

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

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March 7, 2023

**MEMORANDUM FOR:** ALL POTENTIAL APPLICANTS

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

A handwritten signature in blue ink that reads "Jennifer Seeger".

**SUBJECT:** **2023 Local Housing Trust Fund Program  
Notice of Funding Availability**

The California Department of Housing and Community Development (Department/HCD) is pleased to announce the release of this Notice of Funding Availability (NOFA) for approximately \$53 million in funds for the Local Housing Trust Fund (LHTF) Program. This funding provides Matching Grants to Local Housing Trust Funds established by cities and counties, Native American Tribes and incorporated 501(c)(3) nonprofit organizations.

Fifteen percent of the funds made available by this NOFA shall be reserved for Local or Regional Housing Trust Funds meeting the definition of "New Local Housing Trust Fund." In the event that there are insufficient applications from New Local Housing Trust Funds that pass threshold, the funds shall be used for applications from Existing Local Housing Trust Funds.

Program Funds awarded under this NOFA shall be used to provide construction loans and/or permanent financing loans at simple interest rates of no higher than 3 percent per annum, for payment of predevelopment costs, acquisition, construction, or rehabilitation, as well as to construct, convert, reconstruct, rehabilitate, and/or repair Accessory Dwelling Units (ADUs) or Junior Accessory Dwelling Units (JADUs).

Application materials must be submitted electronically to the Department's website. Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available at <https://www.hcd.ca.gov/grants-and-funding/programs-active/local-housing-trust-fund>. The application submittal portal will be available beginning April 19, 2023. The Department no longer requires a hardcopy submittal of the Application Workbooks or supplemental documentation.

Applicants must upload all application materials to the Department's website. The application portal is open beginning on **April 19, 2023** through **4:00 p.m. May 17, 2023**. Please note that the on-line support and technical assistance closes at 3:30 p.m. Pacific Standard Time on May 17, 2023.

2023 LHTF NOFA

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To receive information on workshops and other updates, please subscribe to the LHTF Program [listserv](#). If you have any further questions, please contact [LHTF@hcd.ca.gov](mailto:LHTF@hcd.ca.gov).

Attachment

# 2023 Local Housing Trust Fund Program

## Notice of Funding Availability



**Gavin Newsom, Governor  
State of California**

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

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

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**March 7, 2023**

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## **I. Overview**

### **A. Notice of Funding Availability**

The California Department of Housing and Community Development (HCD/Department) is announcing the availability of approximately \$53 million in funding for the Local Housing Trust Fund (LHTF) program. Funding for this Notice of Funding Availability (NOFA) is provided by the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1), adopted by voters on November 6, 2018.

Program Funds awarded under this NOFA shall be used to provide construction loans and/or permanent financing loans to pay for construction or rehabilitation of Affordable rental housing projects, Emergency Shelters, Permanent Supportive Housing, Transitional Housing and Affordable homebuyer/homeowner projects. Program Funds may also be used to assist income-eligible First-time Homebuyers to purchase homes and to rehabilitate houses owned by income-eligible occupants, as well as to construct, convert, reconstruct, rehabilitate and/or repair Accessory Dwelling Units (ADUs) or Junior Accessory Dwelling Units (JADUs).

### **B. Timeline**

NOFA Release	March 7, 2023
Application Due Date	May 17, 2023
Award Announcements	August 2023

### **C. Authorizing Legislation and Regulations (Regulatory Authority)**

Health and Safety Code (HSC) Section 50842.2 established the LHTF Matching Grants Program.

HSC Section 50843.5(a) authorized the Department to provide Matching Funds to Local Housing Trust Funds established by cities and counties, Native American Tribes, and/or incorporated 501(c)(3) nonprofit organizations.

Senate Bill 3 (SB 3) (Chapter 365, Statutes of 2017) authorized the Veterans and Affordable Housing Bond Act of 2018 and authorized the issuance of bonds in the amount of \$4 billion under the State General Obligation Bond Law. Specifically, SB 3 allows for the allocation of \$300 million of the Bond proceeds for the LHTF program.

