

# Permanent Local Housing Allocation Program (PLHA)

## NOFA and Application Workshop Formula Allocation for Entitlement and Non- Entitlement Jurisdictions



October 2020

California Department of Housing and Community Development



## Welcome & Introduction

2

Hi, I'm Melanie and welcome to the updated Department of Housing and Community Development Webinar for PLHA.

Our goal is to provide you with the information and tools to ensure you submit a complete application.



## Please Review Q&A

- Please visit our HCD website to find answers to frequently asked questions
- <https://hcd.ca.gov/grants-funding/active-funding/plha/docs/PLHA-QA-Updated-4-10-20-ADA.pdf>
- **Live Q&A: November, 2020 (Date TBA – sign up for ListServ)**

The PLHA NOFA was released in March 2020, but is being re-released and reopened due to the difficulty many jurisdictions were experiencing with regard to city council meetings during the Covid-19 pandemic.

Please visit our HCD website to find answers to frequently asked questions in addition to other helpful resources that are posted. We will host a live Q&A in November, 2020, so please be on the look-out for an announcement regarding the finalized date. Signing up for our ListServ would allow you to receive important notifications regarding PLHA program, including the Q&A date announcement.



## Presenters

Meet our HCD PLHA Presenters	
Jennifer Barajas	Jennifer.Barajas@hcd.ca.gov
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**Please send PLHA inquiries to: [PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov)**

4

Today you'll be hearing from myself and additional PLHA team members: Jennifer, Doniell, and Veronika.

If you have any questions following this presentation, please email them to [PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov) and one of us will respond to you.



## Agenda

- Welcome and Introduction
- General Program Overview
- Threshold Requirements
- Application Review & Submittal
- What's Next
  - Common Mistakes
  - Internal Loan Committee
- HCD Standard Agreements

5

The topics we will cover today are General Program Overview, Threshold Requirements, Application Review & Submittal, What's Next, and HCD Standard Agreements.



## General Program Overview and NOFA

6

So now let's get started with the General Program Overview and NOFA.



## General Program Overview

- Program Purpose
- Funds Available & Authority
- Guidelines & Regulations
- Award Announcements & Contracts
- Timeline

7

I will be covering the reason the program was established, funds available under this program, authority, guidelines and regulations, award announcements & contracts, and the timeline.



## Program Summary

- Purpose
  - To provide financial assistance to local governments for eligible housing-related projects and programs to assist in addressing the unmet housing needs of their local communities.



8

*The PLHA program was established to provide financial assistance to local governments. Funding will help cities & counties:*

- Increase supply of housing for households at or below 60% of Area Median Income (commonly referred to as AMI)
- Increase assistance to affordable owner-occupied workforce housing
- Assist persons experiencing or at risk of homelessness
- Facilitate housing affordability, particularly for lower- and moderate-income households
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation
- Ensure geographic equity in the distribution of the funds





## NOFA: Funds Available and Authority

- Approximately **\$195 million**
- Funding Amounts (Entitlement & Non-entitlement): Refer to NOFA Appendix A
- Non-entitled Local Government allocation:
  - 50% of funding available for Non-entitlement formula: divided equally among the number of eligible Non-entitlement Local governments.
  - Remaining 50%: allocated proportionately to said governments based on most severe housing needs.

9

HCD is pleased to re-release this Entitlement and Non-entitlement local government formula component. The amount is approximately \$195 million for the PLHA program.

Entitlement and a Non-entitlement Local governments are eligible for an allocation of PLHA funds. The PLHA funds allocated to each entitlement Local government is directly proportionate to each entitlement Local government's share of the total 2017 CDBG allocation in California.

The PLHA funds allocated to each Non-entitlement Local government is based on the sum of two factors:  
50% distributed equally amongst eligible non-entitlement local governments,  
and  
50% allocated proportionately based upon HUD's most recent Comprehensive Housing Affordability Strategy data.



## NOFA: Funds Available and Authority (continue)

Administrative costs related to the execution of eligible activities shall not use more than 5% of the allocation

10

A Local government receiving an allocation award under this NOFA shall not use more than 5% of the allocation for administrative costs related to the execution of eligible activities.



