



# Homekey+ NOFA Webinar

Presented by the Homekey+ Team

January 22, 2025

CALIFORNIA DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT  
DIVISION OF STATE FINANCIAL ASSISTANCE | **DSFA**





# Webinar Agenda

I. Welcome

II. Housekeeping

III. Opening remarks

IV. Homekey+ NOFA Overview

V. Q and A



# Webinar Housekeeping

- Attendees have been muted on entry
- For Zoom technical support, please call **1(855) 681-3962**
- For program-related questions, please use the Q&A box
  - At the end of the presentation, we will share and discuss questions
- This webinar is being recorded and will be posted on the [Homekey+ webpage](#).



# Opening Remarks

Zachary Olmstead

Chief Deputy Director

Department of Housing and Community Development



# Program Overview



Presented by Amy Turner

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## Target Populations

- Homeless
- Chronically Homeless
- At Risk of Homelessness
- Includes Veterans and Youth

With a Behavioral Health Challenge  
= Mental illness or substance use disorder

[Code of Federal Regulations, Title 24 §578.3](#) defines Homeless, Chronically Homeless, At Risk of Homelessness, and Youth

### [NOFA - Article VII. Definitions](#)

(vii) Behavioral Health Challenge  
(ix) Chronic Homelessness  
(xlii) Veteran

(xxiv) Homeless  
(xxv) Homeless Youth  
(v.) At Risk of Homelessness





# Allocations & Geographic Distributions

## Section 203

### Proposition 1 bond funds

- \$1.033 billion – Proposition 1 funds available for Veterans
- \$1.11 billion – Projects serving all eligible populations

### Of the \$1.11 billion for general population:

- \$805 million - Proposition 1 bond funds
- \$307 million – Homeless Housing Assistance and Prevention (HHAP) Homekey+ Supplemental funding



# Allocations & Geographic Distributions

## Section 203 (continued)

Allocation (% of appropriation)	Veterans	General Population	NOFA Total
Youth - 8%	\$85,200,000	\$102,320,000	\$187,520,000
Rural - 5%	\$53,250,000	\$63,950,000	\$117,200,000
Discretionary Reserve - 10%	\$106,500,000	\$127,900,000	\$234,400,000
Available for Regions	\$788,100,000	\$817,586,000	\$1,605,686,000
<b>Totals</b>	<b>\$1,033,050,000</b>	<b>\$1,111,756,000</b>	<b>\$2,144,806,000</b>





## Allocations & Geographic Distributions Section 203 (continued)

Counties by Region					
Balance of State	Alpine	Bay Area	Alameda	San Diego County	
	Amador		Contra Costa	San Joaquin Valley	Fresno
	Butte		Marin		Kern
	Calaveras		Napa		Kings
	Colusa		San Francisco		Madera
			San Mateo		Merced
	Del Norte		Santa Clara		San Joaquin
	Glenn				Stanislaus
	Humboldt		Solano		Tulare
	Inyo		Sonoma		
	Lake	Central Coast	Monterey	Southern California	Imperial
	Lassen		San Benito		Orange
	Mariposa		San Luis Obispo		Riverside
	Mendocino		Santa Barbara		San Bernardino
	Modoc		Santa Cruz		Ventura
	Mono	Los Angeles County			
	Nevada	Sacramento County	El Dorado		
	Plumas		Placer		
	Shasta		Sacramento		
	Sierra		Sutter		
	Siskiyou		Yolo		
	Tehama		Yuba		
	Trinity				
	Tuolumne				



# Allocations & Geographic Distributions

## Section 203 (continued)

Table 6: Summary of Homekey+ Regional Allocations

Region	Veteran Allocation	General Population Allocation	Total Allocation
Balance of State	\$41,923,051	\$28,990,773	\$70,913,823
Bay Area	\$141,592,331	\$161,667,416	\$303,259,747
Central Coast	\$26,847,679	\$33,727,136	\$60,574,815
Los Angeles County	\$277,863,641	\$321,433,030	\$599,296,672
Sacramento Area	\$49,438,314	\$51,781,757	\$101,220,070
San Diego County	\$91,905,882	\$56,293,533	\$148,199,415
San Joaquin Valley	\$53,520,342	\$63,635,222	\$117,155,564
Southern CA	\$105,008,761	\$100,057,133	\$205,065,894
<b>Totals</b>	<b>\$788,100,000</b>	<b>\$817,586,000</b>	<b>\$1,605,686,000</b>



