



Multifamily Housing Program (MHP)
NOFA Date: July 23, 2021
Q&A Date: September 29, 2021

MHP July 2021 Round 4 Q&A

HCD ANNOUNCEMENT

On September 17, 2021 the California Department of Housing and Community Development (HCD/Department) announced the July 2021 MHP Round 4 application due date had been extended to Wednesday, September 29, 2021 at 5:00 PM PDT.

Due to the numerous questions that have arisen as a result of the repeal of the stacking prohibition, the Department is providing additional guidance for those submitting applications during the Round 4 application period.

Projects containing multiples sources of Department funding, whether currently awarded or proposed, may be affected by the following information.

Changes to Affordability Levels

Amendment to Q&A on September 7, 2021 stated: *If you have been awarded Department funds previously, and have submitted an application to another program, there can be NO change to the unit mix from the original award. If there is, your subsequent application will be withdrawn.*

Upon further consideration of unique circumstances that arise in this challenging funding environment, as well as MHP goals for deep income targeting, the Department will now allow previously awarded projects to lower their proposed income targets from one application to the next, so long as the total unit count remains the same. The Department will restrict units to the lowest targeting across all awarded funds. For instance, a VHHP awardee may submit their MHP application showing lower income targeting as compared to their original VHHP application. However, for projects proposing a reduction to AMI levels on the unit mix, the Awardee must engage with program staff of their prior award and confirm the reduction in AMI levels does not impact project feasibility, and dependent on the Program, would not cause a reduction in awarded funds as compared to the previously awarded application. Out of consideration for short application timelines, such confirmation may be provided, in writing, to the MHP team within 10 days of application receipt (October 11, 2021).

Additional Questions? Please email: mhp@hcd.ca.gov

What limitations are there on changes to unit mix from my previously submitted application?

Generally, if applicants were awarded funds from a program with prioritized target populations, then the applicant would be able to increase the number of special-population units without harming their previous score but would not be able to reduce the number of special population units. However, any changes to AMI or Target Population must be accompanied by confirmation, in writing, that the change does not impact project feasibility, and dependent on the Program, would not cause a reduction in awarded funds as compared to the previously awarded application.

Applications to Multiple Programs

Please Note: Pursuant to the [Admin Notice 21-60](#), Repeal of Stacking Prohibition of Multiple Department Funding Sources, in all scenarios there still remains a limitation of 2 loans and 2 grants per project.

[Scenario 1: Simultaneous applications with alternate financing scenarios](#)

HCD typically requires that applicants disclose simultaneous applications to HCD, and that all applications reflect the same anticipated funding sources.

In this round, due to recent policy changes per [Admin Notice 21-60](#), and the simultaneity of several current NOFA application and review periods, we will allow for applicants to pursue more than one funding scenario. These applicants must submit, with each application, disclosure of all HCD applications under review or anticipated for submission prior to December 1, 2021. In instances where such applicants are competitive for an MHP award, the Department will engage in consultation with applicants to discern which funding scenario(s) are optimal for project feasibility. It is the Department's intent to avoid any possibility for over-subsidizing. In the absence of compelling reasons to do otherwise, the Department's approach for MHP applicants will be to adjust the MHP award commensurately with the amount awarded under another program. This approach may, in some instances, require the Department to postpone making an MHP award until another award process has completed. This may add complexity and delays into the typical award process, but the Department has determined that this is an acceptable trade-off for offering flexibility that may, in some instances, expedite construction closings.

[Scenario 2: Substituting MHP for a prior award](#)

The Department does not allow "swapping" of one funding source for another. Applicants seeking to partially or fully supplant a previous HCD award with MHP funding must forfeit the prior award, in writing, prior to the MHP application due date with no assurance of receiving a new award.

Scenario 3: Adding MHP to another funding source

MHP may be sought as a supplement to the prior award, but not a replacement. Projects wishing to stack MHP on a unit with pre-existing Department funding, in accordance with the provisions outlined in the Administrative Memo (Repeal of Stacking Prohibition of Multiple Department Funding Sources) must submit applications to respective programs disclosing all HCD program applications with inclusion of the other HCD programs as development sources. Each application will be evaluated according to the requirements for that program.

MHP July 2021 Round 4 Q&A

This Questions and Answers (Q&A) document represents key information and inquiry responses provided to potential applicants for the MHP. The questions and answers published below provide clarification and additional detail on the MHP Guidelines and application process.

For additional questions and inquiries regarding the MHP, please email the MHP Team at mhp@hcd.ca.gov. Every attempt will be made to answer all questions received in the MHP inbox by Noon on September 29, 2021.

This is the final version of the Q&A posted by the Department prior to the application due date of Wednesday, September 29, 2021.

No new questions have been added since the September 22, 2021 version.

Questions are organized into the following categories (additional categories to be added as questions are received):

Category

Application	6
Appraisals	8
Article XXXIV	8
Documentation	9
Eligible Sponsor	13
Feasibility	17
General	20
NEPA/CEQA	27
Organizational Documents	29
Relocation	32
Reports	33
Scoring	35

Site Control.....48
Supportive Services/Special Needs.....49

Application

- 1. I am reaching out for clarification on the required documents for the MHP application lists the organizational documents for Sponsor 2, Joint Venture 1 and Joint Venture 2 as required documents. However, our project does not have a Sponsor 2, Joint Venture 1, or Joint Venture 2. Thus, we are wondering if those organizational documents are required for all projects or only for the projects where they are applicable. Will FFAST require a document submission for each of those items even if they are not applicable?**

Answer: Unlike in the previous rounds, FFAST no longer requires a document submission for each entity that is not applicable to the proposed project in order to proceed to the next attachment.

- 2. I noticed that information regarding the MHP provided on the CA Grants Portal (portal page provided below for reference) included additional eligibility guidelines that were not included in the provided NOFA, particularly information regarding tribal entities, as follows:**

Eligible Applicants: Business, Individual, Nonprofit, Public Agency, Tribal Government, Local public entities, for-profit and nonprofit corporations, limited equity housing cooperatives, individuals, Indian reservations and Rancherias, and limited partnerships in which an eligible applicant or an affiliate of an applicant is a general partner.

I wanted to confirm whether the eligibility guidelines above were applicable to the July 2021 NOFA.

Answer: The CA Grants Portal provides general information to the public regarding program funding through the State of California. However, the July 2021 MHP NOFA states in Program Requirements, Section IV (B): “An Applicant must be an Eligible Sponsor pursuant to Guidelines Section 7303”. Applications will be reviewed for eligibility based strictly on the 2019 MHP Guidelines and July 2021 MHP NOFA.

- 3. We have reviewed the larger application and have some questions about the content of the application. We want to determine what sections need to be completed.**

Answer: Per MHP Guidelines Section 7318 Application requirements, a complete application must be submitted for review and consideration. Each section of the MHP Application will direct the applicant to what documents are required for that section. Additionally, the Document Checklist located within the MHP Application specifies documents required at the time of application submission. Please make sure all applicable Project Types are selected to ensure the applicable tabs open for completion.

- 4. In the Document Checklist are we to separate and save each tab individually? (i.e.: 1. Document Checklist, 2. Application, 4a. Spon 1 Cert & Legal Disclosure, etc.) What are the recommended formats of attachments? (i.e.: .XLSX, .XLSM, .DOCX, .PDF, etc.)**

Answer: Each tab in the MHP application does not need to be saved individually. The MHP application should be saved as an excel spreadsheet and uploaded into FFAST as one attachment. Please refer to the document checklist to identify all attachments that need to be uploaded to the FFAST system in addition to the MHP Application. The Department no longer requires, nor will accept, a binder as an application submission.

- 5. Can we apply for MHP if we have 9% tax credit project?**

Answer: The 9% tax credit prohibition has been repealed in the 2021 Round 4 NOFA. Please review the Round 4 NOFA Sections IV(A)(1) 9% Tax Credit Projects and (E)(4) 9% Loan Limits.

- 6. In the Developing & Ownership Experience section of the Scoring tab, could you confirm what the Sponsor Certification is and what is HCD looking for?**

Answer: The Sponsor Certification is the second to last tab of the MHP application and should be completed for each Sponsor.

- 7. I am working on an MHP application for a project that also applied for MHP previously but was not awarded. Assuming that no content in the documents has changed since the 3/2/2020 application, can I use the already completed and executed forms?**

Answer: The MHP Round 4 application will be treated as a new submission and it is the responsibility of the applicant to provide documents that meet the current program requirements.

Appraisals

1. What are the guidelines regarding appraisals and what is considered "current"?

Answer: Per Guidelines Section 7304 and 7309, if the application has land costs associated to the project, and are shown on the Development budget, an appraisal is required. Appraisals will be accepted, regardless of date, provided that the value supports the costs documented on the Development Budget.

Article XXXIV

1. We had an inquiry regarding Article XXXIV for the upcoming MHP application. It seems that we can't have more than 49% of the units on the project be restricted under the regulatory agreement. However, MHP automatically considers all units with 60% AMI or below to be Restricted Units and sizes the MHP loan based on that. Is there a way we can only consider 49% of the units as Restricted, thereby sizing the MHP loan accordingly, in order to meet the requirements of Article XXXIV without having any of our units be above 60% AMI?

Answer: Based on the information provided, the Department is unable to provide a determination without review of a complete application and supporting documentation.

The June 2019 MHP Guidelines Section 7307 provides a breakdown for base loan limits on a 4% tax credit project. It identifies the loan amount available per Restricted Unit based on the following, but is not limited to bedroom size, Area Median Income level (AMI), and county the project is located in. Please review the section noted as there are additional loan amount increase opportunities available if the requirements stated are met.

The 2017 UMRs Section 8301 (q) and MHP Guidelines Section 7301 (x) define a Restricted Unit. For MHP, A Restricted Unit is regulated and restricted by a public agency or body, inclusive of TCAC/CDLAC and HCD, for units that are at 60% AMI and less. MHP will lend on units that are Assisted (and therefore restricted) by any HCD source and will also lend on any other Restricted Unit from a non-HCD Source. An Assisted Unit as noted in the application unit mix is also a Restricted Unit based on the definition above.

If the project has Article 34 authority, meaning the project has received an allocation of units from the local jurisdiction, MHP will Assist the maximum number available to comply with UMR 8304 (c). If the project does not have Article 34 authority, then 49% of the units in the project will be assisted by MHP. In either scenario related to Article 34, your unit mix will be increased/decreased to ensure the maximum number of units will be Assisted (therefore restricted) by MHP in the Regulatory Agreement.

- 2. Can you confirm that we are not required to submit an Article XXXIV Legal Opinion if we have evidence of Article XXXIV Authority, even though both items are marked as threshold requirements?**

Answer: This is correct. An Article XXXIV Legal Opinion is not required if there is evidence of Article XXXIV Authority.

Documentation

- 1. Just wanted to confirm that only the Sponsor of an MHP Application is the only entity that needs to fill out the Sponsor Certification & Legal Status? The MGP and borrower are not required to fill out this form, correct?**

Answer: The Certification and Legal Status Disclosure from (Sponsor Certification Tab) must be completed and submitted at the application due date by the Sponsor(s) since this is a Threshold requirement. To obtain the bonus point, the borrowing entity and the general partner(s) each, if applicable, must also complete and submit the said form at the application due date.

- 2. In the document checklist under legal opinion letters, the Op Ex Compare asks for 3 op ex comparables for similar projects located in the same market area or one comparable for a 100% market rate if unable to locate affordable housing comparables. I just want to confirm that it does not have to be a property owned by the Borrower, but any similar project in the market area?**

Answer: Submitted 3 operating expense comparables must be an affordable housing project located in the same market area and must be similar in size, type, amenities, and population to the proposed project. One of the three comparables may be submitted for a 100% market rate project, if unable to locate affordable housing comparables in the market area. The most recent two years audited statements for each comparable is preferred, if available. Additional information may be required. While the operating expense comparables do not have to be affiliated with the borrowing entity, it may be difficult to acquire audited statements for unaffiliated projects. Please see UMR Section 8310 (c) for more details on the requirements for operating expenses.

- 3. I have a development owned by the Housing Authority where we would like to apply for MHP rehabilitation funds. A CNA was performed on the property last year, with minimal required work completed under funding received at the time. We are now ready to complete the required work and would use MHP funds to do this. Can I use the CNA already completed with a narrative of the scope of work to still be completed under the MHP funding or would a new one be required?**

Answer: There is no expiration date for the CNA. Without the benefit of reviewing a complete application, we are unable to determine whether this project is eligible to receive program funds. Before sending in an application please review the MHP guidelines Eligible Project section 7302(c) and Eligible Use of Funds section 7304 to ensure your project is eligible for MHP funds. Based on the information you provided it appears that construction may have already commenced, therefore rendering the project ineligible for program funds.

