants.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Other services, such as housing retention skills, legal assistance, family connection services, etc.	HSH employs case management in a 20:1 ratio for supportive services. This includes 10 FTE that work at the property to provide referral services as needed by the tenants. In addition, services staff connect each tenant with resources needed to be food secure as they live independently.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Community Building	Community Building opportunities like weekly coffee and pastries, holiday events, and other programs to provide socialization and stability, will be offered to all residents and their children.	Monthly	1-2 hours	City and County of San Francisco	
Other Residential Services (specify)- Housing Stability	Case Management will outreach to and offer services and/or referrals to all residents who display indications of housing instability. Housing instability indicators include but are not limited to, discontinuance from benefits, rules violations or warnings from Property Management, and conflicts with staff or other residents. Residents will be assisted with communicating, responding to, and meeting with Property Management. They will also collaborate with property management to identify clients who have not been seen or have shown signs of concern to staff on at least a weekly basis. Outreach efforts shall be used to make contact with and check in with these residents.	Depends on needs of tenants	8 hours a day; 5 days a week	City and County of San Francisco	
Section 3: Supportive Services Coordination					
1. Describe the accessibility of community services to which you propose linkages, whether they are on-site or in close proximity to the Project, and the frequency, travel time and cost to the tenant for transportation required to access the services to include both public transportation and private transportation services (e.g. van owned by the provider). If available, provide documentation, in the form of Memorandum of Understanding, Memorandum of Agreement, letters of support or contracts demonstrating who will be responsible for ensuring access to services and how accessibility will be accomplished.					

§300(iii) Supportive Services Plan (SSP)										2/1/22	
In order to provide wrap around services, the onsite supportive services teams partner with many community providers including In-Home Support Services (IHSS), Homebridge, Adult Protective Services, Child Protective Services, intensive case management programs, medical and psychiatric providers, police, paramedics, EMS6, crisis response, hospital and jails, money management providers, Human Services Agency public benefits division, social security, Meals on Wheels, and the Conservators Office. Whenever possible, these services are delivered on site at no cost to the tenants.Many services are walking distance or accessible by the MUNI bus and train transportation system, and transportation costs can be provided as needed.											
2. Describe how the supportive services will be provided in a manner that is culturally and linguistically competent for persons of different races, ethnicities, sexual orientations, gender identities, and gender expressions. This includes explaining how services will be provided to Homekey tenants who do not speak English, or have other communication barriers, including sensory disabilities, and how communication among the services providers, the property manager and these tenants will be facilitated. Additionally, describe how services will accommodate trauma-based, barriers to services. If available, provide documentation, in the form of Memorandum of Understanding, Memorandum of Agreement, letters of support or contracts demonstrating who will be responsible for ensuring access to services and how accessibility will be accomplished.											
The City and County of San Francisco prohibits discrimination in all its housing program, and memorializes the prohibition in all contractual agreements with providers. At a broad, City-wide level, Mayor London Breed established an Office of Racial Equity to oversee City departments' progress to reverse policies that previously created, upheld, or exacerbated racial disparities. Correspondingly, the San Francisco Planning Commission adopted Resolution No.20738 on June 11, 2020, which the Planning Department's work program and resource allocation on racial and social equity. City agencies, led by the Human Right Commission (HRC), are defining racial equity, consistent with the Government Alliance on Race and Equity (GARE), as the point at which race can no longer be used to predict life outcomes, and outcomes for all racial groups are improved. These program directly influence the effectiveness of site level programs in order to maximize equity and inclusion for all peoples served by the City.											
Part III. Staffing											
Section 1a: Staffing Description											
Describe the overall staffing pattern, including the roles and responsibilities for each position listed in the Staffing Chart below. List the target populations served through each position.											
The Support Services staff consists of 10 FTE Case Managers, 2 FTE Service Coordinators, and 2 FTE Support Services Staff Supervisors. The client to Case Manager ratio is at least 20:1. The Case Manager responsibilities include: completing a comprehensive intake and assessment of tenants at the time of move-in; providing referrals as needed; conducting outreach to tenants, coordinating with external resources and providers to support tenants; coordinating with Property Management to ensure housing stability of all tenants using housing first, harm reduction, and trauma informed approaches; and organizing groups and community events for the tenants. The Supervisor directly supervises the Case Managers to provide high level of service to tenants and provides guidance, training and oversight. The Supervisor also submits required reports, provides coverage, as needed, and responds to requests from HSH and stakeholders. Service Coordinators support tenants in a large variety of ways to connect households with off-site services and programs that support family stability, organize community building activities for all residents, and coordinate and communicate between Property Management and Support Services.											
Section 1b: Staffing Chart											
List all staff positions that will provide services to the tenants of the Homekey Assisted Units. Include any staff positions of partnering organizations who have committed time to the Project. Include the services coordination staff. For each position, list the position title, minimum requirements, the full-time equivalent (FTE), the organization under which the position resides, and the location of the position (on-site or off-site). Do not include staff which serve non-Homekey Units. If a staff position serves both tenants in Homekey and non-Homekey units, include only that portion (i.e., % FTE) of the staff position dedicated to Homekey Assisted Units. Attach a copy of each positions duty statement, if these documents are available.											
NOTE: Indicate which staff position will be responsible for Homeless Management Information System data entry and CoC coordination.											
Title		Minimum requirements				Total FTE:	14	Employing Organization		Location	
List each staff position		List min. required staff preparation include (education & experience).				Indicate FTE staff positions for Homekey units (half-time is 0.5)		List which organization will employ each staff position		Select "On-Site" or "Off-Site"	
Supportive Services Staff Supervisor		Master's degree in psychology, counseling, social work or related field, and minimum 3 years relevant experience and 3 years supervisory experience; bilingual if possible				2		Lead Service Provider		On-Site	
Case Manager		Bachelor's degree in psychology, counseling, social work or related field, and minimum 2 years relevant experience; or 5 years relevant experience in place of degree; some positions are bilingual				10		Lead Service Provider		On-Site	
Services Coordinator		Bachelor's degree in related field and two years of experience in direct services to a community in the form of information, referrals, and/or linkages to community and public resources to low-income populations; or 4 years of experience in direct services to a community in the form of information, referrals, and/or linkages to community and public resources to low-income populations.				2		Lead Service Provider		On-Site	
Section 2: Staffing Ratios											
1. Indicate the overall services staffing level for the Project by completing the calculation below.											
a. Total Homekey Assisted Units										168	
b. Total FTE Service Staff from the Staffing Chart for the Homekey Assisted Units - Provide only the number of ongoing direct service staff positions that will provide services to the tenants of the Homekey Assisted Units, (for example, case manager, psychiatric nurse, services coordinator, etc). Do not include supervisors, peer support positions, or HMIS Administration positions.										12	
c. Number of Homekey units per FTE Staff Person (a÷b)										14	
2. Complete case manager staffing ratio chart to show how many staff are assigned per client (for example 2:1, 3:1, etc.). Include all case management.											
Population Type:		Chronically Homeless				Homeless		At-Risk of Homelessness			
Case Manager Ratio		20:1				20:1		20:1			
Part IV. Supportive Services Budget											
Provide a line item supportive services budget for the Project using the format below. Complete both income and expense portions of the budget on a yearly basis. Include all costs associated with implementing your SSP, including any in-kind services. Include income and expenses for all staff positions and partnering organizations who have committed time to the Project. Total expenses should equal total income. Add expense item categories & lines as necessary. Don't include costs associated with providing services in non-Homekey Assisted Units. If costs are associated with both Homekey & non-Homekey Assisted Units, include only the Homekey Assisted Units portion.											
Income Source/Program Name			Amount		Type		Funding Status		% of Total Budget		
Homekey					Cash		Intend to Fund or Provide		0.00%		
HSH Subsidy					Cash		Committed		0.00%		
									0.00%		
									0.00%		
Total Revenue			\$0						0.00%		
Expense Item			Amount		Type		Funding Status		% of Total Budget		
Staff Salaries: List by title of position. (This list must match the Staffing Chart above.)											
Supportive Services Staff Supervisor		FTE:	2.00	\$180,000					8.24%		
Case Manager		FTE:	10.00	\$750,000					34.33%		
Services Coordinator		FTE:	2.00	\$150,000					6.87%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		
		FTE:							0.00%		

\$300(iii) Supportive Services Plan (SSP)					2/1/22	
	FTE:				0.00%	
Fringe Benefits		\$324,000			14.83%	
Total Staff Expenses		\$1,404,000			64.27%	
Tenant Transportation (per SSP)					0.00%	
Staff training (per SSP)		\$30,000			1.37%	
Equipment		\$35,000			1.60%	
Supplies		\$180,000			8.24%	
Travel					0.00%	
Office Rent/Occupancy Costs (don't include rent/leasing costs for SH units)					0.00%	
Training					0.00%	
Consultants: List by Function					0.00%	
Subcontractors/Partners-list by Entity/Service type					0.00%	
Other Expenses: Admin, Training, Reports		\$45,000			2.06%	
Other Expenses: Client Supplies/Transport		\$220,500			10.09%	
Other Expenses: Food Supplies		\$80,000			3.66%	
Other Expenses: Admin Overhead		\$190,000			8.70%	
Other Expenses: (type in expense description)					0.00%	
Other Expenses: (type in expense description)					0.00%	
Total Expenses		\$2,184,500			100.00%	
Part V. Property Management Plans and Tenant Selection						
Section 1: Property Management Plans and Tenant Selection						
The Property Management Plan and tenant selection policies submitted with the Homekey application will be evaluated for the following consistent with state Housing First requirements. These documents must identify, describe, and utilize Housing First and low-barrier tenant selection processes that prioritize those with the highest needs for available housing. The descriptions of the use of Housing First and tenant selection in this SSP must be consistent with the Property Management Plan and the tenant selection policies. The Property Management Plan and tenant selection policies should address the following and be consistent with state Housing First requirements, as well as and other Homekey program requirements:						
1. Applicant eligibility and screening standards						
2. Confidentiality						
3. Substance abuse policy						
4. Communication between property manager and supportive services staff						
5. Eviction policies and eviction prevention procedures						
6. Process for assisting tenants to apply for different forms of cash and non-cash benefits to aid the household in retaining their housing, if needed						
7. How applicants and residents will be assisted in making reasonable accommodation requests, in coordination with the services provider and persuasive to outside entities, such as Housing Authorities, to ensure that persons with disabilities have access to and can maintain housing						
8. Policies and practices to facilitate Voluntary Moving On strategies						
9. Appeal and Grievance Procedures						
File Name	Property Management Plan	Submit Property Management Plan and Tenant Selection Policies			Uploaded to HCD?	Yes
Part VI. Measurable Outcomes and Plan for Evaluation						
Specific target populations will likely have varying outcomes and evaluation strategies. List outcomes and evaluations plans specific to each target population.						
Section 1: Measurable Outcomes						
Outcomes are what you expect to happen for the people served by your Project. Outcomes are sometimes called results. Outcome objectives are time-specific measurable goals that identify how you know if you are achieving your desired results. Outcome objectives are sometimes called outcome benchmarks or indicators. Categorize the outcomes for your Project into the following three categories:						
Category		Outcomes		Outcome Objectives		
Residential Stability: Tenants maintain permanent housing (see examples in cell comments to the right)		1) On a monthly basis, 100% of households who showed housing instability received Supportive Services. 2) On an annual basis, at least 85% or tenant lease violations will be resolved without a loss of housing to tenants. 3) On an annual basis, 100% of households with planned exits from the program will be engaged to create a comprehensive exit plan and ensure continuity of services 4) 75% of tenants assessed with needs related to medical care, mental health, substance use, benefits and other income assistance will develop a service plan within the first 6 months of move-in.		1) Tenants receive an Assessment within 60 days of move-in 2) Coordination with Property Management on a weekly basis, and external community providers as needed. 3) Service plans are reviewed every 6 months or as needed, to identify unmet needs and update plan accordingly.		
Increased Skills and/or Income: Tenants gain job-related skills, participate in job-related training and/or education, gain stipend part-time or full-time supported employment, gain access to mainstream service/income support Programs for which they are eligible (see examples in cell comments to the right)		100% of households will be assessed for income and/or public benefit opportunities within 60 days of move-in		Provide monthly tenant engagement programming and opportunities, specific to the population being served. This includes providing support groups, developing peer support groups, training and education opportunities,		
Greater Self- Determination: Tenants gain daily living skills and ability to plan and advocate for themselves to maximize independence and self-sufficiency (see examples in cell comments to the right)		On annual basis, at least 90% of tenants maintain their housing for a minimum of 12 months, move to other permanent housing, or are provided with more appropriate placements		Services engages in weekly wellness checks and tracks interactions with tenants through the individual assessments and ongoing referrals		
Resident Satisfaction		At least 80% of tenants completing an annual survey will be satisfied or very satisfied with supportive services		1) Circulate annual survey and follow up with specific improvements as needed 2) Update policies and procedures, and forms as needed		
Section 2: Plan for Evaluation						
Describe your evaluation plan, including how you intend to collect, track and analyze data on the effectiveness of your Project, including the outcomes Projected above. Indicate who will analyze the data and perform your Program evaluation. (e.g., staff, consultant, etc.).						
Data is reported by Support Service Providers on a monthly, quarterly and annual basis. Information is input into shared databases, CARBON and ONE (Online Navigation and Entry), managed by the City and County of San Francisco. There is least one dedicated HSH staff managing the contract with the Support Services Provider and who reviews the reports on the respective due dates, and provides feedback and follow-up as necessary. Monitoring of the program occurs on an annual basis on-site at the building, at which time the program outcome objectives will be reviewed alongside program documents and client files. A comprehensive report, including findings and feedback, is then issued to the agency providing Support Services. Additionally, HSH will require programs to report how they will address issues of racial equity in services provided, the demographics of their staff at all levels, and internal mechanisms for advancement of staff of color. HSH will monitor and evaluate programs on their responsiveness to racial disparities.						

Local Jurisdiction and NEPA Responsible Entity Verification (if applicable)				2/1/22	
Applicant: Submit this form to the agency or department of local government responsible for administration of the items listed. This form may be submitted to more than one agency or department if necessary. If the NEPA Responsible Entity is not a local government (e.g. State of Calif. HOME Program, USDA RD), also submit a copy of this form to the appropriate NEPA Responsible Entity. If an item is not required, indicate the reason in the box below. Complete both Sections 1 & 2.					
Project Applicant:		City and County of San Francisco			
Applicant Address:		440 Turk Street			
Applicant City:		San Francisco			
Project Name:		City Gardens			
Project Address/site:		333 12th Street			
Project City:		San Francisco			
Project County:		San Francisco			
Assessor Parcel Numbers (APNs):		Block 3521, Lot 95			
Section 1					
Local jurisdiction or NEPA Responsible Entity: The Applicant named above has submitted an application to the State Dept. of Housing and Community Development (the Department) requesting funding for the project named above, under the Homekey program. Projects submitted for program funding are subject to a competitive rating process. Project readiness is a component of that process. Verification of items listed below will be used in evaluating Homekey applications.					
		Not Required for this Project	Final date of Public Comment Period	Approved Date	
All Environmental Clearances (CEQA and NEPA) necessary to begin construction are either final approved or unnecessary:	CEQA	X			
	NEPA	X			
Specify in the box below, items not required and explain why (include documentation, if applicable):					
Section 2					
Real Estate transaction only and not defined as a project under CEQ Guidelines.					
Note: Any project using Homekey funds for any of the purposes listed in the Homekey NOFA is deemed consistent with "local plan, standard, or requirement, and any applicable coastal plan, local or otherwise," and "allowed as a permitted use, within the zone in which the structure is located, and shall not be subject to a conditional use permit, discretionary permit, or any other discretionary reviews or approvals." (Health and Safety Code 50675.1.3 (i))					
			Not Required for this Project	Verified as Complete and date completed	
All necessary land use approvals or entitlements necessary prior to issuance of a building permit, including any required discretionary approvals, such as site plan or design review.			X		
Specify in the box below, items not required and explain why (include documentation, if applicable):					
No renovation or change of use.					
Project Applicant has submitted a complete application to the relevant local authorities for land use approval under a nondiscretionary local approval process, where the application has been neither approved or disapproved. A nondiscretionary local approval process is one that includes little or no subjective judgement by the public official and is limited to ensuring that the proposed development meets a set of objective zoning, design review and/or subdivision standards in effect at the time the application is submitted to the local government. A "nondiscretionary local approval process" includes Streamlined Ministerial Approval Processing under to Chapter 366, Statutes of 2017 (SB 35), By-Right Processing for Permanent Supportive Housing under Chapter 753, Statutes of 2018 (AB 2162), housing element law (Government Code Section 65583.2(i)), or other local process that meets the definition of non-discretionary approval process.				N/A	
Projects located within the boundaries of an incorporated city, the city shall make the necessary determinations, and for Projects located in the unincorporated areas of a county, the county shall make the necessary determinations. The appropriate entity shall sign below.					
Dated:					
Statement completed by:					
Signature:					
Title:					
Agency or Department Name:					
Agency or Department Address:					
Agency or Department Phone:					