## Program Deadlines Section 204

**Deadlines begin 60 days from date of Conditional Award Letter**

Eligible Uses	Break Ground (if applicable)	Complete Construction	Complete Expenditure	Complete Occupancy
<b>New Construction and Gap Financing</b>	6 months	24 months	27 months	27 months
<b>All other Eligible Uses in Section 201</b>	N/A	12 months	15 months	15 months



# Program Deadlines

## Section 204 (continued)

### New Construction Project with Rehabilitation:

- Full occupancy = 90 days from construction completion

### Acquisition New Construction Project with no Rehabilitation:

- Full occupancy = 6 months from acquisition

### Operating Expenses Expenditures

- 10 years from initial occupancy

Eligible costs incurred (excluding operating costs) beginning March 5, 2024, may be reimbursed. This is the date Proposition 1 was approved by voters.



# Funding Available & Limits

## Section 207

Max Homekey+ awards:

- Max of 4 Homekey+ awards per Co-Applicant that is not an Eligible Applicant

Per project funding limits:

- \$10 million – Single Family Scattered-Site Projects
- \$35 million – in total HCD sources (excluding Gap Financing)

Project exemptions may be approved by HCD under the following circumstances:

1. Uniquely advances state policy priorities
2. High Scoring
3. High or Highest Resource areas
4. High-cost region



# Program Overview (continued)

Presented by Jana Zawadzki



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# Eligible Applicants Section 200

- Cities, counties, cities and counties, and all other state, regional, and Local Public Entities, including councils of government, metropolitan planning organizations, Public Housing Authorities, and regional transportation planning agencies designated in Section 29532.1 of the Government Code.
- Tribal Entities



# Eligible Applicants Section 200 (continued)

Eligible Applicants may apply with Co-Applicant(s)

- Eligible applicants may apply independently or jointly with a nonprofit or for-profit corporation, a limited liability company (LLC), a limited partnership (LP), or Special Purpose Entities (SPEs) (Section 8313.2 of the [UMRs](#)).
- All SPEs are required at the time of Application.
- Appendix B of the NOFA lists the organizational documents required at time of application.



# Eligible Projects Section 202

- Conversion of nonresidential structures to residential dwelling units
- Conversion of commercially zoned structures to residential dwelling units
- Conversion of buildings with existing residential or interim uses that will be used to create PSH units (Interim to Perm ONLY if Section 502 Gap Financing Applications)
- Multifamily rental housing Projects
- Scattered site housing on multiple contiguous or non-contiguous sites
- PSH units in a shared housing setting
- Any of the Eligible Projects in Section 201, developed in excess state-owned properties





# Capital Award Section 205

Award is comprised of Relocation + Assisted Unit award.

Homekey+ Award determinations will be the **lower** of the following:

- the maximum \$35,000,000 grant amount per Project, **or**
- the sum of the acquisition amount and any additional construction or Rehabilitation expenses, as supported by an appraisal and other reasonable documentation required by HCD, **and**
- the sum of half the Project's relocation costs



# Capital Award

## Section 205 (continued)

### NON-GAP FINANCING PROJECTS (*Gap Projects see Section 502*):

- \$200,000 baseline per door for each Assisted Unit, regardless of number of bedrooms (new for Homekey+)
- Homekey+ will fund “doors” based upon the number of units at the time of acquisition which may differ from the number of units at Project completion (New construction funds by number of completed Assisted Units).
- For Acquisition/Rehabilitation Projects: Award is based on the lower of 1) the maximum allowable award or 2) the appraised value plus evidence of rehabilitation costs.
- For New Construction or commercial conversion Projects: Award is based on the lower of 1) the number of doors at Project completion or 2) the appraisal, if available.
- 1 unit divided into 2 units = \$200,000 baseline award per new Assisted Unit created.