- 4. For MHP round 4 Rural eligibility, would providing a copy of the USDA map with the property address clearly identified as eligible for Section 515 from USDA's Property Eligibility map meet the MHP NOFA rural eligibility?**

Answer: HCD uses the same method for determining rural status as used by the Tax Credit Allocation Committee (TCAC) for the tax credit program. A list of Rural areas, as well as the methodology to determine Rural or Non-Rural status, can be found on TCAC's website <https://www.treasurer.ca.gov/ctcac/Cover-memo.pdf>. Methodology 2 does include USDA, please read those requirements to determine if your project qualifies.

Additionally, we have verified with USDA that they are not providing letters and that the map is up to date and current with eligible areas. You can provide the current map showing your property is eligible for RHS Section 515 from USDA. We will verify with the map that is in effect at the time of application due date. We do not utilize maps that are no longer in effect, nor can we accept maps that have not been approved.

5. **“New Construction” is not defined in the guidelines. Therefore, since our project is sort of a combination of rehabilitation and new construction, I am not sure which definition applies, and therefore which requirements apply. Even if the rehabilitation requirements do apply, our consultants are unsure what is required for the reports, and the NOFA does not provide additional detail on requirements. For example, they are not sure why they would produce a mold report, or what would be required to be in the mold report when the interior structure will be demolished and only the brick façade will remain. It would be very helpful if HCD could provide more detail on what the reports need to contain, similarly to how there is guidance for what needs to be in relocation reports.**

Answer: It is the Sponsor/Developers responsibility to determine their project type. If your project is determined to be a Rehabilitation project then the required reports should be provided.

The Department does not set forth criteria or specifications for the content of a lead, asbestos, or mold reports; however, the reports must be prepared by an independent third-party professional having knowledge and experience in the preparation of such reports.

6. **Do you have a sample of the Fair Housing Opinion that you can provide?**

Answer: The Sponsor’s Legal Counsel must provide a written analysis & legal opinion. The Department does not have any examples of the Fair Housing Letter.

7. **Could you clarify for me if certificates of good standing are required for the LP, LLC, and corporate entities at the time of application, or will it suffice if they are provided at closing?**

Answer: To earn the bonus point it is a requirement to provide all applicable organizational documents in the MHP application document checklist at application, this includes the certificate of good standing.

8. **As the document “Sponsor Certification Worksheet” will only allow typed text, how would you suggest we insert a signature?**

Answer: HCD now accepts electronically signed documents known as eSignatures. Depending on individual system capabilities, if electronic signatures are not possible, the Sponsor Certification Worksheet or any other document which requires a signature may be printed, signed, scanned, and included as a PDF with the application submission.

- 9. What kind of documentation do we need to include if we are using the CUAC for our utility allowances? We will have documentation from our energy consultant – what specifically does their documentation need to include?**

Answer: You will need to provide the CUAC documents showing applicable utility allowances (including net zero, if applicable) to support the utility allowances included in your application.

- 10. Is there an HCD template for the legislative letter? I want to make sure the letter meets the threshold and properly notifies the local legislative body. Can you provide me guidance as to what must be in the body? I assume the letter must contain the following:**

- **Project description**
- **Funding request amount**
- **Application due date**
- **Signature from an authorized person**

Answer: The Department does not have a template for the Legislative Letter. However, per Health and Safety Code 50675.7(e) – each applicant must notify the local legislative body (City Council or County Board of Supervisors) of the Sponsor’s loan application prior to application submission. Sponsor must provide a copy of the legislative letter as part of the application submission.

Additionally, this is a Threshold requirement for Round 4 per MHP Guidelines Sections 7318(b) and 7320(a)(4). Please refer to attachment #3 in the MHP Application Documentation Checklist.

- 11. If the proposed project is a large family, but there are no comparable large family projects in the market area, is it HCD’s preference to get other project types (e.g., senior) or to expand the market area to find large family projects with 3 years of audits available? As a rural project, we might have to expand the area by up to 20 miles.**

Answer: If an alternate form of comparable(s) is submitted, please provide an explanation as to how and why the alternative comparable(s) were chosen. The documentation submitted will be evaluated and a determination will be made as to its sufficiency, during application review.

Eligible Sponsor

- 1. We have a question about MHP Round 4, related to development experience for joint ventures. Section 7303(g) of the current HCD regulations says, “If the Sponsor is a joint venture and qualifies as an eligible Sponsor under the preceding subsections based on the experience of only one joint venture partner, that partner must have a controlling interest in the joint venture and a substantial and continued role in the Project’s ongoing operations, as evidenced in the documents governing the joint venture.” How does HCD define “controlling interest”? We are a joint venture, applying as Sponsor #1 (nonprofit #1) and Sponsor #2 (nonprofit #2). Would it be possible to use the development experience of the more experienced Sponsor #2, if this entity serves as the AGP with 30% interest, but they are principally involved in all phases of predevelopment, construction and operations, as evidenced by the joint venture MOU? Sponsor #2 will also serve as the property management agent. Sponsor #1 will be the MGP with 70% interest.**

Answer: We are unable to answer project specific questions, as we do not have the complete application and supporting documents. Please refer to UMRs Section 8301(s) and MHP Guidelines Section 7303, which identifies the requirements of an Eligible Sponsor. As a reminder, the Sponsor identified and who garnered the experience points has and will retain full control over the development of the borrowing entity from construction, through permanent close of escrow, and into management and operation of the project. Organizational documents demonstrating that the experienced Sponsor has the authority to exercise control of the borrowing entity in compliance with Section 8301(s) of the Uniform Multifamily Regulations (UMR) must be submitted to the Department for review and approved clarifying definition of a Joint Venture. For purposes of Guidelines Section 7303(a), a Joint Venture is defined as “an association of two or more persons, or entities who combine their property, skill or knowledge to carry out a single business enterprise for profit.” A Sponsor formed as a Joint Venture in accordance Section 7303(a) shall comply with the requirements of Section 7303(d). Neither the Borrower limited partnership, nor a network of entities affiliated with a common parent entity are Joint Venture entities within the meaning of this section. The Department considers controlling interest to be a simple majority.

Examples would be 50.01% and greater, or \$.51 cents. Controlling interests cannot be 50/50.

- 2. We are applying as the eligible sponsor with an emerging developer who has not worked on affordable housing in the past but is relying on our experience to move into affordable housing development. Would we apply as a joint venture if we have the supporting documentation? What should we do in the case that we contemplate a JV partnership, but we have not yet identified the structure? Will HCD allow us to amend it if we are selected to get an award?**

Answer: The department cannot make recommendations on how to structure the borrowing entity for your specific project. Co-Sponsors are separate entities applying together on an application, one as Sponsor and one as Co-Sponsor each having their own organizational documents. A joint venture (JV) would have a joint venture agreement combining the entities into a single new entity with its own organizational documents that would be the Sponsor. If a joint venture is created the partner with experience must have controlling interest and substantial and continued role in the Project's ongoing operations and management duties, per MHP Guidelines section 7303(d). On the MHP Application if Joint Venture is chosen for Sponsor 1 additional sections will open. We require not only the organizational documents for the JV but also the partners that create the JV. The MHP July 2021 NOFA section IV(B) has a clarifying definition of a Joint Venture. For purposes of Guidelines Section 7303(a), a Joint Venture is defined as "an association of two or more persons, or entities who combine their property, skill or knowledge to carry out a single business enterprise for profit." A Sponsor formed as a Joint Venture in accordance Section 7303(a) shall comply with the requirements of Section 7303(d). Neither the Borrower limited partnership, nor a network of entities affiliated with a common parent entity are Joint Venture entities within the meaning of this section.

The bonus point is offered as an inducement to form Borrower entities in advance and provide the organizational documents necessary for the efficient production of standard agreements within ninety days following award announcements. Applicants which have fully formed the Borrower entity, including all general partner entities, and submit complete Borrower organizational documents as specified in the MHP Application shall be awarded one bonus point. For-profit Sponsors which have not included the necessary non-profit partners will not be eligible for this bonus.

Similarly, applications that include to-be-formed entities, or indicate an intent to change the Borrower organizational structure at a future date (i.e., adding a Sponsor-controlled limited liability company as general partner) will not be eligible for this bonus.

3. **We are in the process of creating a FFAST account, and I want to make sure we don't have issues with our sponsor/applicant set up regarding the application or future standard agreement.**

Our developer entity is XX Housing Group. We will show experience based on our principal's documented prior experience. The project we are applying for is owned by a single asset LP, which has been formed. The LP is wholly controlled by XX Housing Group. The LP will be the borrower of the MHP loan.

My question is, should we create a FFAST account as XX Housing Group, and an application as the LP? Or should we just create a FFAST account as the LP, and apply as the LP? I want to make sure the LP can be the borrower, but that we don't jeopardize our experience points.

Answer: The FFAST portal system is used by the Department as a document upload system. For the Multifamily Housing Program (MHP) Round 4, the application due date is September 29, 2021 at 5pm PDT. The entity or individual used on the account has no impact on the application. All those entities or individuals would be responsible for is gaining access to the FFAST portal and uploading documents.

The MHP webpage has a link to the FFAST portal in addition to a user manual, if needed. They can be located at the following location [Multifamily Housing Program \(MHP\) \(ca.gov\)](#).

Please refer to the June 2019 MHP Guidelines Section 7303 to see the definition and requirements for an Eligible Sponsor (applicant). A Borrower is not the same as a Sponsor. Please refer to UMR 8301(s) for Borrower requirements and Sponsor control.

The Borrower ("LP") is an affiliate of the Sponsor. If the Sponsor is awarded the MHP Loan funds pursuant to the Award Letter, the Department acknowledges LP as the Ultimate Borrower of the MHP Loan funds. As such, LP will execute the MHP Loan documents, known as the Standard Agreement. Accordingly, LP and Sponsor shall be jointly and severally liable for all the obligations of the Sponsor as set forth herein. Performance satisfactory to the Department by LP of any duties and obligations under this Agreement, and under any other agreements required by the Department, will be deemed as performance by the Sponsor.

The Sponsor who garnered the experience points at the application stage must be the Sponsor who controls the borrowing entity at construction, through permanent close of escrow, and into management and operation of the project. Organizational documents demonstrating that the experienced Sponsor has the authority to exercise control of the borrowing entity in compliance with Section 8301(s) of the Uniform Multifamily Regulations (UMR) must be submitted to the Department for review and approved by the Department prior to execution of the Standard Agreement.

MHP Guidelines Section 7320(b)(3) will identify the criteria needed to obtain points for experience.

4. **A Limited Partnership has been established. The MGP (controlling interest @ 60%) does not have the experience needed to secure all 20 MHP points, however, the AGP (interest @ 40%) does. Could the AGP apply as the Sponsor using their experience, even though they do not have controlling interest in the LP?**

Answer: A Sponsor must meet the requirements of Section 7303 to be eligible. The Sponsor with the experience must be the primary applicant.

The Sponsor who garnered the experience points at the application stage must be the Sponsor who has controlling interest AND who controls the borrowing entity at construction, through permanent close of escrow, and into management and operation of the project. Organizational documents demonstrating that the experienced Sponsor has the authority to exercise control of the borrowing entity in compliance with Section 8301(s) of the Uniform Multifamily Regulations (UMR) and a substantial and continued role in the Project's ongoing operations in accordance with 8313.2(a).

5. **Section 7303(d) of the guidelines state: "If the Sponsor is a joint venture and qualifies as an eligible Sponsor under the preceding subsections based on the experience of only one joint venture partner, that partner must have a controlling interest in the joint venture and a substantial and continued role in the Project's ongoing operations, as evidenced in the documents governing the joint venture." Could you please elaborate further on what constitutes a controlling interest?**

Answer: For purposes of Guidelines Section 7303(a), a Joint Venture is defined as “an association of two or more persons, or entities who combine their property, skill or knowledge to carry out a single business enterprise for profit.”

The joint venture partner with the qualifying experience must have a majority interest in the partnership and be able to make ongoing financial and operating decisions relating to the project as evidenced by the terms of the Joint Venture Agreement.

6. In past Rounds we’ve submitted Certificates of Occupancy for experience. Is that required this round?

Answer: The submission of Certificates of Occupancy is no longer required.

7. Can you please tell me what exactly is needed for the Certification of Prior Employment for the Principal experience?

Answer: See the Document Checklist, Attachments 36-38 of the MHP Round 4 Application for specific requirements needed for Certification of Prior Employment for the Principal experience.