§205 Maximum Program Award, Capital Funding Match, and Rent/Subsidy Revenue																																				
Doors at Acquisition			Proposed Units for Permanent Housing Project																				2/1/22													
			San Francisco					Monthly Unit Rent			Subsidy Program #1 Name		Subsidy Program #2 Name		Target Population - Homekey Assisted Units (Article VII)							Maximum Capital Award (Baseline and Additional Contribution) Based on Doors at Acquisition														
Bdr̃m size	Number of Doors at Acquisition	Baseline Award based on Units and Bdr̃m Size at Acquisition	Bdr̃m size	Number of Units Proposed	Unit Size (Square Feet)	Income Limit AMI	Mngr Units	Restricted	Proposed Rent for Restricted Units	Unrestricted	Monthly Utility Allowance¹	Subsidy Units	Monthly Rent Subsidy Amount	Subsidy Units	Monthly Rent Subsidy Amount	At-Risk of Homelessness Units	Chronically Homeless Units	Homeless Units	Homeless Youth or Youth at Risk of Homelessness Units	Total Assisted Units	Baseline Award based on Units and Proposed Population Served	Baseline Award based on Units and Proposed Bdr̃m Size	Maximum Baseline Award based on Proposed Project	Total Unit Square Feet	% of Total Unit Square Feet	Unit's Pro-Rated Share of Project Cost Based on Square Feet	Project Cost Assisted Units + Manager Units	Adjusted Award lesser of Assisted Unit Project Cost and Baseline	Funding Gap on Assisted Units	Per Unit Funding Gap	Per Unit Local Match (Lesser of Per Unit Funding Gap and \$100,000)	Additional Per Unit Award (Equal to Local Match)	Maximum Match Doors at Acquisition x Per Unit Amount	Maximum Additional Award (Equal to Maximum Local Match)	Maximum Capital Award	
2	84	\$14,700,000	2	84	460	30%		\$1,233	\$250		\$0							84	84	\$0.00	\$14,700,000.00	\$14,700,000.00	\$14,700,000.00	38,640	32.32%	\$47,718,266.98	\$47,718,266.98	\$14,700,000.00	\$33,018,266.98	\$393,074.61	\$100,000.00	\$100,000.00	\$8,406,000.00	\$8,406,000.00	\$23,100,000.00	
4	74	\$14,800,000	4	74	700	30%		\$1,590	\$250		\$0							74	74	\$0.00	\$14,800,000.00	\$14,800,000.00	\$14,800,000.00	51,800	43.33%	\$63,970,140.52	\$63,970,140.52	\$14,800,000.00	\$49,170,140.52	\$664,461.36	\$100,000.00	\$100,000.00	\$7,400,000.00	\$7,400,000.00	\$22,200,000.00	
5	10	\$2,000,000	5	10	920	30%		\$1,754	\$250		\$0							10	10	\$0.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	9,200	7.69%	\$11,361,492.14	\$11,361,492.14	\$2,000,000.00	\$9,361,492.14	\$936,149.21	\$100,000.00	\$100,000.00	\$1,000,000.00	\$1,000,000.00	\$3,000,000.00	
2	2	\$350,000	2	2	460	None	2				\$0								0	\$0.00	\$350,000.00	\$350,000.00	\$350,000.00	920	0.77%	\$1,136,149.21	\$1,136,149.21	\$350,000.00	\$786,149.21	\$393,074.61	\$100,000.00	\$100,000.00	\$200,000.00	\$200,000.00	\$550,000.00	
2	12	\$2,100,000	2	12	460	None			\$0		\$3,198	\$0							0	\$0.00	\$0.00	\$0.00	\$0.00	5,520	4.62%	\$6,816,895.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
4	14	\$2,800,000	4	14	700	None			\$0		\$4,473	\$0							0	\$0.00	\$0.00	\$0.00	\$0.00	9,800	8.20%	\$12,102,459.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
5	4	\$800,000	5	4	920	None			\$0		\$5,144	\$0							0	\$0.00	\$0.00	\$0.00	\$0.00	3,680	3.08%	\$4,544,596.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0							\$0										0	\$0.00	\$0.00	\$0.00	\$0.00	0	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0							\$0										0	\$0.00	\$0.00	\$0.00	\$0.00	0	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Total	200	\$37,550,000		200			2					0		0		0	0	168	168	\$0.00	\$31,850,000.00	\$31,850,000.00	\$31,850,000.00	119,560	100%	#####	#####	\$31,850,000.00	\$92,336,048.85		#####	#####	\$48,850,000.00			
			Annual Net Rents					\$2,865,264	\$504,000	\$1,458,888	Annual Subsidy Revenue					\$0		0	0	0	0	0.00%	0.00%	100.00%	100.00%	Total Budgeted Development costs from 'Dev Budget' worksheet cell L126										
File Name:		Utility Allowance			¹Local housing authority document showing current utility allowance chart, with relevant components circled.							Uploaded to HCD?		Yes																						

Homekey Award including Capital (Baseline and Match), Operating Subsidy, Relocation, and Bonuses												
File Name:		Appraisal				If land costs will be included in the Development Budget, attach an appraisal dated within 60 days of the application submittal date.				Uploaded to HCD?	Yes	
§205 Capital Award Calculation										HCD Amount	Requested Amount	Actual Amount
1. Maximum Homekey Capital Award based on:										\$31,850,000	\$31,850,000	\$31,850,000
2. Maximum Homekey Contribution (1:1 match) Award from above cell AJ25										\$17,000,000	\$17,000,000	\$17,000,000
A. Total Maximum Homekey Capital Award (1 + 2)										\$48,850,000	\$48,850,000	\$48,850,000
Capital Award based on how many Assisted Units from above cell U25				168		Total proposed Project units from above cell E25				170		
§206 Homekey Operating Subsidy Calculation										Monthly Amount		
i.a. Assisted Units reserved for those experiencing Chronic Homelessness, for Homeless Youth, or for Youth at Risk of Homelessness from above cells R25 + T25				0		Monthly amount per unit		\$1,400		\$0		
i.b. All other Assisted Units from above cells Q25 + S25				168		Monthly amount per unit		\$1,000		\$168,000		
Total qualifying monthly amount per unit										\$168,000		
Operating Subsidy: Maximum Homekey Amount										Annual Amount		
i. Operating Subsidy Source: 'Operating worksheet cell C38		Operating Subsidy: HSH Subsidy		Subsidy term (in years)		15		Qualifying Homekey subsidy years		3		
ii. Operating Subsidy Source: 'Operating worksheet cell C39		Operating Subsidy: (specify)		Subsidy term (in years)				Qualifying Homekey subsidy years		0		
iii. Operating Subsidy Need Analysis - sum of negative Net Operating Income from 'Cash Flow' worksheet row 43 and Reserve Deposits from 'Cash Flow' worksheet rows 37 and 38 for the first five years												
Operating Subsidy: Need Analysis		Year 1		Year 2		Year 3		Year 4		Year 5		
'Cash Flow' worksheet		\$2,150,631		\$2,162,497		\$1,734,872		\$0		\$0		
iv. If requesting an operating subsidy, upload a letter of support from the local Continuum of Care (CoC) or Housing Authority confirming the need for an operating subsidy and evidencing other operating funding, such as rental subsidies, were sought for the Project, but the funding isn't available for this use.												
File Name:		Op Subsidy Confirmation		A letter template and a list of potential Homekey complementary funding can be found on the Homekey webpage.				Uploaded to HCD?		Yes		
B. Homekey Operating Subsidy if requested in 'Overview' worksheet cell AK129 (lesser of Need Analysis and Max Homekey Amount)										\$6,048,000	\$6,048,000	\$6,048,000
50% of Relocation Costs if requested on 'Overview' worksheet cell AK128 ('Dev Budget' worksheet cell L31 x .5)										\$0	\$0	\$0
\$207 Bonus Award: will Tribal Entity be submitted before May 02, 2022? If Yes, \$10,000 bonus award per Assisted unit.								No		\$0		
\$207 Bonus Award: will Project's Assisted units achieve full occupancy within eight months of award date? If Yes, \$10,000 bonus award per Assisted unit								Yes		\$1,680,000		
C. Total Other Homekey Award										\$1,680,000	\$1,680,000	\$1,680,000
Maximum Homekey Program Award (Capital plus Operating Subsidy plus Other) (A + B + C)										\$56,578,000	\$56,578,000	\$56,578,000

Proposed Project Units by Bedroom Size		
Total 0 bedroom units	0	0.00%
Total 1 bedroom units	0	0.00%
Total 2 bedroom units	98	49.00%
Total 3 bedroom units	0	0.00%
Total 4 bedroom units	88	44.00%
Total 5 Bedroom units	14	7.00%
Total proposed units	200	100.00%

Assisted Units by Bedroom Size		
Total 0 bedroom units	0	0.00%
Total 1 bedroom units	0	0.00%
Total 2 bedroom units	84	50.00%
Total 3 bedroom units	0	0.00%
Total 4 bedroom units	74	44.05%
Total 5 Bedroom units	10	5.95%
Total Assisted units	168	84.00%

Sources of Funds										2/1/22	
Funding Committed by Application Due Date?		Source Name		Source Type	Lien No.	Funding Amount	Interest Rate		Repayment Terms		Required Debt Service Amount
							Type	Rate	Type	Due in (yrs)	
1	Yes	Homekey Capital Award from 'Overview' worksheet	\$48,850,000	State-HCD	1	\$48,850,000					
2	Yes	City and County of San Francisco		Local	2	\$98,800,000					
3											
4											
						\$147,650,000					\$0
File Name:		EFC1, EFC2, EFCI3, etc.	Documentation for the executed funding commitments (see below)					Uploaded to HCD?		Yes	
<p>"Article VII((xii) "Enforceable Funding Commitment" means a letter or other document, in form and substance satisfactory to the Department, which evidences an enforceable commitment of funds or a reservation of funds by a Project funding source, and which contains the following: a. The name of the Applicant or Grantee; b. The Project name; c. The Project site address, assessor's parcel number, or legal description; and d. The amount, interest rate (if any), and terms of the funding source. The Enforceable Funding Commitment may be conditioned on certain standard underwriting criteria, such as appraisals, but may not be generally conditional. Examples of unacceptable general conditions include phrases such as "subject to senior management approval," or a statement that omits the word "commitment," but instead indicates the lender's "willingness to process an application" or indicates that financing is subject to loan committee approval of the Project. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed.</p>											
Applicant comments: Include a description of balloon payments and unusual or extraordinary circumstances.											
N/A											

2/1/22	Sources/Uses of Funds										
USES OF FUNDS	Homekey Award	City and County of San Francisco	0	0	0	0	0	0	0	0	Total Sources/Costs
Project Development Costs											
LAND COST/ACQUISITION											
Land Cost or Value	\$48,850,000	\$96,150,000									\$145,000,000
Demolition											\$0
Legal											\$0
Land Lease Rent Prepayment											\$0
Total Land Cost or Value	\$48,850,000	\$96,150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$145,000,000
Existing Improvements Cost or Value											\$0
Off-Site Improvements											\$0
Total Acquisition Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Land Cost / Acquisition Cost	\$48,850,000	\$96,150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$145,000,000
Predevelopment Interest/Holding Cost											\$0
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)											\$0
Excess Purchase Price Over Appraisal											\$0
Total Relocation Expenses											\$0
ARCHITECTURAL FEES											
Design											\$0
Supervision											\$0
Total Architectural Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Survey & Engineering											\$0
Total Construction Interest & Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PERMANENT FINANCING											
Loan Origination Fee											\$0
Credit Enhancement/Application Fee											\$0
Title & Recording		\$200,000									\$200,000
Taxes											\$0
Insurance											\$0
Financing Costs: 2nd installment financing costs		\$2,250,000									\$2,250,000
Total Permanent Financing Costs	\$0	\$2,450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,450,000
Subtotals Forward	\$48,850,000	\$98,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,450,000
LEGAL FEES											
Legal Paid by Applicant											\$0
Total Attorney Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESERVES											
Operating Reserve											\$0
Replacement Reserve											\$0
Transition Reserve											\$0
Rent Reserve											\$0
Total Reserve Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CONTINGENCY COSTS											
Construction Hard Cost Contingency											\$0
Soft Cost Contingency											\$0
Total Contingency Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER PROJECT COSTS											
TCAC App/Allocation/Monitoring Fees											\$0
Environmental Audit											\$0
Local Development Impact Fees											\$0
Permit Processing Fees											\$0
Capital Fees											\$0
Marketing											\$0
Furnishings		\$200,000									\$200,000
Market Study											\$0
Accounting/Reimbursable											\$0
Appraisal Costs											\$0
Total Other Costs	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
SUBTOTAL PROJECT COST	\$48,850,000	\$98,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,650,000
DEVELOPER COSTS											
Developer Overhead/Profit											\$0
Consultant/Processing Agent											\$0
Project Administration											\$0
Broker Fees Paid to a Related Party											\$0
Construction Oversight by Developer											\$0
Total Developer Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Project Costs	\$48,850,000	\$98,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,650,000

\$0

City Gardens				
2/1/22	Year 1 Annual Income and Expenses			
Employee Information				Comments
	Employee Job Title	Salary/Wages	Value of Free Rent	
2.00	On-Site Manager(s)	\$170,000	\$0	
2.00	On-Site Assistant Manager(s)	\$130,000	\$0	
2.00	Supportive Services Staff Supervisor(s)	\$180,000		
2.00	Supportive Services Coordinator, On-Site	\$150,000		
10.00	Other Supportive Services Staff (inc. Case Manager)	\$750,000		
3.00	On-Site Maintenance Employee(s)	\$210,000	\$0	
	On-Site Leasing Agent/Administrative Employee(s)		\$0	
5.00	On-Site Security Employee(s)	\$250,000	\$0	
		\$0	\$0	
		\$0	\$0	
Total Salaries and Value of Free Rent Units		\$1,840,000	\$0	
6711	Payroll Taxes		Show free rent as an expense?	
6722	Workers Compensation			
6723	Employee Benefits	\$228,000	Yes	
Employee(s) Payroll Taxes, Workers Comp. & Benefits		\$228,000		
Total Employee(s) Expenses		\$2,068,000		
Employee Units				
Income Limit	Job Title(s) of Employee(s) Living On-Site	Unit Type (No. of bdrms.)	Square Footage	
None	On-Site Manager(s)	2	460	
		0	0	
		0	0	
Total Square Footage			460	
Year 1 Annual Operating Budget				
Acct. No.	Revenue - Income	Residential	Commercial	Comments
5120/5140	Rent Revenue - Gross Potential		\$0	
	Restricted Unit Rents	\$504,000		
	Unrestricted Unit Rents	\$1,458,888		
5121	Tenant Assistance Payments			
	Subsidy Program #1 Name	\$0		
	Subsidy Program #2 Name	\$0		
	Operating Subsidy: HSH Subsidy	\$300,000		
	Operating Subsidy: (specify)	\$0	\$0	
5910	Laundry and Vending Revenue	\$24,000		
5170	Garage and Parking Spaces	\$0	\$0	
5990	Interim Housing Revenue	\$0	\$0	
Gross Potential Income (GPI)		\$2,286,888	\$0	
	Vacancy Rate: Restricted Units	5.0%		
	Vacancy Rate: Unrestricted Units	5.0%		
	Vacancy Rate: Tenant Assistance Payments	5.0%		
	Vacancy Rate: Operating Subsidy: (specify)	5.0%		
	Vacancy Rate: Laundry & Vending & Other Income	5.0%		
	Vacancy Rate: Commercial Income		50.0%	
5220/5240	Vacancy Loss(es)	\$99,344	\$0	
Effective Gross Income (EGI)		\$2,187,544	\$0	
Acct. No.	Expenses	Residential	Commercial	Comments
Administrative Expenses: 6200/6300				
6203	Conventions and Meetings	\$13,125	\$0	
6210	Advertising and Marketing	\$0	\$0	
6250	Other Renting Expenses	\$0	\$0	
6310	Office/Administrative Salaries -- from above	\$0	\$0	
6311	Office Expenses	\$28,125	\$0	
6312	Office or Model Apartment Rent	\$0	\$0	
6320	Management Fee	\$132,000	\$0	\$55/unit
6330	Site/Resident Manager(s) Salaries -- from above	\$300,000	\$0	
6331	Administrative Free Rent Unit -- from above	\$0	\$0	
6340	Legal Expense -- Project	\$43,750	\$0	
6350	Audit Expense	\$15,000	\$0	
6351	Bookkeeping Fees/Accounting Services		\$0	
6390	Miscellaneous Administrative Expenses	\$31,875	\$0	
6263T	Total Administrative Expenses	\$563,875	\$0	

