

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

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June 27, 2018

MEMORANDUM FOR: County Executive Officers for Los Angeles County, San Diego County, San Francisco County, and Santa Clara County

FROM: Lisa Bates, Deputy Director
Division of Financial Assistance

SUBJECT: **Alternative Process County Designation Requirements and forms for the No Place Like Home Program**

SUMMARY

The Department of Housing and Community Development (HCD), anticipates the availability of approximately \$200 million in funding for the No Place Like Home (NPLH) Program's Noncompetitive Allocation. This funding is contingent on voter approval of the No Place Like Home Act of 2018, AB 1827 (Budget Committee) ballot measure on November 6, 2018. Only Counties¹ with five percent or more of the State's homeless population are eligible to be designated as an Alternative Process County. Once designated as an Alternative Process County, this designation permits an Alternative Process County to administer NPLH Noncompetitive and Competitive funds for Shared Housing as well as multifamily rental housing of five or more units.

BACKGROUND

On July 1, 2016, Governor Brown signed landmark legislation² enacting the NPLH Program. NPLH provides funding for Counties to develop multifamily housing specifically for persons with serious mental illness who are Homeless, Chronically Homeless, or At-risk of Chronic Homelessness. Definitions of these Target Populations

¹ Section 5849.2(f) of the Welfare and Institutions Code defines "county" as a city and county, and a city receiving funds pursuant to Section 5701.5. The City of Berkeley and the Tri-Cities (Pomona, Claremont, and La Verne), qualify for No Place Like Home funding under this provision.

² AB 1618, Chapter 43, Statutes of 2016, effective July 1, 2016, as amended by AB 1628, Chapter 322, Statutes of 2016, effective September 13, 2016.

are located in Section 101 of the NPLH Guidelines ([Guidelines](#)) dated July 17, 2017, published on August 14, 2017.

HCD's initial NOFA will make NPLH Noncompetitive Allocation funds available to all Counties proportionally, based on each Counties' most current sheltered and unsheltered Homeless Point-in-Time (PIT) Count, as published in the U.S. Department of Housing and Urban Development (HUD). In no event shall a County be eligible to receive an allocation of less than \$500,000 from the Noncompetitive Allocation.

PROGRAM REQUIREMENTS

Welfare and Institutions Code (WIC) Section 5849.8(b) permits HCD to establish an alternative process for allocating funds directly to counties with at least five percent of the state's homeless population. To be designated as an Alternative Process County, eligible counties must satisfactorily demonstrate to HCD the County's capacity to administer NPLH funds, directly or through a public agency subcontractor. A County designated to administer an Alternative Process Allocation will hereafter be referred to as an Alternative Process County (APC).

NOTE: The following is provided as a summary and is not to be considered a complete representation of the entirety of the Designation requirements, use of funds, or other requirements or terms and conditions of the NPLH Program. APC Counties are responsible for complying with the program requirements set forth or referenced in Article III of the NPLH Program Guidelines (hereinafter referred to as "the Guidelines"). Counties are urged to review the Guidelines and information contained in this memorandum before submitting the Alternative Process Designation Form.

I. ALTERNATIVE PROCESS COUNTY DESIGNATION

NPLH funds in the Alternative Process Allocation may be provided directly to counties with at least five percent of the state's homeless population as demonstrated in the 2015 or later sheltered and unsheltered Homeless PIT Count, as published by the Department of Housing and Urban Development (HUD). Based on the 2017 PIT results, the eligible counties include Los Angeles, Santa Clara, San Diego, and San Francisco. Future rounds of NPLH funds may include other counties eligible based on later PIT counts. To receive an APC Allocation, a county, contracted city or other public agency must meet all of the requirements specified in Section 300 of the Guidelines.

II. ELIGIBLE USE of FUNDS

The use of program funds must be eligible pursuant to Section 302 of the Guidelines.

III. ALLOCATION AMOUNTS

The estimated amounts below represent the maximum available within the Noncompetitive Allocation for each eligible APC under HCD's upcoming Noncompetitive Allocation NOFA. HCD, in consultation with the approved APC, will review and determine the anticipated demand for NPLH projects in the County based on submitted documentation. If the anticipated demand is below the maximum available allocation, the remaining funds will be available to the APC in the next NOFA; however, Noncompetitive Allocation funds are subject to the deadlines in Section IV below.