8. What is meant by Principal? Who is the Principal? Is this the developer, sponsor, property manager?

Answer: Pursuant to section 7320(b)(3)(B) the Sponsor may include the experience of its principals. This section also provides clarification that the “principal” must be an employee of the Sponsor in a position responsible for the oversight and management of development activities, which would not be the property management. If the Sponsor has experience in its own right, there is no need to identify a principal. (e.g., Mercy Housing California has experience in its own right as an entity.) If a Sponsor relies upon the experience of its principal to meet the Sponsor eligibility requirements, documentation of the principal’s experience is required as set forth in the application.

Feasibility

1. Per Section 8312(c) of the UMRs:

- **“For Projects utilizing 4% percent tax credits, Developer Fee payments shall not exceed the lesser of \$3,500,000 or the sum of:**
- **the amount that could be included in project costs pursuant to Title 4, California Code of Regulations, Section 10327 if the project was receiving 9% competitive credits; plus**

- **any remaining deferred Developer Fee (payable exclusively from operating income) that is allowed in eligible basis under Title 4, California Code of Regulations, Section 10327 of the TCAC regulations.”**
- **Please confirm that this limitation only applies to the paid (cash) developer fee, allowing a developer to defer any amount of developer fee above these limits.**

Answer: Pursuant to Guideline Section 7313(a) Use of Operating Income, not withstanding UMR Section 8314(a)(1), first-priority use of operating income remaining after payment of approved current and prior year operating expenses, reserve deposits and mandatory debt service shall be payment of approved deferred Developer Fee, provided that the aggregate of the Developer Fee paid from sources and paid as deferred shall not exceed \$3,500,000.

2. **The application webinar stated that 1st year DCRs must be in between 1.10 and 1.20. Can you confirm that UMR Sec 8310(e)2 applies to this MHP NOFA round? The UMRs detail specific exceptions to the 1.20 cap on year 1 DCR. Can you confirm if there are other regulations applicable to MHP that govern Debt Service Coverage ratios other than the UMR code cited above?**

Answer: The 2017 UMRs and 2019 MHP Guidelines will continue to apply for our Round 4 NOFA. Additionally, UMR Section 8310(e) is still applicable. As it relates to the Debt Service Coverage Ratio (DSCR) in the 2017 UMRs, there are no other regulations applicable to MHP.

3. **What can developers do if CPU is over \$550K?**

Answer: Per the Round 4 NOFA Section IV(F) refers to Supplemental Non-Tax Credit Projects only and the Cost Per Unit (CPU) may not exceed \$550,000 or it will not meet Feasibility requirements. For all other Projects, please refer to the 2017 UMRs Section 8311(a-e).

4. **I have a 100% PSH project that intends to restrict rents to 30% AMI. However, it is typical that a bank or city loan may require a float up provision in the event that the project-based vouchers that are supporting the project are lost. Does the MHP program allow this? We would be able to increase rents up to 50% under the float up provision.**

Answer: Please see Guidelines section 7312(f) which, in the event of subsidy termination, the Department requires written notification and approval prior to raising rents only to the extent necessary for project feasibility. Rent adjustments are not permitted until after the one-year transition reserve period has expired.

5. **I have a mechanical question about the MHP program that I am hoping you can answer. The minimum debt service is 0.42% per year but does that payment go towards reducing interest followed by principal or is it simply collected as a fee?**

Answer: Please refer to the MHP Guidelines, section 7308(c)-(e) for the specific order of how the 0.42% loan payment is applied.

6. **During the MHP Webinar, HCD staff indicated that if a project requires Proposed Rents lower than Restricted Rents, the sponsor should select Proposed Rents in MHP application workbook. HCD also indicated that underwriting will be based on Restricted Rents while the MHP Regulatory Agreement will be based on Proposed Rents. It is our experience that MHP has always allowed the underwriting of deals using PROPOSED rents, with the regulatory agreement then tied to RESTRICTED rents. We are advocating for the continuation of this policy as there are a range of reasons that require this. The most common include local rent restrictions and market restrictions meeting the 10% below market requirement. Given there is always a good reason for this type of structuring, we would suggest HCD simply require sponsors to provide justification in their applications for why full restricted rents are not appropriate for underwriting (and why proposed rents are appropriate).**

Answer: The Department underwrites to the maximum Restricted rents, generally with the expectation that full rents will be charged. Should an applicant propose lower “proposed rents”, the project would need to demonstrate compliance with the UMRs for both scenarios. This would require inclusion of two cash-flow analyses: one using Restricted rents and another using Proposed rents. Further, an explanation as to why the lower rents are necessary must be included. HCD will evaluate the proposal on a case-by-case basis. Lastly, if lower rents are proposed as a method of managing the cash-flow to meet the DCR requirements, HCD may require the units be restricted at lower Restricted rents.

7. **I am hoping to receive some assistance determining the max loan amount to include in our Sponsor resolution. We have a 73 unit 100% PSH project with 50% chronically homeless units (36) and 50% homeless units (36) and 1 managers unit. When calculating the loan amount, I am assuming 49% Supportive Housing units (35) at \$175k + 51% Restricted Units (37) at \$150k = \$11,675,000. Is my assumption correct?**

Answer: Assuming the project is applying as a 4% tax credit project, MHP Guidelines Section 7307 (b)(2) states 'the initial base amount shall be \$175,000 per Supportive Housing Unit [...] and \$150,000 per other Restricted Unit'. HCD is unable to confirm the calculations for this specific project unit count without an application; however, based on the information provided, this assumption appears to be correct. The amount stated in the Sponsor Authorizing Resolution may be higher than the loan amount requested if stated as "An amount not to exceed \$".

General

1. **We have several MHP applications being submitted this round, and we wanted to clarify the term "housing" on the Adaptive Reuse requirement below. The projects we are submitting are existing commercial motels, that have been used as transitional housing since Dec 2020. The re-development plan is a combination of adaptive re-use (units being merged, kitchens/bath additions, etc.) as well as new construction buildings. Will HCD consider "transitional housing" the same as "residential housing" for the purposes of the narrative below? Both sites are served by public infrastructure. We just need to confirm if "transitional housing" is considered the same as residential.**

Answer: Based on the information provided, the Department is unable to provide specific guidance without having the complete application and supporting documentation.

HCD would consider "transitional housing" the same as a "residential hotel" which would not meet the requirements of adaptive reuse. Please note - MHP Guideline Section 7301(r) and HSC Section 50096, the conversion of a non-residential structure is not considered a Rehabilitation project development type. It will be considered a Conversion or New Construction project development type.

MHP Guidelines Section 7320(b)(6)(A) states 'Five points will be awarded for infill development, including adaptive reuse of vacant and underutilized commercial or industrial building located in a developed area served with public infrastructure'. The sponsor must provide a completed MHP application, selecting on the Scoring Tab the applicable option as it applies to the Project. Supporting documentation must also be provided which must include aerial photos of the proposed site (Attachments 58 and/or 59 on the MHP Application Document Checklist). The Department recommends that the application include a thorough explanation as to why you believe this project would qualify for points in this category. There are additional scoring opportunities in Guidelines Section 7320 (b)(2)(D) based on the type of project you are proposing.

- 2. I would like to get clarification on maximum number of Department sources on a single project with existing Department funds. Our Syndication Consultant received a response from the Department indicating that limitations on the number of Department sources a single project can have applies to all HCD funded projects not just those who intend to take advantage of the stacking provision. Can you please confirm if this applies to all projects with existing Department funds or if this is limited to projects that receives Department funds going forward?**

We intend to submit an MHP Application for in the current Round and the answer may impact our Application.

Answer: The Stacking repeal was published by the Department as way to ensure projects submitted applications with the opportunities to obtain multiple sources of HCD funds. This applies to all submitted applications going forward and is also inclusive of projects that have previously received a Department award that still find themselves with a funding gap.

As a result, there is a cap on the amount of Department funds a project can receive. It is capped at 2 Department housing loans, and 2 housing related infrastructure grants. If you have a previous award that is a housing loan, you can submit an application for one additional housing loan. An example of this, if you have an NPLH award, you can apply for 1 additional loan (MHP) and 2 housing related grants. For a full list of the available loans and grants, please review the [Administrative Memo](#).

3. **I am preparing the application for MHP for a 19-unit permanent supportive housing project in Los Angeles. The project does not have an allocation of tax credits, i.e., a non-tax credit project as identified in the current MHP NOFA.**

There are many required documents that are also threshold items that a project with no tax credits cannot produce. For example, we will own the property in a single purpose LLC, wholly owned by RNLA, a nonprofit affordable housing developer. However, there is no joint venture partner, no managing general partner, no co-sponsor/sponsor #2 and no administrative partner; in fact, there is no LP at all, as LPs are the common ownership structure for TCAC projects.

We want our application to be complete and competitive but don't know how to meet these threshold requirements given that the project team for a non-tax credit project is altogether different than the team for TCAC projects. We are OK saying "not applicable" but are worried that our application will be penalized for not providing certain threshold items.

Please help us figure out what would be required to be submitted.

Answer: Based on the information provided, the Department is unable to provide specific guidance without having the complete application and supporting documentation.

Non-tax credit applications are still subject to all Threshold, Scoring, and Feasibility requirements. In order to successfully pass Threshold, the project must meet all provisions outlined in Guidelines Section 7320(a). Additional program requirements can be found in the July 2021 MHP NOFA section IV. Documents marked with an "X" on the Document Checklist in the MHP Application indicate what documents are required for Threshold, if they are applicable. For example, if there is no Joint Venture entity, then those documents would not be required and would thus be marked "not applicable". If you do choose "not applicable" for items required in the document checklist, the documentation submitted will be evaluated and a determination will be made as to its sufficiency, during application review.

4. **I want to clarify that in NOFA, Section F. Non-Tax Credit Projects, number 8: Construction must begin within twelve (12) months after the date of the award letter. Failure to meet this requirement shall result in withdrawal of the MHP award.**

This is only applicable to Non-Tax Credit seeking applications, correct? This does not apply to projects that are seeking 9% TCAC applications?

Answer: To answer your second question: The 12-month requirement for construction to begin is specifically for Non-Tax Credit Projects applying for supplemental funding. This requirement does not apply to 4% Tax Credit Projects, 9% Tax Credit Projects, or Non-Tax Credit Projects that are not applying for supplemental funding.

- 5. We recently submitted an IIG application in July 2021 for a project that we also intend to submit for MHP. Would it be acceptable to resubmit the Environmental and Land Use Verification form from the IIG application, as opposed to having planning staff re-certify the MHP form, which is substantially the same?**

Answer: To satisfy Threshold requirements, you will need to utilize and submit the Local Approvals and Environmental Review Verification form attached to the MHP application.

- 6. To satisfy the “Leg Letter” requirement on the MHP Checklist, noted as “Per Health & Safety Code §50675.7(e) Sponsor must notify the local legislative body (City Council or County Board of Supervisors) of the Sponsor’s loan application prior to application submission”, what documentation is required? I understand the requirement is to include with our MHP application a letter or email addressed to Council notifying the body of our application to HCD for MHP funds for the 9/20/21 NOFA deadline. Please confirm this is sufficient or if further information must be included and if confirmation of receipt is required. City Council has approved a municipal loan for our project, but I understand the Leg Letter requirement needs specific acknowledgement of the MHP loan and is different from a general approval of a loan to the project. Please confirm.**

Answer: The Leg Letter is a notification of the intention to apply for a loan from the Multifamily Housing Program (MHP) and is different from a letter communicating the general approval of a loan to the project as you describe. A copy of the Leg Letter must be submitted at the time of application. Confirmation of receipt is not required.

- 7. For the upcoming September MHP application, it’s my understanding that projects can now use 9% credits but cannot stack HCD funds on individual units. Is that not the case, can you now also stack subsidies? If we are allowed to stack subsidies in the upcoming round, will there be a cap placed on the total subsidy amount allowed for stacked units?**

Answer: Effective Round 4, Guideline section 7302(d), the 9% tax credit prohibition has been repealed. The Department will now be accepting both 4% and 9% tax credit projects. Additionally, the stacking prohibition of HCD funds on the same units has also been repealed, effective for NOFA's released after July 1st, 2021, as outlined via Administrative Memo which can be found at https://www.hcd.ca.gov/grants-funding/docs/program_stacking_prohibition_repeal_memo_final.pdf.

This memo provides clarification on permitted funding sources, amount of allowable funding sources, and funding limits.

In addition to the previously provided email and Memo, the Department would like to provide a bit more clarification regarding the "caps" on stacking Department Funding Sources comprised of no more than two development loans and two housing-related infrastructure grants may be used on a single Project. There is also a dollar amount cap that varies per Program, per project. The MHP per-project cap is \$20 Million.