## Authority

- Senate Bill 2 (SB 2) 2017 Chapter 364  
– Atkins, Building Homes and Jobs Act
- Health & Safety Code (HSC) Part 2 of  
Division 31, Chapter 2.5 Section 50470

PHLA Program Subcomponents	
Subcomponent	Estimated % of PHLA Funds
90% for Formula Allocation to Entitlement Jurisdictions and Competitive Non-Entitlement	90%
NOFA Round 2 expected later in 2020 Competitive Non-Entitlement Allocation	7.70%
Formula Entitlement Allocation	92.30%
10% for Formula Allocation to Non-Entitlement Jurisdictions	10%

11

SB 2 established the Fund and authorizes the Department to allocate 70 percent of moneys collected and deposited in the Fund, beginning in calendar year 2019, to Local governments for eligible housing and homelessness activities. The intent of the bill is to provide a permanent, ongoing source of funding to Local governments for housing-related projects and programs that assist in addressing the unmet housing needs of their local communities.

The Health and Safety Code referenced here requires the Department to allocate 90 percent of PLHA funds based on the federal CDBG formula specified in 42 USC, Section 5306, except that the portion allocated to Non-entitlement Local governments, is required to be distributed through a competitive grant program for Non-entitlement Local governments, which is a separate NOFA and released in August 2020. It also requires the Department to allocate the remaining 10 percent of PLHA funds equitably to Non-entitlement Local governments.

Please note: the competitive PLHA program is unrelated to this PLHA re-

release and has its own NOFA, workshop presentation, and email address for inquiries, all of which can be found on the HCD website.



## Eligible Activities

- Predevelopment
- Development
- Acquisition
- Rehabilitation
- Preservation of Multifamily
- Residential live-work
- Rental housing

12

Allocated PLHA funds must be used to carry out one or more eligible activities outline in Section 301 starting on page 12 of the guidelines. Activity 301 (1) : predevelopment, development, acquisition, rehabilitation, and/or preservation of multifamily, residential live-work, and rental housing; These must be affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.

Applicant must include with their application a Program income reuse Plan (Page 16, item (8) of the guidelines) for any loans made using PLHA funds. Please also include the required certification (page 16 item (7) of the guidelines) for any development of an Affordable Housing Rental Development in the resolution. The language for this certification is provided in the Department's Resolution template and posted on our HCD website.



## Eligible Activities (continue 1)

- Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs)
- Matching portions of funds available through the Low- and Moderate- Income Housing Asset Fund (pursuant to subdivision (d) of HSC Section 34176)
- Matching portions of funds placed into Local or Regional Housing Trust Funds
- Capitalized Reserves

13

Activity 301(2) predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing Including Accessory Dwelling Units (also known as ADUs) that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in High-cost areas, which you can check in Appendix B of the NOFA. Both the homeowner and renter/tenant would have to be income qualify. ADUs shall be available for occupancy for a term of no less than 30 days. The affordability period will be set by the local governments.

Applicant must include a Program income reuse Plan (Page 16, item (8) of the guidelines) for any loans made using PLHA funds. Any acquisition, construction or rehabilitation of for-sale housing project or units would need to include the certification (page 15 item (6) of guidelines) in the resolution and also meet (6) (A), (B) or (C). The language for this certification is provided in the Department's Resolution template and posted on our HCD website.

Activities 301(3) or (4): Matching portions of PLHA funds can be placed into

local or regional housing trust funds. Matching portions of funds can also be available through the low- and moderate-income housing fund. Applicant would need to detail in their application what activity(ies) matching funds would be used for. Please note that if a jurisdiction decides to give 100% of their PLHA allocation to another local government the administering jurisdiction would be the one who would submit the PLHA application on behalf of delegating jurisdiction. Additional information will be provide further in this PowerPoint presentation.

Eligible activities also include Capitalized Reserves for Services connected to the preservation and creation of New Permanent supportive housing.



## Eligible Activities (continue 2)

- Assisting persons who are experiencing or At-risk of homelessness
  - Rental Assistance
- Accessibility modification in Lower-income Owner-occupied housing
- Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments
- Homeownership opportunities

14

Continuing with eligible activities: funds may be used for assisting persons who are experiencing homelessness or At-risk of homelessness **including but not limited to:** providing rapid rehousing rental assistance, supportive and case management services that allows people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and new construction, rehabilitation, and preservation of permanent and transitional housing

Rental assistance is an eligible activity to assist persons who are homeless or at risk of homelessness. Tenants that meet the definition of "at risk of homelessness" can be assisted under this activity.

Also eligible are Accessibility modifications in Lower-income Owner-occupied housing, Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments, And homeownership opportunities, including, but not limited to, down payment assistance.



