Permanent Local Housing Allocation Program
Notice of Funding Availability Date: 7/16/2026
Frequently Asked Questions (FAQ)
Last Updated: 07/23/2026

PLHA Formula Allocation 2024-2028 NOFA FAQ

This Frequently Asked Questions document provides key information and answers common questions submitted by PLHA Program applicants. **The responses below offer clarification and additional details regarding the NEW PLHA Program Guidelines, statutory requirements, and the application process for the second cycle of PLHA funding 2024-2028.**

This document is posted on the California Department of Housing and Community Development website PLHA Resources | California Department of Housing and Community Development https://www.hcd.ca.gov/funding/plha/resources

For additional questions regarding the PLHA Program, please email the PLHA State Grants Implementation and Management teams (formerly HHPIM & PDI) at PLHA@hcd.ca.gov. Questions submitted to this inbox will be answered via email.

Table of Contents

General Program Information

1. When are applications due for the second 5-Year Cycle?
Answer: Our NOFA will remain open to eligible applicants through February 2032, however, we have different application due dates depending on which allocation is being requested. Our online portal will be open from NOFA release through the submission deadline for the 2028 allocation. Each applicant will have to apply for each of their new available allocations listed for each year. This can be done by:

    a. Downloading our application and forms (those that are applicable), and
    b. Submit application and required documentation through our Online Portal at:
    [Consumer Service Portal - CA Department of Housing & Community Development (service-now.com)]

PLHA Application Upcoming Dates and Deadlines

Allocation Years	Application Deadline (expiring funds)	5-Year Plan Amendment Deadline
Year 1 (2024)	February 2028	June 30, 2028
Year 2 (2025)	February 2029	June 30, 2029
Year 3 (2026)	February 2030	June 30, 2030
Year 4 (2027)	February 2031	June 30, 2031
Year 5 (2028)	February 2032	June 30, 2032

2. Can jurisdictions apply for allocations in different years, and do unused allocations roll over?
Answer: Applicants may apply for allocations in different years of the funding cycle, provided all applicable deadlines and program requirements are met. Missing an allocation year does not disqualify a jurisdiction from applying for future allocations.

    Each annual allocation is separate and requires its own application, commitment, and request for funds. Allocations do not automatically roll over or carry forward into future years. Jurisdictions must apply for and commit each allocation individually in accordance with the applicable NOFA requirements and expenditure deadlines.

3. What is the timeframe for the next NOFA release date?
   Answer: The NOFA will be augmented with additional Calendar Year funds as additional revenues are collected and made available, generally in the fall the year after the funds are collected.

4. If a jurisdiction received PLHA funding in the first five-year cycle, can it begin drawing funds from the second five-year cycle before fully expending prior cycle funds?
   Answer: Jurisdictions that participated in the first five-year PLHA funding cycle must fully draw down and expend all awarded funds from that cycle before requesting or drawing funds from the second five-year cycle for any like Activity. Ex: If you applied for funds to develop multifamily rental housing in cycle 1 and 2 but you have funds remaining to be requested for the first cycle, those must be requested prior to requesting any funds for the same thing in cycle 2. Applicants may submit a new cycle application and plan, but disbursements from the new cycle for the same sub activity will not be approved until prior cycle funds are completely exhausted.

5. How are applicants categorized during a new 5-year PLHA funding cycle?
   Answer: At the start of a new 5-year PLHA funding cycle, all jurisdictions applying for available allocations are treated as New Applicants, regardless of participation in a prior cycle. After execution of a Standard Agreement for the current funding cycle, jurisdictions requesting additional allocations made available in subsequent years will be treated as Returning Applicants for purposes of processing additional funds under the current cycle. PLHA allocations are released annually. Jurisdictions may not receive all five years of projected allocations at one time and must apply for each allocation year separately as funds become available.

6. Will the PLHA Guidelines for the first 5-year cycle apply for the second 5-year cycle?
   Answer: No, the first 5-year cycle guidelines (2019-2023) will apply to the first 5-year cycle and the second 5-year cycle PLHA Guidelines (2024-2028) will apply to the second 5-year cycle.