Alternative Process Allocation Estimated Noncompetitive Allocation Funds	
Los Angeles	\$77,274,757
San Diego	\$12,449,612
San Francisco	\$9,321,219
Santa Clara	\$10,049,637

IV. DEADLINES

The following important deadlines pertain to funds available to APC Counties:

- 1) Pursuant to Section 5849.9(b) of the Welfare and Institutions Code, HCD is required to award the Noncompetitive Allocation funds to the County within 18 months of HCD's initial Notice of Funding Availability (NOFA). Any Noncompetitive Allocation funds not awarded within 18 months shall be used for the purposes of the Competitive program. Refer to Section 201 of the Guidelines for required information the County must submit in order to be awarded a Noncompetitive Allocation.
- 2) Pursuant to Section 400 of the Guidelines, Noncompetitive Allocations for Shared Housing for which project applications have not been submitted to the County within 30 months of HCD's issuance of the NOFA, may be made available for award to Counties through the NPLH Competitive Allocation.
- 3) Funds awarded under the Noncompetitive Allocation used for capital assistance that are not expended within 60 months of the issuance of HCD's initial NOFA may be made available for award to Counties through the NPLH Competitive Allocation.
- 4) HCD may extend the application submission or expenditure deadlines referenced above by a total of up to 12 months in the aggregate where it is clear that granting an extension will result in submission of a Project application or completion of the Project. See Section 102 of the Guidelines for more information.

APC Noncompetitive Allocation Due Dates after Initial NOFA Release			
Month Zero	Within 18 months*	Within 30 months	Within 60 months
<ul style="list-style-type: none"> • HCD Issues the initial NPLH NOFA 	<ul style="list-style-type: none"> • HCD will award funds to Counties based on approval of documents submitted under Section 201 of the Guidelines 	<ul style="list-style-type: none"> • Project application(s) for Shared Housing must be submitted to County complying with NPLH Program requirements 	<ul style="list-style-type: none"> • County to expend all funds from the Noncompetitive Allocation. The Department may extend the application submission or expenditure deadlines referenced above by a total of up to 12 months in the aggregate where it is clear that granting an extension will result in submission of a project application or completion of the project

*Required in NPLH Statute

DESIGNATION NOTIFICATION

Upon submittal of the APC Designation forms, HCD staff will review the submitted forms for compliance based on the NPLH Program requirements. HCD may notify the applicant of any deficiencies and request corrections or additional information. Upon review of all documentation received, HCD will provide the County with written notice of an APC Designation Award or a determination of ineligibility.

AWARD LETTER AND STANDARD AGREEMENT

After the approved APC submits the documentation required under Section 201 of the Guidelines, as well as documentation of the County's anticipated demand for NPLH funds, HCD will review the submitted documentation and commence with the preparation of the Standard Agreement pursuant to the requirements of Section 310 of the Guidelines. The Standard Agreement will require the APC to comply with the requirements and provisions of the NPLH Program statutes, the Guidelines, and generally applicable state contracting rules and requirements. The Standard Agreement will encumber state monies in an amount that does not exceed the maximum available amount to the APC, and said amount must be consistent with the corresponding award letter.

ANTICIPATED PROGRAM TIMELINE

The preliminary timeframes below should be used for planning purposes in implementing activities under the Alternative Process Allocation:

June 27, 2018	HCD releases the Designation Form for the Alternative Process Counties
August 15, 2018	Release of HCD's Initial NOFA for Noncompetitive Allocation Funds
August 27, 2018	Submission deadline for Designation Form
October 10, 2018	Notification of Alternative Process Designation

SUBMITTAL PROCESS

To receive an APC Designation, eligible counties must submit an original (hard copy with original signatures) of the attached forms and all necessary attachments in a 3-ring binder with corresponding tabs, in addition to a CD or USB drive, through a mail carrier service such as the U.S. Postal Service, UPS, FedEx or other carrier service that provides date stamp postmarked verification, no later than **5:00 p.m. Pacific Standard Time on Monday, August 27, 2018**, to the address below:

NO PLACE LIKE HOME PROGRAM

Department of Housing and Community Development
Division of Financial Assistance - Program Design and Development Section
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833

Personal deliveries will not be accepted. Modification of the attached forms by the applicant is prohibited. It is the applicant's responsibility to ensure the application for

APC Designation is clear, complete and accurate.