Please note any PLHA allocation that is going to a housing developer or program operator must include the certification (page 14 item (3) of the guidelines) in the resolution. Any acquisition, construction or rehabilitation of a for-sale housing project or units will need to include the certification (page 15 item (6) of guidelines) in the resolution and also meet (6) (A), (B) or (C). The language for this certification is provided in the Department's Resolution template and posted on our HCD website.



## Eligible Activities (continue 3)

- **Fiscal Incentives: grant or low-interest loan**
  - Made by a county to a city within the county
  - For approval of one or more Affordable housing projects
- **Affordable Owner-Occupied Workforce Housing (AOWH)**
  - receive 20% of the moneys in the Fund

15

Lastly, fiscal incentives made by a county to a city within the county to incentivize approval of one or more Affordable housing Projects, or Matching Funds (i.e. grant or low-interest deferred loan) invested by a county in an Affordable housing development project in a city within the county, provided that the city has made an equal or greater investment in the project.

If funding proposed in Local government Plans for Affordable Owner-Occupied Workforce Housing (also known as AOWH) activities is lower than 20 percent of the moneys available in the Fund, the Department may require Local governments to use a specific percentage of their annual formula allocations in some future year for AOWH activities as part of the annual funding process.



## Award Announcements and Contracts

- Awards letters will be issued approximately 90 days from application submittal date
- Enter into Standard Agreements (SA) with successful applicants after Awards are distributed



16

With regard to award announcements and contracts, award letters will be issued typically within 90 days of application receipt.

Standard Agreements will go out after the awards, which Jennifer will be discussing later in the presentation.



## Timeline

Application Forms Available	February 26, 2020
Applications Due	Over-the-Counter December 31, 2020
Award Announcements	~ 90 days from application

Applications must be submitted online using the link provided on the PLHA website – review the Submission Jump-Start Guide!

The application period is reopening until December 31, 2020. Applications must be submitted online using the link provided on the PLHA website. Please take a moment to review the Submission Jump-Start Guide available on the website to make your online submission successful. Please **DO NOT** send in a binder or USB, as we will not be collecting physical applications from HCD headquarters.

Now I'll pass it over to Veronika to discuss Threshold Requirements.



## Threshold Requirements

18

Hi – I'm Veronika and I'll be discussing the threshold requirements for PLHA.



## Threshold Requirements

### A. Housing Element Compliance

- Must have been submitted by the application deadline, and subsequently determined to be in substantial compliance with state Housing Element Law (*"302(c)(4) Plan" in the application*)
- <http://www.hcd.ca.gov/community-development/housing-element>

### B. Annual Progress Report (APR)

- Other reports in lieu of the APR will not be accepted

19

First, let's talk about the Housing Element compliance. Applicants, or any delegating local government, must have a Housing Element that has been adopted by the local government's governing body before the application deadline and subsequently determined to be in substantial compliance with state Housing Element Law.

When completing your application, you'll find the Housing Element compliance requirement located in the application under the "302(c)(4) Plan" tab.

To find the local government's current Housing Element compliance status, please visit the website listed on the screen. It is also provided in Section 302 of the PLHA guidelines.

Applicants must also submit to HCD the Annual Progress Report (or APR) required by General Code section 65400. Please note, there will be no document substitutions to the APR – it must be *this* report.



## Threshold Requirements (continue 1)

### C. Complete Application (1) & (2)

- Application requesting an allocation pursuant to Section 200 in order to carry out one or more of the eligible activities described in Section 301.
- Submission of the application is authorized by the governing boards of the Applicant. Submit Excel app + signed PDF of app.
- *“Jump-Start Guide for PLHA Applications”*

20

Applications must be completed in full at the time of submission. The application must correctly follow Sections 200 and 301 of the guidelines.

Be sure to submit the authorization from the governing board of the applicant to avoid disqualification. You will submit both an Excel version of your PLHA application and a PDF of the executed application. Make sure you're saving your documents correctly for your upload to the portal by following the “Jump Start Guide for PLHA Applications” document located on the PLHA website.

Please note – the person submitting the application online is not required to be the same person authorized to execute the application. Also, we ask that you provide signatures in blue ink on any executed document you are submitting in your application package.



## Threshold Requirements (continue 2)

### C. Complete Application (3)

- Certification in the Resolution that if the Local government allocates funds to another housing developer or program operator, the selection process must avoid conflicts of interest and be accessible to the public.

21

In the event that the Local government proposes allocating funds to another entity for any activity, the resolution must certify that the Local government's selection process avoided any conflicts of interest and must be accessible to the public.





