London N. Breed
Mayor

Kate Hartley
. Director

September 4, 2018

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

Dear Ms. Pierre:

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

Please let us know if you have any questions.

Sincerely,

Mara Blitzer
Director of Housing Development

NPLH ALTERNATIVE PROCESS COUNTY DESIGNATION FORM CHECKLIST

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

FORMS

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

ATTACHMENTS

☒	A	Certification of application information
☒	B	Statement of certifications
☐	C	Countywide homelessness plan – Will submit in 2019. See Attach E9.
☒	D	Method of distribution
☒	E	Underwriting standards
☐	F	Capitalized Operating Subsidy Reserve underwriting standards
☒	G	Certification of good standing with the State of California

FORM I: COUNTY LEGISLATIVE AND CONGRESSIONAL INFORMATION

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

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

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

☒   County Government *(proceed to Form II)*

☐   A City or other Public Agency Subcontractor *(proceed to Form III)*

FORM II: COUNTY DEMOGRAPHIC INFORMATION

Name of the County Applicant

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

Authorized Representative Information

Last, Middle and First Names: HARTLEY, KATE	☐Mr. ☐Mrs. ☒Ms. ☐Other:
Title: Director	
Phone Number: 415-701-5528	Email Address: KATE.HARTLEY@SFGOV.ORG

Authorized Representative Information

Last, Middle and First Names:	☐Mr. ☐Mrs. ☐Ms. ☐Other:
Title:	
Phone Number:	Email Address:

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

Last, Middle and First Names: BLITZER, MARA	☐Mr. ☐Mrs. ☒Ms. ☐Other:
Title: Director of Housing Development	
Phone Number: 415-701-5544	E-Mail Address: MARA.BLITZER@SFGOV.ORG

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

Name of the City or Other Public Agency Subcontractor

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

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

Last, Middle and First Names:	☐Mr. ☐Mrs. ☐Ms. ☐Other:
Title:	
Phone Number:	E-Mail Address:

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

Last, Middle and First Names:	☐Mr. ☐Mrs. ☐Ms. ☐Other:
Title:	
Phone Number:	E-Mail Address:

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

Last, Middle and First Names:	☐Mr. ☐Mrs. ☐Ms. ☐Other:
Title:	
Phone Number:	E-Mail Address:

FORM IV: ALTERNATIVE PROCESS COUNTY CERTIFICATION REQUIREMENTS

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

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

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

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

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

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

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

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

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

Review Process

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

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

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

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

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

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

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

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

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

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

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

Construction Period and Close-out

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

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

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

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

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

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

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

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

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

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

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

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

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

Additional resources are available on these website pages:

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

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

4. Describe the Capitalized Operating Subsidy Reserve (COSR) standards, policies or procedures that will be utilized in administering these funds in accordance with the requirements of Section 305 of the Guidelines. Include the standards for determining the COSR amount and interest rate to be charged for COSR loans.

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

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

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

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

				☐Other special needs populations
Arnett Watson Apartments, 650 Eddy Street, San Francisco, CA 94109	*4 Continuum of Care Subsidies*	79 LOSP Units	Renewal of LOSP Agreement 2017	☒Homeless ☐Other special needs populations
Mosaica Family, 680 Florida Street, San Francisco, CA 94110	*4 Continuum of Care Subsidies*	20 LOSP Units	Renewal of LOSP Agreement 2017	☒Homeless ☐Other special needs populations
Mosaica Senior, 655 Alabama Street, San Francisco, CA 9410		11 LOSP Units	Renewal of LOSP Agreement 2017	☒Homeless ☐Other special needs populations
Hotel Essex, 684 Ellis Street, San Francisco, CA 94109	*4 Continuum of Care Units*	79 LOSP Units	Renewal of LOSP Agreement 2017	☒Homeless ☐Other special needs populations
990 Polk Senior Housing, 990 Polk Street, San Francisco, CA 94109		50 LOSP Units	Renewal of LOSP Agreement 2017	☒Homeless ☐Other special needs populations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1)   Initial Screening. The initial step is a brief assessment to determine that an adult is experiencing homelessness and is a San Francisco resident household.

(2)   Problem Solving. All people experiencing homelessness that are determined to meet the initial screening criteria have a problem-solving conversation with a trained staff person to determine if there is an immediate housing solution that can be identified. The overarching goal of Problem-Solving is to prevent people from entering the Homelessness Response System if possible and safe. This collaborative process helps an adult identify potential solutions, including personal social networks that can aid the individual in quickly securing alternative housing.

