



# Housing and Community Development

## Prohousing Incentive Pilot Program





# Presentation Overview

## Prohousing Designation

- How PIP complements Prohousing Designation

## Eligibility

- Threshold
- Eligible Uses
- Application Timeline

## Award Amounts

- Geographic Region Allocations
- Base + Bonus Awards



# PIP is the Newest Benefit for Prohousing Designated Jurisdictions



**Prohousing** designated jurisdictions are now **eligible for \$25.7 Million** in grants through the new **Prohousing Incentive Pilot Program** through **March 15, 2023**.



**Join the first 7 Prohousing Cities.**  
Apply to be Prohousing and access exclusive funds for your community.



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



## Threshold Requirement: Eligible Applicants may submit a PIP application...

1. Simultaneously with a Prohousing Designation application

2. Or after submitting a Prohousing Designation application

*PIP Awards cannot be made until Prohousing Designation is conferred.*



# Designation score plays 3 roles in PIP

30-point  
minimum to  
be  
Prohousing  
Designated

Designation  
score  
determines  
ranking in  
funding  
priority

Designation  
score  
determines  
the Bonus  
Award  
amount

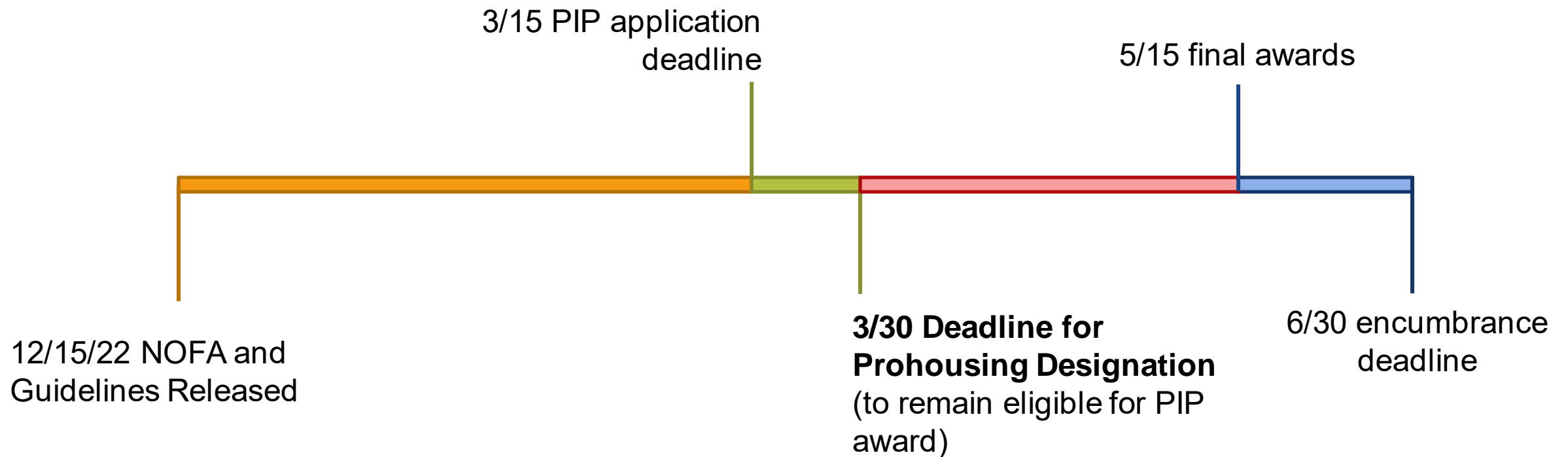
Designation



PIP Award



# HCD Strongly Encourages Early Applications





# Eligible Uses

- **PIP shares eligible uses with the Permanent Local Housing Allocation (PLHA)**



Affordable housing  
preservation programs





# Eligible Uses of Funds

- Any SB 2 Building Homes and Jobs Act eligible use:
  1. Predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low, very low, low-, and moderate-income households, including necessary operating subsidies.
  2. Affordable rental and ownership housing that meets the needs of a growing workforce earning up to 120 percent of area median income, or 150 percent of area median income in high-cost areas.
  3. Matching portions of funds placed into local or regional housing trust funds.
  4. Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund.
  5. Capitalized reserves for services connected to the creation of new permanent supportive housing.



## Eligible Uses (Continued)

6. Assisting persons who are experiencing or at risk of homelessness, including providing rapid rehousing, rental assistance, navigation centers, emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.
7. Accessibility modifications.
8. Efforts to acquire and rehabilitate foreclosed or vacant homes.
9. Homeownership opportunities, including, but not limited to, down payment assistance.
10. Fiscal incentives or matching funds to local agencies that approve new housing for extremely low, very low, low-, and moderate-income households.



## Geographic Regions

- The proportion of available funds in geographic categories will not exceed 75 percent of the total amount of the notice of funding availability.
  - Funds are made available to each of 6 geographic categories based upon 2030 population projections.
- The remaining 25 percent of the total funds will be utilized to award Eligible Applicants from geographic categories whose funds were depleted.

# Geographic Region Funding Allocation

Geographic Region	Funding Amount
<b><u>Southern California:</u></b> Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura	\$10,719,212.54
<b><u>Bay Area:</u></b> Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma	\$3,830,126.30
<b><u>San Joaquin Valley:</u></b> Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare	\$2,184,971.38
<b><u>Sacramento Area:</u></b> Amador, El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba	\$1,285,277.28
<b><u>Central Coast:</u></b> Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz	\$719,755.28
<b><u>North State and Sierra Nevada:</u></b> Alpine, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tuolumne	\$745,460.82
25% Spillover	\$6,426,386.41





# Base Award Amounts

Jurisdiction Size (Population)	Base Award Amount
750,000 or greater	\$4,500,000
300,000 to 749,999	\$2,000,000
100,000 to 299,999	\$1,150,000
50,000 to 99,999	\$500,000
20,000 to 49,999	\$250,000
Less than 20,000	\$75,000



## Bonus Award

- PIP award = Base award + Bonus Award
- Bonus Award Formula: **Prohousing Designation Score** x **10,000** = \$ **Bonus Award**
- Bonus awards are capped at \$500,000



# Example Award Amount

- Prohousing Score: 41
- Base Award: ~75k population = \$500,000
- **Bonus Award: 41 x 10,000 = \$410,000**
- Total Award: \$500,000 (base) + \$410,000 (bonus) = \$910,000





# Questions?

For PIP, contact: [prohousingincentive@hcd.ca.gov](mailto:prohousingincentive@hcd.ca.gov)

For Prohousing Designation, contact: [prohousingpolicies@hcd.ca.gov](mailto:prohousingpolicies@hcd.ca.gov)