This memorandum and the Alternative Process County Designation forms are posted on the [NPLH](#) webpage. To receive information and other updates, please [subscribe](#) to HCD's listserv for the NPLH Program. Questions may be directed to Monique Pierre, Program Design and Development Section Chief, at (916) 263-2707 or via email to NPLH@hcd.ca.gov.

Attachment

NPLH ALTERNATIVE PROCESS COUNTY DESIGNATION FORM CHECKLIST

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

FORMS

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

ATTACHMENTS

<input type="checkbox"/>	A	Certification of application information
<input type="checkbox"/>	B	Statement of certifications
<input type="checkbox"/>	C	Countywide homelessness plan
<input type="checkbox"/>	D	Method of distribution
<input type="checkbox"/>	E	Underwriting standards
<input type="checkbox"/>	F	Capitalized Operating Subsidy Reserve underwriting standards
<input type="checkbox"/>	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			
State Senate Member			
U.S. House of Representatives Member			

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

- 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:	County Department Name:
Address:	City, State and Zip:

Authorized Representative Information

Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	Email Address:

Authorized Representative Information

Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	Email Address:

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

Last, Middle and First Names:	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Other:
Title:	
Phone Number:	E-Mail Address:

FORM III: CITY OR PUBLIC AGENCY CONTACT INFORMATION

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:

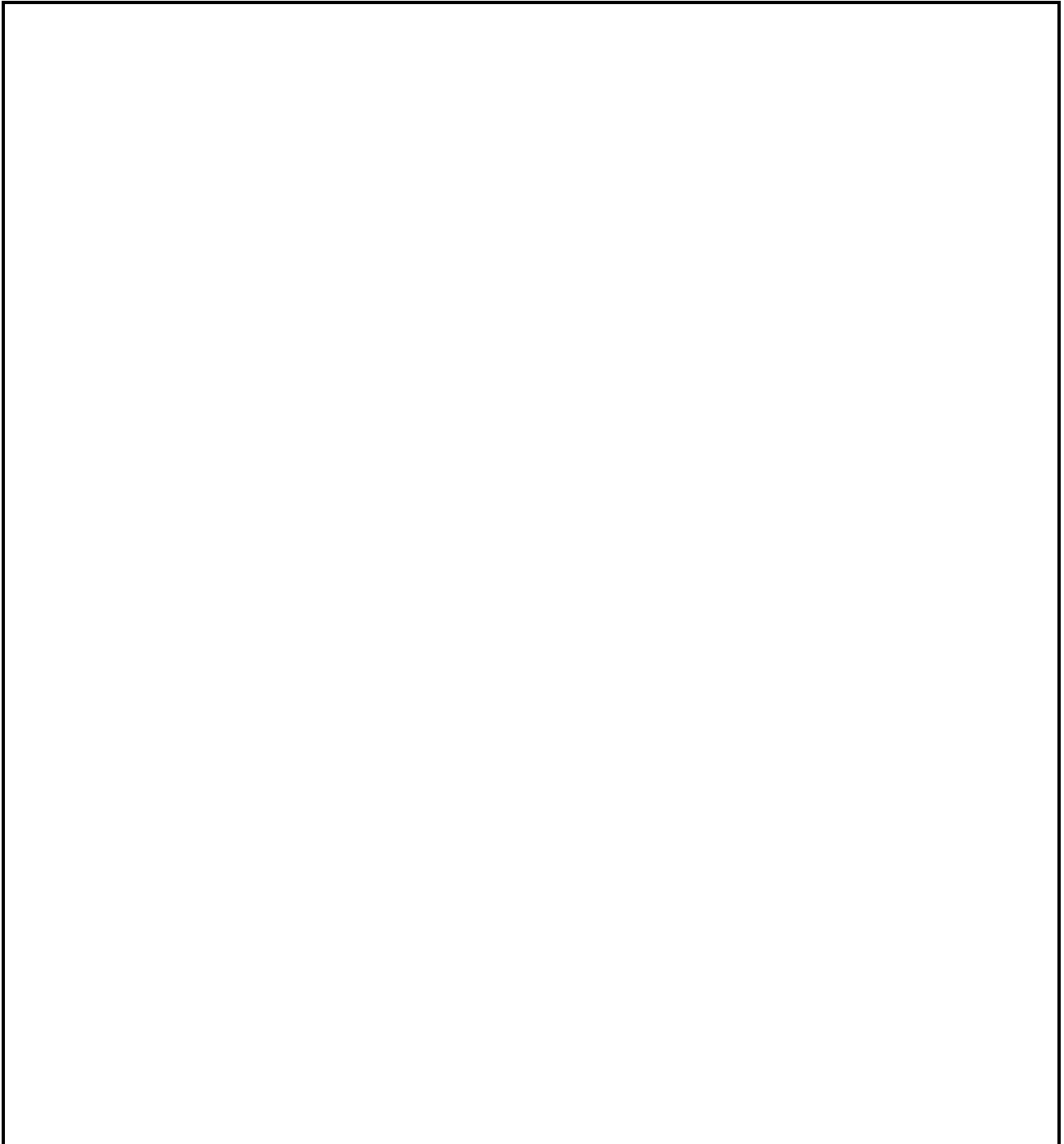
E-Mail Address:

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

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.

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.



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.



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.

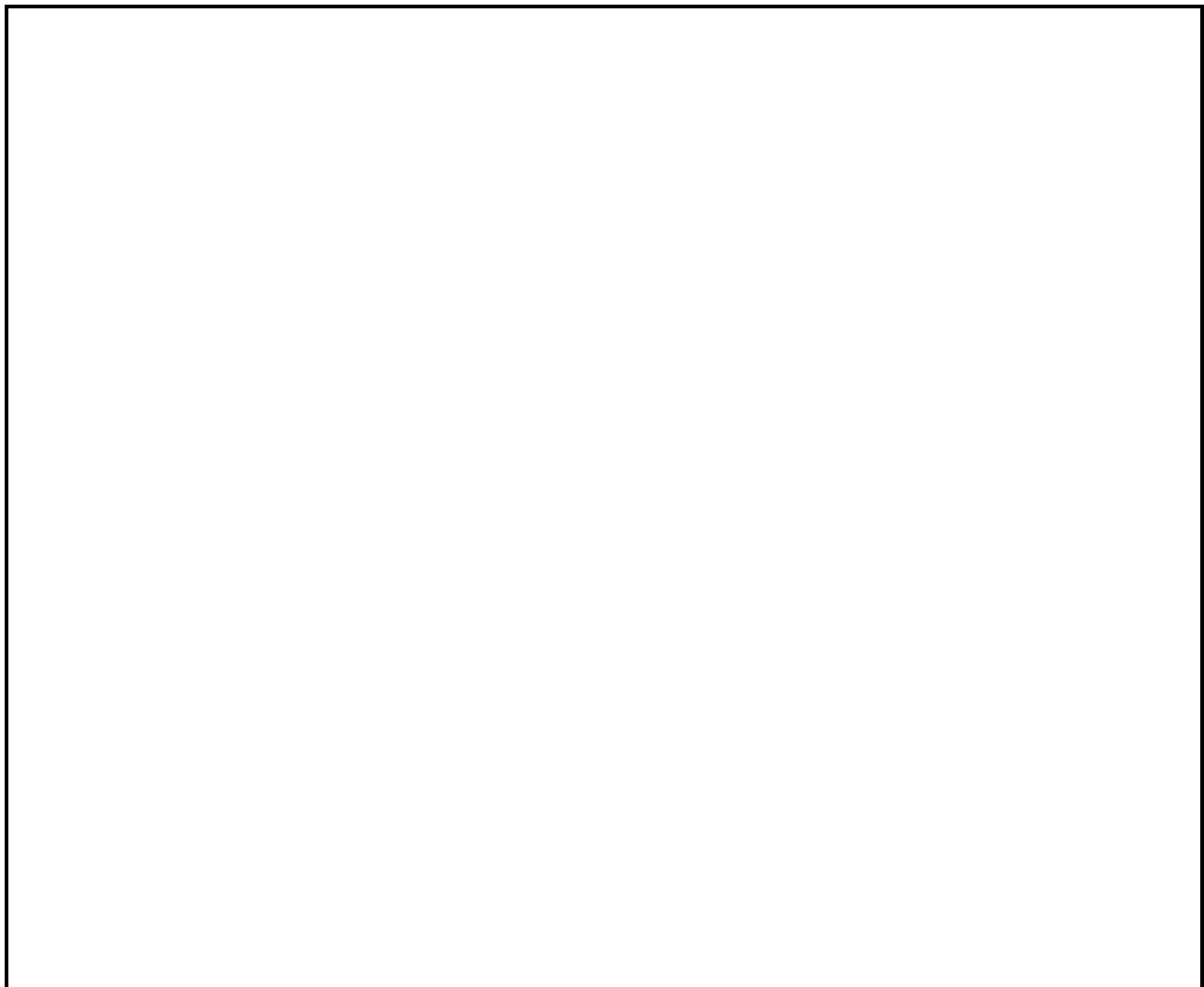
PSH Project Name, Address, City and Zip	# Project Based Vouchers Provided	# of Projects with Locally Funded Rental Assistance or Operating Subsidies	Year Project Funded	Target Population Served (Check all that apply)
				<input type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
				<input type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
				<input type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
				<input type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
				<input type="checkbox"/> Homeless <input type="checkbox"/> Other special needs populations
				<input type="checkbox"/> Homeless <input type="checkbox"/> 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)
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site
			<input type="checkbox"/> On-site <input type="checkbox"/> Off-site

