

HOME 2024 NOFA WORKSHOP FOR FIRST- TIME HOMEBUYER (FTHB) PROJECTS

California Department of Housing and
Community Development



WELCOME



HOME Projects Team

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NOFA APPLICATION INQUIRIES

For consistency and transparency, questions must be submitted to the HOME NOFA email inbox.

Questions will be reviewed, researched, and answered.

FAQ's will be posted to the HCD website.

Email to [**HOMENOFA@hcd.ca.gov**](mailto:HOMENOFA@hcd.ca.gov)



A Few Housekeeping Items...

- The chat is disabled for participants, so please put your questions in the Q&A.
- We are taking questions only in the Q&A and will answer them at the end of each section.
- We will take one break of approximately 10 minutes about midway through.
- We are recording this webinar and will post all five of our HOME 2024 NOFA Zoom webinars and slide decks to our HOME Notice of Funding page within roughly 1-2 weeks.
 - E-mail HOMENOFA@hcd.ca.gov with your request for the final PowerPoint slide deck and a link to the YouTube recording, to get these sooner.



NOFA Deadlines

Application Submittal Period

January 24, 2025

through

May 22, 2025, 5:00 p.m. PDT



Presentation Overview

- **NOFA Overview and What's New**
 - eCivis Application Portal
 - Funding Availability
 - Application Limits
- **Threshold Requirements**
- **Rating and Ranking**
- **Project Feasibility**
 - Financial Feasibility
 - National Environmental Policy Act (NEPA)
 - Relocation



eCivis Application Portal

HOME Applications must be accessed, starting January 24, 2025, through the eCivis Grants Network Portal – Programs Available for Solicitation page at:

https://gn.ecivis.com/GO/gn_redir/T/vyjsqf2kekyx

- [eCivis Grants Management System User manual](#)
- [eCivis Grants Management System External User Webinar](#)



NOFA Overview

Funding Availability

In round numbers:

- \$35 million available (approximately)
 - 55% for rental projects = \$19.9 million
 - 5% FTHB projects = \$1.8 million
 - 40% for Program Activities = \$14.5 million
- 50% reserved for rural areas = \$17.6 million
- 15% reserved for CHDOs = \$5.3 million
- 20% for Native American Entities Target = \$7 million



New This Year

2022-2023 NOFA	2024 NOFA
Scoring factors all listed in NOFA	Scoring factors all in new NOFA Appendix D
Maximum CHDO Operating Funds = \$200,000	Maximum CHDO Operating Funds = \$75,000



New This Year

2022-2023 NOFA	2024 NOFA
<p>Funding Limits by Project Activity:</p> <p>Rental: \$12 million</p> <p>First-Time Homebuyer (FTHB): \$3M</p>	<p>Funding Limits by Project Activity:</p> <p>Rental: \$4.5 million</p> <p>First-Time Homebuyer (FTHB): \$2 million</p>
<p>Max State Recipient General Admin: \$150,000</p> <p>Project-Related Soft Costs (formerly "ADC"): \$50,000</p>	<p>General Administrative Funds (State Recipients only): \$50,000</p> <p>plus</p> <p>Project-Related Soft Costs (State Recipients only): \$50,000</p>



New This Year

2022-2023 NOFA

Table 8 – Monitoring Fees	
Number of Units	2023
12 or fewer	\$6,077
13 to 24	\$9,888
25 to 36	\$12,051
37-48	\$12,360
49-60	\$14,781
61 or more	\$17,304

2024 NOFA

Table 10 – Estimated 2025 Monitoring Fees	
Number of HOME Units	Annual Fee
12 or fewer	\$ 6,447
13 to 24	\$10,491
25 to 36	\$12,740
37 to 48	\$13,113
49 to 60	\$15,681
61 or more	\$18,358

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Important Reminders

- Pursuant to Government Code Sections 40601 and 40602, the Mayor or Mayor pro tempore must sign all written contracts and conveyances made or entered into by a city, unless the city has an ordinance in effect that specifically allows contracts to be signed by an officer other than the mayor or mayor pro tempore.



CHDO Requirements

- The CHDO must demonstrate capacity for each role (Owner or Sponsor) it intends to undertake.
- **ALL** CHDO applicants **MUST** submit, with their HOME 2024 NOFA application, a complete NOFA Appendix B “COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) APPLICATION FOR CERTIFICATION.”
- CHDO Certification will be for Projects and/or Program Activities awarded from this NOFA solicitation Only.





Questions?