## Threshold Requirements (continue 3)

### C. Complete Application (4)

A plan detailing:

- (A) How the allocated funds will be used for eligible activities
- (B) A description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of AMI

*\*Programs targeted at households at or below 60 percent of AMI will be deemed to meet this requirement.*

22

Another piece of information that must accompany the application is a plan which details how allocated funds will be used for eligible activities.

It must also describe how the Local government will prioritize investments so that the supply of housing for households with incomes at or below 60% of AMI is increased.



## Threshold Requirements (continue 4)

### C. Complete Application (4) (cont.)

(C) A description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.

(D) Evidence that the Plan **was authorized and adopted by resolution** by the Local government..

### C. Complete Application (5)

- Plan shall be for a term of five years

23

This plan must also describe how it is consistent with the programs in the Local government's Housing Element.

The applicant must provide a resolution evidencing that the plan was authorized and adopted by the Local government. This resolution must also provide evidence that the public had adequate opportunity to review and comment on the content of the plan. An updated application and plan adoption resolution has been released on the PLHA website, which must be completed properly in order to satisfy these items.

It is important to note that this plan must be for a term of 5 years. Approval by HCD is required for any amendments made during the term of the plan. An example of a required amendment would be reallocations of more than 10% of funds among the approved activities. This would also require approval by the governing body at a publicly-noticed public meeting.



- for the implementation and completion of the Activity.
- iv) and, the period of affordability and level of affordability for each Activity. Rental Projects are required to have affordability periods of at least 55 years.



## The Plan (continue 1)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL		
§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for the proposed Activity.																											Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing (AOWH)												
Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).																																							
Funding Allocation Year																																							
Type of Activity																																							
Type of Affordable Housing Project																																							

On the same tab of the application, there is language describing the need for each PLHA funded activity to be listed separately. This also includes listing a single activity multiple times if the activity will be assisting households at more than one level of AMI. It should be listed as many times as is necessary to capture all AMI levels that will be assisted, but please only list the percentage of annual funding allocated to the activity a single time to avoid double counting.



## Threshold Requirements

(continue 5)

### C. Complete Application (6)

- A certification that, if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects, Grantee shall record a deed restriction against the property.

26

The Grantee will record a deed restriction against the property if funds are used for the acquisition, construction, or rehab of for-sale housing projects. This ensures compliance with one of the following requirements if the property is no longer the primary residence of the homeowner:

- A) The PLHA loan and any interest thereon shall be repaid to the Local government's PLHA account. The Local government shall reuse the repayments consistent with Section 301; or
- B) The initial owner and any subsequent owner shall sell the home at an Affordable housing cost to a qualified Lower-Income or Moderate-Income household; or
- C) The homeowner and the Local government shall share the equity in the unit pursuant to an equity-sharing agreement. The grantee shall reuse the proceeds of the equity-sharing agreement consistent with this section.



## Threshold Requirements (continue 6)

### C. Complete Application (7)

- A Certification that, if funds are used for the development of Affordable Rental Housing Development, the Local government shall make the PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project.

27

If funds are used for the development of an Affordable Rental Housing Development, it must be certified that the Local government shall use the funds in the form of a low-interest, deferred loan to the Sponsor of the Project.

This loan must be evidenced through a promissory note secured by a Deed of Trust;

There must also be a Regulatory Agreement that will restrict occupancy and rents according to the Local government-approved underwriting of the project for at least 55 years.



## Threshold Requirements

(continue 7)

### C. Complete Application (8)

- A **Program income reuse plan** describing how repaid loans will be reused for eligible activities specified in Section 301.

28

Lastly, a program income reuse plan will be required, and reused funds must be used for eligible activities. You will also indicate on the “Formula Allocation Application” tab that you are attaching the reuse plan. If any PLHA funds are lent out, a reuse plan is a requirement.

Now we’ll hear from Doniell.





## Application Review and Submittal

29

Hi, I'm Doniell and I will be reviewing the application process.



## Where to find the application

- PLHA Website: <https://www.hcd.ca.gov/grants-funding/active-funding/plha.shtml>

## Current NOFAs

- [Jump Start Guide for PLHA Applications](#) (PDF)
- [PLHA Entitlement and Non-Entitlement Local Government Formula Component NOFA](#) (PDF)
  - [PLHA Formula Allocation Application](#) (XLS)
  - [Permanent Local Housing Allocation Program - Plan Template](#) (XLS)

First, please note that the application can be found on the HCD website on the PLHA page as indicated on this slide.