8. If our 3rd limited partner (Tax Credit Investor) has yet to be determined, can we leave a 'place holder' partner until one is determined?

Answer: Yes, you can leave a placeholder for the Limited Partner. Per the Round4 NOFA Section IV(G)(2), to be eligible for the bonus point, Applicants must have fully formed the Borrower entity, including all general partner entities and submit complete Borrower organizational documents as specified in the MHP Application Document Checklist.

9. I have a development project in XX and wanted to better understand the MHP program. If this is a redevelopment project, can you only apply once the project is fully occupied and complete? If so, are there any loans specifically for the construction aspect of low-income housing projects? I look forward to hearing from you. Please let me know if someone in your office is available for a call.

Answer: Per Guideline section 7306(a) MHP program funds shall be used for post-construction, permanent financing only. In order to be considered an eligible project under section 7302, construction or Rehabilitation work must not have commenced at the time of the application due date. Construction-period financing would need to be committed separately and is evaluated as a readiness scoring factor. Construction financing may include, but are not limited to commercial loans, local public funds, developer contributions and tax credit equity.

Information on other Department programs is available at <http://www.hcd.ca.gov>.

Additional Questions? Please email: mhp@hcd.ca.gov

- 10. We are a group of Architects, Engineers and Contractors, who have extensive experience in construction of Apartment Complexes in California and would like to find out how we can participate in development of Multifamily Housing Program, using Grants-Funding?**

Answer: The Multifamily Housing Program (MHP) provides loans to Eligible Sponsors according to MHP Guidelines Section 7303. In addition, an eligible sponsor must also demonstrate experience relevant to owning and developing affordable rental housing. MHP does not provide grant funding.

- 11. I have spent the past four years working hard to create and open XX, the first facility to provide hospice and comfort care for terminally ill homeless men and women on the West Coast. Is this project eligible for MHP funding?**

Answer: Having conferred with HCD legal counsel, we have determined that the project would be ineligible for MHP funding because a hospice facility primarily operates as a health care facility, which is an ineligible use of MHP funds pursuant to Guideline Section 7304(b)(9).

- 12. For an Adaptive Reuse project of a non-residential structure, is this considered a new construction project? (Would be helpful to know to determine if additional supporting documents are needed).**

Answer: Based on the information provided, per MHP Guideline Section 7301(r) and HSC Section 50096, the conversion of a non-residential structure is not considered a Rehabilitation project development type. It will be considered a Conversion or New Construction project development type.

- 13. Will Conversion of a Non-Residential Structure project type require any of the documents specified as rehab only? We will be rehabbing the structure and completing some of the required reports for rehab projects but want to know if it must be submitted as part of our MHP application if our project is not an Acq. Rehab Project?**

Answer: This question indicates that there are reports that are being generated that are required for rehabilitation projects. Although the project is not a Rehabilitation project development type, it does involve the rehabilitation of an existing structure. The Department recommends that you submit copies of the reports with your application to ensure that it meets the Threshold Requirements for a complete application.

- 14. We would like to ask if you can update the Q&As for each MHP Round, which would include consolidating previous Round versions and adding new Q&As for the current round. If certain guidance is no longer applicable, you could delete them to avoid any confusion for applicants. If certain guidance is still applicable, you would be able to re-confirm for applicants.**

Answer: Q&As are specific to a particular NOFA, so previous Q&As, especially if they were later found to be incorrect, confusing or conflicting with Guidelines should not be considered.

- 15. Could you please provide us with the MHP Power Point that was presented during the webinar?**

Answer: The Round 4 PowerPoint presentation will be posted on the MHP website by Tuesday, August 17, 2021.

- 16. Is there a Developer funding limit on MHP funds for Developers applying with multiple projects?**

Answer: The MHP Guidelines do not limit the number of applications a Sponsor may submit nor the total funding they may receive.

According to July 2021 NOFA Section (IV)(E)(4): the maximum loan amount an individual project may receive is up to \$20 million or the amount allowed under MHP Guidelines section 7307.

- 17. I have a project with an existing building that is creating a neighborhood nuisance (vagrants are squatting and illegal activity is being conducted there). I want to confirm that under such circumstances demolishing the building is not a violation of the HCD requirement that construction will not have begun prior to an award. AND, I want to know if we need to evidence anything in the application to explain why demo needs to be completed now instead of waiting for construction closing.**

Answer: The June 2019 MHP Guidelines Section 7302(c) states no construction or rehabilitation has commenced at time of application except for emergency repairs to existing structures required to eliminate hazards or threats to health and safety. If it is determined the site requires emergency repairs because of threats to health and safety, documentation from your local jurisdiction or governing body supporting that determination must be submitted by the application due date.

NEPA/CEQA

- 1. NEPA: Since the NEPA requirement is not triggered by MHP for PBVs when our local agency is completing the section below from “Local Approvals and Environmental Review Verification” form do they leave this section blank?**

Answer: NEPA is a requirement to get HACLA AHAP issuance to close construction financing, but not necessarily a requirement to begin construction if not for the HACLA PBV award.

- 2. Can you please confirm that if a project will only utilize a density bonus to increase density and does not require discretionary review and therefore CEQA review will not be required, that a Resolution from the local governmental authority will not be required for the application? In the past I’ve provided for projects that needed discretionary review, but I just wanted to double check on that you won’t require an acknowledgement from the local authority on a non-discretionary project?**

Answer: Submission of the completed Local Approval and Environmental Review Verification (the “Verification”) is a threshold requirement; however, points are awarded under Section 7320(b)(5)(B) if CEQA/NEPA reviews have been completed.

For CEQA, the local jurisdiction must complete the Verification indicating the status of the review and supporting documentation is required (e.g., Negative Declaration, Exemption Letter or explanation in the Verification as to why CEQA is not required).

If CEQA is triggered, Attachment 55 must be submitted and deemed acceptable to be awarded points.

- 3. What documentation would your team need for projects that do not require NEPA/CEQA review?**

Answer: Submission of the completed Local Approval and Environmental Review Verification (the “Verification”) is a threshold requirement; however, points are awarded under Section 7320(b)(5)(B) if CEQA/NEPA reviews have been completed.

NEPA would only be applicable for any federal sources of funding, which can include operating subsidies.

- 4. Does HCD require NEPA clearance if the only Federal source in the project is Project Based Vouchers (PBV’s)?**

Additional Questions? Please email: mhp@hcd.ca.gov

Answer: NEPA would only be applicable for any federal sources of funding, which can include operating subsidies. Project Based Rental Subsidies would not trigger a NEPA requirement or submission of documentation.

5. Would an application receive full environmental points if it has PBV's but does not have NEPA clearance?

Answer: Submission of the completed Local Approval and Environmental Review Verification (the "Verification") is a threshold requirement; however, points are awarded under Section 7320(b)(5)(B) if CEQA/NEPA reviews have been completed. Please refer to the MHP Application Document Checklist, attachments 54 and 55 for the supporting documentation.

NEPA would only be applicable for any federal sources of funding, which can include operating subsidies. Project Based Rental Subsidies would not trigger a NEPA requirement or submission of documentation.

6. What NEPA evidence do you need for ministerial projects that do not need NEPA approvals?

Answer: Ministerial projects is not a defined term for the Department. The Local Jurisdiction and Verification form located in the MHP Round 4 application must be completed by the local jurisdiction or governing body as this is a Threshold requirement. The form will identify if CEQA and/or NEPA is required. Guidelines Section 7320(b)(5) provides scoring opportunities for CEQA and/or NEPA. Supporting documentation must be submitted by the application due date and deemed acceptable to potentially be awarded points. Please refer to the MHP Round 4 Document Checklist for a description of supporting documentation.

7. What CEQA evidence do you need for ministerial projects that do not need CEQA approvals?

Answer: Ministerial projects is not a defined term for the Department. The Local Jurisdiction and Verification form located in the MHP Round 4 application must be completed by the local jurisdiction or governing body as this is a Threshold requirement. The form will identify if CEQA and/or NEPA is required. Guidelines Section 7320(b)(5) provides scoring opportunities for CEQA and/or NEPA. Supporting documentation must be submitted by the application due date and deemed acceptable to potentially be awarded points. Please refer to the MHP Round 4 Document Checklist for a description of supporting documentation.

CEQA supporting documentation can include but is not limited to the following:

Negative Declaration, Exemption Letter, Approval Letter, or Letter of Explanation as to why CEQA is not required. It is the responsibility of the Sponsor to ensure documentation submitted meets the requirements as listed in the MHP Round 4 NOFA, June 2019 Guidelines, 2017 UMRs, and the MHP Round 4 application.

Organizational Documents

We will be submitting an MHP Round 4 application, due September 29th on behalf of XX. This development will be a Joint Venture between Sponsor #1 and Sponsor #2. Our respective Org. Docs are already included in the appropriate Sponsor #1 and Sponsor #2 tabs. No other entity will be involved in the development of XX.

Would you kindly clarify how MHP would like us to submit the Joint Venture #1 Org. Docs? Other than the Joint Venture Agreement there are no new Org. Docs to provide.

The Org. Docs are provided on the Sponsor #1 and Sponsor #2 tabs. Should we re-upload the same Org. Docs under the JV #1 Org. Docs. tab?

Answer: Based on the information you provided it appears that you are proposing to apply as Co-Sponsors, which are separate entities applying together on an application, one as Sponsor and one as Co-Sponsor each having their own organizational documents. According to the July 2021 NOFA section IV (B), "For purposes of Guidelines Section 7303(a), a Joint Venture is defined as "an association of two or more persons, or entities who combine their property, skill or knowledge to carry out a single business enterprise for profit." A Sponsor formed as a Joint Venture in accordance Section 7303(a) shall comply with the requirements of Section 7303(d). Neither the Borrower limited partnership, nor a network of entities affiliated with a common parent entity are Joint Venture entities within the meaning of this section." A joint venture (JV) would have a joint venture agreement combining the entities into a single new entity with its own organizational documents that would be the Sponsor. Therefore, if you are intending to apply as JV then the appropriate Eligible Sponsor Type must be selected from the drop-down menu on the Project Overview tab of the MHP application. If Joint Venture is chosen for Sponsor 1 additional sections will open. We require not only the organizational documents for the JV but also the partners that create the JV and those would be submitted under the respective sections.

- 1. We are working on a Round 4 MHP application and want to confirm that there is no restriction about the same person signing on behalf of different entities in various organizational documents? An example would be the same person signing on behalf of the General Partner AND the Initial Limited Partner in a Limited Partnership Agreement.**

Answer: Without having the complete application and documentation, we cannot provide specific guidance. Generally, the same individual can sign on behalf of different entities as long as they are authorized to sign on behalf of the various organizations. Please note, the individual attesting to the validity of the Resolution document(s) is someone other than one of the named authorized signatories.

- 2. Section 8 is planned for 100% of the PSH units, but not yet committed or awarded. Is section 8 subsidy commitment/award required at application stage for MHP to receive full funding commitment points?**

Answer: The June 2019 MHP Guidelines Section 7320 (b)(5) provide scoring opportunities for Project Readiness. This includes having Enforceable Funding Commitments (EFC) for all sources of funding, excluding tax credits, equity investor, and Deferred Developer Fee. Please review the Guideline section referenced to ensure you meet all the requirements of this category.

Project Based Rental Subsidies (PBV) are not considered a Development Source therefore an EFC would not be required. PBV are not a factor for scoring opportunities. If your project proposes PBV, then supporting documentation will need to be submitted as shown in the MHP Round 4 document checklist to support the amount indicated on the application.

- 3. Can you confirm that no authorizing resolutions for the Borrower and General Partner entities are required?**

Answer: For the July 2021 MHP NOFA, only the Sponsor Authorizing Resolution is required to be submitted at time of application to satisfy the Threshold requirement. The Sponsor Authorizing Resolution is for the Sponsor and co- Sponsor, to reflect the governing board(s) giving approval to apply for MHP funding.

- 4. Regarding the Borrower EIN Verification (Attachment 9g on the Document Checklist) – we requested EINs via the IRS’s online form and so did not submit IRS Form SS4 or receive a stamped copy in return. Can we submit the IRS EIN confirmation letter as verification?**

Answer: Per the Document Checklist, items 4g, 5g and/or 9g, the IRS Form SS4 is required depending on the application submitted. If the borrower has not been fully formed, Attachments 4g and 5g would need to be submitted. If you are unable to obtain the IRS Form SS4, and an alternate form of verification is submitted, it will be evaluated and a determination as to its sufficiency will be made during application review.