(we'll address questions in the Q&A)

Threshold Requirements

California Department of Housing and Community Development

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Threshold Factors

- ❑ Application submitted via eCivis by May 22, 2025, by 5 p.m. (Pacific Time)

Eligible Applicants:

1) State Recipients

- Cities and Counties on NOFA Appendix A, as State Recipients (SRs):
 - Not designated as a HOME Participating Jurisdiction (PJ) by HUD
 - Not participating in an Urban County Agreement with a county designated as a PJ
 - Not participating in a HOME Consortium
 - ✓ Project or Program Activities must be located within an Applicant's defined service area.



Threshold Factors

Eligible Applicants (continued):

2) Developers:

- Cannot apply for HOME FTHB Projects

3) CHDOs (Community Housing Development Organizations):

- Non-profit corporations that meet all HUD CHDO certification requirements.
- Must be the Project Owner, Sponsor, or Developer

4) Native American Entities



Threshold Factors

- Eligible Project Location
 - Project must be located within a State HOME-eligible jurisdiction on NOFA Appendix A, or on Tribal trust land, for Tribal applicants
 - Cities may apply for Projects within only their city limits, and Counties may apply for projects within only their unincorporated areas.
- Eligible Activities
 - Rental new construction
 - Development of a specific multifamily project on a specific site by a specific Developer
 - Rental new construction projects may be with or without acquisition

NOTE: Transitional housing is not allowed.



Threshold Factors

- Eligible Activities (continued)
 - Rental rehabilitation project
 - Funds provided to rehabilitate a specific rental project on a specific site by a specific Developer, with or without acquisition of the property.
 - Rental Acquisition-Only project
 - Acquisition of a specific multifamily rental Project that meets all HOME requirements including property standards.

NOTE: Again, transitional housing is not allowed.



Threshold Factors

Eligible Activities (continued)

- First-Time Homebuyer Project
 - Construction financing must include the following:
 - New construction to develop homes on specific site(s)
 - 100 percent of the HOME investment must roll over to permanent financing to eligible first-time homebuyers

NOTE: Developers are not eligible for this activity, unless applying to do so as an HCD-certified CHDO



NOFA Overview

Application Limits

Project Activity Funding Limits:

- FTHB Projects: \$2,000,000

Applicants may apply under this NOFA for no more than 2 activities:

- 1 Rental Project and 1 FTHB Project, or
- 1 Rental Project and any combination of Program activities (only FTHB Infill New Construction, for CHDOs), or
- 1 FTHB Project and any combination of Program Activities, for State Recipients



NOFA Overview

Administrative, Project Related Soft Costs, and CHDO Operating Funds Limits

- State Recipients:
 - **\$50,000** General administrative funds
 - plus
 - **\$50,000** Project-Related Soft Costs (formerly Activity Delivery funds)
- CHDOs:
 - **\$75,000** CHDO Operating Funds



FTHB Threshold Factors

Application received by **May 22, 2025**

Eligible Applicant for FTHB Projects:

- State Recipients (SR) – Cities and Counties
- Native American Entity (NAE)
- Community Housing Development Organization (CHDO)
- List of Eligible Jurisdictions (;
 - Referred to Appendix A



FTHB Threshold Factors

Eligible Project Location

- CHDOs only:
 - Must be in an area on NOFA Appendix A (list of state HOME-eligible jurisdictions) that is on the CHDO's articles of incorporation or charter
- State Recipients:
 - Project must be located within eligible jurisdiction's area

NOTE:

- **Projects for acquisition only are not eligible for funding.**
- **NO transitional housing allowed.**



FTHB Threshold Factors

Eligible Activity

Construction financing must include the following:

- 100 percent of the HOME investment must roll over to permanent financing to eligible first-time homebuyers and must be sold to eligible homebuyers.



FTHB Threshold Factors

Eligible Activity (continued)

Construction financing must include the following:

- New construction to develop homes on specific site(s).
- Homebuyer mortgage assistance only (no HOME construction financing) in a project that is being constructed or acquired and rehabilitated with other funds to then be sold to eligible first-time homebuyers.



FTHB Threshold Factors

Application must include:

- Market Comparables
- Appraisal
- Phase I/II



FTHB Threshold Factors

- No pending litigation for project.
- 2 CFR 200.512 Single Audit Report (State Recipients only) filed with State Controller's Office.
- Housing Element Compliance (State Recipients only)
- Site Control



FTHB Site Control

- Property must be held in Fee Title
- Long-term ground lease must meet the requirements of 25 C.C.R. § 8316) for rental to low-income families in accordance with 24 C.F.R. § 92.252.
- Must provide:
 - Purchase Agreements
 - Option Agreements
 - Disposition and Development Agreements (DDA)
 - Exclusive Right to Negotiate
 - Conditional Contracts



Acceptable Forms of Site Control

(continued)

There are five acceptable forms of site control that avoid “choice-limiting” NEPA problems.