## Application: Required Information

§302(c)(4) Plan		12/17/19
§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.		
§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).		
§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.		
<b>Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))</b>		
1	§301(a)(1)	The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is Affordable to Extremely low-Very low- Low- or Moderate-income households, including necessary Operating subsidies.
2	§301(a)(2)	The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory dwelling units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.
3	§301(a)(3)	Matching portions of funds placed into Local or Regional Housing Trust Funds.
4	§301(a)(4)	Matching portions of funds available through the Low- and Moderate-income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34175.
5	§301(a)(5)	Capitalized Reserves for Services connected to the preservation and creation of new Permanent supportive housing.
6	§301(a)(6)	Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.
7	§301(a)(7)	Accessibility modifications in Lower-income Owner-occupied housing.

31

The PLHA Formula Allocation Application includes several tabs, all of which should be completed.

As you select the activities on the formula allocation page – tabs will automatically open on the Plan page. You will complete all the questions for each activity. Some of the boxes such as RHNA may not be applicable depending on your activity (such as navigation center).

In the event that a Local government opt to delegate their allocation to another local housing trust fund or government, the recipient becomes the applicant. I will talk about that in more detail under application tips in an upcoming slide.

We are requesting you use the Plan template provided as doing so will assist us in reviewing your application efficiently.

Each question should be answered thoughtfully and completely. It is not likely that one sentence response will adequately address the question, which means your application will be delayed as we ask you to respond more fully.



## Application: Required Information (continued 1)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL
136	§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.																																				

### Examples of PLHA eligible activities that do not meet RHNA standards:

- Operating assistance to emergency homeless shelters
- Rehabilitation of owner-occupied housing

32

As shown on this slide, you will list major actions needed and a proposed schedule for the implementation and completion of the Activity.

The period of affordability and level of affordability of rental projects must have an affordability period of 55 years.

If the Local Government is a County that is an urban County under HUD's distribution of CDBG funds rules, then the Plan should use the County's Housing Element and Regional Housing Needs Allocation, and not use the cities that are members of the Urban County.



## Application: Annual Requirement

### Annual Report

- Annual Report of ongoing tracking of the uses and expenditures of any allocated funds. Every July 31<sup>st</sup> submit to Department's grant management division.
- Funds will not be distributed if not received by deadline
- For questions about Housing Element APR compliance, email [APR@hcd.ca.gov](mailto:APR@hcd.ca.gov)

33

There is an Annual Report requirement which consists of ongoing tracking of the uses and expenditures of any allocated funds. This report is due July 31<sup>st</sup> each year and should be submitted to the Department's grant management division. If this report is not received by the deadline, then the funds will not be distributed.

Any first-time PLHA applicants will not be required to fulfill this, of course, but in subsequent years, it will be a requirement. So you will see this on your application but you can leave it blank or put N/A. If it causes the cell to turn red, just ignore it.



## Application Tips

- Select eligible applicant type & city or county
- Do not copy and paste
- Complete the tabs in order
- Do not alter or modify
- Do not submit via Apple products.
- Application signatory = authorized signer
- Submit the most recent application version
- TIN must match the applicant name.

34

Applications must meet all eligibility requirements upon submission. So, with that in mind, I'd like to give you some tips on application submission.

-Be sure to select your eligible applicant type and your county or city from the dropdown on the Formula Allocation Application tab. If a local government is delegating to another entity that entity will complete the application. The only time this will happen is when the a local government is delegating ALL of their PLHA funds to that other entity. Let me explain with 2 examples:

- If a Local government is only putting a portion of funds into, for example, a local or regional HTF and retaining a portion of their PLHA allocation to complete other projects on their own this is NOT a delegation. In that case the Local government should complete the application on their own as they will be retaining responsibility for the funds and the reporting.
- If a Local government is giving ALL of their PLHA allocation to a HTF or another Local government than the application would be completed by the recipient and the recipient

becomes responsible for the not all only the appropriate spending of the allocation but the reporting as well. The Local government giving the delegation must complete a legally binding agreement of this delegation and the entity submitting the application must include a copy with the application.

-Please do not copy and paste into cells. This often results in mistakes and can also disrupt the flow of the document.

-Complete the tabs in order as the tabs are linked as they often flow to other cells.

-Applications must be on the Department's forms and cannot be altered or modified.

-Please do not submit your application via Apple products. Our required forms do not translate to the Apple equivalent smoothly.