# Capital Award Section 205 (continued)

## NON-GAP FINANCING PROJECTS

- No match required for the \$200,000 baseline award
- In addition to baseline amount, applicants may leverage a 1:1 local match providing up to \$100,000 in additional funds per door.
- Potential Maximum Capital Award of \$300,000 per unit, regardless the number of bedrooms.
- For the purchase of Affordability Covenants and restrictions, and for master-leasing, HCD may size the Award per door based on a recent market study within the past year which conforms to guidelines adopted by the California Tax Credit Allocation Committee (TCAC), and/or a rent roll, and/or other supporting documentation.





## Example Stack: Total Development Cost \$400,000 per door

Homekey+ Award	Applicant Match	Amount
\$200,000 per door or divided unit that creates a new Assisted Unit	Not Required	\$200,000
Up to \$100,000	Up to \$100,000 (1:1)	HK+ Award plus Match amount = \$300,000
\$300,000 total	\$100,000 (1:1)	HK Award + Match amount = <b>\$400,000</b> <b>TOTAL cost per Assisted Unit</b>

## Homekey+ Capital Contributions Appendix A

Assisted Unit, 1:1 Match	Homekey+ Capital Contributions		
	Total Cost Per Door *	Maximum Homekey+ Contribution	Applicant Contribution
Homekey+ Target Population and Manager's Units	\$180,000	\$180,000	\$0
	\$190,000	\$190,000	\$0
	\$200,000	\$200,000	\$0
	\$220,000	\$210,000	\$10,000
	\$240,000	\$220,000	\$20,000
	\$260,000	\$230,000	\$30,000
	\$280,000	\$240,000	\$40,000
	\$300,000	\$250,000	\$50,000
	\$320,000	\$260,000	\$60,000
	\$340,000	\$270,000	\$70,000
	\$360,000	\$280,000	\$80,000
	\$380,000	\$290,000	\$90,000
	\$400,000+	\$300,000	\$100,000+

\* The total cost per door referenced in the table above includes all eligible capital expenses, including acquisition, Rehabilitation, and new construction costs.



# Operating Award and Match Section 206

Homekey+ Operating Award Amount per door:

- Total amount of operating Award per Assisted Unit shall not exceed \$1,400 per month for the duration of the Operating Award
- Duration is tied to the amount of the Applicant's fully committed matching funds
- See Article VII, Definitions: Enforceable Funding Commitment (EFC) on how to show commitment at time of Application.
- Homekey+ funded portion of the Award for operating expenses must be expended no later than ten (10) years from initial occupancy compliant with the provisions in Section 206 subsection (vi.)





# Operating Award and Match Section 206 (continued)

Duration of Applicant Match Per Assisted Unit	Duration of Homekey+ Award* Per Assisted Unit
Less than 3 years	No HK+ Operating Award for Applicants providing less than 3 years' match
At least 3 years	Up to 3 years
At least 4 years	Up to 4 years
5 or more years	Up to 5 years

\*Awards are based on need, **exclusive** to the costs referenced in Section 206 (v.) HCD determines need based on information in the Homekey+ application.



# Operating Award Need Section 206 (continued)

Applicants must demonstrate they:

- Identified all possible federal, state, and local sources of rental assistance and other operating assistance; ***and***
- Submit proof of unfunded applications or other written requests to the appropriate entity to secure project-based rental or other operating assistance;
  - ***OR***
- Provide evidence from relevant entities showing that rental assistance and other operating assistance is not available.