1. Site purchase or long-term lease must be consistent with the UMR requirements, prior to submitting the HOME application.
2. Option to Purchase must be conditioned on the Responsible Entity's determination to proceed with project, based on the results of a subsequent environmental review, and the receipt of an “Authority to Use Grant Funds”.
 - The cost to secure the site control document must be a nominal portion of the purchase price.



Acceptable Forms of Site Control

(continued)

3. Purchase Agreement, DDA, Option to Lease, or Exclusive Right to Negotiate may not be conditioned upon NEPA clearance or any other federal requirement.
4. A conditional purchase contract may be used for an existing single-family home (1 to 4 units) or an existing multifamily residential project.
5. A leasehold interest on the Project property must comply with all Program requirements, including compliance with 25 C.C.R. § 8316 (Rental Projects only);



Acceptable Forms of Site Control_(continued)

For more information, please refer to HUD's CPD Notice 98-1 and Assistant Secretary Mercedes Marquez' August 26, 2011, memo on HCD's HOME webpage under Resources.

- CPD Notice May be found at:
<https://archives.hud.gov/offices/cpd/affordablehousing/lawsandregs/notices/98-1.pdf>
- Memo may be found at:
<https://www.hud.gov/sites/dfiles/CPD/documents/HUD-Memo-Guidance-on-Options-and-Conditional-Contracts-for-Purchase-of-Real-Property-for-Environmental-Reviews-Conducted.pdf>



Scoring and Ranking

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Scoring Categories

Scoring Category	Maximum Applicable Points
Housing Element	50
Formula reallocation (HUD declined)	50
Rural area	50
Capacity	Up to 450
Community Need	Up to 250
Project Feasibility	Up to 200
Project Readiness	300
State Objectives	200
TOTAL APPLICABLE POINTS	1550



There is a minimum score requirement of 930 points



Housing Element

50 Points

- Cities and Counties are required to be in compliance with State Housing Element Law.
- Newly-incorporated cities are exempt, until which time city is required to submit the Housing Element to the Department for approval.
- CHDOs and projects to be developed on Native American Lands are also exempt.



Formula Reallocation

50 points

- A jurisdiction that is eligible to receive **HUD direct HOME allocation** funds but declines the funding to preserve their state HOME eligibility shall be awarded the full 50 points.
 - *NEW in 2024: Applicants must upload to eCivis, as proof, a HUD acknowledgement of applicant declination of a HOME 2024 allocation*
- No points awarded to all other applicants.

Rural Area

50 Points

- Activities proposed in a rural community shall receive full points.
- No points awarded to non-rural applicants.



Capacity

Max 450 Points

Prior Applicant Experience

50 Points

- Applicant must demonstrate experience implementing local, state, or federal affordable housing and/or community development projects.
- Needs to be during the last 7 calendar years (1/1/2018 – 12/31/2024, plus 2025 year-to-date).



CAPACITY

(continued)

Prior Development Team Experience up to 200 Points

- The Development team needs to show project experience developing the same or similar type of subsidized projects.
- Needs to be during the last 5 calendar years (1/1/2020 – 12/31/2024, plus 2025 year-to-date).



Capacity

(continued)

Prior Performance

200 Points

All applicants start with **200 points** in this category.

- Points may be deducted, if applicable, from the following four sub-factor categories once review of the application takes place.
 1. Project Reporting Deadlines
 2. Applicant Reporting
 3. Material Misrepresentation
 4. Monitoring Noncompliance
- The Department's look-back period for all four factors will be 1/1/2020 – 12/31/2024.



Capacity

(continued)

Prior Performance

1. Project Reporting Deadlines

Any HOME Project contract awarded that failed to meet project deadlines will be deducted points.

- Permanent Financing Deadline
- Project Set-Up Deadline
- Construction Loan-Closing Deadline
- Project Completion Deadline
- Expenditure Deadline



Capacity

(continued)

Prior Performance

2. Applicant Reporting

HOME Projects that failed to submit the following reports will have up 50 points deducted.