-Please confirm the application signatory is an authorized signer per the Applicant's Resolution. If the resolution states the authorized person OR their designee than that means the authorized person may designate someone else to complete and sign the app – that designation must be put in writing on letter head and uploaded with application documents.

Since we are only accepting applications online, we are requesting that the authorized signer print the signature page, sign it in blue ink if possible and upload it to as a PDF with the application documents.

-Make sure you are submitting the most recent application version.

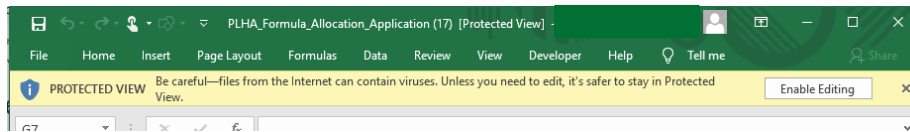
-The Tax Identification Number must match the applicant name – failure to do this may delay your review.



## Application Submission

- **Complete application must be submitted online**
  - Couriered/mailed applications or USBs will not be accepted
- **Must be received by the Department no later than 11:59 p.m. PST on December 31, 2020**

**\*\*\*No technical support after 5:00PM 12/31/20\*\*\***



35

Make sure your application is complete with all relevant exhibits and documentation. Submissions will only be accepted online via the submission portal available on the PLHA website.

Applications must be received no later than 11:59pm on December 31, 2020. Please note that applications will be accepted all day on December 31, however, there will only be technical assistance available until 5:00pm, so please do not wait until the last moment to submit your application.

We map the applications for tracking purposes so it is important that you submit your application as an excel document. Please make sure and hit the “enable editing” button that is at the top of the document when you first start.





## Application Highlights Application

[appsupport@hcd.ca.gov](mailto:appsupport@hcd.ca.gov) and [PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov)

Application Development Team (ADT) Support Form								FORM 5/2012
Please complete the "yellow" cells in the form below and email a copy to: <a href="mailto:AppSupport@hcd.ca.gov">AppSupport@hcd.ca.gov</a> . A member of the Application Development Team will respond to your request within ASAP.								
Full Name:				Date Requested:			Application Version Date:	
Organization:				Email:			Contact Phone:	
Justification:								
Issue #	Program Name &	Tab	Section	Cell#	Update/Comment	Urgency	ADT Status	Status Date
1						High		
2								
3								
4								

The last tab of the application is new. The application support tab is a form to submit via email to HCD for any technical issues you are having within the application.

This form is strictly for technical issues in the application.

Please be sure to include all specific information for the location of the error and the level of urgency. Please submit the completed form to [appsupport@hcd.ca.gov](mailto:appsupport@hcd.ca.gov) and carbon copy (cc) to [PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov).

A member of the Application Support team will respond to your request as soon as possible.



## Application Review

- A. Applicants must submit a complete application by the deadline, meet threshold requirements
  
- B. The Department may request additional information to complete its review
  
- C. Applications recommended for funding are subject to conditions specified by the Department

37

Please be sure to submit a completed application. In the event that we need additional information, we will contact you.



## Disclosure of Application

- Information becomes public record available for review by the public
- Use Discretion - Applicant is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request

38

One last reminder specific to public disclosure...

It is important to note that the information included in your application becomes a public record which is available for review by the public.

You are waiving any claim of confidentiality and consenting to the disclosure of all material upon request. Please only provide information specifically requested within the application

Now you'll hear from Jennifer about what happens next in the process.



## What's Next?

39

Hi, my name is Jennifer and I'll be going over what's next, after an application is submitted.



## What's Next?

1. HCD Representative conducts a Threshold Review
2. Internal Loan Committee receives award recommendations
3. Award letters
4. Standard Agreements
5. Grants Management Team

40

Once we receive applications through the portal, we review to see if they meet the threshold requirements. We also check to see that applicants have submitted every required and accurate document pertaining to their application. Then if the application submission is complete, the PLHA representative begins the threshold review. If the applicant passes this review, then they will be recommended to the Internal Loan Committee (aka ILC), this is where the committee votes on awarding the applicant.

After the Internal Loan Committee's approval, we will email the applicant of their award, and mail them the award letter. We then have a goal of sending the Standard Agreements within 90-days.

We work with our Contracts Unit to review the Standard Agreements and once approved, they will send them to the Sponsor. Then when the Standard Agreements are signed and returned, we will send a complete approval package to our Grants Management team and they start their process with the applicant.