7. Provide evidence of an operational Coordinated Entry System (CES) addressing the following:

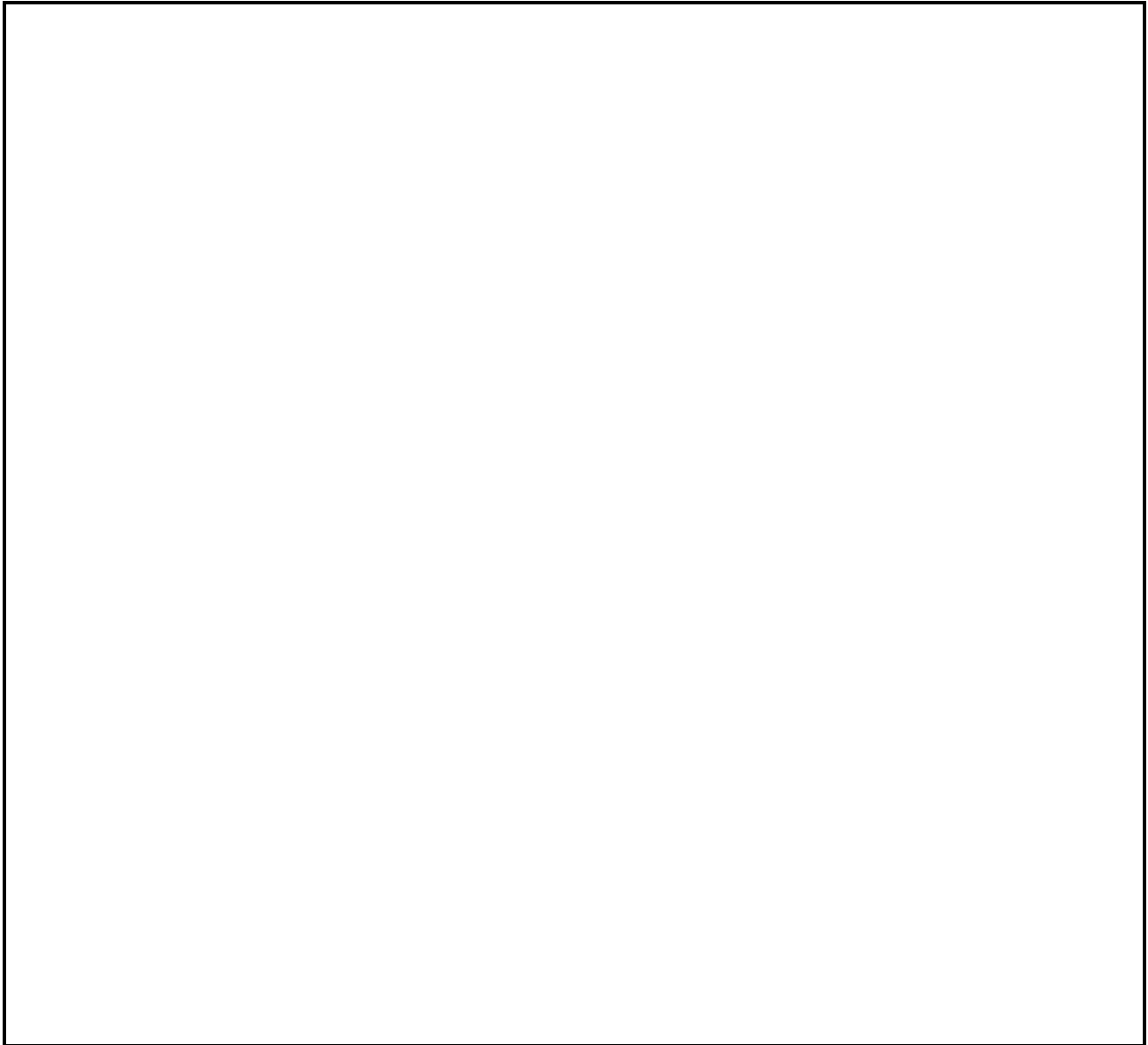
- Describe how the CES will prioritize the most vulnerable within the Target Population for the available Assisted Units;
- Describe the program participant intake, assessment, and the provision of referrals;
- Address how the CES is easily accessed and well-advertised for individuals and families seeking 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.