- Monthly reports
- Annual reports
- Quarterly Program Income (PI) reports
- Project Completion reports



Capacity

(continued)

Prior Performance

3. Material Misrepresentation

Any omission or misrepresentation made by an applicant that could jeopardize the Department from funding a project or place the Department at risk of a HUD monitoring finding shall have a **200-point** deduction.



Capacity

(continued)

Prior Performance

4. Monitoring Noncompliance

100 points

- There are two noncompliance categories
 - **Monitoring** will be deducted if any applicant has failed to remedy any HOME monitoring findings and concerns.
 - **Late Reports** – points will be deducted for any 2022/2023 NOFA Project applications where the Applicant, owner, and managing general partner failed to submit timely reports
 - State Recipients – Annual Monitoring Report **(10 points)**
 - State Recipients – Annual Report **(10 points)**
 - CHDOs – Annual Operating Budget **(10 points)**
 - CHDOs – Annual Report **(10 points)**



Community Need and Project Feasibility

Max 450 points

Community Need

250 points

Up to 250 points will be awarded by activity type based on the date in [Appendix C](#) found on the HOME NOFA webpage.

<https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/home/home-2024-appendix-c-community-need-scores.xlsx>



2024 NOFA Appendix C – FTHB (1 of 2)

Rating Points for First-Time Homebuyer Projects by Jurisdiction

(110 pts)

Appendix C

Community Need Data for All State HOME Eligible Jurisdictions

For 2024 HOME NOFA

Data are from the U.S. Census Bureau, American Community Survey

For total Community Need Score for FTHB Project, add score from "FTHB Proj County Data" tab;
for total Community Need Score for FTHB Program add score from "TBRA & FTHB Progr County Data" tab

Rating Points for FTHB Homebuyer Project or Program - jurisdiction part

Jurisdiction	85 Points MAX		25 Points MAX		110 Max Points
	Owners in Poverty	Points Awarded	Owners Overcrowded	Points Awarded	Total Points Awarded
Alpine County, California	6.25%	60	1.13%	15	75
Amador County, California	3.84%	51	0.58%	15	66
Butte County, California	4.80%	51	0.51%	15	66
Calaveras County, California	6.90%	60	0.80%	15	75
Colusa County, California	4.61%	51	0.33%	15	66
Del Norte County, California	2.85%	43	0.46%	15	58
El Dorado County, California	3.38%	51	0.38%	15	66
Glenn County, California	3.59%	51	0.67%	15	66
Humboldt County, California	6.87%	60	0.92%	15	75
Imperial County, California	8.32%	60	2.52%	20	80
Inyo County, California	10.08%	68	0.30%	15	83
Kings County, California	7.42%	60	1.10%	15	75
Lake County, California	4.84%	51	1.13%	15	66
Lassen County, California	8.79%	60	0.16%	15	75
Madera County, California	6.90%	60	1.79%	18	78

FTHB Data by Jurisdiction



2024 NOFA Appendix C – FTHB (2 of 2)

Rating Points for First-Time Homebuyer Projects by County

(140 pts)

Appendix C				
Maximum Purchase Price/After-Rehab Value Limits ("Value Limits") and Median HH Income				
For 2024 HOME NOFA FTHB Projects only				
Data are from HUD'S HOME Maximum Purchase Price/After-Rehab Value Limits for <u>Newly-Constructed</u> Housing and from the State Median Income Limits, 2024				
Rating Points for FTHB Homebuyer Project - county part				
County Name	HOME Value Limit for New One-Family Structure	Median Income for Household of Four	Ratio of HOME Value Limit to Median Income for Household of Four	Total Points Awarded for FTHB Project (140 MAX)
Alpine	\$414,000	\$105,688	3.92	90
Amador	\$399,000	\$100,813	3.96	90
Butte	\$392,000	\$90,625	4.33	100
Calaveras	\$404,000	\$94,625	4.27	100
Colusa	\$392,000	\$87,875	4.46	105
Del Norte	\$392,000	\$87,875	4.46	105
El Dorado	\$554,000	\$117,875	4.70	110
Fresno	\$394,000	\$87,875	4.48	105
Glenn	\$392,000	\$87,875	4.46	105
Humboldt	\$409,000	\$88,313	4.63	110
Imperial	\$392,000	\$87,875	4.46	105
Inyo	\$392,000	\$87,875	4.46	105

FTHB Proj County Data



Community Need and Project Feasibility (continued)

Max 450 points

Project Feasibility

200 Points

- Self-Evaluation Worksheet (150 pts)
State and federal requirements
- Highest percentage of HOME-assisted units (50 pts)
 $\text{HOME Units/Total Units} = \%$