SB 3 also allowed the Department to adopt Guidelines instead of regulations for the LHTF program, establishing requirements for administration of the program. The Department adopted Guidelines in April 2020.

Applications submitted under this NOFA are subject to the Guidelines, all applicable statutory requirements, and this NOFA. All section references in this NOFA refer to the Guidelines unless otherwise noted. The Guidelines and NOFA are available on the Department's website.

Capitalized terms not otherwise defined in this NOFA shall have the meanings set forth in Guidelines Section 101.

## **II. Program requirements**

The following is provided as a summary for the allocation of the LHTF Program Funds to Local Housing Trust Funds. This is not to be considered a complete representation of the eligibility, threshold, or other requirements, terms, and conditions.

### **A. Eligible Applicants**

An Applicant must be:

1. A city, county, or city and county that has created, funded, and operated an Existing Local Housing Trust Fund or that has created and funded a New Local Housing Trust Fund in compliance with Guidelines Sections 102(a)(1), 102(a)(2), and 102(a)(3).

A Local Housing Trust Fund or Regional Housing Trust Fund that was created, funded, and operated by a combination of two or more cities or counties must agree in its application to utilize Program Funds only for Eligible Projects located in cities or counties that at the time of application have met the requirements outlined in Guidelines Section 102(a)(4).

2. A charitable nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code that is an Existing Local Housing Trust Fund or a New Local Housing Trust Fund and which complies with Guidelines Section 102(b)(1), 102(b)(2) and 102(b)(3).
3. A Native American Tribe, or sect of Tribes, that has created, funded, and operated an Existing Local Housing Trust Fund, or that has created and funded a new Local Housing Trust Fund in compliance with Guidelines Section 102(c)(1), 102(c)(2), and 102(c)(3).

### **B. Eligible activities**

Pursuant to Guidelines, Section 105, the LHTF funds shall be allocated in compliance with all of the following:

1. To provide construction loans and/or permanent financing loans at simple interest rates of no higher than 3 percent per annum for payment of predevelopment costs, acquisition, construction, or rehabilitation associated with Affordable rental housing projects, Emergency Shelters, Transitional Housing, Permanent

Supportive Housing, homebuyer/homeowner projects to purchase for-sale housing units or to rehabilitate an owner-occupied dwelling. Funds may also be used for the construction, conversion, repair, and rehabilitation of Accessory Dwelling Units or Junior Accessory Dwelling Units.

2. Administrative expenses may not exceed 5 percent of Program Funds and Matching Funds.
3. A minimum of 30 percent of Program Funds and Matching Funds, after deducting administrative expense, shall be expended on assistance to Extremely Low-Income Households. To comply with this requirement, dwelling units or shelter beds must be Affordable to and restricted for Extremely Low-Income Households with household income of no more than 30 percent of Area Median Income (AMI).
4. No more than 20 percent of the Program Funds and Matching Funds, after deducting administrative expense, shall be expended on assistance to Moderate-Income Households. To comply with this requirement, dwelling units must be Affordable to and restricted for Moderate-Income Households with household income of no more than 120 percent of AMI.
5. The remaining Program Funds and Matching Funds shall be expended on assistance to Lower-Income Households. To comply with this requirement, dwelling units must be Affordable to and restricted for Lower-Income Households with household income of no more than 80 percent AMI.

**PLEASE NOTE: LHTF is NOT a reimbursement program.**

### **C. Funding Limits**

Pursuant to Guidelines, Section 103, the funding minimums and maximums apply as detailed below.

The minimum application request by an Applicant that is an Existing Local Housing Trust Fund shall be \$1 million.

The minimum application request by an Applicant that is a New Local Housing Trust Fund, but which is not a Regional Housing Trust Fund, shall be \$500,000.