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.

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.

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.

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	
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 ³	
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	

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.

<p>10. Proposed measures for integrating the Target Population within the community. At a minimum:</p> <ul style="list-style-type: none"> ▪ 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 	
<p>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</p>	
<p>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</p>	
<p>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.</p>	
<p>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.)</p>	

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.

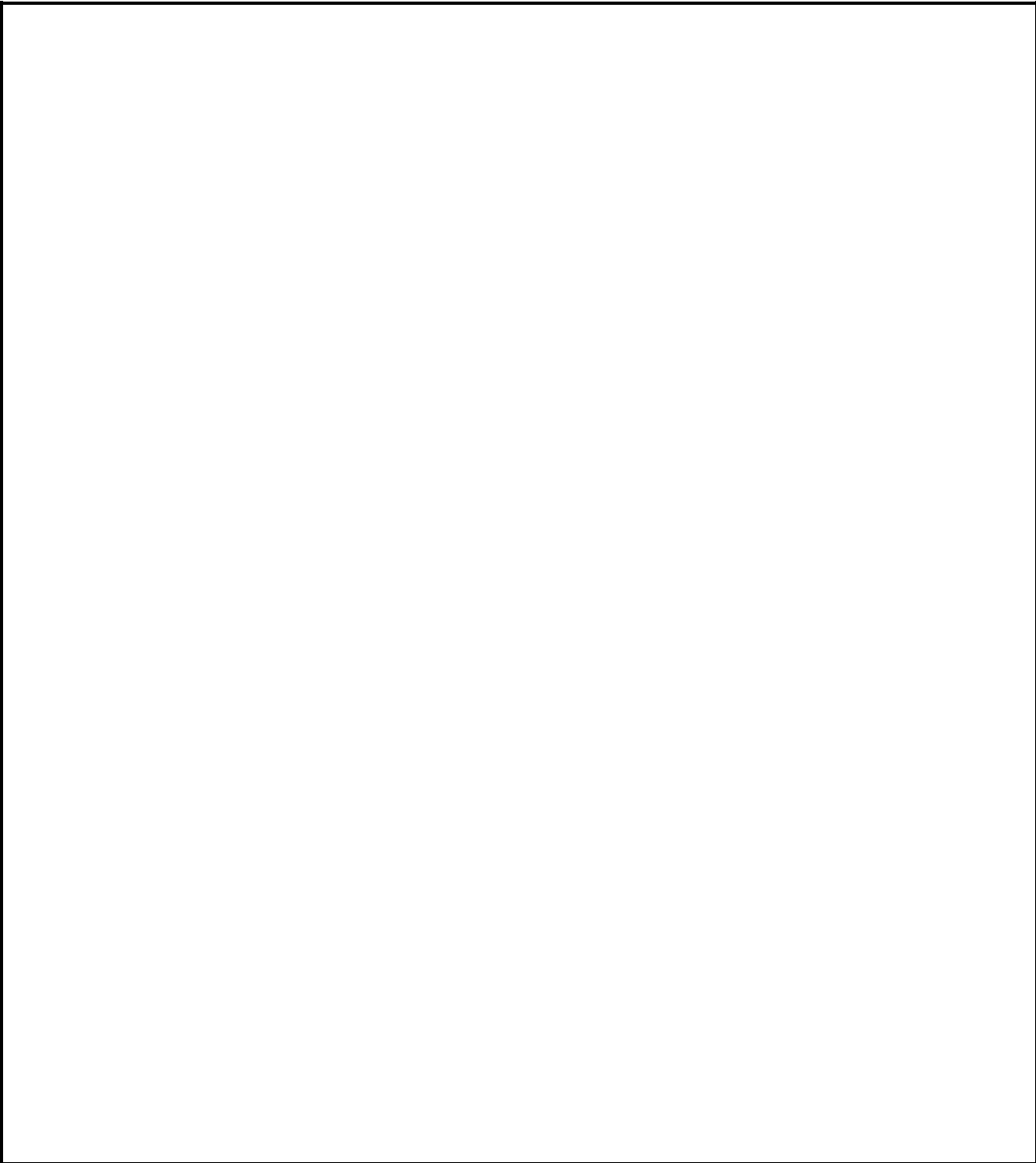
NOTE: Program funds for eligible uses in Projects of five or more Units shall be provided in the form of a deferred payment loan that must have an initial affordability period of 55 years or longer commencing on the date of recordation of the regulatory agreement. The loan may bear a zero percent interest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



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.

<p>Minimum Underwriting Standards – The proposed underwriting standards evaluate or contain all of the following:</p>	<p>Page Number referenced in document</p>
1. The reasonableness of projected construction and operating expenses	
2. Income and expense escalators	
3. Vacancy rate assumptions	
4. Debt coverage ratio requirements	
5. Operating and replacement reserve requirements	
6. Budgeted construction contingency	
7. Limits on development costs, developer fees, asset management and partnership fees	
8. Required use of operating cash flow	