Project Readiness

Project Development Plan (PDP)

First-Time Homebuyer Projects - Project 300 Points

Market Study	40 Points
Appraisal	10 Points
Phase I/II Environmental Report	30 Points
Floodplain Analysis	55 Points
Construction Cost Estimate	5 Points
Local Government Approval	75 Points
Impact Fees	30 Points
Zoning Verification	10 Points
Design Progress	10 Points
Financing Commitments	35 Points



State Objectives Points

For the State Objectives scoring, there are three sub-factors for which Applicants can receive points, up to 200 points maximum. As applications are reviewed and rated, points will be awarded for the following objectives:

- 1. Committed financing**
- 2. Recovery Assistance for Natural Disaster Survivors**
- 3. Policy objectives**
 - Special Needs Populations
 - Homelessness
 - Extremely Low-Income



State Objectives Points (Continued)

1. Committed Financing – Up to 100 points

- Applications will be scored based on the percentage of non-HOME permanent financing committed to the Project by the application due date (10 points will be awarded for each 10 percent (10%) increment).
 - For Projects anticipating applying for **any type of tax credits**, a future tax credit award will not be considered as committed financing and are thus not eligible for these points.
 - However, if the Applicant has 50 percent (50%) of its non-HOME permanent financing committed to the Project by the application due date and intends to also apply for tax credits in the future, the application will receive 50 points out of a possible 100 points.



State Objectives Points (Continued)

2. Recovery Assistance for Natural Disaster Survivors- 30 points (1 of 2)

– Project located in the state-declared disaster areas directly impacted by the Borel Fire (<https://www.fema.gov/disaster/5522>), as may be amended. The state-declared disaster area is the following counties: Kern (County); or

– Project located in the state-declared disaster areas directly impacted by the Park Fire (<https://www.fema.gov/disaster/5519>), as may be amended. The state-declared disaster areas are the following counties: Butte (County); Tehama (County); or



State Objectives Points (Continued)

2. Recovery Assistance for Natural Disaster Survivors- 30 points (2 of 2)

- Project located in the federally-declared disaster areas receiving Individual Assistance (“IA”) pursuant to the HUD memorandum dated May 17, 2023, referencing the federally-declared disaster areas under title IV of the Stafford Act, DR-4699-CA dated April 3, 2023, as may be amended (<https://www.fema.gov/disaster/4699>); or
- Project has been issued an award or conditional award from the Department’s 2017 or 2018 Disaster Recovery Multifamily Housing Program (DR-MHP).



State Objectives Points (continued)

3. Policy objectives 70 Points (one of the following three ways)

I. Special Needs Populations –

Awarded to proposed rental projects with funding commitments that target Special Needs populations, using any of the following funding:

- HUD 811
- HUD Supportive Housing Program
- State Mental Health Services Act (MHSA)
- HCD -No Place Like Home Program
- HCD-Veterans Housing and Homelessness Program
- HCD -National Housing Trust Fund Program
- HCD -- Joe Serna, Jr. Farmworker Housing Grant Program
- May also be awarded to projects that provide project-based rental assistance, under the terms of an MHSA or Veterans Affairs Supportive Housing Voucher (HUD-VASH).

NOTE: If serving Special Needs or Homeless populations, the Projects must include supportive services in accordance with the “Core components of Housing First” under Welfare and Institutions Code § 8255.

-- OR --



State Objectives Points (continued)

3. Policy objectives 70 Points (continued)

II. Homelessness

- Points shall be awarded to applications that propose rental Projects primarily serving people experiencing Homelessness and/or those At Risk of Homelessness as defined in at 24 C.F.R. § 578.3.
- NOTE: If serving Special Needs or Homeless populations, the Projects must include supportive services in accordance with the “Core components of Housing First” under Welfare and Institutions Code § 8255.

-- OR --



State Objectives Points (continued)

3. Policy objectives 70 Points (continued)

III. Extremely Low-Income (ELI)

- Points shall be awarded to applications that propose rental Projects primarily serving Extremely Low-Income Families, which means low-income families whose annual incomes do not exceed 30 percent of the median family income of a geographic area, as determined by HUD with adjustments for smaller and larger families.

NOTE: This scoring category is not applicable to Homebuyer Projects. ***Homebuyer Projects will automatically receive full points in this category.***





Questions?