The minimum application request by an Applicant that is a New Local Housing Trust Fund, which is also a Regional Housing Trust Fund, and which is utilizing Permanent Local Housing Allocation Funds as Matching Funds, shall be \$750,000.

The maximum application request for all Applicants shall be \$5 million.

Fifteen percent of the funds made available by this NOFA shall be reserved for Local or Regional Housing Trust Funds meeting the definition of “new Local Housing Trust Fund.” In the event there are insufficient applications from New Local Housing Trust

Funds that pass threshold, the funds shall be used for applications from existing Local Housing Trust Funds.

#### **D. Matching funds requirements**

1. All Program Funds provided pursuant to this section shall be matched on a dollar-for-dollar basis with dedicated sources of funding, such as taxes, fees, or loan repayments, or public or private contributions by the Applicant. Lines of credit and loans received by the Local Housing Trust Fund are not eligible sources of Matching Funds.
2. An application for Program Funds shall not be considered unless the application contains required documentation of the deposit in the Local Housing Trust Fund account of the local Matching Funds, and the identity of the source of Matching Funds, or evidence of a Legally Binding Commitment to deposit the required Matching Funds, and the identity of the source of Matching Funds.
3. Funds restricted for housing use by state or federal law (such as funds from the Home Investment Partnerships Program, the Community Development Block Grant Program, redevelopment agency low- and moderate-income housing fund set-aside funds, or state housing programs administered by the Department), shall not be considered Matching Funds. However, Permanent Local Housing Allocation Program Funds may be considered Matching Funds for Regional Housing Trust Funds.
4. Matching Funds shall be On Deposit prior to disbursement of Program Funds.
5. Program Funds must be utilized on a dollar-for-dollar basis for the same Eligible Project for which local Matching Funds are used, as required by HSC Section 50843.5(c).

#### **E. Ongoing Revenues**

1. For an Existing Housing Trust Fund, a public or private source, or sources, of Ongoing Revenues totaling at least an average of \$100,000 per year for three years after the date of the Program award is required.
2. For a New Housing Trust Fund, public or private sources of Ongoing Revenues sufficient to pay for the Trust Fund's operating costs for a minimum of five years after the date of the Program award is required.
3. Ongoing Revenues are required to be derived from dedicated sources of consistent funding, such as taxes, fees, repayments of loans made by the Trust Fund, or regular annual public or private contributions. Ongoing Revenues may



not include one-time donations, such as land donations or large bequests, and may not include loans or lines of credit.

## **F. Program administrative costs**

Pursuant to Guidelines, Section 105(b), a Local Housing Trust Fund that receives an award under this NOFA shall not use more than 5 percent of the allocation and not more than 5 percent of Matching Funds for administrative costs related to the execution of eligible activities.

## **G. Underwriting, administration, and reporting requirements**

A grantee of the LHTF Program must comply with the underwriting and loan requirements of Guidelines, Section 107, the administrative requirements of Sections 108 and 109 (b), and the reporting requirements of Section 112.

## **H. Application requirements**

### **1. Threshold**

Only complete applications on forms made available by the Department submitted on or before the application deadline stated in this NOFA shall be considered for funding. Applications must meet the requirements set forth in Guidelines, Sections 106(d) and 106(e).

An application must have all of the information requested and provide adequate documentation and information for the Department to determine the Local Housing Trust Fund's eligibility for funding pursuant to HSC, Section 50843.5(b), and the Guidelines, and the eligibility of the Project pursuant to HSC, Section 50843.5(d), and the Guidelines.

HSC, Section 50843.5(b) requires that Housing Trust Funds eligible for funding shall have the following characteristics:

- a.** Utilization of a public or joint public and private fund established by legislation, ordinance, resolution, or a public-private partnership to receive specific revenue to address local housing needs.
- b.** Receipt of ongoing revenues from dedicated sources of funding such as taxes, fees, loan repayments, or public or private contributions.

Previously awarded Applicants must have committed at least 40 percent of the previous award(s) to be eligible to submit an application for this NOFA.