**Applicants must commit to continuing to seek operating funding in future years as it becomes available. (County behavioral health collaboration strongly encouraged to secure services funded by Behavioral Health Services Act (BHSA)).**



# HK+ Ineligible Operating Section 206 (continued)

HK+ Awards shall **not** pay for the following:

- Costs associated with non-Assisted Units, including Manager's Units
- Debt service, distributions, and developer fees
- UMR-required reserve account initial and/or annual deposits
- Deposits to reserves beyond those required by HCD under the UMRs, including reserves required by other Project financing sources
- Under no circumstances may Homekey+ operating funds be used for or in connection with a limited partner buyout, substitution, or assignment of ownership interest.





# HK+ Operating Award: 5-Year Example

#	Source	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
1	All Incomes	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600
2	All Expenses	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400
3	HK+ 5 yr <u>Need</u> Awarded	<b>\$16,800</b>	<b>\$16,800</b>	<b>\$16,800</b>	<b>\$16,800</b>	<b>\$16,800</b>					
4	Local 5 yr Committed Match	\$16,800	\$16,800	\$16,800	\$16,800	\$16,800					
5	Other local intent to pursue fund						\$33,600	\$33,600	\$33,600	\$33,600	\$33,600

# Threshold Requirements and Scoring Criteria

Presented by Matthew Dwight

CALIFORNIA DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT  
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# Threshold Requirements Section 300

- Eligible Applicant to submit application identifying all co-applicants\*
- Project must serve the Target Population
- **Completed Application Workbook with all worksheets and supplemental information.**
- Project-specific Supportive Services Plan
- **Project Ownership Structure**
- Authorizing Resolutions\*
- Organization Documents
- Non-Discrimination Policy
- Statement of actions that the applicant takes to ensure equitable access for groups that are overrepresented the homeless data\*
- Statement how Applicant plans to engage the Target Population\*
- Evidence of Site Control





# Threshold Requirements Section 300 (continued)

- Preliminary Title Report dated 90 days of application submittal
- Detailed Development Plan\*
- Appraisal as per Homekey requirements\*
- If Rehabilitation, narrative and PNA required.
- If Master Leasing, market study and/or rental roll or supporting documentations.
- If Rehabilitation and new construction, Phase I Environmental Report
- Relocation Assistance Narrative\*
- **Enforceable Funding Commitments (EFCs) for Development costs and rental, operations and service costs.\***
- Eligible Applicant and Co-Applicants are the entities that the Dept. relies upon for experience and capacity and control the Project.
- **Applicants and Co-Applicants must attend a Pre-App Consultation**
- One-for-one replacement of assisted housing in applicable.



# Additional Application Materials Section 301

- A Certificate of Good Standing, dated within 30 days of application due date
- Completed Certification and Legal Disclosure Statement
- Signature Block for all Applicants entities in Word Format
- Payee Data Record STD204 (except for Eligible Applicants)
- Taxpayer Identification Number (FI\$Cal TIN Form)
- EIN Verification (IRS form SS-4) (except for Jurisdictions)
- Tax-Exempt Status from IRS or FTB (if applicable)
- CEQA Determination (if applicable)
- NEPA Authority to Use Grant Funds (if applicable)
- Phase 2 Environmental Report if needed as stated in Phase I ESA report (if Applicable)
- **A letter from the local county behavioral health department describing their support for the Project (capital, operating or service commitments, referrals, stakeholder collaboration, etc.). If the letter can't be secured, Applicant must describe efforts to obtain the letter.**



# Application Scoring Criteria

## Section 305

Note: Applicants must score a **minimum of 100 points to be eligible for funding.**

Category	Points
1. Site Control	20
2. Cost Containment	15
3. Sustained Operating Leverage	45
4. Experience and Coordination	40
5. Community Impact	40
6. Site Selection	16
7. Relocation Impacts	(- 20)
8. Negative Points	TBD
<b>Total Max Points</b>	<b>176</b>





# Changes for Homekey+ Scoring Criteria

## Section 305

Cost Containment	Evaluation Criteria
	<p>a. For any Project where the average total cost per Assisted Unit is below baseline per door of \$200,000, one (1) point will be assigned for every \$10,000 under the baseline amount. <b>(up to 10 points)</b></p> <p>b. Utilizing Publicly Owned Land: 5 points will be awarded to Project that is located on a site selected under Excess Sites (Executive Order N-06-19) or any land declared as Surplus Land by a local agency. <b>(5 points)</b></p>