(3)   Assessment & Prioritization. For any adult for whom problem solving does not result in a solution, the 17 question primary assessment is conducted to determine chronicity of homelessness, vulnerability, and housing barriers. The primary assessment is used to determine which adults will be in Priority Status for matching to a housing intervention. A secondary assessment is administered for those in Priority Status to understand their service needs for the purpose of matching to the most appropriate permanent supportive housing program.

(4)   Housing Navigation and Housing. Adults matched to a housing intervention receive support with housing navigation, including assembling needed documents, program enrollment, housing search (if a tenant-based program), and move in.

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

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

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

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

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

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

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

Access Points operate in accordance with the following standards:

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

d. Describe the comprehensive and standardized assessment tool; and

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

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

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

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

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

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

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

Please see the following attachments:
- 7.1 San Francisco CE Sample Assessment Tool
- 7.2 San Francisco CE Interviewer Feedback and Comments

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

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

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

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

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

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

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

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

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

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

☒ Yes *(skip Question 11)*

☐ No *(respond to Question 11)*

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

N/A

FORM V: METHOD OF DISTRIBUTION

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

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

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

community. At a minimum: - Assisted units must be integrated with other units in the Project and not separated onto separate floors or areas of the building; and - Funded Projects must encourage social interaction through community-building activities, and architectural design as feasible depending on the scope of the construction or rehabilitation activity	
11. The process to be used to evaluate compliance with the requirements in Section 202(n)(3) of the Guidelines relating to property management practices	Page 2
12. The process to be used to evaluate compliance with the requirements in Section 301(a)(12) of the Guidelines relating to scattered sites and Shared Housing	Page 2
13. The process to be used to evaluate to evaluate compliance with applicable state and federal relocation requirements including California Government Code Section 7260 et seq. and 25 CCR Section 6000 et seq.	Page 2
14. The process to be used to evaluate will evaluate Project compliance with Article XXXIV Section 1 of the California Constitution, as clarified by Public Housing Election Implementation Law (H&S Code Section 37000 et seq.)	Page 2

FORM VI: USES AND TERMS OF PROGRAM ASSISTANCE

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

    *   The County's intention to either provide multifamily rental projects of five or more units and/or shared housing projects;

    *   The eligible use of program funds consistent with Section 200 (a) of the Guidelines and 302 (b);

    *   Whether program funds will be provided as predevelopment, construction, or post-construction permanent financing. (NOTE: Program funds used for predevelopment or construction financing must convert to post-construction permanent financing); and

    *   The interest rate and terms for capital loans.

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

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

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

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

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

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

FORM VII: UNDERWRITING STANDARDS

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

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

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

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

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

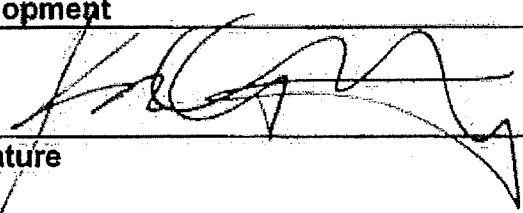| Minimum COSR Underwriting Standards	Page Number referenced in document
1. The interest rate charged for COSR loans. NOTE: COSRs must be provided in the form of a loan for a term of not less than 20 years, but the loan may be a zero percent interest deferred payment forgivable loan. Pursuant to Welfare and Institutions Code Section 5849.4(b), any interest payments, loan repayments, or other return of funds must be returned to HCD and deposited in the NPLH Fund established by Welfare and Institutions Code Section 5849.4.	N/A

2. The methodology utilized to determine the size of the project's 20-year COSR. The methodology should consider such things as:
   a. The maximum percentage of Units it will assist per Project;
   b. Anticipated Project vacancy rates;
   c. The anticipated percentage of Assisted Units that will have other operating or rental subsidy and the term of that operating or rental subsidy contract;
   d. The anticipated percentage of households that are expected to be receiving SSI/SSP or other sources of stable income; and
   e. Operating expenses that the County will consider ineligible for payment from the COSR.
NOTE: Not more than 100 percent of the total amount provided per-Assisted Unit for capital may be provided for a COSR to address Project operating deficits attributable to Assisted Units. The other requirements of Section 305 of the Guidelines must also be met.
	N/A