7. Will there be a certain percentage of funds for each allocation year that must be directed towards an AOWH activity for this cycle?
   Answer: No, we do not anticipate enforcing an AOWH requirement for this cycle of funding. Eligible Applicants will be able to select the activities that will best serve their communities.

8. Do the preliminary allocations included for the PLHA Program represent the annual projected revenue for PLHA or is this the total amount for the five-year period?
   Answer: The allocations published in Appendix A of the NOFA represent the actual annual formula amounts available for that specific funding year based on revenues deposited into the Building Homes and Jobs Trust Fund. The five-year figure included in PLHA Standard Agreements and resolutions are estimates only and are used for planning purposes. These estimates are not guaranteed funding amounts. Appendix A reflects the actual allocations available for that funding year. Appendix B provides a projection of estimated allocations across a five-year period, which applicants are required to reference in their PLHA resolutions. Actual future allocations will vary from these estimates because they depend on statewide revenue collections and formula calculations for each year.

9. This will be our first time applying to the PLHA NOFA (allocations 2024-2028), how will we receive our formula allocations for years one and two?
   Answer: Each year the NOFA will be amended and a new application and streamlined application will be released. Once the 2024 and 2025 allocations become available, you'll complete and submit the required application materials. The PLHA team will verify the applicant's threshold requirements and then will issue an award letter for the allocation(s) available. Applicants must apply for additional funding every time additional funds are made available, it is not added to the contract automatically.

10. If we applied under the prior PLHA cycle (2019-2023), do we need to submit a new application for the 2024-2028 cycle?
    Answer: Yes. The 2024-2028 cycle is a new funding cycle and requires a new application and supporting documentation, even for jurisdictions that applied for or received funds under the prior PLHA cycle. Applications and awards do not carry over between cycles.

11. Why is the amount a jurisdiction receives lower than the five-year estimated amount shown in in the NOFA and Standard Agreement?
    Answer: The five-year estimated amounts are projections only. They are based on estimated statewide revenues at the time of initial application and are not a commitment of funding. Actual amounts distributed to jurisdictions are determined annually through the PLHA formula and may be higher or lower than the original estimates depending on total statewide Building Homes and Jobs Trust Fund revenues collected each year. Funding is awarded and disbursed based on actual annual allocations, not on the estimated five-year total.

12. Will PLHA be extended beyond the five years and potentially become entitlement funding? (i.e. like CDBG funds)

Answer: PLHA is a permanent program created by statute. The program will remain in place unless there is legislative action that changes it.

Application

1. Do I also need to complete "Application Support Tab" worksheet within the Application?
   Answer: It depends. The Application Support tab is used to document any issues or technical problems an applicant experiences while completing the application. When the application is reviewed, the HCD Representative can easily see the noted issue and follow up with the applicant. Applicants may also email the PLHA inbox for assistance at PLHA@hcd.ca.gov. Otherwise, if no issues need to be reported, this worksheet is not required for submission.

2. Can the application be completed using Apple products (i.e., MacBook)?
   Answer: We do not recommend using Apple products because certain formulas used in Microsoft Excel do not operate well using Apple products.

3. Would a W-9 form be acceptable to submit, instead of our TIN form?
   Answer: No, your W-9 Form cannot be submitted in place of the TIN form. There is a TIN form link. in the 'Instructions & Checklist' tab of the application.

4. Where may I find the link for the online submission portal?
   Answer: It's available on our program website, under the link labeled "Apply Now Portal", if you select "Download" you will be taken directly to the portal. Consumer Service Portal - CA Department of Housing & Community Development (service-now.com)

5. Is a public hearing required before submitting the PLHA application?
   Answer: For new applicants and returning applicants amending their 5-year plan, yes, as stated in the program guidelines, Section 302 Threshold Requirements (c)(4)(D). The PLHA Plan is required to undergo a public comment period and a public hearing to consider comments before the Plan is adopted at a public meeting by the Local government's governing board. All public hearings are required to be noticed pursuant to the local governing body's standard noticing requirements. A 10-day public comment period is required prior to the public hearing so that the public has adequate opportunity to review the Plan. If you are a returning applicant submitting a streamline application with no change to the plan, a new public hearing and resolution are not required.