Previously awarded Applicants must have submitted the most recently required LHTF Annual Report in order to be eligible to submit an application for this NOFA.

In addition, the following requirements must be met and demonstrated in each application:

- a. City or County Applicants must have a housing element that was adopted by the Applicant's governing body and subsequently determined by the Department to be in compliance with state Housing Element Law by the time awards are announced. If an Applicant is determined to be out of compliance at the time awards are announced, it will be ineligible to receive funding and the next highest scoring eligible application may be funded in its place.
- b. City or County Applicants must have submitted to the Department the Annual Progress Report on the Housing Element for the 2022 Calendar Year by the application deadline date.
- c. Nonprofit Charitable Organization Applicants shall in their application agree to utilize Program Funds only for Eligible Projects located in cities or counties that have, at the time of award, an adopted housing element determined by the Department to be in compliance with state Housing Element Law and which shall have submitted to the Department the Annual Progress Report on the Housing Element for the 2022 Calendar Year by the application deadline date.
- d. Native American Tribes or Tribes shall, in their application, agree to utilize Program Funds only for Eligible Projects either (A) located on Native American Lands or (B) in cities and counties that have, at the time of award, an adopted housing element determined by the Department to be in compliance with state Housing Element Law and which shall have submitted to the Department the Annual Progress Report on the housing element for the 2022 Calendar Year by the application deadline date.
- e. Only applications containing the required documentation of the deposit in the Local Housing Trust Fund of the local Matching Funds, and that identify the source(s) of Matching Funds, or provide evidence of a Legally Binding Commitment to deposit the required Matching Funds, and the identity of the source(s) of Matching Funds, shall be considered eligible.
- f. Only applications including the required application resolution shall be considered eligible. This includes "Attachment 1" to be completed as part of the resolution prior to approval by the governing body. The resolution and "Attachment 1" can be found on the [LHTF website](#).
- g. The Applicant shall submit documentation of its loan guidelines and underwriting standards and procedures for review by the Department as part of its Program application. Below are the factors that must be addressed in

underwriting standards that Applicants must submit to ensure project feasibility:

1. Required debt coverage ratio
2. Minimum projected operating expenses
3. Required replacement reserve
4. Required capitalized operating reserve
5. Requirements for positive cash flow
6. Required projected vacancy rate
7. Requirements for construction contingency if construction financing is being provided with LHTF funds
8. Requirements for senior lender loan types and junior lender loan types;
9. Simple interest rate no higher than 3 percent per annum
10. Leasehold security requirements

## 2. Rating and Ranking

In the event that the amount of funding requested in complete and eligible applications exceeds the funds available, applications shall be evaluated and funded using the following criteria:

Criterion	Max Pts.
<p><b>Non-Residential Matching Funds:</b> Extent to which the Applicant provides Matching Funds from sources other than residential Local Impact Fees or In Lieu Fees (Guidelines Section, 106(f)(1))</p> <ul style="list-style-type: none"> <li>- 0% – 25% from other sources ~ 5 points</li> <li>- 26% - 50% from other sources ~ 10 points</li> <li>- 51% or more from other sources ~ 15 points</li> </ul>	<b>15</b>
<p><b>Deeper Income Targeting:</b> Extent to which the Applicant commits to expend less than 20 percent of Program Funds and Matching Funds to serve Moderate-Income Households (Guidelines, Section 106(f)(2))</p> <ul style="list-style-type: none"> <li>- 11% - 18% funding for Moderate-Income Households ~ 5 points</li> <li>- 6% - 10% funding for Moderate-Income Households ~ 10 points</li> <li>- 1% - 5% funding for Moderate-Income Households ~ 15 points</li> <li>- 100% funding for Lower-Income Households ~ 20 points</li> </ul>	<b>20</b>
<p><b>Readiness:</b> Extent to which the Applicant has completed a first phase funding process for multifamily rental projects and announced on its website the status of each project, including those</p>	<b>15</b>