- 5. The Sponsor resolution for my MHP application is based on a previous round's resolution template. I noticed that the MHP website has a new Sponsor resolution template. Will a resolution based on the old template still be acceptable? My board documents deadline was a few weeks ago so I didn't have time to update since the new template was released. Please let me know.**

Answer: The Sponsor Authorizing Resolution template that is currently on the website should be the version that is submitted. Previous versions should be compared to each other and reviewed to ensure the one submitted has all critical items addressed.

- 6. The organization I work for wants to strive for the extra point for the formed organizations. Does this have to be a formed organization with a limited partner, general partner, and managing General Partner, etc.?**

Answer: Per the July 2021 NOFA Section IV (G)(2) and the July 2021 Application, the Document Checklist outlines a list of all required organizational documentation required for the Bonus Point.

- 7. Can the Department provide an example of a Signature Block? What details are needed? As we have 2 sponsors, do we need a separate block for each? Should they include the position & project title?**

Answer: Each Sponsor will submit a signature block in Microsoft Word format. The Department does not provide examples. For specific information that needs to be included on the Signature Block, please refer to your legal counsel.

- 8. For the Sponsor, Borrower, and MGP, should the Signature Blocks we submit be signed or unsigned?**

Answer: Please refer to the MHP Application Document Checklist, attachments #4e, 5e, 6f, 7e, 9d, 10d, 11d, and 12d are related to the Signature Block, are Microsoft Word Documents, and do not require a signature.

Relocation

- 1. Approximately 2,500 sq ft portion of a single building on the site of 6,000 sq ft in size is currently occupied by a commercial tenant. We anticipate that we will relocate this commercial tenant before we start construction and we have included these costs in the development budget, but we have not taken any actions yet. We have consulted with a Relocation Consultant, as this is not a significant amount of non-residential displacement. We have not prepared a Relocation Plan. (Per 25 CCR § 6038, a Relocation Plan is not necessary if the action “will only result in an insignificant amount of non-residential displacement.”)**

Answer: Without the benefit of reviewing a complete application, the Department is unable to determine if a relocation plan is required. Pursuant to NOFA Section IV, at the NOFA application stage, it is too premature to conduct a detailed Relocation review. At this stage the Department only needs to confirm that Relocation is properly budgeted.

Due to the importance of satisfying Relocation Law, the Applicant is encouraged to employ the services of a Relocation Consultant to procure a good faith estimate of the potential Relocation cost, which may (or may not) necessitate a Relocation plan. The importance of satisfying Relocation cannot be understated. It is the responsibility of the Sponsor, Sponsor’s Legal Counsel and/or Relocation Consultant to advise whether a relocation plan is necessary for the project in question. Documentation submitted will be reviewed by the Program and needs to be deemed sufficient and acceptable.

- 2. Is there a required timeframe in which the relocation plan should have been prepared? It was mentioned on the webinar, but I don’t see anything in the guidelines specifying.**

Answer: Relocation plans must conform with MHP Guideline Section 7315(c) which states that the Sponsor shall prepare a Relocation Plan in conformance with the provisions of Title 25 CCR, Section 6038. The Department currently does not have restrictions on the date of the initial relocation plan, however, should the project receive an award, an updated plan may be required.

Relocation plans or other relocation documentation shall be subject to the review and approval by the Department. For further guidance, refer to Section VI of the July 2021 NOFA.

Reports

1. **Question regarding the deadline extension: Are documents that are to be within a certain period from the application date, such as a Prelim Title Report (30 days), Phase I Environmental Report (12 months), etc. still bound to the original deadline of September 20th? We have a few documents/reports that will expire within a day or two of the original deadline.**

Answer: The July 2021 MHP NOFA and the Round 4 Application Document Checklist provide report requirements which include effective dates.

A Phase 1 and/or market study must be dated within 12 months of the application due date which is September 20, 2021. If you have an update provided by the firm that completed the original report and they provided something on their letterhead, that would be acceptable. If they are unwilling to do that, then a full updated report would be required. If a Phase II environmental report is recommended by the Phase I, and the Phase II is dated within 12 months prior to the application due date, the Department would accept an older Phase I.

If the reports submitted met the criteria as listed above, and now fall out of compliance due to the application due date being extended, the Department will accept the reports as long as they met the criteria for the original due date of September 20, 2021.

The only other items that would have an effective date that might be impacted are the Certificate of Good Standing and a Preliminary Title Report. Similar to the above details, if they met the requirements of the original date of September 20, 2021, then the Department would consider them acceptable.

2. **We have a question about the Q&A below. We have a Phase II report that is more than 12 months old, but an updated Phase I. Does the same logic apply as below and will the department accept an older Phase II report if the Phase I is updated?**

Answer: The Multifamily Housing Program would accept the older Phase II report, if the updated Phase I environmental report is dated within 12 months prior to the application due date and it no longer recommended a Phase II. However, if the updated Phase I does recommend a Phase II, an updated Phase II would be required.

3. **Regarding the mold study required for rehabilitation projects (Attachment 50 on the Document Checklist) – does HCD have any specific requirements for what a mold study should include?**

Answer: The Department does not set forth criteria or specifications for the content of a mold report; however, the reports must be prepared by an independent third-party professional having knowledge and experience in the preparation of such reports.

4. **We have both a Phase 1 and a Phase 2 environmental studies. But the Phase 1 is dated March 25, 2019 and the Phase 2 is dated May 7, 2019. Do we need an update letter saying we can rely on the findings?**

Answer: Per the July 2021 Application, Document Checklist items numbered 47 and 48, a Phase 1 and Phase 2 must be prepared or updated no earlier than 12 months prior to application due date.

5. **If my last Market study was conducted on Sept. 9, 2020, since it is only a few days over the market study 12-month requirement, would I still be able to use it?**

Answer: Please see the Round 4 NOFA Section IV(G)(3)(b) and the Round 4 Application Document Checklist #46. Market studies must be dated within 12 months of the application due date which is September 29, 2021. If you have an update provided by the firm that completed the original market study, and they provided something on their letterhead, that would be acceptable. If they are unwilling to do that, then a full updated market study would be required.

6. **If my environmental Phase I (August 2020) is over 12 months old, but my Phase II was recently updated (July 2021), will I still be able to use my Phase I done in August?**

Answer: If a Phase II environmental report is recommended by the Phase I, and the Phase II is dated within 12 months prior to the application due date, the Department would accept an older Phase I.

7. **Under other Environmental Report, is this asking for a soils report?**

Answer: This would refer to **ANY** additional reports that your Project may require.

8. **I'm trying to get the environmental assessments updated for an upcoming submission and hoping you could provide some guidance. Our Phase I and Phase II are both over a year old. In the past, we were able to clarify that only the Phase II needs to be within 12 months if it is required. The Phase II recommended an additional Soil Vapor Study which is also over a year old. Do we need to update both the Phase II and the additional Soil Vapor Study, or could we get away with just updating the Soil Vapor Study?**

Answer: For new construction projects, a Phase I Environmental Site Assessment prepared or updated no earlier than 12 months prior to the application due date is to be submitted as this a Threshold requirement.

If a Phase II environmental report is recommended by the Phase I, and the Phase II is dated within 12 months prior to the application due date, the Department would accept an older Phase 1.

Because the additional Soil Vapor Study was recommended by the Phase II, an updated study is recommended also; however, a Soil Vapor Study alone would not be an acceptable document replacing the Phase I or Phase II.

Scoring

- 1. With the evolving deadlines for various HCD programs, it makes sense to clarify the status of the AHSC and IIG programs for MHP. Will AHSC and IIG be considered as “funding to be provided by another Department program awarded prior to final rating and ranking for the MHP application”?**

It appears that IIG awards will be announced in the near future, so affirmation that winning IIG will count as committed for MHP would be very helpful.

For AHSC, I have heard that the award announcements have been pushed back, yet with the larger NOFA size it should be very obvious which projects will be funded and which will not. Can you please provide clarification on how AHSC applicants should proceed?

Answer: With MHP applications due by 5pm Monday, September 29, all supporting documentation, inclusive of EFC's would need to be submitted.

With that being said, MHP Guidelines Section 7320 (b)(5)(A)&(D) provide scoring opportunities for Construction Sources and Permanent Sources of funding. EFC's would need to be provided at the application due date along with meeting the requirements of (A)&(D). With AHSC and IIG (or any Department source listed), if awards or commitment of an award are received by the time of final rating and ranking of MHP, then MHP would consider these committed funds. Prior to final rating and ranking in MHP, we would reach out to those programs to confirm award status. That's not something we would require our applicants to do.

Unfortunately, our program is unable to confirm when AHSC will be announcing their awards, but we would reach out to that program just prior to our final scoring.

- 1. I am working on a project that is 100% supportive housing. We have 66 studio units and 1 unrestricted manager's unit. All 66 studios are supported by Project Based Vouchers and will be supportive housing targeted to people experiencing homelessness and chronic homelessness. The manager's unit will be occupied by an employee, and as such will not carry income or occupancy restrictions.**

In the leveraging calculation on the "Scoring" sheet, row 89(i) shows that 98.5% of the project is supportive housing. It appears to be dividing 66/67, but our manager's unit is an unrestricted unit.

The regulations define this calculation as percentage of restricted units that are supportive housing units. Since our manager's unit is not restricted, it should be excluded from this calculation.

Please advise how best to complete so that it can correctly show that this is a 100% supportive housing project.

Answer: For the purpose of leverage of other funds, the Manager's Unit is counted as a Restricted Unit. Manager's Unit is in the definitions of the MHP Guidelines Section 7301(o) and states it will be considered a Restricted Unit for the purpose of allocating development costs, which is why it is included in the leverage of funds calculations.

- 2. Land Use Approval: In the same "Local Approvals and Environmental Review Verification" form – is this only completed by local agency when requesting the full three points under Land Use Approvals section? For projects seeking two or one points do those only require a letter from a planner?**

Answer: The Local Jurisdiction and Verification form located in the MHP Round 4 application must be completed by the local jurisdiction or governing body as this is a Threshold requirement. See Guidelines section 7320 (b)(5)(C) for supporting documentation that is required for each point category.

3. Enforceable Commitments: Will an MOU suffice as EFC for City lender?

Answer: A Memorandum of Understanding could be submitted for a City Lender, however, if seeking points for scoring, an MOU would not be considered an EFC and a commitment letter would be required. Please see 7320(b)(5)(A) and 7320(b)(5)(D) for additional information on Enforceable Funding Commitments.

4. I just wanted to ask a clarification question on one of the scoring criteria for the MHP program. In section 7320(b)(2)(D)(i) to be awarded the five points the project can either be a new construction project, or it can be rehabilitation of units that prior to the rehabilitation happening were not rent or income-restricted? Is it correct to assume that a new construction project will automatically be awarded those 5 points?

Answer: Pursuant to 7320(b)(2)(D)(i) and reflected in the Addressing Most Serious Local Housing Need section of the Scoring tab of the Round 4 MHP Application, five points will be awarded to projects consisting of the new construction of units.

5. I have questions as to whether a project located in High or Highest Resource area get points for being an infill development? Section 7320(b)(6) says: “Except for Large Family new construction projects located in “High Resource” or “Highest Resource” areas, which shall be scored in accordance with subsection (D) below, applications will receive five points for meeting each of the following three conditions, up to a maximum of 15 points.”

Answer: Large Family, new construction projects located in a “High Resource” or “Highest Resource” area as shown on the TCAC/HCD Opportunity Area Map, are not eligible for the infill development points described in MHP Guidelines, Section 7320(b)(6)(A).

6. For the bonus point, if the fully formed entity has two General Partners, one Managing GP and one Special Limited or Administrative GP – do we need to have resolutions from both GP to received points?

Answer: A Sponsor Authorizing Resolution would need to be provided by the application due date for all Sponsor(s) as this is a Threshold requirement. Resolutions for all other entities, inclusive of General/Managing/Administrative partners, are not required at the time of application. Please refer to the MHP Round 4 document checklist and Entity org doc tab, that identifies documentation required for the bonus point. Additionally, the July 2021 MHP NOFA Section IV (G)(2) provides additional clarifications and requirements for the Round 4 Bonus Point.