# Changes for Homekey+ Scoring Criteria

## Section 305 (continued)

	Evaluation Criteria
<b>Sustained Operating Leverage</b>	<p>a. Score is based on weighted subsidy type, percentage of costs covered, and length of commitment. Applications will need to score at least 10 points to be prioritized by the Homekey+ Program. See Section 400 on the process and determination for Projects that will be prioritized in Homekey+. - Project operation subsidies: Up to one (1) point for each year through year fifteen (15). <b>(up to 15 points)</b></p>



# Changes for Homekey+ Scoring Criteria Section 305 (continued)

Weighted Point Value by Subsidy Type	
Project-Based Rental Subsidy	1
Committed Operating Subsidy	1
Renewable Source*	0.75
Tenant Based Voucher	0.5
Supportive Services / Healthcare Reimbursement	0.5
Intent to pursue funding	0.25
<i>*For years that are uncommitted or not allocated. Years with existing current subsidy will be considered Committed Operating Subsidy.</i>	

# Changes for Homekey+ Scoring Criteria

## Section 305 (continued)

	Evaluation Criteria
Sustained Operating Leverage	<p>b. Homekey+ Award Utilization: Applications that request less Homekey+ Operating Award than the Maximum Eligible Award amount will earn more points. Applications that do not request an operating Award will automatically earn 20 points. <b>(up to 20 points)</b>:</p> <ul style="list-style-type: none"><li>- Two (2) points for each 10% increment of Maximum Eligible Homekey+ Operating Award not utilized.</li><li>- No Homekey+ Operating Award Requested (20 points)</li></ul>
	<p>c. Mental Health Services Act or Behavioral Health Services Act funds committed to the Project as evidenced by a letter from the local county behavioral health department meeting the EFC requirements in Article VII of this NOFA. <b>(10 points)</b></p>





# Changes for Homekey+ Scoring Criteria Section 305 (continued)

	Evaluation Criteria
<b>Experience and Coordination</b>	c. Commitment letter(s), MOU(s) or other formal agreement between the Primary and Co-Applicant(s) and/or other involved partners documenting how the complete development and management team (which includes the Applicant, developer, property manager, LSP, etc.) are connected and will work together on the Project. Applicants are encouraged to complete due diligence checklists to ensure all members of the team are aware of roles and responsibilities. <b>(15 Points)</b> )
<b>Community Impact</b>	a. Assisted Units include units for large family housing types (10 points) - At least 25% of the Assisted Units in the Project shall be two bedroom or larger units, consistent with TCAC Regulations (4 CCR § 10325(g)(1)(A-I)), <b>(10 points)</b>

## Negative Points Section 305

An Applicant may be assessed negative points by the Department.

- For complete information see:

[Negative Points Policy](#) (Administrative Memo 22-01)

HCD will notify the Applicant in writing in the initial point score letter if Negative Points have been assessed.

- Applicants have to the opportunity to appeal set forth by this NOFA
- Applies to HCD loans and grants
- Asset Management & Compliance (AMC) Branch for HCD Loans
- State Grant Management (SGM) and Multifamily Grant Management (MGM) for grants.



# Additional NOFA Requirements

Presented by Kourtni Awwad

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# Supportive Services Requirements

## Section 302

- Project specific & tailored to Target Population
- Basics of Supportive Services Plans (SSPs)
  - **Application components:** Staffing plan, itemized budget, Lead Service Provider information, etc.
  - **Supplemental documentation:** Property management plan §302(ii), written policies §302(i)(b), staff information, Supportive Service contracts, etc.