6. Should the PLHA 302(c)(4) Plan be presented within the provided Excel worksheet tab in the application, or would it need to be drafted with the details spelled out within a Word or PDF document?

Answer: The PLHA application and materials need to be submitted using the Department's documents. It is required that applicants use the Excel workbook to complete the 302(c)(4) Plan tab in the application workbook. However, Local Governments may create a Word or PDF document of their PLHA Plan to facilitate review by the public.

7. Are we able to use required application documentation from the 1st 5-year cycle for the 2nd 5-year cycle?
   Answer: No. All required documents for the 2nd 5-year cycle must be updated and tailored specifically for the new cycle. Documents for the 2nd 5-year cycle must reflect current program requirements, timelines, and/or plan details for the current cycle.

8. Jurisdictions that already have an EIN number, are they required to apply for a new number for PLHA?
   Answer: Your EIN number and TIN number should be one and the same, HCD will accept valid numbers on the GovTIN form.

9. How specific must activities and projects be in the PLHA Plan or Application?
   Answer: Jurisdictions are not required to identify specific housing projects or exact project sites in their PLHA Plan or application materials. At the time of application, jurisdictions should provide sufficient detail regarding:
   - The proposed eligible activity
   - Intended housing outcomes
   - Estimated affordability levels
   - Populations to be served

   For example, a jurisdiction may identify that funds will support affordable multifamily rental housing at a specified affordability level without naming a specific development project.

   Once funds are awarded and projects are selected, jurisdictions must maintain records and report on project-specific information consistent with PLHA reporting requirements.

10. I'm having trouble with opening/editing the application and/or the macros aren't working.
    Answer: When you open the application initially, you may see a dialogue box at the top to "Enable Macros." Click on it. If the document is still not functioning correctly, close the excel workbook, navigate to where the file is saved on your computer. Right click the file and select "Properties." In the General tab, the bottom section may have a line for "Security: This file came from another computer and might be blocked to help protect this computer."

(This is blocking the macros from working) Click the 'unblock' check box and hit "OK." Re-open the application. If this still does not work, please email PLHA@hcd.ca.gov the issue you are having.

11. Do I need to create a new portal account for the Cycle 2 application?
Answer: No. If you have already created an account for Cycle 1 applications, you can continue using the same account.

Housing Element and Annual Progress Report Requirement

1. If our Housing Element is out of compliance, can we still apply for PLHA funding?
   Answer: Applicants may submit a PLHA Application while working towards Housing Element compliance. However, Housing Element compliance is required before HCD can advance an application for internal approval and award.
   If an applicant is not fully compliant at the time of application, the application will be placed on hold until compliance is achieved, and an award can be made.

2. If a city enters a legally binding agreement with a County to administer its PLHA funds, and the City is not compliant with its Housing Element, will that affect the County's standing as the administrative entity?
   Answer: When a Local government delegates its allocation to another Local government, both Local governments should be in compliance with housing element and APR requirements. The Housing Policy team, however, may approve the award for use ONLY in areas of the County who were in compliance at the time of award.

3. When is the Housing Element APR due?
   Answer: By April 1st of each year.

4. Where may I find more information regarding the Housing Element and Annual Progress Report requirements?
   Answer: You may find more detailed information on our NOFA's Appendix C.

5. Can we use our allocation to reimburse the costs of bringing our Housing Element into compliance?
   Answer: No. Reimbursement of costs related to a jurisdiction's Housing Element is not an eligible PLHA activity.

Regional Housing Needs Allocation Requirements (RHNA)/Credit

1. Explain how the unmet share of RHNA numbers is calculated. Are they the balance of RHNA numbers after the planned PLHA activities? And, if so, is it cumulative for all planned activities?
   Answer: Unmet RHNA need is calculated by subtracting all permitted units—across all development activity, not just PLHA-funded activities—from the jurisdiction's RHNA allocation for each income category. Jurisdictions should use the same methodology applied in their Annual Progress Reports (APRs) pursuant to Government Code section 65400. For more information on APRs, please visit HCD's website.

2. If a jurisdiction allocates its funds to another jurisdiction or to a Regional Housing Trust Fund, who receives the RHNA credit for any housing built with those funds?
   Answer: The RHNA credit goes to the local government in which the housing units are built.