7. I am reaching out in regard to the Fall 2021 funding round for HCD's MHP program. I have a couple of questions regarding the scoring system:

- a) In Section 7320(b)(5)(B) the Guidelines state that "four points will be awarded for adoption or certification of all necessary environmental reviews (California Environmental Quality Act and National Environmental Policy Act)". The project we are planning to apply to MHP with is categorically exempt from CEQA and has started the NEPA process but may not be complete with NEPA at the time of application. However, in HCD's IIG program, the NEPA requirement was waived for projects which only triggered NEPA with project-based vouchers, which is the case for this project. Will this provision be applied in the MHP program as well, therefore allowing our project to get these 4 points?**

- b) In Section 7320(b)(5)(D) the Guidelines state that "four points will be awarded for obtaining commitments for all deferred payment financing, grants and subsidies, excluding tax credits, and in accordance with TCAC requirements and with the same exceptions as allowed by TCAC. Deferred-payment financing, grant funds and subsidies from other Department programs proposed for Project financing must be awarded prior to final rating and ranking for the MHP application." Our project applied for HCD's IIG program, which isn't scheduled to announce awards until October. Since IIG would not have a funding commitment at the time of the MHP application, does this mean our project cannot get these points?**

Answer: To obtain points in category 7320(b)(5)(B), projects that have any federal funds, including Operating Subsidy, NEPA would be triggered and the Authority to use Grant Funds is needed at the application due date. Project-Based Vouchers would not trigger NEPA.

To obtain points in category 7320(b)(5)(D), Sponsor must obtain, at application due date, commitments of all permanent financing, including bond lenders, but excluding tax credits and bond allocation. For other HCD funding sources, such as IIG, funding must be awarded prior to MHP applications' final rating and ranking to obtain points.

As a reminder, it is essential to indicate in the MHP application (Project Overview Tab) the specific other HCD funding source program which you have applied for, loan amount, grant amount, awarded or not awarded at time of application due date, and anticipated award date, if applicable.

- 8. We are looking at submitting a project in the special set aside for the set aside pursuant to the Executive Order N-06-19. I am wondering if this would qualify for full readiness points on CEQA (4pts) and Land Use (3pts), as it has been specifically designated for Affordable housing by the State of California and the Lead Agency for CEQA review?**

Answer: To qualify for the excess site funding available pursuant to Governor Gavin Newsom's Executive Order N-06-19, you would need to submit a Request for Information (RFI), followed by a Request for Qualifications (RFQ), and if approved, a Request for Proposal (RFP) starting with the Department of General Services (<https://www.dgs.ca.gov/OFAM/Services/Page-Content/Office-of-Fleet-and-Asset-Management-Services-List-Folder/Reutilize-State-owned-Personal-Property>). At that time, you would be advised what source of funding you could apply for, which could include funds set aside with the Multifamily Housing Program (MHP). All applications, regardless of a set-aside and including the Excess Sites executive order, will be subject to minimum Threshold, Scoring, and Feasibility requirements for all programs and funding rounds going forward.

If the project were to be submitted for MHP Round 4, it would not qualify as an excess site project and would be subject to all Threshold, Scoring, and Feasibility requirements.

9. **The MHP Guidelines note: “Five points will be awarded for projects achieving the maximum possible score available for using sustainable building methods under the TCAC Regulations, Section 10325(c)(5) or successor regulation.” TCAC no longer has sustainable building methods points. 10325(c)(5) is now “Reserved” in the TCAC regulations. How will this be addressed in the scoring?**

Answer: We are aware that TCAC has changed the Sustainable Building Method from a scoring category to a threshold requirement. As stated previously, MHP Round 4 is still subject to the June 2019 MHP Guidelines, which has Sustainable Building Methods as a scoring opportunity.

MHP does not verify with TCAC the points that are obtained in this area. To be awarded 5 points, you will need to complete the narrative block within the application, describing how you achieved minimum construction standards to meet TCAC Threshold requirements. Additionally, you would need to submit the required documentation per the application document checklist.

10. **We will be submitting an MHP Round 4 application, due September 29th on behalf of XX Senior Apartments. A couple of us attended the MHP Round 4 Webinar, yesterday, and it was brought to our attention that MHP requires 15 points under the Site Amenity scoring category. This is also consistent with TCAC guidelines and consistent with MHP Round 3 Site Amenity scoring.**

XX Senior Apartments will be submitting a 4% joint TCAC/CDLAC application in February 2022. An email received confirms that in a joint application, TCAC defers to CDLAC for final scoring. The email received also confirms that in a 4% joint application (which XX Senior Apartments is) CDLAC requires 10 points, not 15 points under the CDLAC Site Amenity scoring category.

Please clarify if it should be 10 or 15 points under the 4% Site Amenity category?

Answer: MHP Round 4 is still subject to the June 2019 MHP Guidelines. MHP does not verify with TCAC/CDLAC the points that are obtained in the Site Amenity category. TCAC has adopted regulations effective June 16, 2021 and addresses scoring in 10325(c)(4). It is the responsibility of the Sponsor/Applicant to ensure they have met the TCAC/CDLAC requirements.

To be awarded 5 points in Guidelines Section 7320(b)(6)(B) Proximity to Amenities, you will need to complete the narrative block within the MHP Round 4 application, in addition to providing supporting documentation as identified in the MHP Round 4 document checklist. Documentation submitted will be reviewed by the Program and needs to be deemed sufficient and acceptable in order to be awarded points.

- 11. We are planning to submit an application in the upcoming MHP round and have a couple of questions/requests:**

The proposed project is Large Family, 67 units. It will also have 16 units set aside for individuals with intellectual and developmental disabilities (IDD) pursuant to an award of Section 811 vouchers through CalHFA. Given these Special Needs units, I understand we do need to complete the Supportive Services Plan worksheets.

Is it possible for you to direct me to a past successful application that has a supportive services plan for an IDD population? The local regional center has not completed one before and asked to see a sample. Our entity has submitted many MHP applications with SS plans, but mostly for homeless/supportive housing units, not for IDD. Would the Regional Center be considered our lead service provider in this case?

We also have 20 traditional project-based vouchers and we may need to provide some level of services to those units, but we do not plan to restrict them to homeless households so I don't think they would need to be part of our supportive services plan but please correct me if I'm wrong.

Points for Infill development: Does a linear park count as an urban use? Our site has multifamily buildings on two sides, half commercial/half vacant on one side, and a linear park on the 4th side. The vacant site only represents 12% of the perimeter. I am assuming the linear park would count as an urban use and we can get the points in this category but wanted to confirm.

Answer: The Department is unable to answer project specific questions, as we do not have the complete application and supporting documents.

To your first bullet point: You are correct regarding needing a Supportive Services Plan (SSP) when the project has either Supportive Housing (SH) or Special Needs Populations (SNP) units per the Round 4 NOFA Section IV(G)(1)(d)(e) and IV(G)(3)(h)(i-vii). The SSP within the MHP Round 4 Application now encompasses all SH and SNP populations. Please refer to Guidelines Section 7301(z) and 7301(aa) for definitions of those populations. If the target population is not defined, you would not select SNP or SH units and a SSP would not need to be provided. Please see the Guidelines Section 7324(d)(13)(A-M) and the MHP Round 4 Application Document Checklist regarding requirements for SH and SNP Units, if it applies to your proposed target population.

Unfortunately, we cannot direct you to a past application with a Supportive Services Plan for an IDD population as we have yet to receive an application with that identified population.

The Regional Center can be considered a lead service provider.

The 20 PBV are a rental subsidy and do not define a target population nor do they trigger a requirement for a SSP.

To your second bullet point: Based on the information provided, the linear park may not be considered as Infill. Please see Guidelines Section 7320(b)(6) for more information regarding Infill Development and what can be defined as urban use.

- 12. Two-part question: 1) I want to confirm on scoring that vouchers do not need to be committed at time of application, that a letter of intent from the Housing Authority is sufficient. 2) If that's the case, then I just want to also confirm that a Tranche B perm loan will count as committed when it comes to 7320(b)(5)(D) as that Tranche is based on the subsidy income from the vouchers?**

Answer: The June 2019 MHP Guidelines Section 7320(b)(5) provide scoring opportunities for Project Readiness. This includes having Enforceable Funding Commitments (EFC) for all sources of funding, excluding tax credits, equity investor, and Deferred Developer Fee. A Tranche B loan, if listed as a Development Source, would need to have an EFC submitted to potentially be awarded points. Please review the Guideline section referenced to ensure you meet all the requirements of this category.

Project Based Rental Subsidies (PBV) are not considered a Development Source. Therefore, an EFC would not be required. PBV are not a factor for scoring opportunities. If your project proposes PBVs, then supporting documentation will need to be submitted as shown in the MHP Round 4 document checklist to support the amount indicated on the application.

- 13. Our project has development on the North end, partial on the West. On the East there is largely vacant land but has been developed to include a trail and landscaping and will be home to large park development. Would the trail qualify as any of the highlighted above? Is this language to say that parks/trails will not be used in the calculation of the meeting the 75% of the perimeter requirement?**

That leads to my larger concern that the definition of what qualifies as Urban Use doesn't seem to specifically state "Recreational Uses" such as parks or trails, only the mention of "improved parks" which does not shed light on what kind of parks are permitted. Before Final Guidelines are published it would be beneficial to include/clarify recreational uses in this language as many projects are located near parks and other publicly accessed sites. Similarly, to AHSC, language that states anything "Currently Developed" qualifies as Urban Use and would likewise be appropriate to reduce the grayness of what qualifies as Urban Use.

Answer: Based on the information provided, the Department is unable to provide a determination without review of a complete application and supporting documentation. MHP Guideline Section 7320(b)(6)(A) states 'Five points will be awarded for infill development, including adaptive reuse of vacant and underutilized commercial or industrial building located in a developed area served with public infrastructure'. The sponsor must provide a completed MHP application, selecting on the Scoring Tab the applicable option as it applies to the Project. Supporting documentation must also be provided which must include aerial photos of the proposed site (Attachments 58 and/or 59 on the MHP Application Document Checklist). The Department recommends that the application include a thorough explanation as to why you believe this project would qualify for points in this category.

14. **When calculating the unit mix and its points and to earn 10 additional points, is the manager's unit considered in the calculation?**

For example, we have a total of 50 units for a Senior Development. According to the guidelines, 20% of the larger units must be at 25% or 30% AMI for 10 additional points. In our project, 6 units including the manager's unit, are two-bedroom units (the largest) and the remainder are 1-bedroom units.

Answer: Per MHP Guidelines 7320(b)(1)(B) Project Selection: An additional 10 points will be awarded to projects where at least 20 percent of the Restricted Units are restricted as follows:

- To households with incomes not exceeding 25 percent of AMI, in counties where AMI exceeds 150 percent of median family income for California, as reported by HUD (currently San Francisco, Santa Clara, San Mateo and Marin counties); or
- To households with incomes not exceeding 30 percent of AMI, in other counties. The managers unit is not considered in the calculation.

15. **We understand that 4% federal/state credits and bonds will continue to be counted in the Leverage of Other Funds scoring. Could you confirm if our understanding is correct?**

Answer: There has been no change to the leverage calculation.

Non-Tax Credit projects will receive the full 20 points for Leverage of Funds.

16. **TCAC requires that developer fee in excess of their developer fee cash limit (paid from development fund sources) be contributed either as General Partner Equity or deferred developer fee paid from cash flow. The developer fee that is contributed as General Partner Equity is treated as a capital source for the project and is not repaid back to the sponsor. In the Leverage of Other Funds of the Scoring worksheet, it notes that deferred developer fee should be excluded from the scoring -- which we agree is reasonable. However, we would like to confirm that developer fee contributed as General Partner Equity will be counted in Leverage of Other Funds.**

Answer: HCD interprets GP Equity to mean tax credit equity proportional to the GP interest. A GP Equity Contribution to be a “contribution” in the sense that it is tax credit equity foregone. A Developer Fee Contribution, which is strictly a TCAC convention, is considered deferred developer fee, regardless that it will not be paid. The understanding is that TCAC requires excess developer be “deferred or contributed as equity”; however, HCD has no comparable requirement. Deferred developer fees, including developer fee contributions, are not included in leverage calculation for MHP.

17. **Please confirm: The alternative scoring method, 7320(b)(3)(e), only applies to projects that have greater than 70% special needs units AND elect to use this scoring method. Projects with over 70% special needs units may elect not to use this scoring method if they choose, and just use the standard scoring for section 7320(b)(3)?**

Answer: Your understanding is correct.

Additionally, Tribal Entities may elect to use the Alternative Scoring method.

18. **If a project is a large family project claiming the 10% CES pts in the local needs’ points section, is the project required to show sponsor SH experience and a Service Plan?**

Answer: To garner points under 7320(b)(2)(C), a project has to have at least 10% of the Restricted Units restricted under the Program regulatory agreement for occupancy by Homeless households, with vacancies filled by the CES.

A Supportive Housing (SH) or Special Needs Population (SNP) project, or a project that has SH or SNP units that are assisted by other awarded HCD funds, must submit a Supportive Services Plan. In the MHP application, Project Overview tab, additional tabs will open once the SH or SNP radial button is selected.