# Supportive Services Requirements Section 302 (continued)

## Tenant Selection and Coordinated Entry System (CES)

- Alternate systems
- Collaboration with local Continuum of Care (CoC) **and** local county behavioral health department

## Overall SSP compliance with Housing First

- [HCD Resources](https://www.hcd.ca.gov/grants-and-funding/homekey-plus/resources) - <https://www.hcd.ca.gov/grants-and-funding/homekey-plus/resources>



# Single-Family Scattered Site Housing

## Section 303

Can be single-family homes, duplex, and triplex

- Each bedroom counts as one Assisted Unit

Must comply with NOFA and 2017 UMR §8303(b)

- All sites under same owner and financing
- Other requirements

Conditional Award for initial project proposal; Award once milestones have been met

- Award limit: Up to \$10M for up to 5 sites (see Section 207)



# Single-Family Scattered Site Housing Section 303 (continued)

Within sixty (60) days of the Conditional Award:

- Site control

Within ninety (90) days of the Conditional Award:

- Appraisal
- Physical Needs Assessment (PNA)
- Phase 1 Environmental Site Assessment (ESA)
- Updates to other application materials



# Homekey+ Program: Distinctive Additions

Presented by Becky Mo

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# Veterans Assisted Units Section 500

- One billion funding availability
- Homekey+ target population
- HUD-VASH special rule  
to exclude Veterans' service-connected Disability benefits from  
household income calculation



# Veterans Assisted Units Section 500 (continued)

## Secondary Tenants Policy

- HCD Administrative Notice – implement AB 1386
- Good faith efforts
- HUD-VASH special rule
- At least 30% of the Veterans units must be leased to 30% AMI households



# Veterans Assisted Units Section 500 (continued)

## Disabled Veteran Business Enterprise (DVBE)

- No less than 5% of total construction costs
- DVBE specialist vs CalVet
- Commencement of construction vs completion of construction



# New Construction Cost Containment Section 501

Total Development Cost (TDC) per unit caps are the lesser of

- \$450,000 per unit, or
- 2024 TCAC Basis Limits for applicable county

## Timeline

- Commence construction within 6 months
- Certificate of Occupancy within 24 months





# Gap Financing Section 502

Gap Financing Applications are Due **April 3, 2025**

- (1) Existing HCD award + pending disencumbrance within 6 month
- (2) Existing HCD award + unsuccessful tax credit application
- (3) All other HCD funded projects
- (4) Unsuccessful tax credit application



# Gap Financing – Additional Requirements Section 502 (continued)

- Local Public Entity + all HCD awardees
- Same project information
- No more than \$450,000 per unit.
- Timeline
- Commence construction within 6 months
- Certificate of Occupancy within 24 months
- Tax credit allocation prohibition
- Negative points



# Application Submission, Review, and Technical Assistance

Presented by Connor Leahy

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# Homekey+ Pre-Application Consultations

- The Homekey+ NOFA requires that all potential Applicants and Co-applicants participate in a pre-application consultation with HCD prior to applying.
- Pre-application consultations will only be scheduled after a project intake survey has been submitted. This survey helps us learn more about your prospective project and better prepares us to provide project specific assistance.
- Email [Homekey@hcd.ca.gov](mailto:Homekey@hcd.ca.gov) to get this process started. Requests should include contact information for the Eligible Applicant and all members of the prospective project team including Co-applicants and Consultants.
- Pre-application consultations have begun and will continue until the Homekey+ NOFA closes on May 30th, 2025.





# Project Application Submission

- The Homekey+ NOFA outlines specific application requirements. Applications must be submitted with all required organizational and legal documents. Applications that are found to be missing required documents will receive a notice of failure.
- Please be sure to review Homekey+ NOFA Article's II and III which describe the minimum application requirements and the scoring process.
- The Homekey+ application review process of non Gap-Financing Projects will be based on a first-come first serve basis after the release of the Homekey+ Excel application and HCD Connect Portal.
- The Homekey+ Excel application will be available on the Homekey+ website the week of January 27, 2025.