<p>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</p> <p><u>NOTE:</u> 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</p>	
10. The process to be used for determining prevailing wage compliance pursuant to the requirements of Section 304(f) of the Guidelines	
11. The process to be used for determining compliance with accessibility requirements in compliance with Section 304(g) of the Guidelines	
12. Transition reserve requirements in compliance with Section 304(h) of the Guidelines	

FORM VIII: CAPITALIZED OPERATING SUBSIDY RESERVE UNDERWRITING STANDARDS

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
<p>1. The interest rate charged for COSR loans.</p> <p><u>NOTE:</u> 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.</p>	
<p>2. The methodology utilized to determine the size of the project’s 20-year COSR. The methodology should consider such things as:</p> <ol style="list-style-type: none"> 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. <p><u>NOTE:</u> 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.</p>	

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.



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.

ATTACHMENT A: CERTIFICATION OF APPLICATION INFORMATION

I, am authorized to submit this APC Designation Form on behalf of , and attest that all information contained in this Designation Form is accurate and complete to the best of my knowledge.

STATEMENT OF CERTIFICATIONS	
Printed name of County's Authorized Representative	
Title	
Signature	
Date	

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).

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 E: UNDERWRITING STANDARDS

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

**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.**

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.
Printed name of County's Authorized Representative
Title
Signature
Date

[County to insert list of known irregularities.]
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