(Type them or raise your hand)

Break



Scoring and Ranking: Information & Documentation

**California Department of Housing
and Community Development**

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Scoring

To repeat...new this year:

- Scoring factors are in the new NOFA Appendix D, instead of in the body of the NOFA



Project Readiness

Max 300 points

- There are 5 categories for scoring:
 - Project Development Plan (**PDP**)
 - Zoning
 - Local Government Approvals
 - Design Progress
 - Permanent Financing



Project Readiness Project Development Plan (PDP)

Points Awarded If PDP Item:

- Included with application
- “Recent” – shelf life varies!
- Meets basic requirements
 - Correct standard
 - Qualified preparer



Project Readiness PDP Items

- Market Comparables
- Appraisal
- Phase I/II/VES
- Floodplain Analysis
- Construction Cost Estimate
- Relocation



PDP: Market Comparables

- An analysis of comparable properties in the market area of the proposed project.
- Prepared by a licensed real estate broker (or appraiser) having no identity of interest with the Sponsor, the partners of the Sponsor, the intended partners of the Sponsor, or the general contractor
- Prepared and signed no earlier than 2024.
- Contains comparable actual sales data from at least 10 other single-family homes in the market area of the proposed project.



PDP: Appraisal

- Prepared no earlier than 2024 for scoring points
- Required for all acquisitions
- Not required if land is donated
 - No land costs in Development Budget
 - Not a capital contribution
- Value of capital contribution supported by appraisal



PDP: Appraisal

(continued)

An appraisal is required for all projects except where there are no land costs included in the development budget and there are no financial consequences which would require that the Department assess the value of the land (i.e., the developer is not calculating a higher percentage of permanent financing committed due to land donation). Not required if land is donated.

The appraisal must also show the unrestricted fair market value of each model proposed to be sold.



PDP: Appraisal

(continued)

- The home cannot be sold for more than its value, i.e., the total of all loans secured by the property cannot exceed its value.
- If no appraisal has been submitted because land costs are not being charged to the project, the market comparables in PDP #1 should be primarily relied upon to determine the feasibility of the proposed home sales prices.



PDP: Phase I/VES and Phase II Site Assessments

- Phase I/VES
 - Prepared no earlier than 2023
 - ASTM Standard E1527-21
- Phase II (if required by Phase I)
 - Prepared no earlier than 2023
 - ASTM Standard E1903-19



PDP: Floodplain Analysis

- Flood cert required on ALL projects (regardless if property is in a Flood zone)
- FEMA Flood Hazard Determination Form OMB No. 1660-0040 (or later)
- Prepared in 2024
- Must be prepared by a flood certification service or other qualified 3rd party



PDP: Floodplain Analysis

- If any portion of site is in a floodplain:
 - Demonstrate Floodplain Incidental to Project
 - FEMA Flood Hazard Determination Form
 - Indicates no buildings in floodplain
 - Recorded covenants or restrictions required
 - Have obtained FEMA Conditional Letter of Map Revision (CLOMR)
 - Letter included in application
 - Intend to obtain a CLOMR
 - Narrative/explanation of intent included
 - CLOMR required prior to loan closing



PDP: Floodplain Analysis

- Intent to build in the floodplain:
 - Frowned on by HUD!
 - 8-Step Process, which includes
 - Analysis of alternate sites considered and rejected—“no practicable alternatives”
 - Analyze positive and negative impacts of building the project in floodplain, and
 - Describe mitigation measures to minimize negative impacts to people and property,
 - Supporting documentation is required.



PDP: Preliminary Cost Estimate

- Prepared in 2024
- Must be uploaded via eCivis Portal
- Estimate must be consistent with Development Budget, or an explanation must be provided to support any differences
- Preparer/Signer – not limited to Architect



PDP: Relocation General Information Notice (GIN) & Plan

- One copy of actual GIN
- Tenant Notification List
- Proof of Delivery
- Relocation Plan
 - Prepared/Updated in 2024



Zoning, Local Approvals & Fees

- Three forms to upload via eCivis application portal
 - Verification of Zoning and Other Local Approval
 - Verification of Local Development Impact Fees
 - Verification of Water and Sewer Availability
- Applicant completes only the project information; local official completes the remainder
- If an item is not applicable, an explanation must be included
- Signed by Developer and Local Official



Zoning, Local Approvals, & Fees

Points awarded (First-Time Homebuyer Project):

Zoning Verification	10 points
<u>ALL</u> Local Approvals Obtained*	75 points
Impact Fees	30 points

***NOTE: Expected approval dates do not receive points; approvals must have been received by the time of (and submitted with) the application. Any items that are “not applicable” must be clearly documented.**



Design Progress

- Executed agreement with architectural firm
- Letter from architect or construction specialist stating status of plans and specifications:
 - Ready to submit to planning department
 - Preliminary Plans and Specifications
 - Conceptual (Elevation and Floor Plans)





Questions?