# Application Prioritization and Submission

## Section 400

The Homekey+ NOFA indicates that HCD reserves the right to prioritize the review and awarding of applications based on the following criteria:

- Project Readiness, which is demonstrated by submission of a **complete and accurate** Homekey+ application. A complete and accurate application is defined as, but not limited to, a complete excel workbook, accurate and up to date legal documents, and all organizational documents for all parties related to the project ownership structure. This includes any and all Special Purpose Entities.
- Applications have a minimum of 10 points in Section 305(3)(a) of the Application Scoring Criteria demonstrating to HCD that the Project has sufficient operating and rental subsidies to support long-term operations for the Project.
- Additionally, HCD may continue to review applications not achieving a minimum score of 10 points in Section 305(3)(a), but which have higher scores than other submitted applications.



# Application Prioritization and Submission Section 400 (continued)

**Application packages that do not meet the above-mentioned criteria may be placed on hold for Award consideration by HCD and may not be considered for funding.**



# The **NEW** HCD Connect Portal

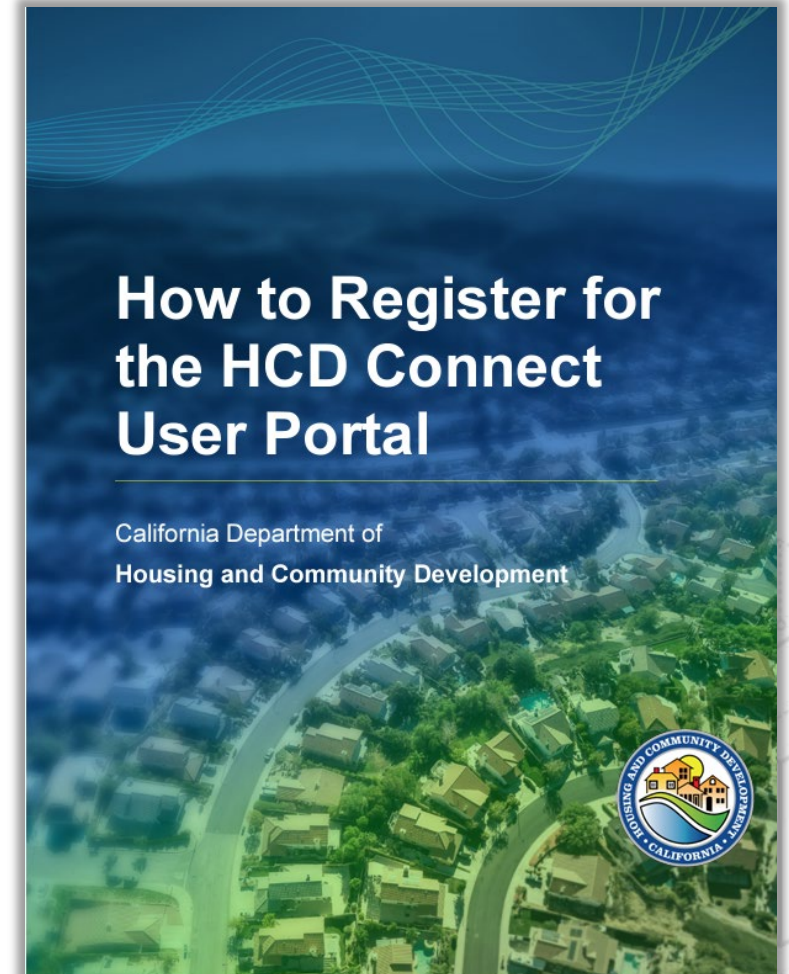
- The brand new HCD Connect Portal was just launched. Stakeholders likely received an E-blast describing how **Eligible applicants ONLY must request access to the portal.** We encourage all potential Eligible applicants request portal access as soon as possible. **Applications cannot be submitted prior to establishing a profile on HCD Connect.**
- Once Eligible applicants have set up their profile, they can associate other parties (Co-applicants/Consultants) with their project applications. These parties will then be able to access the application through HCD Connect.