City Gardens				
2/1/22	Year 1 Annual Income and Expenses			
Acct. No.	Expenses	Residential	Commercial	Comments
	Utilities Expenses: 6400			
6450	Electricity	\$75,000	\$0	
6451	Water	\$137,500	\$0	
6452	Gas	\$28,750	\$0	
6453	Sewer	\$0	\$0	
	Other Utilities: Internet	\$75,000	\$0	
6400T	Total Utilities Expenses	\$316,250	\$0	
	Operating and Maintenance Expenses: 6500			Comments
6510	Payroll -- from above	\$460,000	\$0	
6515	Supplies	\$33,750	\$0	
6520	Contracts	\$202,500	\$0	
6521	Operating & Maintenance Free Rent Unit -- from above	\$0	\$0	
6525	Garbage and Trash Removal	\$93,750	\$0	
6530	Security Contract	\$150,000	\$0	
6531	Security Free Rent Unit -- from above	\$0	\$0	
6546	Heating/Cooling Repairs and Maintenance	\$75,000	\$0	
6548	Snow Removal	\$0	\$0	
6570	Vehicle & Maintenance Equipment Operation/Reports	\$0	\$0	
6590	Miscellaneous Operating and Maintenance Expenses	\$31,250	\$0	
6500T	Total Operating & Maintenance Expenses	\$1,046,250	\$0	
	Taxes and Insurance: 6700			Comments
6710	Real Estate Taxes	\$0	\$0	
6711	Payroll Taxes (Project's Share) -- from above	\$0	\$0	
6720	Property and Liability Insurance (Hazard)	\$0	\$0	
6729	Other Insurance (e.g. Earthquake)	\$0	\$0	
6721	Fidelity Bond Insurance	\$0	\$0	
6722	Worker's Compensation -- from above	\$0	\$0	
6723	Health Insurance/Other Employee Benefits--from above	\$228,000	\$0	
6790	Miscellaneous Taxes, Licenses, Permits & Insurance	\$500	\$0	
6700T	Total Taxes and Insurance	\$228,500	\$0	
	Supportive Services Costs: 6900			Comments
6990	Staff Supervisor(s) Salaries - from above	\$180,000	\$0	
6990	Services Coordinator Salaries, On-Site - from above	\$150,000	\$0	
6990	Other Supportive Services Staff Salaries - from above	\$750,000	\$0	
6990	Supportive Services Admin Overhead	\$190,000	\$0	
6990	Other Supportive Services Costs: Admin, Training, Reports	\$75,000	\$0	
6990	Other Supportive Services Costs: Technology	\$35,000	\$0	
6990	Other Supportive Services Costs: Client Supplies/Transport	\$220,500	\$0	
6990	Other Supportive Services Costs: Program/Food Supplies	\$260,000	\$0	
6990	Other Supportive Services Costs: Fringe Benefits	\$324,000	\$0	
6900T	Total Supportive Services Costs	\$2,184,500	\$0	
	Total Operating Expenses	\$4,339,375	\$0	Comments
	Funded Reserves: 7200	Residential	Commercial	
7210	Required Replacement Reserve Deposits	\$0	\$0	
7220	Other Reserves: (specify)	\$0	\$0	
7230	Other Reserves: (specify)	\$0	\$0	
7240	Other Reserves: (specify)	\$0	\$0	
	Total Reserves	\$0	\$0	
	Ground Lease	Residential	Commercial	
	Ground Lease	\$0	\$0	
	Total Ground Lease	\$0	\$0	
	Net Operating Income	(\$2,151,831)	\$0	
	Financial Expenses: 6800			Comments
6820	1st Mortgage Debt Service	\$0	\$0	
6830	2nd Mortgage Debt Service	\$0	\$0	
6840	3rd Mortgage Debt Service	\$0	\$0	
6890	Misc. Financial Expenses: (specify)	\$0	\$0	
6890	Misc. Financial Expenses: (specify)	\$0	\$0	
6890	Misc. Financial Expenses: (specify)	\$0	\$0	
6890	Misc. Financial Expenses: (specify)	\$0	\$0	
6800T	Total Financial Expenses	\$0	\$0	
	Cash Flow	(\$2,151,831)	\$0	
7190	Asset Management/Similar Fees	\$0	\$0	

Cash Flow Analysis																2/1/22
Income from Restricted Units will be based on Proposed Rents?							Proposed Rents									
Income From Housing Units	Inflation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Restricted Unit Rents	2.5%	504,000	516,600	529,515	542,753	556,322	570,230	584,485	599,098	614,075	629,427	645,163	661,292	677,824	694,770	712,139
Unrestricted Unit Rents	2.5%	1,458,888	1,495,360	1,532,744	1,571,063	1,610,339	1,650,598	1,691,863	1,734,159	1,777,513	1,821,951	1,867,500	1,914,187	1,962,042	2,011,093	2,061,371
Tenant Assistance Payments																
Subsidy Program #1 Name	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subsidy Program #2 Name	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Subsidy: HSH Subsidy		300,000	350,000	841,038	2,640,907	2,707,530	2,775,818	2,845,814	2,917,559	2,991,098	3,066,476	3,143,737	3,222,931	3,304,104	3,387,307	3,472,589
Operating Subsidy: (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Potential Income - Housing		2,262,888	2,361,960	2,903,297	4,754,723	4,874,191	4,996,646	5,122,162	5,250,816	5,382,686	5,517,854	5,656,400	5,798,410	5,943,970	6,093,170	6,246,098
Other Income																
Laundry & Vending	0.0%	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Other Income	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Income	2.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Potential Income - Other		24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Gross Potential Income - Total		2,286,888	2,385,960	2,927,297	4,778,723	4,898,191	5,020,646	5,146,162	5,274,816	5,406,686	5,541,854	5,680,400	5,822,410	5,967,970	6,117,170	6,270,098
Vacancy Assumptions																
Restricted Units	5.0%	25,200	25,830	26,476	27,138	27,816	28,511	29,224	29,955	30,704	31,471	32,258	33,065	33,891	34,738	35,607
Unrestricted Units	5.0%	72,944	74,768	76,637	78,553	80,517	82,530	84,593	86,708	88,876	91,098	93,375	95,709	98,102	100,555	103,069
Tenant Assistance Payments	5.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Subsidy: (specify)	5.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laundry/Vending/Other Income	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Income	50.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Vacancy Loss		98,144	100,598	103,113	105,691	108,333	111,041	113,817	116,663	119,579	122,569	125,633	128,774	131,993	135,293	138,675
Effective Gross Income		2,188,744	2,285,362	2,824,184	4,673,032	4,789,858	4,909,604	5,032,345	5,158,153	5,287,107	5,419,285	5,554,766	5,693,636	5,835,977	5,981,877	6,131,423
Operating Expenses & Reserve Deposits																
Residential Exp. (w/o Real Estate Taxes & Sup. Services)	2.5%	1,926,375	1,974,534	2,023,898	2,074,495	2,126,358	2,179,516	2,234,004	2,289,855	2,347,101	2,405,778	2,465,923	2,527,571	2,590,760	2,655,529	2,721,917
Real Estate Taxes	2.5%	228,500	234,213	240,068	246,070	252,221	258,527	264,990	271,615	278,405	285,365	292,499	299,812	307,307	314,990	322,865
Supportive Services Costs	2.5%	2,184,500	2,239,113	2,295,090	2,352,468	2,411,279	2,471,561	2,533,350	2,596,684	2,661,601	2,728,141	2,796,345	2,866,253	2,937,910	3,011,357	3,086,641
Replacement Reserve	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserves	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease	2.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Expenses	3.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses & Reserves		4,339,375	4,447,859	4,559,056	4,673,032	4,789,858	4,909,605	5,032,345	5,158,153	5,287,107	5,419,285	5,554,767	5,693,636	5,835,977	5,981,876	6,131,423
Net Operating Income		(2,150,631)	(2,162,497)	(1,734,872)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
Debt Service																
1st Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bridge Loan (repaid from Investor equity)		0	0	0	0	0										
2nd Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3rd Mortgage Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Financial Expenses: (specify)	3.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Financial Expenses: (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Financial Expenses: (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Financial Expenses: (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Required Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow after all debt service																
		(2,150,631)	(2,162,497)	(1,734,872)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
Debt Service Coverage Ratio (DSCR)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Use of Cash Flow After Debt Service - HCD Projects																
Asset Mgmt./ Similar Fees		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Max Asset Mgmt/Similar Fees	3.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Target NOI to get to 1.1 DSCR		0														
Subsidy needed to get to 1.1 DSCR		(2,150,631)														
Reserves & Debt (not payable by HK Op Subsidy)																
Reserve Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Reserve Expenses and Debt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Exp. and Debt paid by Bonus		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Exp. and Debt unpaid		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Homekey App Submittal Bonus award		0														
Cash Flow after all debt service		(2,150,631)	(2,162,497)	(1,734,872)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
HK Bonus Draw* for Reserves & Debt		0	0	0	0	0										
Cash Flow after HK Bonus draws		(2,150,631)	(2,162,497)	(1,734,872)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
*HK Bonus balance after draws		0														
Homekey Operating Subsidy amount		6,048,000														
Cash Flow after HK above Bonus draw		(2,150,631)	(2,162,497)	(1,734,872)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
Homekey Bonus Draw*		0	0	0	0	0										
*HK Bonus balance after draws		0	0	0	0	0										
Cash Flow after Operating Subsidy draw		(2,150,631)	(2,162,497)	(1,734,872)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
Homekey Operating Subsidy Draw*		2,150,631	2,162,497	1,734,871	0	0										
Cash Flow after HK Op Subsidy draw		0	0	(0)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
NOI after all draws		0	0	(0)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	0	(0)	0	(0)
DSCR with Homekey draws		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
*HK Op Subsidy balance after draws		3,897,369	1,734,871	0	0	0										

[illegible]

§304 Application Scoring Criteria (207 Points Max)										2/1/22		
c. Commitment letter(s) or MOU(s) documenting how the complete development and management team (which may include Applicant, Developer, Property Manager, and Lead Service Provider) are connected and will work together on the Project - 15 points									15.00			
File Name:		Commitment letter(s) or MOU(s)		Provide commitment letter(s) or MOU(s) documentation			Uploaded to HCD?		Yes			
3. Racial equity and community engagement - max 20 points "For HCD use only"										0.00		
a. Racial Disparities Analysis - 10 points (HCD will score Racial Disparities Analysis based on the submitted Continuum of Care Outcomes)												
File Name:		Racial Disparities Analysis		Provide the Continuum of Care Outcomes by Race and Ethnicity			Uploaded to HCD?		Yes			
b. Community Engagement - 10 points (HCD will score Community Engagement based on the submitted narrative)												
File Name:		Community Engagement		Provide a detailed narrative of how the Applicant has engaged or will engage with the target community, including people currently experiencing homelessness and people with lived experience of homelessness, to inform the design of the project. Provide documentation of this engagement, including meeting notes, community planning documents, MOU of partnership with community organizations, etc.			Uploaded to HCD?		Yes			
4. Community impact and site selection - max 92 points										78.00		
a. Project serves specific sub-populations from Award, Match, and Revenue cells R26, S36, T26 - 20 points				Chronic Homelessness	0.00%	Homelessness	100.00%	Homeless Youth or Youth at Risk of Homelessness	0.00%	20.00		
b. Assisted Units include units for large family housing types - 10 points		Percentage of Assisted units that are three bedrooms or larger from 'Award, Match, and Revenue' worksheet cells U43 + U44 + U45			50.00%	Percentage of Assisted units that are two bedrooms or larger from 'Award, Match, and Revenue' worksheet cells U42 + U43 + U44 + U45			100.00%	10.00		
c. Commitment to 55 year deed restriction to serve Target Population, waiving potential accommodation by HCD to increase income limits as described in §303(ii) - max 20 points				Yes	Total Assisted units Applicant elects to waive the right to increase income levels pursuant to §303(ii).		168	Percentage of Assisted units elected to waive increase of income limits		100.00%	20.00	
d. Extent Project commits to being accessible to persons with disabilities - max 10 points				Total units from 'Award, Match, and Revenue' worksheet cell E25				168	0.00			
# of units exceeding state and federal accessibility requirements set forth in §505, specifically units with features accessible to persons with mobility disabilities - 5 points					0	% of units exceeding state and federal accessibility requirements as set forth in §505			0.00%	0.00		
# of units with features accessible to persons with hearing or vision disabilities as defined in 24 CFR Part 8.22 and the parallel ADAAG 2010 and CBC Ch. 11B provisions - 5 points					0	% of units accessible to persons with hearing or vision disabilities			0.00%	0.00		
e. The Project requires no rehabilitation/construction, or the rehabilitation/construction and full occupancy can be completed within eight months of award - max 10 points									Yes	10.00		
f. Capital match vs. minimum match required per Assisted unit; and average total cost per Assisted unit vs. minimum baseline per door										10.00		
f1. Capital match exceeds the minimum match required per Assisted Unit, 1 pt for every \$10,000 over the required match - max 10 points		Maximum match for Assisted units from 'Award, Match, and Revenue' worksheet cell AI25/U25		\$101,190	Minimum match required for Assisted units from 'Award, Match, and Revenue' worksheet cell AI25		\$101,190	Excess match (per unit)	\$486,905	Increments of \$10,000 over baseline amount	10	10.00
f2. Where average total cost per Assisted Unit is below the minimum baseline per door, 1 pt for every \$10,000 under baseline amount - max 10 pts		Average baseline per Assisted Unit from 'Award, Match, and Revenue' worksheet cells X25 / U25		\$189,583	Average cost per Assisted unit from 'Award, Match, and Revenue' worksheet cells O32 / U25		\$189,583	Requested below minimum baseline (per unit)	\$0	Increments of \$10,000 under baseline amount	0	0.00
g. Site Selection - max 12 points										8.00		
File Name:		Amenities Site Map		Map indicating the proposed housing location(s) and scoring related amenities below.				Uploaded to HCD?		Yes		
Project site is located within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop OR the project includes an alternative transportation service for residents (e.g., van or dial-a-ride service), if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided - 4 points									Yes	4.00		
i. Project site is located within 1/2 mile of a full-scale grocery store/supermarket where staples, fresh meat, and fresh produce are sold 1 mile for projects in rural areas? - 2 points									Yes	2.00		
ii. Project site is located within 1/2 mile (1 mile for projects in rural areas) of a qualifying medical clinic with a physician, physician's assistant, or nurse practitioner on-site for a minimum of 40 hours each week, or hospital (not a private doctor's office)? A qualifying medical clinic must accept Medi-Cal/Medicare payments, or Health Care for the Homeless, or have an equally comprehensive subsidy program for low-income patients. - 1 point									No	0.00		
iii. Project site is located within 1/2 mile of a book-lending public library (1 mile for projects in rural areas)? - 1 point									No	0.00		
iv. Project site is located within 1/2 mile of a pharmacy (1 mile for projects in rural areas). May be included in a grocery store or health facility? - 2 points									Yes	2.00		
v. For Projects with units serving Homeless Youth: Project site is within one mile of at least two of the following: community colleges, universities, trade schools, apprenticeship programs, employment programs, childcare centers for parenting youth, and/or community centers for youth (e.g., LGBTQ+ centers, drop-in youth centers)? - 2 points									No	0.00		
5. Negative Points - max minus 20 points												
a. For any Project resulting in the permanent displacement of residents (not businesses or farm operations), as outlined below:												
The Project permanently displaces existing residents:		Total existing units	200	Total household units that will be displaced		0	Percentage of household units that will be displaced		0.00%	0.00		
Note: In the event of program oversubscription, where Applicants have the same score and the same date and time stamp, HCD may consider additional criteria as a tiebreaker, including but not limited to the cost-effectiveness, community impact, affirmatively furthering fair housing, innovative housing types, tenant stability and proximity to transit, services and amenities.												