(we'll address questions in the Q&A)

Project Feasibility: Financial Feasibility

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Income Limits, Rent Limits, HOME per-unit Subsidy Limits, and FTHB HOME Homeownership Value Limits

The current HOME Income Limits, Homeownership Value Limits, Rent Limits, and Maximum Per-Unit Subsidy limits are located on the Department's website at:

<https://www.hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits>

(in the CDBG, HOME and NHTF/HHC Article I – Income, Value, Subsidy, and Rent Limits folder)



HOME 2024 Income Limits

2024 State HOME Income Limits - Effective June 1, 2024									
*Percentages may not be mathematically related to each other due to rounding									
County	Income Category*	Number of Persons in Household							
		1	2	3	4	5	6	7	8
Alameda	30% Limits	\$32,700	\$37,400	\$42,050	\$46,700	\$50,450	\$54,200	\$57,950	\$61,650
	Very Low Income 50%	\$54,500	\$62,300	\$70,100	\$77,850	\$84,100	\$90,350	\$96,550	\$102,800
	60% Limits	\$65,400	\$74,760	\$84,120	\$93,420	\$100,920	\$108,420	\$115,860	\$123,360
	Low Income 80%	\$84,600	\$96,650	\$108,750	\$120,800	\$130,500	\$140,150	\$149,800	\$159,500
Alpine	30% Limits	\$22,200	\$25,400	\$28,550	\$31,700	\$34,250	\$36,800	\$39,350	\$41,850
	Very Low Income 50%	\$37,000	\$42,250	\$47,550	\$52,850	\$57,050	\$61,300	\$65,550	\$69,750
	60% Limits	\$44,400	\$50,700	\$57,060	\$63,420	\$68,460	\$73,560	\$78,660	\$83,700
	Low Income 80%	\$59,200	\$67,650	\$76,100	\$84,550	\$91,350	\$98,100	\$104,850	\$111,650
Amador	30% Limits	\$21,200	\$24,200	\$27,250	\$30,250	\$32,700	\$35,100	\$37,550	\$39,950
	Very Low Income 50%	\$35,300	\$40,350	\$45,400	\$50,400	\$54,450	\$58,500	\$62,500	\$66,550
	60% Limits	\$42,360	\$48,420	\$54,480	\$60,480	\$65,340	\$70,200	\$75,000	\$79,860
	Low Income 80%	\$56,450	\$64,550	\$72,600	\$80,650	\$87,150	\$93,600	\$100,050	\$106,500
Butte	30% Limits	\$19,050	\$21,800	\$24,500	\$27,200	\$29,400	\$31,600	\$33,750	\$35,950
	Very Low Income 50%	\$31,750	\$36,300	\$40,850	\$45,350	\$49,000	\$52,600	\$56,250	\$59,850
	60% Limits	\$38,100	\$43,560	\$49,020	\$54,420	\$58,800	\$63,120	\$67,500	\$71,820
	Low Income 80%	\$50,750	\$58,000	\$65,250	\$72,500	\$78,300	\$84,100	\$89,900	\$95,700
Calaveras	30% Limits	\$19,900	\$22,750	\$25,600	\$28,400	\$30,700	\$32,950	\$35,250	\$37,500

HOME 2024 NOFA First-Time Homebuyer Projects Webinar



2024 HOME Program Per Unit Subsidy Limits

(Effective February 13, 2024)

The following HOME Program Subsidy Limits apply to all counties in California:

County Name	0 Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 & 5 Bedrooms
All Counties	\$181,488	\$208,049	\$252,994	\$327,293	\$359,263



2024 HOME Program Homeownership Value Limits (Sales Price Limit)

2024 HOME Program Single-Family Homeownership Value Limits for New Homes (built within 12 months of acquisition) - Effective September 1, 2024	
County	One-Unit 95% Median Sales Price Limit
Alameda County	\$746,000
Alpine County	\$414,000
Amador County	\$399,000
Butte County	\$392,000
Calaveras County	\$404,000
Colusa County	\$392,000
Contra Costa County	\$712,000
Del Norte County	\$392,000
El Dorado County	\$554,000
Fresno County	\$394,000
Glenn County	\$392,000
Humboldt County	\$409,000
Imperial County	\$392,000
Inyo County	\$392,000
Kern County	\$392,000
Kings County	\$392,000
Lake County	\$392,000
Lassen County	\$392,000
Los Angeles County	\$665,000
Madera County	\$392,000



