Agenda

• NPLH Overview

• Program Accomplishments
  – Alternative Process County Funds
  – HCD Awards

• Proposed Guideline Amendments
NPLH Background

- Signed into law on July 1, 2016.
- Authorization of up to $2 billion in bond proceeds to invest in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness.
- The bonds are repaid through Mental Health Services Act revenues of up to $140 million.
- Voters approved Proposition 2 in November 2018.
### Summary: NPLH in a Nutshell

<table>
<thead>
<tr>
<th>Investment:</th>
<th>Authorization of up to $2 billion in funding</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• $1.8 billion Competitive/Alternative Program</td>
</tr>
<tr>
<td></td>
<td>• $190 million Noncompetitive/Over-the-Counter</td>
</tr>
<tr>
<td></td>
<td>• $6.2 Million in Technical Assistance Grants</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Applicants:</th>
<th>Counties (alone or may partner w/housing development sponsor)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Beneficiaries:</th>
<th>Adults with serious mental illness, children with severe emotional disorders and their families, and persons who, among other things, require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention who are:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Homelessness</td>
</tr>
<tr>
<td></td>
<td>• Chronically Homeless</td>
</tr>
<tr>
<td></td>
<td>• At-risk of Chronic Homelessness</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program Goals:</th>
<th>Addressing the Need</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Deep targeting of hardest to house</td>
</tr>
<tr>
<td></td>
<td>• Expanding pool of developers serving these populations</td>
</tr>
<tr>
<td></td>
<td>• De-concentration and Integration</td>
</tr>
</tbody>
</table>
How NPLH Funds Are Allocated and Distributed

Alternative Process Counties
- Funds allocated directly to counties with at least 5% of the state’s homeless population AND that demonstrate capacity to administer program funds. Includes a share of Noncompetitive Allocation Funds

Competitive
- Funds distributed through a competitive process for non-APC counties announced through an annual Notice of Funding Availability

Non-Competitive
- Awarded over-the-counter to projects proportionate to the number of homeless persons within each county, with a minimum of $500,000 available in each County. Can be combined with Competitive Allocation funds

Balance of State
NOFA/Award Activities to Date

August 2018 – Noncompetitive Allocation OTC NOFA $190 million

October 2018 – Round 1 Competitive Allocation NOFA approx. $400 million.

March 2019 – First APC awards

June 2019 – Remainder of Round 1 Awards

September 2019 – Round 2 Competitive Allocation NOFA approx. $622 million

February 2020 - Round 2 APC Awards

June 2020 – Balance of State Round 2 awards

October 2020 – Anticipated Round 3 NOFA Release
## Funds Awarded By HCD*  
(March 2019 - June 30, 2020)

<table>
<thead>
<tr>
<th></th>
<th>Round 1</th>
<th>Round 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>APC Counties</td>
<td>329,783,872</td>
<td>427,919,022**</td>
<td>757,702,894</td>
</tr>
<tr>
<td>Balance of State</td>
<td>179,538,033</td>
<td>195,159,350</td>
<td>374,697,383</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$509,321,905</td>
<td>$623,078,372</td>
<td>$1,132,400,277</td>
</tr>
</tbody>
</table>

* Includes both Competitive Allocation and Noncompetitive Allocation funds  
** Includes advances to APCs of Round 3 funds
# APC Accomplishments to Date

<table>
<thead>
<tr>
<th>County</th>
<th>Awarded</th>
<th>Disbursed</th>
<th>% Disbursed</th>
<th>First Loan Closing</th>
<th>NPLH Unit Totals /Draws to Date*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles</td>
<td>$540,949,581</td>
<td>$146,003,000</td>
<td>27%</td>
<td>April 2020</td>
<td>613</td>
</tr>
<tr>
<td>San Diego</td>
<td>$80,782,887</td>
<td>$33,122,573</td>
<td>41%</td>
<td>Dec 2019</td>
<td>109</td>
</tr>
<tr>
<td>San Francisco</td>
<td>$64,270,753</td>
<td>$27,769,645</td>
<td>43%</td>
<td>Feb 2020</td>
<td>127</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>$71,699,673</td>
<td>$0</td>
<td>--</td>
<td>Est. August 2020</td>
<td>--</td>
</tr>
</tbody>
</table>