Application Development Team (ADT) Support Form							2/1/22	
Complete the "yellow" cells in the form below for application related issues and email a copy to: appsupport@hcd.ca.gov								
Name:							Contact Phone:	
Issue #	Program Name &	Tab	Cell #	Update/Comment		Urgency	ADT Status	Status Date
1	Homekey							
2	Homekey							
3	Homekey							
4	Homekey							
5	Homekey							
6	Homekey							
7	Homekey							
8	Homekey							
9	Homekey							
10	Homekey							
11	Homekey							
12	Homekey							
13	Homekey							
14	Homekey							
15	Homekey							
16	Homekey							
17	Homekey							
18	Homekey							
19	Homekey							
20	Homekey							
21	Homekey							
22	Homekey							
23	Homekey							
24	Homekey							
25	Homekey							
26	Homekey							
27	Homekey							
28	Homekey							
29	Homekey							
30	Homekey							

Homekey Application Upload Document Checklist				2/1/22
Document upload requirements and compliance information in column AK is auto-populated from document submittal replies in the worksheets noted below. Failure to submit a complete application including the required documentation may result in the need for you to amend and resubmit your application resulting in your application's HCD review to be repositioned to the date of resubmittal.				
Overview worksheet				
File Name	App1 Cert & Legal	See Certifications & Legal worksheet.	Uploaded to HCD?	Yes
File Name	App1 Resolution	Signature required; see Applicant Documents worksheet.	Uploaded to HCD?	Yes
File Name	App1 TIN Form	See Applicant Documents worksheet.	Uploaded to HCD?	Yes
File Name	Co-App1 Cert & Legal	See Certifications & Legal worksheet.	Uploaded to HCD?	
File Name	Co-App1 Resolution	Signature required; see Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App1 OrgDoc1, OrgDoc1, etc...	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App1 OrgChart	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App1 Signature Block	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App1 Payee Data Record	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App1 TIN Form	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App1 Cert of Good Standing	Dated 30 days or less from the Application due date.	Uploaded to HCD?	
File Name	Co-App1 Tax-Exempt Status	Evidence of tax-exempt status from IRS and Franchise Tax Board, if applicable	Uploaded to HCD?	
File Name	Co-App2 Cert & Legal	See Certifications & Legal worksheet.	Uploaded to HCD?	
File Name	Co-App2 Resolution	Signature required; see Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App2 OrgDoc2, OrgDoc2, etc...	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App2 OrgChart	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App2 Signature Block	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App2 Payee Data Record	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App2 TIN Form	See Applicant Documents worksheet.	Uploaded to HCD?	
File Name	Co-App2 Cert of Good Standing	Dated 30 days or less from the Application due date.	Uploaded to HCD?	
File Name	Co-App2 Tax-Exempt Status	Evidence of tax-exempt status from IRS and Franchise Tax Board for Non-profit Corp.	Uploaded to HCD?	
File Name:	Rehab Description	Narrative description of current condition of structure(s) and overall scope of work.	Uploaded to HCD?	Yes
File Name:	PNA	Physical Needs Assessment prepared by a qualified independent third party contractor.	Uploaded to HCD?	Yes
File Name:	Market Study	Provide a recent market study within the past year which conforms to Tax Credit Allocation Committee (TCAC) guidelines, and/or a rent roll, and/or other supporting documentation per §205 of the NOFA.	Uploaded to HCD?	N/A
File Name:	Market Study	Provide a recent market study within the past year which conforms to TCAC guidelines, and/or a rent roll, and/or other supporting documentation per §205 of the NOFA.	Uploaded to HCD?	N/A
File Name:	Non-Perm Structure	Detailed narrative of how the use will meet all Homekey Program requirements, including the requirements for use and affordability restrictions set forth at §208 of the NOFA	Uploaded to HCD?	N/A
Threshold worksheet				
File Name	Env. Report 1	Phase I (prepared or updated no earlier than 12 months prior to the application due date).	Uploaded to HCD?	Yes
File Name	Env. Report 2	Phase II (prepared or updated no earlier than 12 months prior to the application due date).	Uploaded to HCD?	N/A
File Name	CEQA	Copy of CEQA Determination Documents	Uploaded to HCD?	Yes
File Name	NEPA	Copy of Authority of Use Grant Funds (NHTF Verification from Responsible Entity)	Uploaded to HCD?	N/A
File Name	Local Approvals	'Local & Env Verification' worksheet(s) completed and signed by local authority or Responsible Entity, if different from jurisdiction.	Uploaded to HCD?	Yes
File Name	Racial Demographics	Racial Demographic Data Worksheet, which reports CoC outcomes by race and ethnicity. The worksheet on the Homekey webpage	Uploaded to HCD?	Yes
File Name:	Use Change	Provide a commitment and plan to facilitate or expedite the use change processes	Uploaded to HCD?	N/A
File Name:	Site Control1, Site Control2, etc	Provide documentation of the type of site control for each site above	Uploaded to HCD?	Yes
File Name:	Prelim1, Prelim2, etc	Provide current preliminary title report for each site above	Uploaded to HCD?	Yes
File Name:	Liability Insurance	Proof of General Liability Insurance that meets the requirements in §800(i)	Uploaded to HCD?	Yes
File Name:	Automobile Insurance	Proof of Automobile Liability Insurance that meets the requirements in §800(ii)	Uploaded to HCD?	Yes
File Name:	Property-Hazard Insurance	Proof of Property Insurance that meets the requirements in §800(v)	Uploaded to HCD?	Yes
File Name:	Development Plan	Provide a development plan	Uploaded to HCD?	Yes
File Name:	Relocation Narrative	Relocation Assistance Narrative for relocation or no relocation	Uploaded to HCD?	Yes
File Name:	Housing First Perm	Provide experience administering a Housing First program of harm reduction and low barriers to entry	Uploaded to HCD?	Yes
File Name:	One-for-one Replacement	iii(a) and (b) If the acquired housing or site will be redeveloped/repositioned per the locality's overall goal to address the needs of the Target Population and the community (unless the target site is going to be demolished before any occupancy by the Target Population), provide a letter of commitment to ensure one-for-one replacement of units.	Uploaded to HCD?	N/A
File Name:	Housing Site Map	Map indicating the original target housing location and all proposed housing location(s).	Uploaded to HCD?	Yes
File Name:	Outside Neighborhood	If replacement housing is proposed outside the target neighborhood, include a justification explaining why it is necessary to locate this replacement housing outside the target neighborhood (i.e., offsite) and how doing so supports and enables the Target Population to maintain housing.	Uploaded to HCD?	N/A
File Name:	Interim Hsg Exp	Provide experience in linking Interim Housing program participants to Permanent Housing to ensure long-term housing stability	Uploaded to HCD?	
File Name:	Housing First Interim	Provide experience administering a Housing First program that includes principles of harm reduction and low barriers to entry	Uploaded to HCD?	
File Name:	Relocation Plan	Relocation Assistance Narrative for relocation or no relocation	Uploaded to HCD?	Yes
File Name:	Access & Non-Discrimination	Provide a non-discrimination policy	Uploaded to HCD?	Yes
File Name:	Prevailing Wage	Provide a prevailing wage certification	Uploaded to HCD?	Yes
Certification & Legal worksheet				
File Name:	Cert & Legal Explanation	Letter of explanation for any "Yes" answers or red shaded items above.	Uploaded to HCD?	
Supportive Services Plan worksheet				
File Name:	Property Management Plan	Submit Property Management Plan and Tenant Selection Policies	Uploaded to HCD?	Yes
Award, Match, and Revenue worksheet				
File Name:	Utility Allowance	1Local housing authority document showing current utility allowance chart, with relevant components circled.	Uploaded to HCD?	Yes
File Name:	Appraisal	If land costs will be included in the Development Budget, attach an appraisal dated within 60 days of the application submittal date.	Uploaded to HCD?	Yes
File Name:	Op Subsidy Confirmation	A letter template and a list of potential Homekey complementary funding can be found on the Homekey webpage.	Uploaded to HCD?	Yes
Dev Sources worksheet				
File Name:	EFC1, EFC2, EFCI3, etc.	Documentation for the executed funding commitments (see below)	Uploaded to HCD?	Yes
Application Scoring Criteria worksheet				
File Name	Subsidy Program #1 Name	Provide commitment of this non-Homekey rental subsidy that will be used to maintain the ongoing affordability of the Project.	Uploaded to HCD?	
File Name	Subsidy Program #2 Name	Provide commitment of this non-Homekey rental subsidy that will be used to maintain the ongoing affordability of the Project.	Uploaded to HCD?	
File Name	Operating Subsidy: HSH Subsidy	Provide commitment of this non-Homekey operating subsidy that will be used to maintain the ongoing affordability of the Project.	Uploaded to HCD?	Yes
File Name	Operating Subsidy: (specify)	Provide commitment of this non-Homekey operating subsidy that will be used to maintain the ongoing affordability of the Project.	Uploaded to HCD?	
File Name:	Commitment letter(s) or MOU(s)	Provide commitment letter(s) or MOU(s) documentation	Uploaded to HCD?	Yes
File Name:	Racial Disparities Analysis	Provide the Continuum of Care Outcomes by Race and Ethnicity	Uploaded to HCD?	Yes
File Name:	Community Engagement	Provide a detailed narrative of how the Applicant has engaged or will engage with the target community, including people currently experiencing homelessness and people with lived experience of homelessness, to inform the design of the project. Provide documentation of this engagement, including meeting notes, community planning documents, MOU of partnership with community organizations, etc.	Uploaded to HCD?	Yes
File Name:	Amenities Site Map	Map indicating the proposed housing location(s) and scoring related amenities below.	Uploaded to HCD?	Yes

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE

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www.hcd.ca.gov

GAVIN NEWSOM, Governor



September 9, 2021

MEMORANDUM FOR: All Potential Applicants

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

SUBJECT: Homekey Program
Notice of Funding Availability, Round 2

A handwritten signature in blue ink, appearing to read "Jennifer Seeger".

The California Department of Housing and Community Development (Department) is pleased to announce the availability of approximately \$1.45 billion of Homekey Program (Homekey) grant funding through this Round 2 Notice of Funding Availability (NOFA). Building on the success of both [Project Roomkey](#) and the first round of Homekey, this significant investment continues a statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or At Risk of Homelessness, and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic.

Of the \$1.45 billion in Homekey funding, \$1.2 billion is derived from the Coronavirus State Fiscal Recovery Fund (CSFRF) established by the federal American Rescue Plan Act of 2021 (ARPA) (Public Law 117-2) and \$250 million is State General Fund. The \$250 million in State General Fund money is intended to supplement the acquisition of, and to provide initial operating subsidies for, Homekey sites to promote project feasibility. Five percent of the \$1.45 billion in Homekey funds is for Department administrative costs. Projects receiving an award from the state's direct allocation of the federal ARPA must expend the funds within eight months of the date of award. The portion of a project's award associated with State General Fund must be expended by June 30, 2026.

Due to the potential for program oversubscription, eligible applicants are encouraged to submit their completed application as soon as possible. The Department will be accepting the applications on a continuous, Over-the-Counter basis from the release of the Homekey application in late September until May 2, 2022, or until the available funds are exhausted, whichever occurs first. Applicants must submit a complete application available at <https://homekey.hcd.ca.gov/content/apply>.

On September 30, 2021, the Department will hold a webinar to review the Homekey NOFA and application process. To register, please go to the Department's [Homekey webpage](#). To receive information on the workshop and other updates, please subscribe to the Department's Homelessness Prevention Programs listserv at http://www.hcd.ca.gov/HCD_SSI/subscribe-form.html.

If you have any questions, please submit them to Homekey@hcd.ca.gov.

Homekey Program

Notice of Funding Availability, Round 2



**Gavin Newsom, Governor
State of California**

**Lourdes M. Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
California Department of Housing and Community Development**

2020 West El Camino Avenue, Sacramento, CA 95833 Telephone: (916) 263-2771
Website: <https://homekey.hcd.ca.gov/>

Homekey Program Email: Homekey@hcd.ca.gov

September 9, 2021

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HOMEKEY PROGRAM

NOTICE OF FUNDING AVAILABILITY

Article I – Program Overview

Section 100. Notice of Funding Availability (NOFA)

The California Department of Housing and Community Development (Department) is pleased to announce the availability of approximately \$1.45 billion in Homekey funding to sustain and rapidly expand the inventory of housing for people experiencing homelessness or At Risk of Homelessness and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases. Before the COVID-19 pandemic, homelessness data showed Black, Indigenous, and People of Color (BIPOC) were overrepresented in the homelessness system. The pandemic made racial disparities more apparent, and communities are dealing with the additional disproportionate impact of illness and death among people experiencing homelessness. Homekey recognizes these impacts and encourages Eligible Applicants to examine disproportionate impacts in their own communities and to develop strategies to address these impacts.

Homekey is an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to Permanent or Interim Housing for the Target Population.

Of the \$1.45 billion in Homekey grant funds, \$1.2 billion is derived from the state's direct allocation of the federal Coronavirus State Fiscal Recovery Fund (CSFRF), which was established by the American Rescue Plan Act of 2021 (ARPA) (Pub.L. No. 117-2). In addition, \$250 million is derived from the state's General Fund to supplement the acquisition of, and to provide initial operating subsidies for, Homekey sites.

Section 101. Authorizing Legislation and Applicable Law

Assembly Bill No. 140 (2021-2022 Reg. Sess.) provided the statutory basis for Round 2 of the Homekey Program by adding section 50675.1.3 to the Health and Safety Code (HSC), and it exempted certain Round 2 Homekey Projects from the California Environmental Quality Act (CEQA) by adding section 50675.1.4 to the HSC. The statutory scheme includes new construction of dwelling units as an eligible use and establishes a set-aside of funds for projects serving Homeless Youth and Youth at Risk of Homelessness.

HSC section 50675.1.3, subdivision (e) states, “The Department of Housing and Community Development may adopt guidelines for the expenditure of the funds appropriated to the department, and for the administration of the program. The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.”

This NOFA serves as the Department’s guidelines for the expenditure of Homekey funds and the administration of the Homekey Program. As such, this NOFA establishes the terms, conditions, forms, procedures, and other mechanisms that the Department deems

necessary to exercise its powers and to perform its duties pursuant to the Homekey Program. The matters set forth herein are regulatory mandates and are adopted as regulations that have the dignity of statutes. (*Ramirez v. Yosemite Water Company, Inc.* (1999) 20 Cal. 4th 785, 799 [85 Cal.Rptr.2d 844].)

The Multifamily Housing Program (MHP) (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the HSC), and as subsequently amended, is hereby incorporated by reference. In accordance with HSC section 50675.1.3, subdivision (d), in the event of a conflict between this NOFA and the MHP, the provisions of this NOFA are controlling.

The MHP Final Guidelines (MHP Guidelines), effective June 19, 2019, and as subsequently amended, are hereby incorporated by reference. In the event of a conflict between any of this NOFA and the MHP Guidelines, the provisions of this NOFA are controlling.

The Department will only amend this NOFA as necessary and in accordance with the Department's guideline authority pursuant to HSC section 50675.1.3, subdivision (e).

All other criteria and matters set forth within the NOFA shall also govern the Tribal Entity set-aside that is further described below, unless and except to the extent expressly provided to the contrary by terms set forth within this NOFA and subject to any potential modification or waiver under or pursuant to Assembly Bill No. 1010 (Stats.2019, c. 660), which is set forth in HSC section 50406, subdivision (p).

Section 102. Program Timeline

Homekey funds will be available to Eligible Applicants on a continuous, Over-the-Counter (OTC) basis, rather than on a competitive basis. The following table summarizes the anticipated Homekey Program timeline.

Table 1: Anticipated Timeline for Homekey Applications

NOFA release	September 9, 2021
Application release	Late September 2021
Stakeholder Webinar	September 30, 2021
Final day to submit an application within geographic set-asides and within period for timely submission of application bonus award	January 31, 2022
Application period for statewide pool opens	February 1, 2022
Final application due date	May 2, 2022, or until funds are exhausted, whichever occurs first
Award announcements	Continuous, with individual awards generally announced within 45 days of the Department's receipt of a complete and accurate application and all required supplemental documentation
Standard Agreements issued	Continuous, after the Department's receipt of required information and documentation
Grantee Expenditure and Program Report, annually for five years subsequent to contract execution	Annually by January 31

The Department reserves the right to modify the projected timeline at any time.

Article II – Program Requirements

Section 200. Eligible Applicants

- i. Cities, counties, cities and counties, and all other state, regional, and Local Public Entities, including councils of government, metropolitan planning organizations, and regional transportation planning agencies designated in Section 29532.1 of the Government Code; or
- ii. Tribal Entities.

For purposes of this NOFA, a “Local Public Entity” is defined in accordance with HSC section 50079. Such definition includes the duly constituted governing body of an Indian reservation or rancheria; a tribally designated housing entity, as specified; and a housing authority, as specified.

Each of the foregoing entities may apply independently, or each entity may apply jointly with a nonprofit or for-profit corporation as a Co-Applicant.

Section 201. Eligible Uses

Awarded funds must be used to provide housing for the Target Population of individuals and families experiencing Homelessness or who are At Risk of Homelessness and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases. With respect to the list of eligible uses below, an Eligible Applicant may choose to target Project Roomkey properties, or other, non-Project Roomkey properties. The list of eligible uses is as follows:

- i. Acquisition or Rehabilitation, or acquisition and Rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing.
- ii. Master leasing of properties for non-congregate housing.
- iii. Conversion of units from nonresidential to residential.
- iv. New construction of dwelling units.
- v. The purchase of affordability covenants and restrictions for units.
- vi. Relocation costs for individuals who are being displaced as a result of the Homekey Project.
- vii. Capitalized operating subsidies for units purchased, converted, constructed, or altered with funds provided pursuant to HSC section 50675.1.3.