3. If a jurisdiction's plan outlines programs or services aimed at Near Homeless or homeless and the application reflects this targeted population with eligible activities but does not advance RHNA in any way, how will the plan and application be received and evaluated by HCD?
   Answer: If a Local Government chooses to allocate its funding to assisting people who are experiencing or At-Risk of Homelessness, it is not a problem that these programs do not achieve RHNA goals, as stated in Guidelines Section 302(c)(4)(B). You can enter zero in this section of the application's Plan.

Resolutions

1. Can the "if applicable" language in the resolution template be removed if it does not apply to our activities?
   Answer: The resolution template has been pre-approved by our legal division, and we do not recommend adding or removing language even if you do not think the language applies as this could prolong the approval process and require you to obtain a new resolution that does include the language which was removed.

2. Does the Resolution need to have the five-year amount stipulated?
   Answer: Yes, the Resolution needs to reflect the same five-year estimated PLHA amount as listed on Appendix B of the NOFA.

3. If we didn't apply for one or more allocation years within the five-year PLHA cycle, does the resolution still need to include the full five-year amount?

Answer: Yes, the resolution must include the full five-year PLHA amount, regardless of whether the applicant applied for or received funding in one or more allocation years within the cycle.

4. Does HCD review or approve PLHA resolution language prior to submission?
Answer: We do not typically conduct pre-review or submit drafts for legal review of PLHA resolutions as we provide a pre-approved template. Applicants are encouraged to use the resolution template posted on the PLHA website, under the Resources page, which has been developed to meet program requirements. Use of the template does not guarantee approval if required information is incomplete, inaccurate, or altered. However, if time permits, a member of the SGIM team might be able to review the resolution if it is sent to PLHA@hcd.ca.gov.

5. What is required when a City delegates PLHA funds to a County?
Answer: If a City delegates its entire PLHA allocation to the County in accordance with program guidelines, the County becomes the party responsible for submitting application documents to HCD. The County would need to submit the following documents:
    - A resolution from the City approving the delegation of funds for the second 5-year cycle to the County.
    - A legally binding agreement between the City and County where both parties agree to the delegation and acknowledge that it would be for the entire term of the Standard Agreement.
    - A complete application for the City's available allocation(s).
    - A resolution approving the County to apply for the PLHA funds on behalf of the City.
    - GovTin. The County would assume full responsibility for administration and management of the contract.

    The delegation applies to the entire five-year PLHA cycle and duration of the contract. The City may not revoke or modify the delegation during the cycle.

6. Because PLHA allocation amounts are subject to revenues received and may change from year to year, what happens if the five-year amount listed in the resolution or plan changes? Does this affect our application?
Answer: The 5-year amount is an estimate, and we include a buffer to make it less likely that a jurisdiction's actual total at the end of 5-years exceeds the estimated amount. If the allocation amounts do increase and a jurisdiction's total exceeds the 5-year estimate towards the end of the 5-year cycle, the estimate in the NOFA will be updated and a new resolution will be required.

7. For City applicants can the City Manager be listed as the Authorized Representative in the resolution and application?
   Answer: Under Government Code § 40602, the Mayor is required to be the Authorized Representative listed on the application and on the Resolution as the Authorized Representative. However, a jurisdiction may authorize another individual to sign if a copy of the ordinance or city charter granting signature authority to someone other than the Mayor is submitted with the application.

8. When preparing our resolution for the PLHA grant, can we list just the title of the authorized representative, or should we also be listing their names as well?
   Answer: In the body of the resolution, we recommend listing only the title/position to avoid the need to revise the resolution if the Authorized Representative changes at any point during the 5-year cycle.

9. Is there a resolution template if we want to amend our PLHA Plan?
   Answer: Yes, there will be a resolution template specific to plan amendments grantees may use if they would like to make changes to their plan after the initial plan for cycle two is adopted. It will be available on the Resources page, on our program webpage.