For projects with SH or SNP units, you will need to complete tab S5- Supportive Services Verification.

For an SNP project type or projects with SNP units, tab S4- Special Needs Experience will need to be completed.

- 19. Based on our understanding (that 4% federal/state credits and bonds are included in Leverage of Other Funds), we don't believe that bank commitment letters should be required. Due to the current market conditions, many bank lenders require credit committee approval and/or more strict underwriting in order to provide commitment letters for applications. Commitment letters were not previously required for MHP applications and we do not understand need for commitment letters for the current MHP round.**

Answer: In the past, 4% tax credits and bond financing were considered “committed” due to their non-competitive nature. This changed when CDLAC made the bond allocations competitive. Although the allocation itself does not require a commitment, to receive points in readiness under Guidelines Section 7320(b)(5)(A) &(D), a commitment from a bond lender is required.

- 20. The Round 4 NOFA seems to indicate that operating subsidy commitment letters are required for Project Readiness. In the previous MHP Round 2 FAQ, HCD confirmed that commitment letters are not required for both rental subsidies and operating subsidies. For this current round, why are operating subsidies treated differently from rental subsidies?**

Answer: Per Guidelines Section 7320(b)(5)(D), to receive points in this category, operating subsidies must be committed, as evidenced by letters of intent, commitment letters, grant awards or subsidy contracts, or, if commitments are not available, other documentation such as a reservation or third-party letter stating the following: total subsidy and estimated first year allocation, date or expected date of award, and term (in years).

Project-based rental assistance does not need to be committed at time of application, but a fully executed contract will be required prior to MHP loan closing. Projects having or proposing project-based rental assistance must provide documentation of current contract rents. Projects having or proposing project-based rental assistance shall fund a Transition Reserve in accordance with Guidelines Section 7312(f)(2).

- 21. In prior rounds, HCD counted other Restricted Units (such as NPLH and VHHP) towards the 10 percent of Restricted Units points. Could you please confirm that you will continue to permit this?**

Answer: Points will be awarded under section 7320(b)(2)(C) where at least 10% of the Restricted Units are restricted under a **Department Program** regulatory agreement (e.g., NPLH or VHHP) for occupancy by homeless households, with vacancies filled by referrals from the local coordinated entry system, when and where this system is actively referring households to housing.

Where these units are to be restricted only under the MHP regulatory agreement, the units must be identified as either Supportive Housing or Special Needs **MHP Assisted Units**, and a services plan must be included with the application.

- 22. If we are using State Credits in our Proforma, we receive full permanent commitment points correct? We can count those as committed without any other supporting information.**

Answer: In the past, 4% tax credits and bond financing were considered “committed” due to their non-competitive nature. This changed when CDLAC made the bond allocations competitive. Although the allocation itself does not require a commitment, to receive points in readiness under Guidelines Section 7320(b)(5)(A)&(D), a commitment from a bond lender is required.

- 23. With regards to item 53 – Local approvals or more specifically Scoring Tab Project Readiness (C)(iii), is there a specific set of verbiage that needs to be conveyed from the City where the project is, or is the exact verbiage from Section(C)(iii) is acceptable?**

Answer: Item 53 – Local Approvals – in the Document Checklist of the MHP Application is a Threshold requirement.

With regard to Project Readiness 7320(b)(5)(C)(iii), the Department does not have specific verbiage. However, in order to garner points in this section an opinion letter from a planner certified by the American Institute of Certified Planners indicating that the project meets all the requirements for approval under the nondiscretionary local approval process, where an application has not been approved or disapproved by the local authorities would be required.

- 24. We applied for and received VHHP funding earlier this year. We have a whole series of financing letters we submitted with that application. Can we provide the same letters for the MHP application or do we need entirely new letters? Or can we simply have the same agencies and groups simply change the dates and re-sign.**

Answer: Per MHP Guidelines Section 7320(b)(5), enforceable funding commitments should represent and support the terms provided in the Development Sources (Dev Sources tab) of the MHP Application. Therefore, new letters may be required.

25. Is a rural project subject to both the infill requirement (% of site AND the minimum 10 DU/acre density)?

Answer: To garner points under 7320(b)(6)(A), a project (including Rural) must meet the requirements of both (i) and (ii).

Site Control

1. Regarding site control (line 144 on the Project Overview tab of the Master Application) – how should scattered site projects with different current owners’ evidence more than one form of site control? For example, we are assembling two parcels with different owners, and have a DDA with one owner and a PSA with another owner.

Answer: Site control must meet requirements set forth in UMR Section 8303. Site Control of scattered sites have the same requirements as a single parcel. Site control must be established through the appropriate document for each site (Purchase Agreement, DDA, ENA, etc.). Additionally, each site must have control established by the time of construction to the same borrower, and the contract should be to Sponsor, Borrower or a sponsor-controlled affiliate. Site control must be established through the expected award date of December 2021.

2. What site control evidence is needed for a project with a ground lease?

Answer: Please refer to the Round 4 NOFA Section IV(G)(c) and 2017 UMRs Section 8303(a) (2&3)

3. We expect to receive a sliver parcel (a portion of the right of way) from the City to be used as a part of the overall project. We already own the majority of the land relating to the project. It is expected to go to City Council in late September after the MHP due date. Is full site control required at application stage? Or would the draft resolution for the City Council meeting be sufficient?

Answer: UMR Section 8303 provides the requirements of Site Control, which can include Scattered Sites. A Sponsor, or Sponsor controlled entity, must have Site Control of all parcels, sites and land associated with the Project at the time of Application Due Date. Applications for Round 4 are due September 29, 2021. It is the responsibility of the Sponsor to submit all supporting documentation as listed in the MHP Round 4 document checklist to evidence Site Control. Draft documentation would not be deemed acceptable, as the Department would require fully executed documentation, as applicable.

Supportive Services/Special Needs

- 1. We were awarded VHHP in 2020 for 20 of the 60 units, and the 20 units are SN/SH. In the current MHP round, we will be applying for MHP funds without stacking – in other words the MHP assisted units will be family units. Can we apply solely as Large Family, or do we have to check the boxes and meet the submittal requirements for Special Needs and/or Supportive Housing types? Thank you for clarifying.**

Answer: Based on the information provided, it is unclear if you meet the requirements of a Large Family pursuant to MHP Guidelines 7302(e). Additionally, the Department cannot make recommendations on how to structure the application as it relates to Project type.

However, if your proposed project applies and meets the eligible project type requirements of Supportive Housing (SH) or Special Needs Population (SNP) as a result of the VHHP units in the project (also pursuant to 7302(e)), then all respective SH and SNP documentation would be needed. Please see Guidelines Section 7324(d)(13)(A-M) and the MHP Round 4 Application Document Checklist attachments 20-30 regarding requirements for SH and SNP Units.

- 2. Could you please confirm; I'm unable to verify if I need to submit an actual Services Plan (PDF) that addresses/includes all the items in the MHP Guidelines 7324 (13) in addition to filling out all the Supportive Services Tabs in the actual MHP Application?**

Answer: Based on the information you have provided the Department is unable to determine what type of project you are proposing. However, MHP Guidelines Section 7302 identifies the requirements for an Eligible Project. If your project qualifies as a Supportive Housing (SH) or Special Needs Population (SNP) project type or is a project that has SH or SNP units, a Supportive Services Plan (SSP) would be required. Please refer to the MHP Round 4 Application, Project Overview tab, selecting SH or SNP as applicable, which will open up the appropriate sections in the application. Please note, qualifying as an Eligible Project and submission of a Supportive Services Plan are Threshold requirements. The MHP Round 4 application identifies the supporting documentation that would need to be submitted in the document checklist (attachments 20-30, as applicable). Documentation submitted will be reviewed and must be deemed acceptable by the Department.

- 3. Our project is 50 units of senior housing with 10 units designated as supportive housing. We have an MOU with XX Services to be our lead services provider. This will be provided in section #24. However, sections 25 & 26 also ask for LSP contracts basic for non-sponsors, can you clarify what this means and how it's different from the LSP for section 24?**

Answer: Thank you for the opportunity to clarify. The Lead Service Provider requirements pertain to Supportive Housing Projects or projects proposing Supportive Housing units. The LSP provides comprehensive case management services (individualized services planning & the provision of connections to mental health, substance use, employment, health, housing retention) and may also coordinate with other agencies that do so.

Attachments 23-27 on the MHP application must be submitted for LSP (Sponsor/Provider). Attachment 24 of Document Checklist is specific to the experience of the Lead Service Provider which is evidenced by executed contracts that identify the Project name, scope of work; term of contract or agreement; and execution page(s) showing all signatures of all parties to the contracts. Attachments 25 & 26 are to be submitted only by LSP's who are non-sponsor providers and are specific to the Letter of Intent for the project for which you are applying for currently. I hope that helps, feel free to reach out with any additional questions.

4. **We have a project that may have up to 32 units assisted. Out of a total of 100 units, 25 units will be VASH units restricted for PSH with services provided by the VA. Another 7 units may be PSH with PBV from the County of Santa Clara with services to be provided by the Office of Supportive Housing. The MHP applicant/sponsor will oversee/coordinate these services as well as provide other services to all 100 units. In regard to Checklist Items 23-30, who would be considered the LSP? Which checklist items apply to Sponsor and non-sponsors?**

Answer: The LSP requirements pertain to Supportive Housing Projects or projects proposing Supportive Housing units. The LSP provides comprehensive case management services (individualized services planning & the provision of connections to mental health, substance use, employment, health, housing retention) and may also coordinate with other agencies that do so.

Document checklist items 23-27 on the MHP application must be submitted for LSP (Sponsor/Provider). Document Checklist items 25 and 26 are to be submitted only by LSP's who are non-sponsor providers.

5. **I am inquiring about an MHP definition interpretation. The question is regarding Special Needs Populations and whether a child with serious mental/emotional illness would qualify the household under the MHP definition. The MHP SNP use of the word "individual" would appear to include a child, adolescent, in the definition, similar to the NPLH program, but we would like your opinion.**

Answer: We are unable to answer project specific questions, as we do not have the complete application and supporting documents.

The June 2019 MHP Guidelines Section 7301(z) identifies the targeted populations that qualify as Special Needs Populations, one of which is "individuals living with developmental disabilities, serious mental illness or substance abuse disorders." Individuals living with emotional illness is not a defined, targeted population. Supporting documentation submitted will be reviewed by the Program and needs to be deemed sufficient and acceptable.

As a reminder, if you intend to submit an application with Supportive Housing or Special Needs units, an initial supportive services plan must be submitted at time of application due date since this is a Threshold requirement.

6. **We're trying to determine if our Resident Services Team would qualify us to put units here for the increased maximum services costs. We have Resident Services Supervisors who are responsible for oversight and quality control of Resident Services Coordinators across multiple buildings, and we track resident outcomes through updates to individual services plans. Does this qualify? Or does this refer to having a data services person exclusively dedicated to the MHP assisted units at the project for which we are applying to MHP for funds?**

Answer: The section of the Supportive Services tab you reference is regarding the Use of Operating Cash Flow. UMR 8314(e)(3) refers to costs per units for other units where the Sponsor, their affiliate, or service provider is under contract to provide Supportive Services at the project and meets the criteria set forth in UMR 8314(e)(3)(A) and (B). Please refer to the instructions in red on the Supportive Services Costs tab to determine where to put the number of units. It is the responsibility of the Applicant/Sponsor to interpret and apply the guidelines and regulations to the project. The Department is unable to answer project specific questions prior to the application due date of September 29, 2021 to ensure there is not a competitive advantage provided to any applicant.

7. **I am applying to the MHP NOFA due next month and I have a few questions on some of the attachments.**

Can you confirm what specific details or attachments you will be wanting to go along with the statement of qualifications for Property Management, Sponsor, Principal, and LSP? Does this just include resumes and a list of projects? Does MHP need any other additional information for any of these items?

In addition, if we are not relying on the past experience of our principal for developer points, do we still need their cert of past employment?

Answer: The June 2019 MHP Guidelines Section 7303 identifies the requirements of an Eligible Sponsor, which is inclusive of Experience requirements. If the Sponsor is relying on the experience of a Principal (individual), the July 2021 MHP Round 4 NOFA provides additional clarification in Section IV (B). Please see the MHP Round 4 document checklist, located in the application, for documentation requirements. Attachments 36-38 would need to be submitted to support the experience of a Principal by the application due date. It is the responsibility of the Sponsor/Applicant to submit supporting documentation that will be reviewed and must be deemed acceptable. Please note, being an Eligible Sponsor is a Threshold Requirement.