Section 202. Eligible Projects

The Department welcomes and will consider a variety of innovative housing solutions as eligible projects. The following list of eligible projects is not exhaustive.

- i. Conversion of nonresidential structures to residential dwelling units.
- ii. Conversion of commercially zoned structures, such as office or retail spaces, to residential dwelling units.
- iii. Adult residential facilities, residential care facilities for the elderly, manufactured housing, and other buildings with existing residential uses.
- iv. Multifamily rental housing projects.
- v. Excess state-owned properties.
- vi. Shared housing or scattered site housing is permitted as long as the resulting housing has common ownership, financing, and property management, and each household signs a lease.
- vii. The Department may, in its sole and absolute discretion, provide express written approval of structures lacking a permanent foundation, such as manufactured homes,

recreational vehicles, and floating homes, for temporary use only. The Department encourages applicants to explore financing alternatives to Homekey for such structures. Applicants that wish to access Homekey funds for these special uses shall submit, in their application, a detailed explanation of how the use will meet all Homekey Program requirements, including the requirements for use and affordability restrictions set forth at Section 208 of this NOFA.

Applicants seeking the Department's approval of structures lacking a permanent foundation are encouraged to discuss their options at the required pre-application consultation.

- viii. **Existing Homekey Assisted Units, previously awarded under the first round of Homekey funding, are ineligible for funding under this NOFA.**

Section 203. Geographic Distribution and Set-Asides

COVID-19 impacts people who are experiencing or who are at risk of Homelessness throughout California. As such, the Department would like to ensure jurisdictions throughout the state have an equitable opportunity to apply for Homekey funds to protect the health and safety of their most vulnerable residents.

To this end, the Department has divided the state into eight regions, as outlined in Table 2, below. The regions are largely aligned with the various Councils of Government (COGs). As detailed in Table 3 below, each region has funding reserved. Each region's share of the Homekey allocation is calculated based on its proportionate share of persons experiencing homelessness as indicated by both the sheltered and unsheltered 2019 Homeless Point-in-Time (PIT) counts, plus its proportionate share of extremely low-income (ELI) renter households that are paying more than 50 percent of their income for rent.

The Department has established a four-month priority application period from the release date of the Homekey application in late September through January 31, 2022. During this prioritization period, the Department will group applications into one of the eight geographic regions, unless the application is prioritized for the Homeless Youth or Tribal Entity set-asides.

After January 31, 2022, the Department will stop grouping applications by geographic region, and instead deploy unused funds from any undersubscribed geographic region(s) to fund subsequent applications statewide. The set-aside funding for Homeless Youth and Tribal Entities will remain unchanged. The Department will also redeploy undersubscribed and unused funds beginning May 2, 2022, as specified at Section 400 of this NOFA.

To further encourage the timely submission of Homekey applications, the Department will also award a bonus to applications submitted by January 31, 2022, as further detailed in Section 207.

Table 2: Counties by Geographic Distribution through January 31, 2022

Counties by Geographic Distribution			
Los Angeles County	San Joaquin Valley	Central Coast	Balance of State (Cont.)
Bay Area	Fresno	Monterey	Lassen
Alameda	Kern	San Benito	Mariposa
Contra Costa	Kings	San Luis Obispo	Mendocino
Marin	Madera	Santa Barbara	Modoc
Napa	Merced	Santa Cruz	Mono
San Francisco	San Joaquin	Balance of State	Nevada
San Mateo	Stanislaus	Alpine	Plumas
Santa Clara	Tulare	Amador	Shasta
Solano	San Diego County	Butte	Sierra
Sonoma	Sacramento Area	Calaveras	Siskiyou
Southern California	El Dorado	Colusa	Tehama
Imperial	Placer	Del Norte	Trinity
Orange	Sacramento	Glenn	Tuolumne
Riverside	Sutter	Humboldt	
San Bernardino	Yolo	Inyo	
Ventura	Yuba	Lake	

Table 3: Estimated Homekey Geographic Allocations

Region	PIT Count	Severely Rent-Burdened ELI	CSFRF Allocation	GF Allocation
Los Angeles County	58,936	395,380	\$296,715,462	\$61,966,491
Bay Area	35,028	196,270	\$165,312,376	\$34,524,079
Southern CA	15,360	188,835	\$101,785,576	\$21,257,049
San Joaquin Valley	10,064	100,400	\$60,041,459	\$12,539,146
San Diego County	8,102	88,470	\$50,514,984	\$10,549,623
Sacramento Area	8,167	68,640	\$45,065,261	\$9,411,495
Central Coast	8,157	35,795	\$35,671,365	\$7,449,660
Balance of State	7,464	30,834	\$32,093,517	\$6,702,457

Set-Asides

The \$1.45 billion in Homekey funds will be allocated as follows:

Table 4: Homekey Funding Categories

Category	CSFRF Allocation	GF Allocation
Total Homekey Allocation	\$1,200,000,000	\$250,000,000
Total Geographic Allocation	\$787,200,000	\$164,400,000
Discretionary Reserve at 20%	\$196,800,000	\$41,100,000
State Administrative at 5%	\$60,000,000	\$12,000,000
Tribal Set-Aside at 5%	\$60,000,000	\$12,500,000
Homeless Youth Set-Aside at 8%	\$96,000,000	\$20,000,000

The Department will reserve 20 percent of the Homekey money to address unforeseen circumstances and to ensure that funding is effectively aligned with need. (For instance, the Department may use this reserve money to fund high-scoring projects in oversubscribed regions.)

Of the total amount provided under this NOFA, set-asides shall be reserved for Homeless Youth and Tribal Entity Projects meeting the criteria set forth below, and in the amounts set forth in Table 4 above. Unless otherwise indicated, all scoring criteria and other NOFA provisions shall govern the set-aside awards provided under this NOFA.

1. Homeless Youth: Pursuant to HSC section 50675.1.3, subdivision (c), the Department will set aside eight percent (8%) of Homekey funding for Projects serving Homeless Youth, or Youth at Risk of Homelessness, as defined in 24 Code of Federal Regulations (CFR) part 578.3. Projects within this set-aside may expand the Target Population to include current and former foster youth through the age of 25.

This set-aside is not subject to geographic allocation, but the Department will aim to promote geographic equity. Homekey Projects are not required to serve Homeless Youth, or Youth at Risk of Homelessness. Homekey Projects proposing to serve Homeless Youth, or Youth at Risk of Homelessness, may also serve other qualifying members of the Target Population.

Projects that meet the threshold requirements of Sections 300-303, as well as the following criteria, will be prioritized for Homeless Youth set-aside funds:

- Have at least 25 percent (25%) of Assisted Units reserved for Homeless Youth or Youth at Risk of Homelessness; (See Section 304, 4a for points awarded)
- Have jointly applied and/or partnered with a nonprofit corporation(s), including community-based organization(s), with experience serving Homeless Youth, or Youth at Risk of Homelessness; and (see Section 304, 2a-c for points awarded)
- Have reasonable proximity to youth-centered amenities, including, but not limited to, community colleges, universities, trade schools, apprenticeship programs, employment programs, childcare centers for parenting youth, and community centers for youth (e.g., LGBTQ+ centers, drop-in youth centers). (See Section 304, 4g for points awarded)

The Department will also prioritize Projects that provide supportive services for Youth Assisted Units using a Positive Youth Development (PYD) model and trauma-informed care. Services may include, but are not limited to, case management, income supports, educational and employment counseling, life skills, legal assistance, health and wellness, and family connection services.

2. Tribal Entities: The Department will set aside five percent (5%) of the Homekey funding for Eligible Applicants that meet the definition of a Tribal Entity, as set forth and provided in this NOFA. This set-aside is not subject to geographic allocation, but the Department will aim to promote geographic equity.

The Department will endeavor to provide comprehensive technical assistance to Tribal Entities, and Tribal Entities are highly encouraged to utilize available technical assistance throughout the application process and during implementation of the Project.

The requirements set forth in this NOFA are subject to AB 1010 (Stats.2019, c. 660), which is set forth in HSC section 50406, subdivision (p). Accordingly, and pursuant to HSC section 50406, subdivision (p), **(a)** where the provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity or legal structure would cause a violation or not satisfy the requirements of this NOFA, said requirements may be modified as necessary to ensure program compatibility; and **(b)** where provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity legal structure or agency create minor inconsistencies (as determined by the Director of the Department or a duly authorized designee thereof) with the requirements set forth in this NOFA, the Department may waive said requirements, as deemed necessary, to avoid an unnecessary administrative burden. Matters set forth or otherwise provided for in this NOFA that may be modified or waived include, without limitation, threshold scoring requirements and any other matters set forth in HSC section 50406, subdivision (p)(2). Tribal Applicants are accordingly encouraged to discuss any such potential modifications or waivers and their options in that regard at the required pre-application consultation.

Section 204. Program Deadlines

Capital funds must be expended within eight months of the date of award. For Projects that involve acquisition and are receiving capital awards, Grantees must expend the funds by the expenditure deadline and the project escrow must be closed by the expenditure deadline. To meet this requirement, the Department will provide ongoing support to assist Grantees and has developed an accelerated award and disbursement process.

Additionally, Grantees shall complete all applicable construction and/or Rehabilitation within 12 months of the date of award. All Projects shall achieve a full occupancy (fully occupied with consideration for an average of 10% vacancy rate at any given time) within 90 days of construction and/or Rehabilitation completion. The Grantee may ask the Department for an extension for construction and/or Rehabilitation completion, where it is clear that the extension is due to circumstances or conditions beyond their control and granting an extension will enable the Project to complete construction and/or Rehabilitation or achieve full occupancy of the Assisted Units. In cases where an extension for construction and/or Rehabilitation completion is granted by the Department, the deadlines for capital fund expenditure and full occupancy may be extended within the constraints of applicable law.

Pursuant to 31 CFR part 35.5, the Department may reimburse eligible costs incurred beginning on March 3, 2021. Applicants are encouraged to discuss their options at the required pre-application consultation.

All operating funds must be fully expended by the Grantee by no later than June 30, 2026.

Section 205. Maximum Grant Amounts and Capital Funding Match

Homekey will fund a maximum grant amount per door, pursuant to the conditions of this section, which includes both the acquisition cost and any needed Rehabilitation or new construction. **The award will be the lower of the maximum grant amount, or the sum of the acquisition amount supported by an appraisal and any additional construction and Rehabilitation expenses as supported by documentation required by the Department.** "Door" refers to units at the time of the acquisition, which may differ from the number of units that are available after a conversion of the property. For those projects that undergo a future conversion, the number of units may need to be reduced in order to accommodate kitchenettes, additional bedrooms, space for supportive services and other amenities. For new construction and conversion of office, commercial, or other non-residential structures into residential dwelling units, Homekey will fund a maximum grant amount per completed Assisted Unit serving the Target Population, or an amount as supported by an appraisal, whichever is lower. "Assisted Unit" refers to units that are available after the construction or conversion of the property.

The Department will contribute a baseline amount per door, as outlined below, in whichever category is higher for the Assisted Unit. This baseline contribution does not require a local match.

Unit Size -- Baseline Capital Amounts:

- i. Studio or one-bedroom units will receive a baseline amount of \$150,000 per door.
- ii. Two-bedroom units will receive a baseline amount of \$175,000 per door.
- iii. Three-bedroom or larger units will receive a baseline amount of \$200,000 per door.

Note that Homekey will fund "doors" based upon the number of units and unit size at the time of acquisition. In situations where units are combined to make larger units, awards will default to the number of doors and size of units at acquisition. In situations where multi-bedroom (two or more bedrooms) units at acquisition are divided into smaller unit sizes, awards will default to the number of doors and size of units with the lower baseline amount per door.

OR

Sub-Populations Served -- Baseline Capital Amounts:

- i. Assisted Units reserved for those experiencing Chronic Homelessness will receive a baseline amount of \$200,000 per door.
- ii. Assisted Units reserved for Homeless Youth or Youth at Risk of Homelessness will receive a baseline amount of \$175,000 per door.

Additional Contribution Amount – Local Match

Beyond the applicable baseline amount, the Eligible Applicant may leverage a 1:1 local match to provide up to \$100,000 in additional funds per door. For example, where the Applicant shows \$100,000 in matching funds, the Department will fund no more than \$250,000 for a 1-bedroom Assisted Unit, \$275,000 for a 2-bedroom Assisted Unit,

\$300,000 for a 3+ bedroom Assisted Unit, \$300,000 for an Assisted Unit serving those experiencing Chronic Homelessness, and \$275,000 per door for an Assisted Unit serving Homeless Youth/Youth at Risk of Homelessness.

Appendix A shows how maximum funding awards from Homekey vary with different per-door costs, unit types, and Applicant contribution levels.

For relocation costs, the Department will pay for one-half of the relocation cost per door in addition to the capital award. For example, if a Project includes \$15,000 in relocation costs, then the Department will pay for \$7,500 of that relocation cost.

For the purchase of affordability covenants and restrictions, and for master-leasing, the Department may size the award per door based on a recent market study within the past year which conforms to guidelines adopted by the Tax Credit Allocation Committee (TCAC), and/or a rent roll, and/or other supporting documentation. For these uses, the maximum Homekey contribution per door shall not exceed the maximum amounts referenced in this section for acquisition, Rehabilitation, and new construction.

Section 206. Operating Subsidies and Match

- i. Where an operating subsidy is requested, the total amount of operating subsidy per Assisted Unit is limited as follows:
 - a. Assisted Units reserved for those experiencing Chronic Homelessness, for Homeless Youth, or for Youth at Risk of Homelessness shall not exceed \$1,400 per month; and
 - b. All other Assisted Units shall not exceed \$1,000 per month.
- ii. The total duration of the operating subsidy (as described in i. above) is tied to the amount of the Applicant's matching funds, and is limited as follows:
 - a. If Projects can demonstrate a commitment of three years of non-Homekey operating funds for Assisted Units, the Department will provide an operating subsidy sized for two years.
 - b. If Projects can demonstrate a commitment of four or more years of non-Homekey operating funds for Assisted Units, the Department will provide an operating subsidy sized for three years.
 - c. If Projects have application scores of 140 or more, the Department may consider providing an operating subsidy sized for three years without the Applicant demonstrating a commitment of four or more years of non-Homekey operating funds.
- iii. Operating subsidy may pay for necessary, recurring Project Operating Expenses in an amount approved by the Department. Qualifying expenses include utilities, maintenance, management fees, taxes, licenses, and supportive services costs, but not debt service or required reserve account deposits. Operating Expenses should be included in the Project's submitted budget.

- iv. If requesting an operating subsidy, the Eligible Applicant must submit a letter of support from the local Continuum of Care (CoC) or Housing Authority confirming the need for an operating subsidy and evidencing that other operating funding, such as rental subsidies, were sought for the Project, but the funding isn't available for this use. A letter template and a list of potential Homekey complementary funding can be found on the Homekey [webpage](#).
- v. The Homekey-funded portion of the operating subsidy must be expended (liquidated) by June 30, 2026, with the Grantee establishing a capitalized operating subsidy reserve and disbursing the funds as outlined in this NOFA.
- vi. Eligible Applicants are required to demonstrate a five-year commitment to provide operating funds for the proposed project. The first two years of operating funds may include an award from Homekey. Operating match may be obtained from any source, including any federal, state, local, private, or philanthropic source. Eligible Applicants will have an opportunity to discuss the match requirements and potential match sources during the pre-application consultation.

Additionally, the following requirements apply to operating match contributions:

- i. The Eligible Applicant must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match Homekey funds; and
- ii. If the State General Funds are used to satisfy the matching requirements of another program, then funding from that program may not be used to fulfill the matching requirements of the Homekey Program.

Section 207. Bonus Awards

Timely Submission of Application

The Department will award an additional \$10,000 per Assisted Unit as a bonus award for each Project with a timely submission of a complete application to the Department by January 31, 2022. Application packages that are incomplete or that do not meet the filing requirements will not be awarded the bonus award. This bonus may be used for either operating or capital expenses.

Expedited Occupancy

The Department will award \$10,000 per Assisted Unit as a conditional bonus amount for Projects meeting the following expedited occupancy timeframe:

- i. Project's Assisted Units achieve full occupancy (with consideration for an average of 10 percent vacancy) within eight (8) months of the date of award.

This bonus award can be used for operating costs only, including the reimbursement of operating costs already incurred. Projects eligible for this bonus award must commit to achieving full occupancy within eight (8) months after the award date. Projects will not receive the bonus award if reaching full occupancy in eight (8) months was not planned in their application, nor required in their Standard Agreement.