FTHB Financing Notes

- Resale Provisions are NOT Allowed
- Loan Agreements are required
- Loan Agreements will detail Recapture Provisions
- Permanent Financing must meet the following requirements:
 - Primary Loan (bank/mortgage company)
 - Terms:
 - Minimum of 30 years
 - Fixed rate
 - Fully amortized (no balloons or negative amortizing loans)
 - “Current Market Rate” = Freddie Mac Rate Plus 100 Basis Points. Link: [Mortgage Rates - Freddie Mac](#)
 - No Temporary Rate Buy-Downs



First-Time Homebuyer HOME Loan Terms

HOME Loan:

- HOME Loan is minimum amount necessary for the gap financing
- Simple Interest, accrued interest may be forgiven (principal cannot be forgiven)
 - State Recipients: 0-3% interest
 - CHDO: 3% interest (HCD is lender to FTHB)
- Payments are deferred for the loan term
- Subject to Federal Period of Affordability



Procurement Requirements of Administrative Subcontractors

- Must follow a competitive Request for Proposals (RFP) procurement process in accordance with 2 CFR Part 200 requirements.
- Must receive State approval prior to executing Agreement if desiring to contract with sole bidder
- Alternative to contracting with an Administrative Subcontractor: Enter into a HOME Subrecipient Agreement with a non-profit or government entity



Caution!

FTHB Application Worksheets are linked!

- Complete Pages in Order
- Do NOT Overwrite Formulas
- Do NOT enter in White cells

→ FTHB application worksheets must be uploaded via eCivis portal ←



Project Feasibility: NEPA

California Department of Housing and Community Development

HOME 2024 NOFA First-Time
Homebuyer Projects Webinar



NEPA

- Choice-Limiting Actions (CLA)
 - 24 CFR section 58.22
 - Upon contemplation of federal funds, there is a prohibition against any activity which would have an adverse effect on the environment or limit the choices of reasonable alternatives
- Contemplation of Federal Funds = Upon Application



NEPA

- What does this mean?
 - From date of application until the date Authority to Use Grant Funds (AUGF) is issued, all activity involving the project and site must stop.
 - Limitation applies to a broad range of activities, not just to the land itself.
 - Before undertaking any activity, consult with your HOME Representative.



NEPA

- Warnings!!!
 - Allow sufficient time to complete the NEPA review process
 - Mitigation might be required
 - Actions taken by seller trigger a choice-limiting action
 - Environmental Review Clearance is also required for other federal funding sources



Project Feasibility: Relocation

California Department of Housing and Community Development

HOME 2024 NOFA First-Time
Homebuyer Projects Webinar



Relocation Plan

- Uniform Relocation Act
- Section 104(d) of HCD Act of 1974
- Anti-Displacement (economic displacement)
- Establish date of Initiation of Negotiation (ION) and provide ION date in application
- Costs included in Development Budget



Relocation General Information Notice (GIN) & Plan

If Relocation is triggered...

- One copy of actual GIN
- Tenant Notification List
- Proof of Delivery
- Relocation Plan
 - Prepared/Updated within 6 months of application submittal

If Relocation is not applicable, application must clearly state the reasons why it is not applicable

Note: In order to receive the points, you must have **all four** relocation items.



OTHER FEDERAL OVERLAYS

- Additional Federal Overlays May Apply
 - Labor Standards (Davis-Bacon)
(12 or more HOME units)
 - Section 3 Labor Compliance
 - 2 CFR Part 200 Procurement Standards
 - Single Audit Report (State Recipients only)
 - Violence Against Women Act (VAWA)
 - MBE/WBE
 - Build America, Buy America Act (BABA)
 - Affirmative Fair Housing





Questions?

(Type them or raise your hand)

Technical Assistance Consultations

- We're happy to meet anytime on Teams anytime before applications are due
- E-mail HOMENOFA@hcd.ca.gov to request a call to schedule a technical assistance consultation



HOME NOFA INQUIRIES AND CONTACTS

NOFA APPLICATION INQUIRIES

For consistency and transparency, questions must be submitted to the HOME NOFA email inbox.

Questions will be reviewed, researched, and answered.

FAQ's will be posted to the HCD website.

Email to HOMENOFA@hcd.ca.gov



Thank You!