<p>projects that were approved to submit a final application upon award of Program Funds by the Department (Guidelines, Section 106(f)(3))</p> <ul style="list-style-type: none"> <li>- A. Website posting of pipeline projects with status ~ 5 points, <b>PLUS EITHER</b> of the next two (2) factors: <ul style="list-style-type: none"> <li>- Projects included in item A. with first phase funding completed representing two (2) times the application request (e.g., if requesting \$5 million, pipeline projects must total at least \$10 million) ~ 5 points <b>OR</b></li> <li>- Projects included in item A. with first phase funding completed representing three (3) times the application request (e.g., if requesting \$5 million, pipeline projects must total at least \$15 million) ~ 10 points</li> </ul> </li> </ul> <p><b>Note: applications requesting funds solely for single family activities will receive zero points in the category.</b></p>	
<p><b>Increasing the Supply of Lower-Income Rental Housing:</b> Extent to which the Applicant commits to use Program Funds and Matching Funds for the new construction of rental housing developments Affordable and restricted to households with average incomes of no more than 60 percent of AMI (Guidelines, Section 106(f)(4))</p> <ul style="list-style-type: none"> <li>- - ≤50% funding for 60% AMI or less ~ 0 points</li> <li>- - 51% - 74% funding for 60% AMI or less ~ 10 points</li> <li>- - 75% - 99% funding for 60% AMI or less ~ 15 points</li> <li>- - 100% funding for 60% AMI or less ~ 20 points</li> <li>-</li> </ul>	<b>20</b>
<p><b>Community Need:</b> Percentage of Lower-Income Households paying more than 50 percent of their household income for rent or owner expenses, in jurisdictions to be served by the application, in comparison with jurisdictions to be served by other applications (Guidelines, Section 106(f)(5))</p> <ul style="list-style-type: none"> <li>- 0% - 25% ~ 5 points</li> <li>- 26% - 44% ~ 10 points</li> <li>- 45% or higher ~ 15 points</li> <li>-</li> </ul> <p><b>Note: This section will be scored by HCD using CHAS data (Comprehensive Housing Affordability Strategy): <a href="https://www.huduser.gov/portal/datasets/cp.html#2006-2016-datacollapse">https://www.huduser.gov/portal/datasets/cp.html#2006-2016-datacollapse</a></b></p>	<b>15</b>
<p><b>Regional Housing Trust Fund Applicants:</b> Applicants which are a Regional Housing Trust Fund meeting the description herein get all points in this category. A Regional Housing Trust Fund, for the purposes of these points, is one that includes six jurisdictions (in counties with total populations of 250,000 or less), or eight jurisdictions (in counties with total populations more than 250,000), <b>or</b> that meet the minimum threshold (two jurisdictions with more than one million people, three jurisdictions in counties with total populations of 250,000 or less, or four jurisdictions in counties with total populations more than 250,000, <b>and</b> include more than 66 percent of the population of the county or counties (Guidelines, Section 106(f)(6))</p>	<b>5</b>

<b>Performance:</b> Extent to which Applicants exceed the minimum 40 percent commitment threshold stated in Guidelines, Section 102(d) OR New Applicants (no previous LHTF award) who have committed 40 percent or more of local Matching Funds	<b>10</b>
<b>Total maximum points</b>	<b>100</b>

*Please note: In future NOFAs, HCD may assess negative points for Applicants who received awards in prior years for applications in which they committed to Deeper Income Targeting and/or to Increase the Supply of Lower-Income Rental Housing but did not expend funds committed to these activities.*

### **3. Tie Breaker**

In the event of tied point scores, the Department shall rank tied applications based on the extent to which the application identifies specific multifamily rental projects for which the Trust Fund has issued Letters of Intent to developers for construction or permanent financing.