MHP Guidelines Section 7302 identifies the requirements for an Eligible Project. If your project qualifies as a Supportive Housing (SH) or Special Needs Population (SNP) project type or is a project that has SH or SNP units, a Supportive Services Plan (SSP) would be required. Please refer to the MHP Round 4 Application, Project Overview tab, selecting SH or SNP as applicable, which will open up the appropriate sections in the application. Please note, qualifying as an Eligible Project and submission of a Supportive Service Plan are Threshold requirements.

The MHP Round 4 application identifies the supporting documentation that would need to be submitted in the document checklist. Documentation submitted will be reviewed and must be deemed acceptable by the Department. Please review the attachments listed under Supportive Housing or Special Needs Units to determine what is applicable.

The July 2021 MHP NOFA Section II and Guidelines Section 7303 provides the requirements and clarification if the Sponsor is using the experience of a Principal to qualify as an Eligible Sponsor. The MHP Round 4 application identifies the supporting documentation that would need to be submitted in the document checklist. Documentation submitted will be reviewed and must be deemed acceptable by the Department. Please review the attachments listed under Experience of a Principal. Please note, qualifying as an Eligible Project is a Threshold requirement.

MHP Guidelines Section 7320 (b)(3) provides a scoring opportunity for Sponsor Experience. The supporting documentation as identified under Experience of a Principal in the MHP Round 4 document checklist will be reviewed and must be deemed acceptable by the Department.

It is the responsibility of the Sponsor/Applicant to ensure they meet the requirements as identified in the section cited.

8. I have a couple of questions regarding MHP July 2021 NOFA Questions:

Supportive Service Plan: For projects exceeding 49% of units restricted to occupancy by persons with disabilities due to restrictions by other funding sources do we need to request approval from HCD? i.e.: HCIDLA requires 50% of units to be chronically homeless which are defined as a “disabled population” by HCD NOFA Appendix A so for two of our projects we are setting aside 50% of units (less managers unit) as chronically homeless.

Answer: MHP Guidelines Section 7302(g)(2) refers to MHP not assisting more than 49% of units restricted to occupancy by persons with disabilities. This limitation shall not be interpreted to preclude occupancy of any Project Units by persons with disabilities, or restrictions by other funding sources, including but not limited to TCAC, that result in more than 49% of total Project Units being restricted to persons with disabilities. Prior approval is not required.

9. We are working with a client on an MHP application for the upcoming round. It will be a rehab project and is currently housing formerly homeless residents though the current residents did not come through the Coordinated Entry System. They are prepared to use CES for new incoming residents, but we wanted to make sure that there are no issues with the fact that they have not used CES thus far.

Answer: Per MHP Guidelines, Section 7303(f)(5), vacancies for Supportive Housing units must be filled by referrals from the local Coordinated Entry System (CES), when and where this system is actively referring households to housing. See definition of “homelessness” under MHP Guidelines section 7301(l). Under this definition, current residents who qualified at initial occupancy would not be affected by the CES requirement, however the CES requirement would be applicable going forward.

10. I am trying to interpret the current MHP Guidelines, with respect to an anticipated occupied rehab in Oakland (Alameda County). In particular, I want to determine if we qualify as meeting “serious housing need” under Section 7320(b)(2). The property is fully occupied, and is subject to a HAP agreement, with 100% of units reserved for homeless households. All current residents qualified as homeless upon initial occupancy. However, I am not sure that Coordinated Entry was or is being used to fill vacancies. Certainly, a number of residents arrived before coordinated entry was active. Given our circumstances, are we likely to get points under Section 7320(b)(2)(C)?

Answer: In order to claim the 5 points in Section 7320 (b)(2)(C) – Most Serious Local Housing Need – the Sponsor must meet the requirements as noted below:

- 10 percent of the units must be set aside for Homeless Households.
- Vacancies must be filled by referrals from the local Coordinated Entry System (CES), when and where this system is actively referring households to housing.

See definition of “homelessness” under MHP Guidelines section 7301(I). Under this definition, current residents who qualified at initial occupancy would not be affected by the CES requirement, however the CES requirement would be applicable going forward.

11. I am preparing an application for the upcoming MHP round and have a few questions about the Supportive Services Plan requirements:

The “Collaboration” section under Part VII of the Supportive Services Plan states that “Project sponsors must document collaboration between two or more service providers,” and later clarifies that cooperation between intra- organizational service programs, groups or departments meets this requirement. Would a contract with TNDC’s Tenant and Community Services department, who will be providing social workers and the associated service coordination to the project, qualify the project for this requirement?

Answer: The Department is unable to answer project specific questions without the complete application and supporting documents. When selecting Special Needs or Supportive Housing Project Type (for actual Project Type or for SNP or SH units), the Supportive Service Plan tab will open. Part VII, Collaboration, lists the requirements of, and what is allowable for, collaboration.

12. I have a clarification needed for the MHP application. Do we need to submit a fully executed MOU for the Lead Service Provider of the project or will a letter of commitment count?

Answer: Per Guidelines Section 7302(f)(3), a written agreement between the lead service provider and Sponsor or project owner satisfactory to the Department, must be submitted with the Program application. References to this requirement can also be found in the MHP Application under the S1-Supportive Services Tab and on the Document Checklist as Attachment #24.

13. Can you confirm that no Coordinated Entry System narrative is required?

Answer: A Coordinated Entry System (CES) narrative is no longer a requirement on the MHP Application Document Checklist. For further detail on the CES, as it relates to eligible projects, please refer to 7302(e)(4) and 7302(f)(5). As it relates to scoring, please refer to 7320(b)(2)(C). Additionally, the opportunity to describe how the CES will be used for selecting tenants can be found in the MHP Application under the “S1-Supportive Services Plan” tab in Part I.

14. Can you confirm that Sponsor Comps are not required, unless the Special Needs Alternative Scoring is utilized?

Answer: Sponsor Comps (notice of completion, place in service, cert of occupancy or equivalent) are not required, unless the Special Needs Alternate Scoring Method is utilized.

However, HCD does require operating expense comparables as outlined on the MHP Application Document Checklist, item #19. Applicable information must also be included in the Scoring tab of the MHP Application under Development and Ownership Experience.

15. The application we are submitting is for supportive housing. Do we need to complete the portion called Special Needs?

Answer: If the project being submitted does not qualify as a Special Needs Project Type or does not contain any Special Needs units, the S4 – Special Needs Experience tab is not required to be completed.

16. If a project is not special needs or supportive, will checklist items 20-30 still be required as they are not really applicable?

Answer: Supportive Services Plan and related checklist items are only required for projects that include Special Needs Populations or Supportive Housing restricted units as defined by MHP Guideline Section 7301(z) and (aa).

17. If we intend to submit a senior application that has nominal special needs tenants and county services are tied to the vouchers, do we need to provide a supportive service plan and complete the supportive service section of the application?

Answer: Supportive Services Plan will be required for all projects that include any Special Need Populations (SNP) units.

Please refer to the June 2019 Guidelines Section 7301 for Special Needs Populations Definitions and July 2021 NOFA Section IV(G)(3)(h) for minimum threshold requirements.

When completing the MHP Application, the Special Needs project type check box on the Project Overview tab, must be selected to ensure all required Special Needs tabs populate.

- 18. On the Supportive Services Plan Verification, if there are several supportive service providers for a project, can the verification be signed by different funding or regulatory agencies indicating review of program specific services (e.g.) mental health services vs. other types of services) that they are adequate and appropriate for the proposed target population? Can there be several verifications? Or, is there to be only one supportive services verification for the entire service plan? Specifically, I am trying to determine if a service provider is only providing mental health services for example, can the regulatory agency provide a verification that the proposed services have been reviewed and are adequate and appropriate, while another agency review and provides verification of adequacy and appropriateness of other services. Or, does one agency need to review the entire supportive services plan and provide a verification of adequacy and appropriateness?**

Answer: In the MHP Application, select the radial button on the Project Overview tab that is applicable for the project. In order for any of the Supportive Service tabs to open, the Supportive Housing and/or Special Needs radial buttons will need to be selected. Tab S1, Sections 1 & 2 allow applicants to complete sections for the Lead Service Provider (LSP), in addition to any other entities that will be providing services. The LSP is the entity that has overall responsibility for the provision of supportive services & implementation of the Supportive Services Plan. The LSP provides comprehensive case management services (individualized services planning & the provision of connections to mental health, substance use, employment, health, housing retention) and may also coordinate with other agencies that do so.

Tab S5 – is the Supportive Services Plan Verification in the MHP application. Applicable information for all target populations of the service plan must be entered here. This verification tab is specific in reference to the Lead Service Provider and verifications from other service providers would not be necessary.

- 19. If a public agency is providing some of the supportive services (non- lead service provider) to a project via subsequent contracts (via RFP processes), what level of documentation will be adequate to demonstrate the skills, abilities, and knowledge of the case managers? Are sample RFP and contracts for previous providers acceptable? Is this still a requirement of the new NOFA?**

Answer: Yes, this is still a requirement. Please refer to the July 2021 NOFA Section IV(G)(3)(h)(viii) and the MHP application, tab S1 Supportive Services Plan, Part II, Section 1.

- 20. Services funding commitment letters; Include: Project name; description of services; dollar value of funds or in-kind services; if cash is provided, state funding source; funding term; description & history of agency/org. providing funding or services. If the services are in kind, do we need to include the funding source, funding term, description, and history of agency providing services? Or is this detail only required for cash?**

Answer: MHP Guidelines Section 7324(d)(13) list the requirements for a supportive services plan.

Please refer to the MHP Application Tab S1 Supportive Services Plan Part VI Supportive Services Budget.

This section requires applicable data which can include in-kind services and cash services provided. Supporting documentation should be provided as described in the attachments related to supportive housing or special needs units in the document checklist.

- 21. The loan limits attached have higher loan limits for Supportive Housing units vs. other Restricted units. Could you confirm if the Supportive Housing unit loan limits also apply MHP Special Needs units or is it actually just Supportive Housing units? We are asking because in other parts of the application areas are labeled for only Supportive Housing, but also appear to apply to Special Needs units. Example: on the Document Checklist tab items 20-23 say “SH” for supportive housing but it’s our understanding that projects with Special Needs units need to complete those items as well.**

Answer: 4% and 9% tax credit projects do have an increased loan limit for projects that have Supportive Housing targeted populations. This does not include Special Needs populations. For example, MHP Guideline Section 7307(b)(2) states the initial base amount for 4% projects shall be \$175,000 per Supportive Housing Unit [...] and \$150,000 per other Restricted Units. Supportive Housing is defined in Section 7301(aa). The MHP Application, on the Project Overview Tab, has radial buttons to select as appropriate, which include Special Needs Population (SNP) or Supportive Housing (SH). If the project is SNP or SH, or has SNP or SH units, tabs will open and are required as applicable. The Document Checklist, located in the application, lists attachments that are required for SH or SNP projects. Attachments #21-24 are SH requirements only.

22. If we are proposing a Senior Project with Special Needs, can we have the entire project be 55+ instead of 62+?

Answer: MHP Guideline 7302(e)(3) defines a Senior Project as all units are restricted to residents who are 62 years of age and older. However, there are some exceptions, including restrictions applicable to residents age 55 years of age or older, that are noted which may or may not apply to the proposed project. It is the responsibility of the Sponsor to determine if the project meets the requirements of the MHP Guidelines. Supporting documentation including a Fair Housing Legal Opinion letter is required per MHP Application, Document Checklist, Attachment #17, and this is a threshold requirement for Senior Projects.

23. Form S5- Supportive Services Verification states that a wet signature is required. However, it is stated in the NOFA that no wet signatures will be required. Can you please confirm that no wet signature is required on this form?

Answer: The Department no longer requires original wet copy signatures and will accept scanned copies and/or electronic signatures.

24. Item #20 of the Document Checklist requires an integration plan. Can we simply draft a plan on our own letterhead and submit it or is there a specific HCD form that is required?

Answer: Per the July 2021 Application, Document Checklist, #20: For Special Needs and Supportive Housing Projects, or projects that have SNP or SH units, provide an Integration Plan that demonstrates how the Sponsor will meet the Guidelines Section 7302(g) requirements. The Department does not provide a specific form to complete.

25. Do we need to submit a fully executed MOU for the Lead Service Provider of the project or will a letter of commitment be sufficient?

Answer: Per Guidelines Section 7302 (f)(3), documentation evidencing the LSP must be provided as listed in the MHP Application Document Checklist and the Supportive Services Plan Tab (S1) within the MHP Application. The requirement for the document in question, is Attachment #25: LSP NonSpon Contract, Agreement or Letter of Intent to Provide Services.