Program Activities and Eligible Expenses

1. How have PLHA eligible activities been reorganized in the NOFA for the second 5-year cycle?
   Answer: For the 2024-2028 funding cycle, eligible activities have been reorganized and consolidated into broader activity categories to improve clarity and alignment with statute.
   This reorganization does not reflect the removal of previously eligible activities. Activities that were previously listed as standalone items have been incorporated as sub-activities within a broader category. Applicants should review the Eligible Activities section of the current NOFA and Guidelines to identify where specific activities are now located.

2. Is Relocation an eligible expense?
   Answer: No.

3. How can PLHA funds be used as matching funds for Housing Trust Fund sub activities?

   Answer: PLHA funds may be used as matching funds when placed into a local or regional Housing Trust Fund, provided the funds are used for eligible PLHA activities such as, Rental or AOWH and meet all applicable program requirements. Applicants should refer to the Eligible Activities section of the NOFA and the PLHA Guidelines for specific requirements.

Activity 1 – Rental Activities

1. How do affordability restrictions apply when PLHA funds support only a portion of a project?
   Answer: PLHA affordability restrictions may be applied proportionally to the portion of units supported by PLHA funding, rather than across the entire development.
   For example, if PLHA funds support only a portion of a multifamily development, affordability restrictions may apply only to the assisted units in proportion of the amount of PLHA funds provided. Projects may include units serving different Area Median Income (AMI) levels, provided the PLHA-assisted units comply with applicable PLHA income and affordability requirements.

   Jurisdictions are responsible for documenting compliance with applicable affordability requirements and maintaining appropriate records for monitoring and reporting purposes.

2. Must activities in the application be specifically names of projects or can they simply be a unit count and affordability requirements?
   Answer: Local governments do not need to name specific projects in their PLHA Plan or Application. At that stage, it is sufficient for the jurisdiction to state that it intends to use the funds for a particular type of eligible activity (for example, multifamily rental housing development) and indicate the intended affordability level (such as units affordable to households at X% of AMI).

3. Can a loan to a housing developer be structured as a forgivable loan?
   Answer: Yes. A loan to a developer may be structured as a forgivable loan, but the Department generally does not recommend forgivable loans for multifamily projects. If used, forgiveness may occur only after the project has been operated in full compliance for the required affordability period of 55 years. The loan agreement must clearly specify compliance and forgiveness terms.

4. If we have an annual NOFA for new affordable housing construction, can we simply add these funds into it, presuming the projects meet affordability thresholds? Do we need to designate specific projects, or can we simply set the number and affordability of the units?
   Answer: Yes, you could just add the PLHA funds to your annual funding amount for new affordable housing projects, as long as the rules pertaining

to those housing projects satisfy the PLHA rules. Local governments do not need to designate specific projects in their PLHA Plan, but when they award funds, they will need to report on how much PLHA funding was awarded to each project, and they will have to report on the type of project, the affordability of the units assisted by PLHA (i.e., 50% AMI) to demonstrate that the PLHA requirements were met.

5. Are land acquisition costs an eligible use of PLHA funds?
   Answer: Yes, but only when it directly supports an approved Activity that will result in completed, reportable affordable housing units. Jurisdictions should only use PLHA funds when the project is reasonably certain to move forward. If land is purchased and the planned housing units are not developed before the contract expires, the costs may be deemed ineligible. Jurisdictions are encouraged to consult their assigned PLHA Representative before committing PLHA funds to land acquisition.

Activity 2 – Affordable Owner-Occupied Workforce Housing Activities

1. What affordability restrictions apply to owner-occupied housing activities funded with PLHA?
   Answer: If the PLHA funds are used for the acquisition, construction, or rehabilitation of owner-occupied housing, the grantee shall record a deed restriction against the property as required below:

Owner-occupied Housing Restriction Requirements: • Rehabilitation projects: minimum of 10 years. • Acquisition or Construction projects: minimum of 20 years • ADUs: minimum of 10 years
Mobile and Manufactured Home Requirements: • For acquisition or rehabilitation, the Local Government shall make the PLHA assistance in the form of a grant or loan, but the Local Government must ensure the home remains the primary residence of an income qualified homeowner for a minimum of 10 years. • For acquisition or rehabilitation of a mobile home park, the Local Government shall make PLHA assistance in the form of a loan and the property shall be restricted for a term of at least 35 years.