## Common Mistakes found in Threshold Review

41

Now, I'll go over common mistakes we found during the first round of our threshold review process.



## Common Mistakes

### 1. Application in Excel form

#### Current NOFAs

Resolution and Plan Adoption due date: August 26, 2020

- [Additional Documentation for PLHA Application - \(](#)
  - [Jump Start Guide for PLHA Applications \(PDF](#)
- [PLHA Entitlement and Non-Entitlement Local Gover](#)
  - ▶ [PLHA Formula Allocation Application \(XLS\)](#)

**Very Important note regarding the PLHA application:** Once your jurisdiction has completed its data entry into this file, the file must be "saved as" a .xls or .xlsx format. The .xlsm file type is not allowed for uploading.

**General Upload Tip:** Most static file types are supported (doc, docx, pdf, txt, jpg, tif, gif, xls,xlsx, ppt, pptx, etc.). If you receive an uploading error, it is most likely because you are attempting to upload an "active" file type that is prevented due to possible malware concerns.

42

When the PLHA team conducted threshold reviews for the first opening of this program, these were the common mistakes we found:

1. Applications were not submitted in the Excel form we provided on our website. So make sure that you use the correct application excel form, and fill out ALL the tabs, the only tab that is optional, is the Application Support tab. It is also important that you not alter the form besides inputting your information where it is requested.
2. Be sure to save your excel application properly to allow submission via the online portal.
3. We also received a few applications through mail, which is unacceptable moving forward due to telecommuting, so we HIGHLY recommend applicants use the online submission portal.



## Common Mistakes found during our Threshold Review

### 3. Resolutions:

- Updated resolution on PLHA website

### 4. Plan is 5 years: 2019-2023

- with proper fund allocations (100% per each year)
- Must contain Eligible Activities

### 5. Program Income Reuse Plan, *if applicable*

43

The Resolutions were more complex than what we anticipated. In this reopening of the program, there will be an updated Resolution template for PLHA located on the website. The language has been revised to meet the requirements of this program, but we still advise that the applicants read the NOFA and Guidelines to be well-rounded in understanding the program. A common mistake was that a few applicants wrote the wrong Appendix allocation number in their Resolution. Remember, it's the 5-year allocation figure located in Appendix C.

Next, remember that the Plan is for 5 years, 2019-2023, some Plans didn't include these years. Plans also didn't appropriately allocate their allocations for each year. For each year, funds need to be allocated at 100%. If Administrative Costs are being used, then it would be a 95% allocation for the year.

Lastly, some applicants forgot to submit their Program Income Reuse Plan, when it applied. Applicants who will be using the funds to create loans, will need to submit this reuse plan. Currently there is no template, so a simple



narrative of how the applicant plans to reuse recuperated funds is sufficient.



## IF Threshold is NOT met...

- The applicant's assigned HCD Representative will reach out to their Alternate Contact's email, or Authorized Representative's email, which must be provided in the application.

Eligible Applicants §300						
<p>§300(a) and (b) Eligible Applicants for the Entitlement and Non-Entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC, Section §5306 and Non-entitlement local governments.</p>						
Applicant:						
Address:						
City:		State:		Zip:		County:
Auth Rep Name:		Title:		Auth Rep. Email:		Phone:
Address:		City:		State:		Zip Code:
Contact Name:		Title:		Contact Email:		Contact Phone:
Address:		City:		State:		Zip Code:

44

If the applicant fails to meet these requirements, the PLHA representative reaches out and requests the required documentation from the contact listed in the application.

Please use an email account that you regularly check, and save HCD's emails as a contact, so we don't get forwarded to your spam folder.



## GovTIN form...

Principal Government Agency Name\*

Remit-To Address (Street or PO Box)\*

City\*  State\*  Zip Code\*+4

Government Type:  City  County  Special District  Federal  Other (Specify)

Federal Employer Identification Number (FEIN)\*

List other subsidiary Departments, Divisions or Units under your principal agency's jurisdiction who share the same FEIN and receives payment from the State of California.

Dept/Division/Unit Name	Complete Address
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

Contact Person\*  Title

Phone number\*  E-mail address

Signature\*  Date

If checks should go to a sub-department, include the address of the sub-department AND the name of the sub-department.

Only add subsidiary department information for the sub-department listed above, if any.

45

When it comes to the government TIN form, please make sure that the Principal Government Agency Name has “City of” or “County of” included in the applicant’s name.