The Department will not disburse the conditional bonus amount until proof of full occupancy (rent roll) is provided to the Department within eight (8) months of the date of award. Once the documentation is deemed sufficient by the Department, the Grantee may submit a request for funds disbursement. If Grantee fails to meet the expedited occupancy timeframe as indicated in their application, the Department may reallocate the conditional bonus amount to fund other Eligible Applicants.

Section 208. Affordability Term

The Grantee shall duly encumber all Interim Housing, Transitional Housing, and Congregate Shelter Projects with a 15-year covenant, declaration, regulatory agreement, or similar use restriction that (a) is recorded in first position against the Project real property for the benefit of the Department, (b) restricts the use, operation, occupancy, and affordability of the Project in accordance with all applicable requirements of this NOFA and all other Program requirements, and (c) is otherwise in form and substance acceptable to the Department.

The Grantee shall duly encumber all Permanent Housing Projects with a 55-year covenant, declaration, regulatory agreement, or similar use restriction that (a) is recorded in first position against the Project real property for the benefit of the state, regional, local, or tribal Grantee, (b) restricts the use, operation, occupancy, and affordability of the Project in accordance with all applicable requirements of this NOFA and all other Program requirements, (c) duly names the Department as a third party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, and (d) is otherwise in form and substance acceptable to the Department.

Section 209. Flexibility

The Department recognizes the limited availability of local, state, and federal funds, and the corresponding imperative for flexibility in the Homekey Program. Therefore, subject to the Department's advance written approval, a Grantee may use a capital expenditure award to fund the proposed project's operating costs, or an operating award to fund the proposed capital expenditure, so long as the aggregate Homekey award is expended on eligible uses.

Article III – Threshold and Scoring Criteria

Section 300. Threshold Requirements

To be eligible to receive funding, all Projects must meet the following requirements as they relate to the Eligible Applicant and the project types:

- i. Applications may be submitted independently by an Eligible Applicant, as defined in Section 200 and Article VII. Alternatively, each of the foregoing Eligible Applicants may apply jointly with a nonprofit or for-profit corporation as Co-Applicant.
- ii. Projects must serve persons qualifying as members of the Target Population.
- iii. Applications must include an initial plan for providing supportive services based on the anticipated needs of the Target Population and any proposed sub-populations to be served by the Project. The initial plan shall be reasonably detailed and

comprehensive, as determined by the Department in its sole and absolute discretion. The supportive services plan shall provide a description of the services that will be available at the housing site including but not limited to case management, behavioral health services, physical health services, assistance obtaining benefits and essential documentation, and education and employment services. The plan shall include a description of the on-site staffing plan proposed to deliver these services. Also, the plan shall describe the approach to securing and/or connecting residents to off-site services including primary care and other needed physical health and behavioral health services as well as other tenancy supports.

- iv. Applications must include an overview of the plan and timeline for any required entitlements, permits, and environmental clearances. Eligible Applicants will have an opportunity to discuss their land use and environmental clearance plans, and related statutory authorities during the pre-application consultation.
- v. Applications must include a completed Racial Demographic Data Worksheet, which reports CoC outcomes by race and ethnicity. The completed worksheet may be submitted by the Applicant and the template can be found on the Homekey [webpage](#).
- vi. The Grantee shall have site control of the property at the time of application, and such control shall not be contingent on the approval of any other party. The status and nature of the Grantee's title and interest in the property shall be subject to the Department's approval. Site control may be evidenced by one of the following:
 - a. Fee title;
 - b. A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit compliance with all program requirements;
 - c. A leasehold estate held by a Tribal Entity in federal tribal trust lands property, or a valid sublease thereof that has been or will be approved by the Bureau of Indian Affairs;
 - d. An executed disposition and development agreement, or irrevocable offer of dedication to a public agency;
 - e. A sales contract, or other enforceable agreement for the acquisition of the property;
 - f. A letter of intent, executed by a sufficiently authorized signatory of the Eligible Applicant, that expressly represents to the Department, without condition or reservation, that, upon successful application, the Eligible Applicant shall purchase or otherwise acquire a sufficient legal interest in the property to accomplish the purpose of the award. The letter of intent must also be acknowledged by the party selling or otherwise conveying an interest in the subject property to the Eligible Applicant. If this form of evidence is relied upon at the time of application, the Department may impose additional milestones, in the Standard Agreement, regarding increased evidence of eventual site control closer to the likely close of escrow; or

- g. Other forms of site control that give the Department assurance (equivalent to items a. through f. above) that the Applicant will be able to complete the Project in a timely manner and in accordance with all the Program's objectives and requirements.
- h. For Applicants proposing sites that will require a use change for permanent housing, there should be a commitment and plan to facilitate or expedite those processes, so as to not delay expenditure and occupancy requirements.
- vii. The Eligible Applicant applying for the Homekey funding is the entity that the Department relies upon for experience and capacity, and will control the project during acquisition, development, and occupancy.
- viii. A development plan that supports acquisition of a site and fund expenditure before all program deadlines and demonstrates evidence of strong organizational and financial capacity to develop the project.
- ix. Assisted Units and other units of the Project must meet all applicable state and local requirements pertaining to rental housing, manufactured housing, including but not limited to requirements for minimum square footage, and requirements related to maintaining the project in a safe and sanitary condition.
- x. Applicants and Co-Applicants must be in good standing with the State of California and all agencies and departments thereof. By way of example and not limitation, an Applicant and Co-Applicant must be qualified to do business in the State of California and must be in good standing with the California Secretary of State and the California Franchise Tax Board. Applicants that are delinquent in meeting the material requirements of previous Department awards may, in the Department's reasonable discretion, fail threshold review.
- xi. The Department will require Eligible Applicants to submit a complete application with all required documents. The Department reserves the right to request clarification of unclear or ambiguous statements made in an application and other supporting documents.
- xii. Relocation Assistance Narrative. Applicant shall submit a concise, sufficiently detailed narrative to demonstrate its consideration of, and early engagement with, applicable relocation assistance laws and requirements. (This Relocation Assistance Narrative does not take the place of the relocation plan, or the Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, that the Grantee shall submit as a condition of funding.) Applicant's Relocation Assistance Narrative shall include or identify the following:
 - a. A diagrammatic sketch of the Project site.
 - b. Clear, high-resolution photographs of the Project site and all improvements thereon (e.g., buildings, parking lots, billboards).
 - c. The projected dates of any Homekey-funded acquisition, construction, Rehabilitation, demolition, or similar development activities at the Project site.

- d. A description of any persons, businesses, or farm operations that will or may be displaced from the Project site by the foregoing development activities. Applicant shall specify whether any such displacement will be permanent or temporary.
 - i. If no such displacement will occur, Applicant shall conclude the narrative by expressly confirming that Applicant's eligible use(s) of the funds will not result in the displacement of any persons, businesses, or farm operations from the Project site.
 - ii. If such displacement will occur, Applicant shall further develop the narrative by including the additional elements set forth at (e) – (i) below.
- e. A description and evidence of attempts made to maintain the tenure of existing residents that may qualify under the criteria for the Target Population.
- f. A description of the aggregate relocation needs of the persons, businesses, or farm operations that will or may be displaced by the Homekey-funded activities.
- g. A brief description of how those relocation needs will be met, as well as the Applicant's projected timeline for fully meeting those needs, including the dates of planned notices to displaced persons, businesses, or farm operations.
- h. An identification of the Applicant's relocation consultant and/or relocation services provider in connection with the project site. Applicant shall also submit legible copies of its services contract or letter of intent with or to the relocation consultant and/or relocation services provider.
- i. Applicant's cost estimate (and associated funding strategy) for providing relocation assistance and benefits to the persons, businesses, or farm operations that will or may be displaced by the Homekey-funded activities.

Section 301. Permanent Housing Requirements

In addition to Section 300 above, Permanent Housing projects will also be evaluated on the following requirements:

- i. Funding commitments or other reasonable assurance to cover operations and service costs with specific funding sources (government/philanthropic/private) for the proposed project for five (5) years and a budget which covers operations and services costs through year 15 from the recordation of the use restriction.
- ii. If the Eligible Applicant is acquiring, rehabilitating, and operating a Permanent Housing project, the Eligible Applicant or Co-Applicant shall demonstrate the following minimum experience requirements:
 - a. Development, ownership, or operation of a project similar in scope and size to the proposed project; or development, ownership, or operation of at least two affordable rental housing projects in the last ten years, with at least one of those projects containing at least one unit housing a tenant who qualifies as a member of the Target Population.
 - b. The property manager and supportive service provider shall have three or more years of experience serving persons of the Target Population. If a property manager is not yet selected for the proposed project, the Eligible Applicant shall certify that this requirement will be reflected in any future solicitation or memorandum of understanding
 - c. Experience administering a Housing First program that includes principles of harm reduction and low barriers to entry.
- iii. One-for-one replacement of assisted housing
 - a. If the acquired housing or site is to be redeveloped/repositioned as part of the locality's overall goal to address the needs of the Target Population and the community, the Applicant shall provide as part of the application a commitment to ensure one-for-one replacement of units.
 - b. If the target site is going to be demolished before any occupancy by the Target Population, no one-for-one replacement commitment needs to be provided. The unit mix will be evaluated based on the project proposal.
 - c. The application shall include a site map indicating the original target housing location and all proposed housing location(s). If all proposed housing will be located within the neighborhood, no additional documentation is necessary. If replacement housing is proposed outside the target neighborhood, the application must also include a justification explaining why it is necessary to locate this replacement housing outside the target neighborhood (i.e., offsite) and how doing so supports and enables the Target Population to maintain housing.

Section 302. Interim Housing Requirements

In addition to Section 300 above, Interim Housing projects will also be evaluated on the following requirements:

- i. Funding commitments or other reasonable assurance to cover operations and service costs with specific funding sources (government/philanthropic/private) for the

proposed project for five (5) years and submit a budget to cover operations and services costs through year 15 from the recordation of the use restriction.

- ii. If the Eligible Applicant is acquiring, rehabilitating, and/or operating an Interim Housing project, the Eligible Applicant or Co-Applicant shall demonstrate the following minimum experience requirements:
 - a. Successful development, ownership, or operation of an Interim Housing project, such as an emergency shelter or Transitional Housing for at least three of the last ten years for individuals who qualify as members of the Target Population;
 - b. Experience in linking Interim Housing program participants to Permanent Housing to ensure long-term housing stability; and
 - c. Experience administering a Housing First program that includes principles of harm reduction and low barriers to entry.

Section 303. Other Requirements

- i. Units serving the Target Population and occupied units serving ELI households are eligible for funding.
 - a. Homekey may fund all units in a project or a portion of the units. If seeking Homekey funding for a portion of the units in a given project, Applicants must identify committed sources for the non-Homekey units. The non-Homekey units are not required to serve the Homekey Target Population.
 - b. If, at the time of acquisition, an existing tenant's household income is at or below the ELI limit, but the tenant does not qualify as a member of the Target Population, the tenant may remain in place and the unit may still be funded by Homekey. When, in the course of normal tenant turnover, the ineligible household moves from the unit, the unit shall thereafter be occupied by the Target Population. There should be no more than 49 percent of the Assisted Units that do not meet the Target Population. An existing household who meets the Target Population definition or was a member of the Target Population at the time they moved into the property will not be counted towards the 49 percent cap. Evidence confirming that existing tenants qualify as either ELI or Target Population will be required of the Applicant.
- ii. At year 15 from the recordation of the use restriction, in circumstances where the Grantee has exhausted available operating funding and demonstrated to the Department that the Project is no longer feasible, the Department may approve an increase in income levels, to the minimum extent required for fiscal integrity, in five percent increments of Assisted Units up to 50 percent AMI.
- iii. The Department reserves the right to set restrictions on the unit mix, rent levels, and other factors deemed necessary. To the maximum extent possible, these changes shall minimize the impact on the lowest income Project residents and shall be phased in as gradually as possible. If, following any increase in rents and income limits, or modification of Target Population occupancy requirements, new resources become available, or market demand changes, allowing reversion to the former income and

rent limits or Target Population occupancy requirements, the Department may re-impose these income limits and rent limits or Target Population occupancy requirements, in whole or in part, subject to an analysis of Project feasibility.

- iv. In addition to Section 300 above, Applicants purchasing affordability covenants and restrictions will also be evaluated on the following requirements:
 - a. The Grantees that purchase affordability covenants and restrictions for existing residential units shall restrict those units to individuals and families who are Homeless or who are At Risk of Homelessness, as defined in 24 CFR part 578.3. Such restriction shall run for at least 15 years.
- v. In addition to Section 300 above, master leasing projects will also be evaluated on the following requirements:
 - a. The Grantee shall provide a 15-year plan from the recordation of the use restriction to cover operations and service costs for the Project with specific funding sources (government/philanthropic/private). The Department may waive the requirement for a 15-year plan to cover operating and services costs in cases where master-leased units are intended for a shorter-term need, including, but not limited to, the housing of individuals temporarily displaced as a result of Rehabilitation, or immediate and short-term placement of individuals while permanent units are under construction.
 - b. The Department can consider and has the discretion to approve other master leasing timeframes and scenarios. Applicants are encouraged to discuss their options at the required pre-application consultation.

Section 304. Application Scoring Criteria

In addition to meeting the other minimum program requirements outlined in Article III, Applicants must score a **minimum of 120 points to be eligible for funding**. Scores will be based on the following:

Table 5: Homekey Application Scoring Criteria

Categories and Maximum Point Scores	Evaluation Criteria
1. Ability to expend funds timely and demonstration of operating leverage (Up to 40 points)	<ol style="list-style-type: none"> a. Identification of the site suitable for development and evidence of site control, or a plan and timeline for obtaining site control along with other supporting evidence (e.g., letter of intent, an exclusive negotiating agreement, ground lease, etc.). NOTE: Sections 300-303 of this NOFA further outline site control requirements related to specific project type. (Up to 20 points) <ul style="list-style-type: none"> - Fee title/leasehold (20 points) - Option agreement/sales contract (20 points) - Exclusive negotiating agreement (15 points) - Letter of intent (15 points) b. Documented commitment of non-Homekey rental or operating subsidies that will be used to maintain the ongoing affordability of the project. (Up to 20 points)

Categories and Maximum Point Scores	Evaluation Criteria
	<p>Project-Based or Grantee-Based Enforceable Funding Commitments for operating assistance, or rental subsidies (including, but not limited to project-based vouchers, VASH vouchers, tenant-based vouchers, or locally funded rental assistance): (1 point for each 5 percentage increment of Assisted Units with committed funding, up to a maximum of 20 points)</p> <p>Contingencies in commitment documents based upon the receipt of Round 2 Homekey funding will not disqualify a source from being counted as committed. However, the Department must approve evidence that funding will reliably be available.</p>
<p>2. Experience (Up to 55 points)</p>	<p>a. Demonstration of Applicant or member(s) of development team's experience in development, ownership, or operation of a project(s) similar in scope and size to the proposed Project. NOTE: Sections 300-303 of this NOFA further outline threshold experience requirements related to specific project type. (Up to 25 points)</p> <ul style="list-style-type: none"> - Development, ownership, or operation of one project similar in scope and size to the proposed Project; or development, ownership, or operation of at least two affordable rental housing or interim projects in the last ten years, with at least one of those projects containing at least one unit housing a tenant who qualifies as a member of the Target Population. (10 points) - 5 additional points awarded for each additional project (development, ownership, or operation of affordable rental housing or interim projects in the last ten years serving at least one member of the Target Population) (up to 15 additional points) <p>b. Demonstration of service provider's experience helping persons address barriers to housing stability and providing other support services, not necessarily within a housing project. Service provider may be Applicant, or a member of the development team described in Applicant's response to point category 2.c., below. Service provider experience must be with the specific population(s) housed within the Homekey units to count toward points in this section (e.g., families, singles, Homeless Youth, Chronically Homeless) (Up to 15 points)</p> <ul style="list-style-type: none"> - 1 point awarded for each year of service experience, up to a maximum of 15 points. - NOTE: Sections 300-303 of this NOFA further outline threshold experience requirements related to specific project type. <p>c. Commitment letter(s) or MOU(s) documenting how the complete development and management team (which may include Applicant, developer, property manager, lead service provider, etc.) are connected and will work together on the Project. Applicants are encouraged to complete due diligence checklists to ensure all members of the team are aware of roles and responsibilities (Up to 15 points)</p>
<p>3. Racial equity and Community Engagement (Up to 20 points)</p>	<p>a. Racial Disparities Analysis (Up to 10 points) Using the Racial Demographic Data Worksheet (in application), provide the Continuum of Care Outcomes by Race and Ethnicity and the following analysis. NOTE: Section 300 of this NOFA further outlines this threshold requirement.</p> <p>Using the data from the worksheet, provide a narrative analysis of the racial and ethnic disparities in systems outcomes. What are the root</p>