* Estimated Total Project Units: 2,117 for Draws to Date
## Balance of State Accomplishments to Date

### Round 1 Awards

<table>
<thead>
<tr>
<th></th>
<th>Small County</th>
<th>Medium County</th>
<th>Large County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available</td>
<td>$32,000,000</td>
<td>$52,445,511</td>
<td>$93,525,977</td>
</tr>
<tr>
<td>Requested</td>
<td>$27,274,790</td>
<td>$47,000,333</td>
<td>$109,288,333</td>
</tr>
<tr>
<td>Awarded</td>
<td>$27,606,098</td>
<td>$45,736,852</td>
<td>$106,195,083</td>
</tr>
</tbody>
</table>

### Graph

- **X-axis**: County Size (Small, Medium, Large)
- **Y-axis**: Funds Awarded ($ in millions)
- **Legend**:
  - Available
  - Requested
  - Awarded

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*Note: The graph visually compares the available, requested, and awarded funds for different county sizes.*
## Balance of State Accomplishments to Date

### Round 2 Awards

<table>
<thead>
<tr>
<th></th>
<th>Small County</th>
<th>Medium County</th>
<th>Large County</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Available</strong></td>
<td>$34,654,638</td>
<td>$52,445,511</td>
<td>$90,871,339</td>
</tr>
<tr>
<td><strong>Requested</strong></td>
<td>$33,272,788</td>
<td>$77,854,103</td>
<td>$226,374,425</td>
</tr>
<tr>
<td><strong>Awarded</strong></td>
<td>$33,340,565</td>
<td>$68,356,446</td>
<td>$93,462,339</td>
</tr>
</tbody>
</table>
Proposed Guideline Amendments

• Previous Guideline Amendments
  – Round 1 adopted July 2017
  – Round 2 adopted September 2019

• Round 3 Guidelines Amendments
  – Public comments accepted through July 27, 2020
  – Amendments finalized October 2020

• Round 3 NOFA released in October

• Submit comments to NPLH@hcd.ca.gov
Proposed Guideline Amendments

Eliminate the Noncompetitive Expenditure Deadline to Synchronize Existing Program Timelines.

- Current NCA expenditure deadline August 15, 2023

- Eliminating deadline will:
  - Facilitate construction loan closings
  - Eliminate conflict with current longer Perm loan closing deadline
    - 72 months from award with possibility of 24 mo. extension
Proposed Guideline Amendments

Deadline to Submit Plan to Combat Homelessness

• Eliminates Feb 15, 2021 deadline for submitting this Plan

• Clarifies that Plan must by submitted no later than with first project application

• Some Counties may be applying for first time after Feb 15, 2021 as part of a Round 4 application
Comments?
Proposed Guideline Amendments

Clarify the program’s integration requirements for projects receiving NPLH funds.

• NPLH Units shall be integrated with other units in a funded project
• Not restricted to separate floors, common areas, legal parcels, or other areas or portions of the project
• Includes projects that may be presented under different configurations to different funders, but which are actually the same project.
Proposed Guideline Amendments

Clarify funds awarded to the Alternate Process Counties by the Department are grants

- APCs 5% or more of the statewide homeless population
- Responsible for NPLH project selection, underwriting, lending, and long-term monitoring in accordance with approved Method of Distribution and underwriting standards
- HCD block grants to APC; APC lends to individual projects
Proposed Guideline Amendments

Technical Clean-Up

Makes a minor technical correction to statutory citation in Section 100 (a) referencing required definitions.
Comments?
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