2. Do Homeownership activities allow for subsidizing the cost of homeowners who want to build an ADU on their property?
   Answer: Yes. Subsidizing the cost for homeowners to build an ADU on their property is allowable under Activity 2, if both the homeowner <u>and</u> potential occupant meets the AMI requirements.

3. How long is the affordability period for ADUs?
   Answer: For ADU sub activities the homeowner must meet program income requirements, and the property must be restricted for a minimum of 10 years. ADU's shall be used as primary residences by their occupants and shall not be used as a short-term rentals.

4. How are ADUs categorized under PLHA?
   Answer: ADUs fall under the AOWH Activity for the 2024-2028 Guidelines and NOFA as the homeowner is the one benefiting from the PLHA assistance whether the unit is rented or used as living quarters for a family member.

5. Can we use PLHA for default prevention?
   Answer: No. Default prevention is not an eligible activity.

6. If PLHA funds will be used for an owner-occupied housing development project, must the assistance be in the form of a loan to the original developer?
   Answer: PLHA Funds can be provided in the form of a loan or a grant and must able to produce a recordable deed restriction. Please see the chart in question 1 of this section.

7. What are some examples of eligible homeownership activities under PLHA?

   Answer: Eligible homeownership activities may include:
   - predevelopment, development, acquisition, rehabilitation, and preservation of Affordable Single-Family ownership housing.
   - predevelopment, development, acquisition, rehabilitation, and preservation of Accessory Dwelling Units (ADUs).
   - Matching Portions of Funds placed into Local or Regional Housing Trust Funds for ownership activities.
   - Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176 for ownership activities.
   - Acquisition and rehabilitation of foreclosed or vacant properties to be sold as affordable ownership housing.
   - Accessibility modifications to Owner-Occupied Housing.

- Homeownership opportunities, including, but not limited to, down payment assistance.

8. Can PLHA funds for eligible ownership activities be provided as grants or loans?
   Answer: It depends on the sub activity and the type of unit. Please refer to the chart above.

9. Would HCD allow jurisdictions to use its PLHA funding for the construction of a manufactured home to count as an ADU?
   Answer: Yes. An ADU can be a manufactured home if it is placed on a permanent foundation.

10. Would purchasing or rehabbing a mobile home be eligible under any PLHA Activities?
    Answer: Yes. Mobile/Manufactured homes can be purchased or rehabbed using PLHA funds. The Local government shall make the PLHA assistance in the form of a grant or loan, but the Local Government must ensure the home remains the primary residence of an income qualified homeowner for a minimum of 10 years.

Activity 3 – Homelessness Assistance Activities

1. Can you clarify Rapid Rehousing within the Homelessness activity?
   Answer: Rapid Rehousing must be carried out in conformance with federal requirements in 24 CFR 576.104. Under this activity, funds may be used to provide housing relocation and stabilization services, as well as time-limited rental assistance, to help individuals or families experiencing homelessness or at risk of homelessness move as quickly as possible into permanent housing and maintain housing stability. Rental assistance must be provided for a minimum of six months and generally functions similarly to the Housing Choice Voucher program.

2. Can you clarify activities under Supportive Services?
   Answer: Supportive services are necessary to assist program participants obtain and maintain housing. Supportive services include, but are not limited to, street outreach, mental health services, emergency health services, employment assistance and job training, life skills training, and substance abuse treatment services. Case management assesses, arranges, coordinates, and monitors the delivery of individualized services to meet non the needs of the program participants.

3. What is the difference between emergency and regular rental assistance?
   Answer: **Regular rental assistance** provides ongoing rental support for a minimum of six months and functions similarly to the Housing Choice

Voucher program. Participants apply, are selected from a waitlist, and must meet eligibility requirements to receive a voucher. The voucher allows households to rent a unit that fits within their family size and voucher bedroom allocation. Under a Project-Based Voucher structure, the subsidy is attached to the unit rather than the household; however, in both approaches, tenants generally pay no more than 30% of their annual adjusted income toward rent.

Emergency rental assistance, by contrast, is short-term and temporary. It may be used to resolve an immediate housing crisis, and recipients may not necessarily meet the "at risk of homelessness" definition in HUD regulations. Emergency rental assistance is not an eligible activity under PLHA.