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

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

N/A

ATTACHMENT A: CERTIFICATION OF APPLICATION INFORMATION

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

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

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

FORM IX: TENANT SELECTION, RENTAL AGREEMENTS and GRIEVANCE PROCEDURES

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

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

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

ATTACHMENT B: STATEMENT OF CERTIFICATIONS

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

a. Providing mental health services, and coordinating the provision of or referral to other supportive services, including but not limited to substance use treatment services, to NPLH tenants for a minimum of 20 years. The County's obligations pursuant to this requirement begins when a Project receives its certificate of occupancy, or other evidence of Project completion for Projects already occupied;

b. If using a public agency subcontractor to administer the County's NPLH funds, the public agency subcontractor shall administer the Program county-wide;

c. Developing a Method of Distribution for NPLH funds in compliance with the requirements of Section 301 of the Guidelines;

d. Adherence to the requirements pertaining to the uses and terms of program assistance contained in Section 302 of the Guidelines;

e. Adherence to the occupancy, income, and rent limit requirements specified in the Section 303 of the Guidelines;

f. Adherence to the requirements of Sections 304, 305, and 306 of the Guidelines pertaining to underwriting standards, capitalized operating subsidy reserves, operating budgets, and other requirements contained in these sections;

g. Adherence to the requirements of Section 307 of the Guidelines pertaining to tenant selection, rental agreements, and grievance procedures;

h. Adherence to the disbursement, reporting and monitoring requirements contained in Sections 308, 309, and 311 of the Guidelines;

i. Adherence to the County requirements pertaining to defaults and cancellations contained in Section 312 of the Guidelines, and rescission of an APC Designation contained in Section 313 of the Guidelines;

j. NPLH Competitive Allocation funds provided to the APC that are not committed by the County to Projects within 24 months of award by the Department must be returned to the Department. Evidence of committed funds may include award letters, commitment letters, or other written agreements evidencing a commitment of funds; and

k. Pursuant to Welfare and Institutions Code Section 5849.9(a), projects utilizing the County's Noncompetitive Allocation must prioritize persons with mental health supportive service needs who are Homeless or At-Risk of Chronic Homelessness, and meet the expenditure deadlines pertaining to the Noncompetitive Allocation contained in Section 102(c) of the Guidelines.

ATTACHMENT C: COUNTYWIDE HOMELESSNESS PLAN

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

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

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

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

ATTACHMENT D: METHOD OF DISTRIBUTION

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

ATTACHMENT D: METHOD OF DISTRIBUTION

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

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

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

10. Proposed measures for integrating the Target Population within the community. At a minimum:
    ▪ Assisted units must be integrated with other units in the Project and not separated onto separate floors or areas of the building; and
    ▪ Funded Projects must encourage social interaction through community-building activities, and architectural design as feasible depending on the scope of the construction or rehabilitation activity

11. The process to be used to evaluate compliance with the requirements in Section 202(n)(3) of the Guidelines relating to property management practices
12. The process to be used to evaluate compliance with the requirements in Section 301(a)(12) of the Guidelines relating to scattered sites and Shared Housing
13. The process to be used to evaluate to evaluate compliance with applicable state and federal relocation requirements including California Government Code Section 7260 et seq. and 25 CCR Section 6000 et seq.
14. The process to be used to evaluate will evaluate Project compliance with Article XXXIV Section 1 of the California Constitution, as clarified by Public Housing Election Implementation Law (H&S Code Section 37000 et seq.).

ATTACHMENT E: UNDERWRITING STANDARDS

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

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

Attached are the following, labeled E1-E6:

E1. MOHCD Underwriting Guidelines Effective April 1, 2016

E2. MOHCD Multifamily Affordable Housing Operating Fees Policy Effective April 1, 2016

E3. MOHCD Residual Receipts Policy Effective April 1, 2016

E4. MOHCD Policy on Development Fees for Tax Credit Projects Effective July 29, 2016

E5. Technical Update to MOHCD Developer Fee Policy for Tax Credit Projects Effective July 20, 2018

E6. Local Operating Subsidy Program (LOSP) Policies and Procedures Manual 2018

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

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

Additional resources are available on these website pages:

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

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

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

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

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

Irregularities: none.

ATTACHMENT F: CAPITALIZED OPERATING SUBSIDY RESERVE UNDERWRITING STANDARDS

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

N/A