### **I. State and federal requirements**

Climate Adaptation - Executive Order B-30-15 addressed the need for climate adaptation and ordered that:

1. All state agencies with jurisdiction over sources of greenhouse gas emissions shall implement measures, pursuant to statutory authority, to achieve reductions of greenhouse gas emissions to meet the 2030 and 2050 greenhouse gas emissions reductions targets.
2. State agencies shall take climate change into account in their planning and investment decisions and employ full life-cycle cost accounting to evaluate and compare infrastructure investments and alternatives.
3. State agencies planning and investments shall be guided by the following principles:
  - Priority should be given to actions that both build climate preparedness and reduce greenhouse gas emissions;
  - Where possible, flexible and adaptive approaches should be taken to prepare for uncertain climate impacts;
  - Actions should protect the state's most vulnerable populations; and
  - Natural infrastructure solutions should be prioritized.

In response to the Governor's Executive Order, the Department strongly encourages Awardees to implement the LHTF-funded project in a manner that reduces greenhouse gas emissions and adapts to climate change. In addition, Awardees must obtain specific information from local governments indicating the progress made in planning to adapt to climate change.

### III. Application, submission, workshops, and appeals

#### A. Application forms

Applications must be on the Department's forms and cannot be altered or modified by the Applicant. Excel forms must be in Excel format, not a PDF document.

Applications that do not meet the program requirements outlined in this NOFA will not be eligible for funding. Application forms are available for download on the [LHTF webpage](#).

#### B. Application submission process

Application materials must be submitted electronically to the Department's website. Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available at <https://www.hcd.ca.gov/grants-and-funding/programs-active/local-housing-trust-fund>. The application instructions and submittal portal will be available beginning April 19, 2023. The Department no longer requires a hardcopy submittal of the Application Workbooks or supplemental documentation.

Applicants must upload all application materials to the Department's website. The application portal is open beginning on **April 19, 2023 through 4:00 p.m. Pacific Standard Time on May 17, 2023**. Please note that the on-line support and technical assistance closes at 3:30 p.m. Pacific Standard Time on May 17, 2023.

Personal deliveries will not be accepted. No facsimiles, incomplete applications, application revisions, or walk-in application packages will be accepted. Applications that do not meet the filing deadline requirements will not be eligible for funding.

#### C. Application workshops

The Department will conduct application webinars for the LHTF Program application submittal process. Applicants are strongly encouraged to attend an application workshop to gain information critical for preparing the application. LHTF Program workshop details and related Program information will be posted on the [LHTF webpage](#).

#### D. Appeals

##### 1. Basis of appeals

- a. Upon receipt of the Department's notice that an application has been determined to be incomplete, ineligible, fails threshold, or has a reduction to the initial point score, Applicants under this NOFA may appeal such decision(s) to the Branch Chief or their designee pursuant to this section.

- b. No Applicant shall have the right to appeal a decision of the Department relating to another Applicant's eligibility (e.g., eligibility, award).

Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with the Guidelines and this NOFA. All decisions rendered shall be made by the Branch Chief or his/her designee. The decision shall be final, binding, and conclusive, and shall constitute the final action of HCD.

- 2. The appeal process provided herein applies solely to decisions of the Department made pursuant to this LHTF Program NOFA. For greater specificity, Applicants may refer to the appeal procedure set forth in section "V. Appeals" in the Multifamily Finance Super Notice of Funding Availability dated March 30, 2022, Amended June 10, 2022, which is incorporated hereto by this reference, and which the Department shall, to the extent not contrary to this NOFA and feasible, substantially follow.

### **3. Appeal process and deadlines**

- a. To file an appeal, Applicants must submit to the Branch Chief or their designee, by the deadline set forth below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant must provide a detailed reference to the area or areas of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be considered if this information would result in a competitive advantage to an Applicant. Once the written appeal is submitted to the Department, no further information or materials will be accepted or considered thereafter. Appeals are to be submitted to the Department at [HOSN@hcd.ca.gov](mailto:HOSN@hcd.ca.gov) according to the deadline set forth in Department review letters.
- b. Appeals must be received by the Department no later than five (5) business days from the date of the Department's threshold review, or initial score letters, representing the Department's decision made in response to the application.