## HCD Connect Portal

- The HCD Connect Portal Registration guide is available on the HCD Connect website now.
- This document is a comprehensive step-by-step guide which shows Eligible applicants how to sign up for the HCD Connect User Portal.
- Please see the HCD Connect link below.
- <https://www.hcd.ca.gov/sites/default/files/docs/about-hcd/hcd-connect/how-to-register.pdf>



# Multifamily Grant Management

## Article VI. Project Operations

Presented by David Egan



# Overview of Monitoring Homekey+ Projects

HCD's Multifamily Grant Management branch (MGM) will monitor the Standard Agreement (Contract) once fully executed by the Department.

The primary roles of MGM are:

- Ensuring Grantee compliance to the terms of the contract, and completion of required milestones by their respective deadlines.
- Disbursement of Funds.
- Providing Technical Assistance on items related to the Homekey+ contract.
- Reviewing Annual Reports.





# Project Transition to Monitoring

Once the Standard Agreement is executed:

- An MGM Representative will send a Welcome Letter to introduce themselves as the new point of contact and provide an overview of contract expectations. This signals the transition of the project from award to contract monitoring.
- The letter will include a Project Contact form for the Grantee to fill out with the information of the appropriate points of contact for the Grantee.
- Grantees should promptly notify the Department about any changes in Grantee staff contacts or authorized representatives.





# Milestones and Annual Reporting

## Section 601

### Milestone Reports

- Grantees will report all Performance Milestones from Exhibit E of the Standard Agreement as the Project achieves them using the [Milestone Completion form](#).

### Extensions

- Grantees may request an extension to their acquisition, rehabilitation, construction, and/or occupancy deadlines if they sufficiently demonstrate that the delay is caused by reasonably unforeseeable events. Extension requests must be submitted using the [Request for Milestone Extension form](#).

### Annual Reporting

- Each project shall submit an annual Homekey+ program and expenditure report to Multifamily Grant Management following Standard Agreement execution until five years after full occupancy is reached and operating funds are expended. The reports will be due no later than March 31st for the prior calendar year.
- Please see section 601 (i-xii) of the Homekey+ for the minimum reporting requirements to expect from the Annual Report. You may review the Annual Report currently available for an idea of what to expect, which is located in the Monitoring and Disbursement section of the Homekey+ [website](#).



# Disbursement of Grant Funds

## Section 602

### Pre-Disbursement Letter

- MGM will email a Pre-Disbursement letter to the Grantee after the award letter is issued.
- The letter contains a list of documentation the Grantee must submit prior to award funds being disbursed. Submitting these documents promptly will help streamline disbursement after the contract is executed.

### Disbursement of Grant Funds

- The Contract must be fully executed by the Department and all Pre-Disbursement items must be submitted and approved before funds may be requested.



# Insurance Requirements

## Section 606

Coverage Type	Minimum Coverage	Due to Department
Commercial General Liability	<ul style="list-style-type: none"> <li>• \$1,000,000 per occurrence</li> <li>• \$2,000,000 aggregate</li> </ul>	At time of disbursement
Automobile (if applicable)	<ul style="list-style-type: none"> <li>• \$1,000,000 combined per accident</li> </ul>	At time of application and disbursement
Worker's Compensation and Employer's Liability	<ul style="list-style-type: none"> <li>• \$1,000,000 employer liability limit</li> </ul>	At time of disbursement
Builder's Risk/Installation Floater	<ul style="list-style-type: none"> <li>• Equivalent value to the property and/or materials being installed or constructed</li> </ul>	Prior to starting construction
Property Insurance	<ul style="list-style-type: none"> <li>• 100% of the replacement cost of the site (excluding unimproved real property)</li> </ul>	At time of acquisition and/or construction completion

## **Homekey+ Website:**

[Homekey+ | California Department of Housing and Community Development](#)

## **HCD Connect:**

<https://www.hcd.ca.gov/sites/default/files/docs/about-hcd/hcd-connect/how-to-register.pdf>

## **Homekey Inbox:**

[Homekey@hcd.ca.gov](mailto:Homekey@hcd.ca.gov)





# Q&A





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