The name on this TIN form must match exactly the name listed on the resolution.

If the applicant would like the check sent to a sub-department, please include the name and address of the sub-department in the “Remit to address” portion of the form. Please also list this sub-department in the Subsidiary Departments portion in the middle of the form, but if the checks are not being sent to a sub-department, please leave this middle portion of the form blank.

Make sure to complete the FEIN number and also remember to sign the form before submitting.



## After Applicant passes Threshold **Internal Loan Committee**

46

When an applicant meets threshold, their application package is prepared by the PLHA representative to be presented at the next Internal Loan Committee meeting.



## Internal Loan Committee

- Applicant's application package gets submitted to be presented in an Internal Loan Committee Meeting.
  - The Chief Deputy Director/Committee reviews the applicant's package and vote on passing or withholding.

47

The Internal Loan Committee will review the applications for the PLHA program, and the Chief Deputy Director and Committee members vote on awarding the applicant.

Then after the applicant's application is approved, they will receive an email notification from the manager followed by a mailed award letter.

After an award letter is issued, comes the process of the Standard Agreements.



# HCD Standard Agreements



## HCD Standard Agreements

- Goal: send standard agreements to awarded applicants within 90 days
- They will be on a 5-Year Term
- Once reviewed, passing to Grants Management Team

49

The PLHA team has a goal of sending out Standard Agreements within 90 days after the award notification.

Standard Agreements will state an estimated 5-year allocation – using the funding amount stated in Appendix C of the NOFA for the applicant.

We work with our Contracts Unit to review the Standard Agreements and once approved, they will send them to the Sponsor. Then when the Standard Agreements are signed and returned, we will send a complete approval package to our Grants Management team and they start their process with the applicant.

And this concludes our simple overview of the award process.



## Resources

Permanent Local Housing Allocation (PLHA) Website

<https://www.hcd.ca.gov/grants-funding/active-funding/plha.shtml>

Senate Bill 2, Atkins. Building Homes and Jobs Act

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB2](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB2)

Health and Safety Code – HSC Division 31. Housing and Home Finance [50000-54034] Part 2. Department of Housing and Community Development [50400-50899.7]

[https://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?lawCode=HSC&division=31.&title=&part=2.&chapter=2.5.&article=1](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=HSC&division=31.&title=&part=2.&chapter=2.5.&article=1)

PLHA Final Guidelines

<https://www.hcd.ca.gov/grants-funding/active-funding/docs/PLHA-Final-Guidelines-11-19.pdf>

Housing Element Compliance

<https://www.hcd.ca.gov/community-development/housing-element/index.shtml>

50

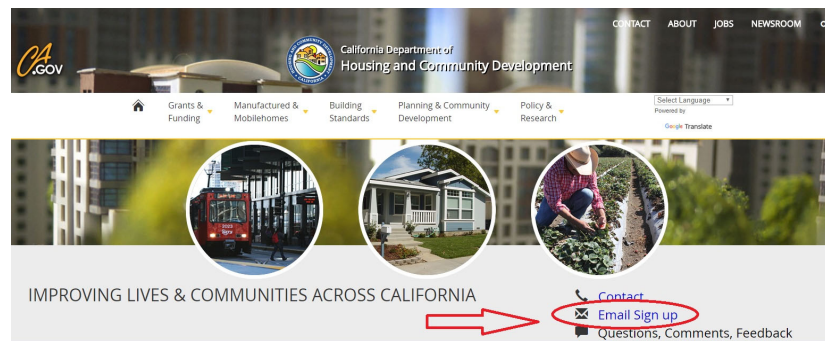
Here are links to some resources you may use for this program.





## Stay in the know: Sign up for HCD email at

[www.hcd.ca.gov](http://www.hcd.ca.gov)



51

If you haven't already, you can sign up for HCD updates on our website. You can select multiple programs on which to receive emailed news and updates.



## Follow HCD on social media



Like us on Facebook: [/CaliforniaHCD](#)



Follow us on Twitter: [@California\\_HCD](#)



Follow us on LinkedIn:  
[/company/californiahcd](#)

52

You also have the option to follow HCD on social media, which is a great way to stay informed on programs and updates.



## Contact

Additional questions for this NOFA may be sent to  
PLHA mailbox

**[PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov)**

53

For any future questions regarding the application, program, or anything else related to the non-competitive PLHA Formula Allocation NOFA – you may email us at [PLHA@hcd.ca.gov](mailto:PLHA@hcd.ca.gov).

Thank you.