Categories and Maximum Point Scores	Evaluation Criteria
	<p>causes or factors leading to these racial inequities? For service providers with prior experience, provide an analysis of prior program outcomes.</p> <p>Detail how the Applicant will address racial and ethnic disparities in program outcomes at each stage of the project design and development.</p> <p>b. Community Engagement (Up to 10 points) Detail how the Applicant has engaged or will engage with the target community, including people currently experiencing homelessness and people with lived experience of homelessness, to inform the design of the project.</p> <p>Provide documentation of this engagement, including but not limited to meeting notes, community planning documents, MOU of partnership with community organization, etc.</p>
<p>4. Community impact and site selection</p> <p>(Up to 92 points)</p>	<p>a. The Project serves specific sub-populations (20 points)</p> <ul style="list-style-type: none"> - 25% or more of Assisted Units are reserved for those experiencing Chronic Homelessness (20 points); OR - 50% or more of Assisted Units are reserved for those experiencing Homelessness (20 points); OR - 25% or more of Assisted Units are reserved for Homeless Youth or Youth at Risk of Homelessness (20 points); <p>b. Assisted Units include units for large family housing types (10 points)</p> <ul style="list-style-type: none"> - At least twenty-five percent (25%) of the Assisted Units in the project shall be three-bedroom or larger units, AND - At least an additional twenty-five percent (25%) of the Assisted Units in the project shall be two-bedroom or larger units, consistent with TCAC Regulations (4 CCR § 10325(g)(1)(A-I)), (10 points) <p>c. Commitment to 55 year deed restriction to serve Target Population, waiving any potential accommodation by the Department to increase income limits as described in Section 303. (Up to 20 points)</p> <ul style="list-style-type: none"> - At least 25% of Assisted Units restricted (5 points) - At least 50% of Assisted Units restricted (10 points) - At least 75% of Assisted Units restricted (15 points) - 100% of Assisted Units restricted (20 points) <p>d. The extent to which the Project (with 20 or more units) commits to being accessible to persons with disabilities (Up to 10 points)</p> <ul style="list-style-type: none"> - Exceeds the state and federal accessibility requirements set forth Section 505, specifically providing a minimum of 15 percent of units with features accessible to persons with mobility disabilities, as defined in 24 C.F.R. Section 8.22 and the parallel ADAAG 2010 and CBC provisions; (5 points) - A minimum of 10 percent of units with features accessible to persons with hearing or vision disabilities, as defined in 24 CFR Part 8.22 and the parallel ADAAG 2010 and CBC Chapter 11B provisions. (5 points) <p>e. The proposed project requires no Rehabilitation or construction, or the Rehabilitation/construction and full occupancy can be completed within eight (8) months of award. Those receiving points in this category are</p>

Categories and Maximum Point Scores	Evaluation Criteria
	<p>also able to utilize the bonus award as outlined in Section 207. (10 points)</p> <p>f. For any project where the Applicant's capital match exceeds the minimum match required per Assisted Unit, one (1) point will be assigned for every \$10,000 over the minimum match required (Up to 10 points);</p> <p>OR</p> <p>For any project where the average total cost per Assisted Unit is below the minimum baseline per door, one (1) point will be assigned for every \$10,000 under the baseline amount. (Up to 10 points)</p> <p>g. Site Selection (Up to 12 points)</p> <p>The project site is located within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop OR the project includes an alternative transportation service for residents (e.g., van or dial-a-ride service), if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided (4 points)</p> <p>The Project site is in proximity to essential services:</p> <ul style="list-style-type: none"> i. Grocery store – within 1/2 mile of a full-scale grocery store/supermarket where staples, fresh meat, and fresh produce are sold. (1 mile for projects in rural areas) (2 points); <p>NOTE: If applying for TCAC, it is advisable that the grocery store be at least 25,000 gross interior square feet.</p> <ul style="list-style-type: none"> ii. Health facility – within 1/2 mile (1 mile for projects in rural areas) of a qualifying medical clinic with a physician, physician's assistant, or nurse practitioner on-site for a minimum of 40 hours each week, or hospital (not merely a private doctor's office). <p>A qualifying medical clinic must accept Medi-Cal payments, or Medicare payments, or Health Care for the Homeless, or have an equally comprehensive subsidy program for low-income patients; (1 point)</p> <ul style="list-style-type: none"> iii. Library – within 1/2 mile of a book-lending public library (1 mile for projects in rural areas); (1 point) iv. Pharmacy – within 1/2 mile of a pharmacy (1 mile for projects in rural areas). May be included in a grocery store or health facility (2 points) v. For projects with units serving Homeless Youth: within one mile of at least two of the following: community colleges, universities, trade schools, apprenticeship programs, employment programs, childcare centers for parenting youth, and/or community centers for youth (e.g., LGBTQ+ centers, drop-in youth centers) (2 points)
<p>5. Negative Points (Up to -20 points)</p>	<p>a. For any project resulting in the permanent displacement of residents (not businesses or farm operations), as outlined below:</p> <ul style="list-style-type: none"> - The project permanently displaces existing residents in 5% of total units. (-5 points) - Applicants lose one point (up to an additional 15 points) for each additional percentage point of households displaced out of total units.

In the event of program oversubscription, where Applicants have the same score and the same date and time stamp, the Department may consider additional criteria as a tiebreaker, including, but not limited to, cost-effectiveness, community impact, affirmatively furthering fair housing, innovative housing types, tenant stability and proximity to transit, and services and amenities.

Article IV. Application Submission, Review, and Award Process

Section 400. Application Process and Submission

For OTC funding, applications will be accepted and evaluated on a first-come, first-served basis at any time from the release of the application until May 2, 2022, or until the available funds are exhausted, whichever occurs first. Funds are awarded to those applicants that meet the minimum threshold criteria, including the minimum point score.

Homekey Round 2 application materials must be submitted electronically to the Department's [website](#).

Electronic Submission - Requirements for uploading the Homekey Round 2 Application and required supporting documentation, including naming conventions, are described in the Homekey Round 2 Application instructions/checklist tab. Applicants must upload all complete application materials to the Department's website no later than 11:59 p.m. Pacific Daylight Time on Wednesday, May 2, 2022, to the extent that funds remain available at that time.

Application packages that are incomplete or that do not meet the filing requirements will not be considered for funding but may be amended and resubmitted. Applications must be on the Department's forms and, forms cannot be altered or modified by the Applicant. Excel forms must be submitted in Excel format, not as a PDF document.

- i. Applications will be prioritized as described in Section 203.
- ii. The Department will evaluate applications for compliance with the minimum program requirements set forth in this NOFA.
- iii. After each Applicant has been certified to meet the minimum program requirements, each project must receive a minimum overall score of 120 points, as outlined in Section 304, to be considered for a funding award.
- iv. Each Applicant and Co-Applicant shall submit an authorizing resolution that, in the Department's reasonable determination, materially comports with the Program's requirements and is legally sufficient. In addition, each Co-Applicant shall submit a complete set of its organizational documents (including any amendments thereto). The Department will not disburse Homekey funds until it receives the foregoing documentation, as specified.
- v. Applicant shall provide documentation of its ability to obtain the insurance coverages outlined in Article VIII of this NOFA.
- vi. The application is a public record, which is available for public review pursuant to the California Public Records Act (CPRA) (Chapter 3.5 (commencing with Section 6250))

of Division 7 of Title 1 of the Government Code). After final Homekey awards have been issued, the Department may disclose any materials provided by the Applicant to any person making a request under the CPRA. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, personal phone numbers, and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

- vii. The Department reserves the right to do the following:
 - a. Score an application as submitted even if information is missing from the application;
 - b. Request clarification of unclear or ambiguous statements made in an application or request additional clarifying documentation or information; and
 - c. Beginning May 2, 2022, deploy unused funds from an undersubscribed set-aside to fund other Eligible Applicants for other subsets of the Target Population.

Section 401. Pre-Application Consultation and Technical Assistance

The Department requires all Applicants to engage in a pre-application consultation with the Department prior to applying. The consultation will allow the prospective Applicant to discuss the proposed project, along with other applicable programmatic considerations, including those related to site acquisition, the CEQA, land use and land entitlements, CoC coordination and services partnerships, and long-term financing approaches. Pre-application consultations will be available upon the release of this NOFA and may be requested by emailing Homekey@hcd.ca.gov.

Section 402. Award Process

The Department will send an award letter to the successful Applicant. Funds will be disbursed after the Standard Agreement has been fully executed and approved by the Department unless the Standard Agreement specifies conditions precedent to disbursement.

The Department is committed to disbursing Homekey funds in a timely manner. To avoid any expenditure delays, funds may be issued directly to an escrow company that has been approved by the Department if the full award is toward acquisition. The Applicant shall identify the name and address of the escrow company, the name of the escrow officer, the escrow number, and any other information requested by the Department.

Section 403. Appeals

Basis of Appeals.

1. Applicants may appeal the Department's written determination that an application is incomplete, has failed threshold review, or has otherwise been determined to provide an insufficient basis for an award.
2. No Applicant shall have the right to appeal a decision of the Department relating to another Applicant's application (e.g., eligibility, point score, award, denial of award).

3. The appeal process provided herein applies solely to decisions of the Department made pursuant to this NOFA.

Appeal Process and Deadlines.

1. Process. To file an appeal, Applicants must submit to the Department a written appeal, which sets forth all relevant facts, arguments, and evidence in support of the appeal. In addition, the Applicant must specify the area(s) of the application that are relevant to or provide context for the appeal. New or supplemental information must be limited and necessary to provide clarification or to address the insufficiencies identified in the subject application. No new or supplemental information will be considered if it would result in an unfair competitive advantage to the Applicant. Appeals are to be submitted to the Department at Homekey@hcd.ca.gov.
2. Filing Deadline. Appeals must be received by the Department no later than five (5) business days from the date of the Department's written determination regarding the subject application.
3. Decision. The requirements of this NOFA and all other applicable law will govern the Department's determination. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of the Department.

Article V – Other Program Requirements

Section 500. Article XXXIV

Per HSC section 37001, subdivision (h)(2), article XXXIV, section 1 of the California Constitution (Article XXXIV) is not applicable to development that consists of the acquisition, Rehabilitation, reconstruction, alterations work, new construction, or any combination thereof, of lodging facilities or dwelling units using moneys received from the CSFRF established by the federal American Rescue Plan Act of 2021 (ARPA) (Public Law 117-2). As such, Article XXXIV is not applicable to Homekey-funded development.

Section 501. Housing First

The Eligible Applicant shall certify to employ the core components of Housing First, as set forth at Welfare and Institutions Code section 8255, in its property management and tenant selection practices. Projects shall accept tenants regardless of sobriety, participation in services or treatment, history of incarceration, credit history, or history of eviction in accordance with practices permitted pursuant to Housing First practices, including local Coordinated Entry System prioritization protocols, or other federal or state Project funding sources.

Section 502. Tenant Selection

Referrals to Homekey Assisted Units shall be made through the local Coordinated Entry System (CES) for persons who are experiencing Homelessness. For persons At Risk of Homelessness, CES or another comparable prioritization system based on greatest need shall be used. All referral protocols for Homekey Assisted Units must be developed in collaboration with the local CoC and implemented consistent with the requirements set forth

in this NOFA. CoC collaboration in Project and supportive service design is also strongly encouraged to help target and serve greatest need populations.

Section 503. Participation in Statewide HDIS/HMIS

All Homekey Grantees shall support CoC participation in the statewide Homeless Data Integration System (HDIS), and, in accordance with state and federal law (including all applicable privacy law), disclose relevant data to the local Homeless Management Information System (HMIS).

Section 504. Relocation

1. Grantee must comply with all applicable federal, state, and local relocation law. Pursuant to relocation law, a Grantee must have a relocation plan prior to proceeding with any phase of a project or other activity that will result in the displacement of persons, businesses, or farm operations. To ensure that displaced persons and entities do not suffer a disproportionate impact as a result of projects which benefit the public, all notices to vacate and relocation services must be provided to them in accordance with applicable law. In addition, before the Homekey award will be disbursed, Grantee must have either:
 - a. A Department-approved relocation plan; or
 - b. A Department-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, which has been duly executed and approved by the Department.

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

Section 505. Accessibility and Non-Discrimination

All developments shall adhere to the accessibility requirements set forth in California Building Code Chapter 11A and 11B and the Americans with Disabilities Act, Title II. In addition, developments shall adhere to either the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 8, or HUD's modified version of the 2010 ADA Standards for Accessible Design (Alternative 2010 ADAS), HUD-2014-0042-0001, 79 F.R. 29671 (5/27/14) (commonly referred to as "the Alternative Standards" or "HUD Deeming Memo"). Accessible units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout the Project and be available in a sufficient range of sizes and amenities consistent with 24 CFR part 8.26.

Grantees shall adopt a written non-discrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other

classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available pursuant to this NOFA.

Grantees shall comply with the requirements of the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Civil Rights Act, Government Code section 11135, Section 504 of the Rehabilitation Act of 1973, and all regulations promulgated pursuant to those statutes, including 24 CFR Part 100, 24 CFR Part 8, and 28 CFR Part 35.

Section 506. Prevailing Wages

Applicant's contemplated use of Homekey funds is subject to California's prevailing wage law (Lab. Code, § 1720 et seq.). Applicant is urged to seek professional legal advice about the law's requirements. Prior to disbursing the Homekey funds, the Department will require a certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law. The certification must verify that prevailing wages have been or will be paid, and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by the general contractor(s) and the Grantee.

Section 507. Environmental Clearances

The Department encourages Eligible Applicants to fully engage with the Department's technical assistance and to consider the CEQA exemption set forth at HSC section 50675.1.4 and the provision for land use consistency and conformity set forth at HSC section 50675.1.3, subdivision (i).

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

Article VI – Program Operations

Section 600. Program Oversight

As specified by the Department and upon request, Grantees shall provide progress reports in connection with the development plan and any updates to the timeline for completion of the Project. The development plan should include the Project's completion milestones and any updates or substantial changes.

Grantees shall promptly notify the Department upon any changes in Grantee organization, authorization, or capacity.

Section 601. Reporting

Grantees shall submit an annual Homekey Program and Expenditure Report to the Department for five years following Standard Agreement execution. The report will be due no

later than January 31 for the prior calendar year of January 1 to December 31. The report shall be in such form and contain such information as required by the Department in its sole and absolute discretion. At minimum, the report shall include the following data:

- i. The amount of funds expended for the project.
- ii. The location of any properties for which the funds are used.
- iii. The number and size of habitable housing units produced, or planned to be produced, using the funds.
- iv. The number and demographics of individuals housed, or likely to be housed, using the funds.
- v. The racial and ethnic composition of the tenants assisted.
- vi. The number of units, and the location of those units, for which operating subsidies have been, or are planned to be, capitalized using the funds.
- vii. Detail of supportive services offered to tenants.
- viii. Any lessons learned from the use of the funds.
- ix. The proposed development vision that identifies the financial and regulatory mechanisms to be used to maintain the long-term affordability of the project.
- x. The progress and status in securing any required entitlements, permits, environmental clearances.
- xi. The proposed timeline for the completion of the project.

If a project received an award for an operating subsidy, Grantees shall also report their operating expenditures in the annual report.

In addition to the foregoing, the Grantee shall submit to the Department such periodic reports, updates, and information as deem necessary by the Department to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted in electronic format on a form provided by the Department.

The Grantee shall ensure that the expenditure of Homekey funds is consistent with the requirements of the Program. The Department shall monitor the expenditures to ensure that those expenditures comply with this NOFA.

The Department may request the repayment of funds or pursue any other remedies available, at law or in equity, for failure to comply with Program requirements.

Section 602. Disbursement of Grant Funds

Pursuant to 31 CFR part 35.5, the Department may disburse funds to cover Homekey-critical expenditures that were incurred beginning March 3, 2021. Homekey Program funds will be disbursed to the Grantee after the Department has received a request for funds from the Grantee and a Standard Agreement between the Grantee and the Department is fully

executed. The Standard Agreement will set forth the general conditions of disbursement, any conditions precedent to disbursements (e.g., documentation requirements for pre-Standard Agreement expenditures or conditional performance measures), and the Department's remedies upon an event of default. The Standard Agreement will also identify the payee. Where Co-Grantees wish to receive the grant award outside of escrow, they must identify, and memorialize in the Standard Agreement, which Grantee will serve as the designated payee for all award amounts.