### **4. Decision**

Any request to amend the Department's decision regarding an application shall be reviewed for compliance with the Guidelines and this NOFA. All decisions rendered shall be made by the Director or their designee. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of the Department.

### **E. Disclosure of application**

Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (Chapter 1473, Statutes of 1968). As such, any materials provided will be disclosable to any person

making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including, but not limited to, bank account numbers, personal phone numbers, and home addresses. By providing this information to the Department, the applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

#### **IV. Award announcements and contracts**

##### **A. Award Announcements**

Awards will be announced in August 2023. Awards will be posted on the LHTF Program website.

##### **B. Contracts**

Successful Applicants (Awardee(s)) will enter into a Standard Agreement with the Department. The Standard Agreement contains all the relevant state and federal requirements, as well as specific information about the award and the work to be performed.

A condition of an award will be that a Standard Agreement must be executed by the Awardee within 30 days (contracting period) of the Awardee's receipt of the Standard Agreement(s). Failure to execute the Standard Agreement(s) within the Contracting Period may result in award cancellation. The Awardee(s) shall remain a party to the Standard Agreement for the entire term of the Standard Agreement; removal of the Awardee(s) shall be prohibited.

#### **V. Other state requirements**

##### **A. Article XXXIV**

All projects shall comply with Article XXXIV, Section 1 of the California Constitution as clarified by the Public Housing Election Implementation Law (HSC Sections 37000 - 37002). Article XXXIV documentation for loans underwritten by the Department shall be subject to review and approval by the Department prior to the announcement of award recommendations.

##### **B. Housing First practices**

Housing First is an evidence-based model designed to permanently house an individual and make available optional supportive services to help them remain stably housed. Housing First means that housing is made available with very low barriers to entry and Applicants are not rejected due to poor credit, financial history, lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of housing readiness. Supportive services providers shall also utilize Housing First principles and offer services as needed and/or requested on a voluntary basis. Housing shall not be contingent upon participation in services. Applicants will certify



and document adherence to Housing First practices in the application, property management plan, and supportive services plan. Adherence to Housing First practices shall be subject to periodic compliance monitoring.

### **C. Pet Friendly Housing Act of 2017**

Housing funded through the LHTF Program is subject to the Pet Friendly Housing Act of 2017 (HSC Section 50466). Each Awardee is required to submit a signed and dated certification that residents of the LHTF Program-funded housing development will be authorized to own or otherwise maintain one or more common household pets.

### **D. Prevailing wage law requirements**

LHTF Program Funds awarded under this NOFA are subject to state prevailing wage law, as set forth in Labor Code Section 1720 et seq., and require the payment of prevailing wages unless the project meets one of the exceptions of Labor Code, Section 1720 (c), as determined by the Department of Industrial Relations (DIR). The DIR can be contacted via its website at <https://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Applicants are urged to seek professional advice as to how to comply with state prevailing wage law.

### **E. Accessibility and Non-discrimination**

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

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

Recipients shall comply with the requirements contained in the Americans with Disabilities Act, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Act, Government Code Section 11135, Section 504 of the Rehabilitation Act, and regulations promulgated pursuant to those statutes, including 24 CFR Part 100, 24 CFR Part 8, and 28 CFR Part 35, in all of the Sponsor's activities.

## **VI. Other terms and conditions**

### **A. Right to modify or suspend**

The Department reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including without limitation, the amount of funds available hereunder. If such an action occurs, the Department will notify all interested parties and will post the revisions to the Department's website. You may [subscribe](#) to the Department's email list.

### **B. Conflicts**

In the event of any conflict between the terms of this NOFA and either applicable state or federal law or regulation, the terms of the applicable state or federal law or regulation shall control. Applicants are deemed to have fully read and understand all applicable state and federal laws, regulations, and guidelines pertaining to the LHTF Program, and understand and agree that the Department shall not be responsible for any errors or omissions in the preparation of this NOFA.