Section 603. Legal Documents

Upon the award of Homekey funds to a Project, the Department shall enter into one or more agreements with the Grantee(s), including a Standard Agreement, which shall encumber funds from the Homekey Program, subject to specified conditions. The agreement or agreements shall include, but not be limited to:

- i. A description of the approved project and the permitted uses of funds;
- ii. The amount and terms of the program grant;
- iii. The use, income, occupancy, and rent restrictions, to be imposed on the project through a use restriction (e.g., covenant, regulatory agreement) recorded against the property of the project;
- iv. Performance milestones, and other progress metrics, governing the completion of the project, along with the remedies available to the Department in the event of a failure to meet such milestones or metrics;
- v. Provisions governing the manner, timing, and conditions of the disbursement of the program grant;
- vi. Special conditions imposed as part of the Department's approval of the project;
- vii. Terms and conditions required by federal and state law;
- viii. Requirements for reporting to the Department;
- ix. Remedies available to the Department in the event of a violation, breach, or default of the agreement; and
- x. Provisions regarding Grantee liability. Specifically, the Grantee will remain liable to the Department for compliance with and the performance of all Program requirements regardless of any Department-approved transfer or assignment of interest. Likewise, each co-Grantee will remain jointly and severally liable to the Department for compliance with and the performance of all Program requirements regardless of any Department-approved transfer or assignment of interest, and notwithstanding the co-Grantees' identification of a designated payee.

The agreement will also include such other provisions as are necessary to ensure adherence to the objectives and requirements of the program.

Section 604. Sales, Transfers, and Encumbrances

An Applicant(s) shall not sell, assign, transfer, or convey the awarded Project, or any interest therein or portion thereof, without the express prior written approval of the Department, which may be granted, delayed, or withheld in the Department's sole and absolute discretion.

Section 605. Defaults and Grant Cancellations

Funding commitments may be canceled by the Department under any of the following conditions:

- i. The objectives and requirements of the Homekey Program cannot be met and the implementation of the Project cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement or the regulatory agreement.
- ii. In the event of a breach or violation by the Grantee, the Department may give written notice to the Grantee to cure the breach or violation. If the breach or violation is not cured to the satisfaction of the Department within a reasonable 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:
 - a. 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 Homekey Program requirements; and
 - b. The Department may seek such other remedies as may be available under the relevant agreement or at law, or in equity.

Article VII – Definitions

Below are the definitions for purposes of the Homekey Program:

- i. "Applicant" means the "Eligible Applicant," as that term is defined in this NOFA, as well as the Eligible Applicant's nonprofit or for-profit corporation Co-Applicant(s), if applicable. As allowed or required by context, the term "Applicant" shall refer to all such entities in their individual and/or collective capacity.
- ii. "Area Median Income" or "AMI" means the most recent applicable county median family income published by the California Tax Credit Allocation Committee (TCAC) or the Department.
- iii. "Assisted Unit" means a residential housing unit that is subject to rent, income, occupancy, or other restrictions associated with a Homekey site.
- iv. "At Risk of Homelessness" has the same meaning as defined in Title 24 CFR Part 578.3.
- v. "Co-Applicant" means the nonprofit or for-profit corporation that is jointly applying for Homekey funds with a state, regional, or local public entity, or with a Tribal Entity.

- vi. "City" means a city or city and county that is legally incorporated to provide local government services to its population. A city can be organized either under the general laws of this state or under a charter adopted by the local voters.
- vii. "Chronic Homelessness" means a person who is chronically homeless, as defined in Title 24 CFR Part 578.3.
- viii. "Continuum of Care" means the same as defined by the United States Department of Housing and Urban Development at Title 24 CFR Part 578.3.
- ix. "Department" means the Department of Housing and Community Development.
- x. "Eligible Applicant" means a city; county; a city and county; any other state, regional, and local public entity, including a council of government, metropolitan planning organization, and regional transportation planning agency designated in Section 29532.1 of the Government Code; or a Tribal Entity(ies) as defined in this NOFA. For purposes of this definition, a "local public entity" is further defined in accordance with HSC section 50079. As allowed or required by context, "Applicant" shall be interpreted to include any of the foregoing entities, as well as that entity's nonprofit or for-profit corporation Co-Applicant. Upon receiving an award of Homekey funds, the Eligible Applicant and any Co-Applicant(s) will, both individually and collectively, be referred to as the "Grantee" for purposes of this NOFA.
- xi. "Extremely Low Income" or "ELI" has the same meaning as in Title 24 CFR Part 93.2.
- xii. "Enforceable Funding Commitment" means a letter or other document, in form and substance satisfactory to the Department, which evidences an enforceable commitment of funds or a reservation of funds by a Project funding source, and which contains the following:
 - a. The name of the Applicant or Grantee;
 - b. The Project name;
 - c. The Project site address, assessor's parcel number, or legal description; and
 - d. The amount, interest rate (if any), and terms of the funding source.

The Enforceable Funding Commitment may be conditioned on certain standard underwriting criteria, such as appraisals, but may not be generally conditional. Examples of unacceptable general conditions include phrases such as "subject to senior management approval," or a statement that omits the word "commitment," but instead indicates the lender's "willingness to process an application" or indicates that financing is subject to loan committee approval of the Project. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as committed.

- xiii. "Grantee" means the Eligible Applicant (and, if applicable, the Co-Applicant) that has been awarded funds under the Program, and that will be held responsible for compliance with and performance of all Homekey Program requirements. The Grantee may comprise one or more entities, so long as the Grantee structure includes an "Eligible Applicant," as that term is defined in this NOFA. All such entities shall, in their

individual and collective capacity as the “Grantee,” be bound by the Homekey Standard Agreement and each and every one of the Homekey Program terms, conditions, and requirements.

- xiv. “HDIS” means the statewide Homeless Data Integration System.
- xv. “Homeless” has the same meaning as defined in Title 24 CFR Part 578.3.
- xvi. “Homeless Youth” or “Youth at Risk of Homelessness” has the same meaning as defined in Title 24 CFR Part 578.3.
- xvii. “Housing First” has the same meaning as in Welfare and Institutions Code section 8255, including all of the core components listed therein.
- xviii. “HUD” means the U.S. Department of Housing and Urban Development.
- xix. “Interim Housing”, “Transitional Housing” or “Congregate Shelter” means any facility whose primary purpose is to provide a temporary shelter for the Homeless in general or for specific populations of the Homeless, and which does not require occupants to sign leases or occupancy agreements.
- xx. “Local Public Entity” is defined in accordance with HSC section 50079, and means any county, city, city and county, the duly constituted governing body of an Indian reservation or rancheria, tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5, redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24, and also includes any state agency, public district, or other political subdivision of the state, and any instrumentality thereof, that is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income. “Local public entity” also includes two or more local public entities acting jointly.
- xxi. “NOFA” means a Notice of Funding Availability.
- xxii. “Operating Expenses” means the amount approved by the Department that is necessary to pay for the recurring expenses of the Project, such as utilities, maintenance, management fees, taxes, licenses, and supportive services costs, but not including debt service or required reserve account deposits.
- xxiii. “Permanent Supportive Housing” has the same meaning as “supportive housing,” as defined at HSC section 50675.14, subdivision (b)(2), except that “Permanent Supportive Housing” shall include associated facilities if used to provide services to housing residents.
- xxiv. “Permanent Housing” means a housing unit where the landlord does not limit length of stay in the housing unit, the landlord does not restrict the movements of the tenant, and the tenant has a lease and is subject to the rights and responsibilities of tenancy.
- xxv. “Positive Youth Development (PYD)” is an intentional, prosocial approach that engages youth within their communities, schools, organizations, peer groups, and families in a manner that is productive and constructive; recognizes, utilizes, and enhances young

people's strengths; and promotes positive outcomes for young people by providing opportunities, fostering positive relationships, and furnishing the support needed to build on their leadership strengths.

- xxvi. "Project" means a structure or set of structures providing housing or shelter with common financing, ownership, and management.
- xxvii. "Program Award" means the portion of program funds available for a Grantee to expend toward eligible program uses.
- xxviii. "Point-in-Time Count" or "PIT" means a count of sheltered and unsheltered Homeless persons on a single night conducted by Continuums of Care as prescribed by HUD.
- xxix. "Rehabilitation" means the term as defined at HSC section 50096, but includes improvements and repairs made to a residential structure acquired for the purpose of preserving its affordability and use by the Target Population.
- xxx. "Rural Area" is defined in accordance with HSC section 50199.21.
- xxxi. "Target Population" means individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined at HSC section 50675.1.3, subdivision (I), and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases.
- xxxii. "Tribal Entity(ies)" means an Applicant that is any of the following:
 - a. Applicant meets the definition of Indian tribe under Section 4103(13)(B) of Title 25 of the United State Code;
 - b. Applicant meets the definition of Tribally Designated Housing Entity under 25 USC 4103(22);
 - c. If not a federally recognized tribe, either:
 - i. Applicant is listed in the Bureau of Indian Affairs Office of Federal Acknowledgement petitioner list pursuant to Section 82.1 of Title 25 of the Federal Code of Regulations.
 - ii. Applicant is an Indian tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of consultation pursuant to Section 65352.3 of the Government Code.
- xxxiii. "Unit" means a residential unit that is used as a primary residence by its occupants, including individual units within the project.
- xxxiv. "Youth Assisted Unit" means an Assisted Unit serving Homeless Youth, or Youth at Risk of Homelessness, as defined in Title 24 CFR Part 578.3. Pursuant to Section 203, Youth Assisted Units may also serve current and former foster youth through the age of 25.

Article VIII – Insurance Requirements

Section 800. Insurance Requirements

i. Commercial General Liability

Applicants shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. **The policy must name the State of California and the Department of Housing and Community Development, as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract.**

If available in the open market at a reasonable cost, the policy shall also include an endorsement for physical abuse and child/sexual molestation coverage.

Coverage shall include actual or threatened physical abuse, mental injury, sexual molestation, negligent hiring, employment, supervision, investigation, reporting to proper authorities, and retention of any person for whom the Applicant is responsible. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. Coverage shall include the cost of defense and the cost of defense shall be provided outside the coverage limit.

If available in the open market at a reasonable cost, the policy shall also include an endorsement for assault and battery.

ii. Automobile Liability

Applicant shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. **The policy must name the “State of California and the Department of Housing and Community Development”, as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract.**

If Applicant will not have or use any commercially owned vehicles during the term of the Standard Agreement, by signing the Standard Agreement, the Applicant certifies that the Applicant and any appointees, employees, subcontractors, or servants possess valid automobile coverage in accordance with California Vehicle Code sections 16450 to 16457, inclusive. The Department reserves the right to request proof at any time.

iii. Workers' Compensation and Employer's Liability

Applicant shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the contract. In addition, employer's liability limits of \$1,000,000 are required. By signing the Standard Agreement, Applicant acknowledges compliance with these regulations. **A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California and the Department of Housing and Community Development must be attached to the certificate.**

iv. Builder's Risk/Installation Floater

If there is installation or construction of property/materials on or within the facility at any time during the term of the Standard Agreement, the Applicant shall maintain in force, at its own expense, Builders Risk/Installation Floater covering the labor, materials, and equipment to be used for completion of the Work performed under this contract against all risks of direct physical loss, excluding earthquake and flood, for an amount not less than the full amount of the property and/or materials being installed and/or constructed on or within the facility. The Applicant agrees as a provision of the contract to waive all rights of recovery against the state.

v. Property Insurance

The Applicant shall maintain fire, lightning and extended coverage insurance on the facility which shall be in a form of a commercial property policy, in an amount equal to one hundred percent (100%) of the then current replacement cost of the facility, excluding the replacement cost of the unimproved real property constituting the site. The extended coverage endorsement shall, as nearly as practicable, include but not be limited to loss or damage by an explosion, windstorm, riot, aircraft, vehicle damage, smoke, vandalism, and malicious mischief and such other hazards as are normally covered by such endorsement.

vi. Self-Insured

If a state, regional, or local public entity is the sole Applicant, and if that entity is self-insured in whole or in part as to any of the above-described types and levels of coverage, then that entity shall provide the Department with a written acknowledgment of this fact before execution of the Standard Agreement. If, at any time after the execution of the Standard Agreement, the state, regional, or local public entity abandons its self-insured status, that entity shall immediately notify the Department of this fact and shall comply with all of the terms and conditions of this Section pertaining to insurance requirements. The Department may accept evidence of self-insurance from other Eligible Applicants in its sole and absolute discretion.

APPENDIX A: Capital Contributions to Projects*

Assisted Unit, 1:1 Match	Homekey Capital Contributions		
	Total Cost Per Door *	Maximum Homekey Contribution	Applicant Contribution
Up to 1 Bedroom	\$140,000	\$140,000	\$0
	\$150,000	\$150,000	\$0
	\$160,000	\$155,000	\$5,000
	\$180,000	\$165,000	\$15,000
	\$200,000	\$175,000	\$25,000
	\$220,000	\$185,000	\$35,000
	\$240,000	\$195,000	\$45,000
	\$260,000	\$205,000	\$55,000
	\$280,000	\$215,000	\$65,000
	\$300,000	\$225,000	\$75,000
	\$320,000	\$235,000	\$85,000
	\$340,000	\$245,000	\$95,000
	\$350,000+	\$250,000	\$100,000+
Two Bedrooms	\$155,000	\$155,000	\$0
	\$175,000	\$175,000	\$0
	\$195,000	\$185,000	\$10,000
	\$215,000	\$195,000	\$20,000
	\$235,000	\$205,000	\$30,000
	\$255,000	\$215,000	\$40,000
	\$275,000	\$225,000	\$50,000
	\$295,000	\$235,000	\$60,000
	\$315,000	\$245,000	\$70,000
	\$335,000	\$255,000	\$80,000
	\$355,000	\$265,000	\$90,000
	\$375,000+	\$275,000	\$100,000+
Three or More Bedrooms	\$180,000	\$180,000	\$0
	\$190,000	\$190,000	\$0
	\$200,000	\$200,000	\$0
	\$220,000	\$210,000	\$10,000
	\$240,000	\$220,000	\$20,000
	\$260,000	\$230,000	\$30,000
	\$280,000	\$240,000	\$40,000
	\$300,000	\$250,000	\$50,000
	\$320,000	\$260,000	\$60,000
	\$340,000	\$270,000	\$70,000
	\$360,000	\$280,000	\$80,000
	\$380,000	\$290,000	\$90,000
	\$400,000+	\$300,000	\$100,000+
Experiencing Chronic Homelessness	\$180,000	\$180,000	\$0
	\$190,000	\$190,000	\$0
	\$200,000	\$200,000	\$0

Assisted Unit, 1:1 Match	Homekey Capital Contributions		
	Total Cost Per Door *	Maximum Homekey Contribution	Applicant Contribution
	\$220,000	\$210,000	\$10,000
	\$240,000	\$220,000	\$20,000
	\$260,000	\$230,000	\$30,000
	\$280,000	\$240,000	\$40,000
	\$300,000	\$250,000	\$50,000
	\$320,000	\$260,000	\$60,000
	\$340,000	\$270,000	\$70,000
	\$360,000	\$280,000	\$80,000
	\$380,000	\$290,000	\$90,000
	\$400,000+	\$300,000	\$100,000+
Homeless Youth or Youth At Risk of Homelessness	\$155,000	\$155,000	\$0
	\$175,000	\$175,000	\$0
	\$195,000	\$185,000	\$10,000
	\$215,000	\$195,000	\$20,000
	\$235,000	\$205,000	\$30,000
	\$255,000	\$215,000	\$40,000
	\$275,000	\$225,000	\$50,000
	\$295,000	\$235,000	\$60,000
	\$315,000	\$245,000	\$70,000
	\$335,000	\$255,000	\$80,000
	\$355,000	\$265,000	\$90,000
	\$375,000+	\$275,000	\$100,000+

* The total cost per door referenced in the table above includes all eligible capital expenses, including acquisition, Rehabilitation, and new construction costs.



Shireen McSpadden, Executive Director

London Breed, Mayor

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Dylan Schneider, Manager of Policy and Legislative Affairs, Department of Homelessness and Supportive Housing

DATE: November 3, 2022

SUBJECT: Accept and Expend Resolution for 2021 Project Homekey Award for 333 12th Street

GRANT TITLE: 2021 Project Homekey

Attached please find the original* and 1 copy of each of the following:

 X Proposed grant resolution; original* signed by Department, Mayor, Controller (Document 2)

 X Grant information form, including disability checklist (Document 3)

 x Grant budget (Document 4)

 X Grant application (Document 5)

 X Letter of Intent or grant award letter from funding agency (Document 6)

 n/a Ethics Form 126 (if applicable)

 x Contracts, Leases/Agreements (if applicable) – HCD Draft Standard Agreement (Document 7)

 x Other (Explain):

- Document 8: 2021 Homekey NOFA
- Document 9: CPC CEQA and GPR Determination Letter

Special Timeline Requirements:

Please schedule at earliest available date.

Departmental representative to receive a copy of the adopted resolution:

Name: Dylan Schneider

Phone: 628.652.7742

Interoffice Mail Address: 440 Turk Street, San Francisco CA, 94102

Certified copy required: Yes ☐

No ☒

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