4. Can we use the funds for emergency rental assistance to keep people in their current housing and prevent homelessness?
   Answer: No. Emergency rental assistance is not an eligible activity. However, funds may be used for regular rental assistance, with a minimum term of six months.

5. Can we use funds for hotel/motel vouchers on people experiencing homelessness?
   Answer: Yes. The PLHA funds under the Homelessness Assistance Activity may be used for vouchers for temporary hotel/motel stays.

6. For Homeless activities, would funds for emergency shelter operations be grants versus loans?
   Answer: When grantees are disbursing their funds to navigation centers or emergency shelters for operations, it can be a grant. For construction, or rehabilitation of navigation centers or emergency shelters it must be in the form of a forgivable loan, per the requirements of Section 302(c)(6). Further documentation will be required if funds are spent on construction or rehabilitation.

7. Can these funds supplant other approved affordable housing dollars (redevelopment, HOME, etc.) or CDBG for homeless activities?
   Answer: These funds may be used to augment current affordable housing projects or programs but must meet the PLHA requirements. However, only if the other program(s) permits this.

8. Section 301(a)(3) allows the County to use PLHA funds for Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing. Is the use of PLHA restricted to permanent supportive housing or can it include transitional supportive housing?

Answer: This sub activity is specific to providing funds for Services at permanent supportive housing projects although our Homeless Assistance Activity also allows for the new construction, rehabilitation or preservation of transitional housing.

9. If we wanted to sub allocate funds to a non-profit who has experience in operating a homeless shelter and have them as a sub-recipient of the City; is a "request for proposal" (RFP) process necessary?
   Answer: Yes. The City would have to follow its normally required procurement process.

10. Are jurisdictions required to use Homeless Management Information System (HMIS) to track individuals who receive Homeless assistance?
    Answer: No. Jurisdictions are not required to use HMIS under the PLHA program.

11. Can PLHA funds be used to purchase a used vehicle for transporting clients?
    Answer: Yes. This is allowed under our Homelessness Assistance Activities, if the expense is reasonable.

    Reasonableness Requirement
    As with all expenditures, the purchase must be:
    - Necessary and directly related to operations.
    - Reasonably priced, reflecting fair market value for a used vehicle of that type.
    - Documented and justified in the budget and reporting in your Annual Progress Report.

12. Can PLHA funds be used to continue existing services?
    Answer: Yes. If the services fit into one or more of the sub activities allowed under the Homeless Assistance Activity.

13. Does Rental Assistance require a particular type of unit or is there a type of unit that PLHA funding does not consider?
    Answer: The PLHA program does not require a specific type of housing unit from the options provided, if the requirements for Rental Assistance activities are met. Some requirements include:
    - AMI Levels: Units must serve households at the required Area Median Income levels.
    - Length of Assistance: Rental assistance must be offered for a minimum of 6 months.
    - Program Structure: Assistance should function similarly to Housing Choice Voucher Program (formerly Section 8) or Public Housing

programs, ensuring stability and affordability for participants. This flexibility allows jurisdictions to choose the most appropriate unit type for their community needs while maintaining compliance with PLHA guidelines.

Standard Agreements

1. If we applied and have not received our Standard Agreement, when can we anticipate receiving it?
   Answer: Applicants can generally expect to receive a Standard Agreement approximately 90 days of award. Processing times may vary depending on several factors, including, but not limited to, application completeness, required corrections or clarifications, and updates needed to resolutions or authorized representatives. Standard Agreements must undergo multiple internal reviews with different divisions within HCD to ensure compliance with statutory, programmatic, and contractual requirements. Applicants will be contacted by HCD if additional information or action is required.

2. Does receiving an award letter mean our Standard Agreement is finalized?
   Answer: No. An award letter indicates a conditional approval of funding. Funds are not available until the Standard Agreement is fully executed by both the applicant and HCD.

3. Can a jurisdiction reallocate PLHA funds from one approved activity to another after funds have already been awarded?
   Answer: Yes. If the proposed change reallocates 10% or less of the total awarded allocation amount, an amendment is not required. If the proposed change reallocates more than 10% of the total awarded allocation, the PLHA Plan must be formally amended but an amendment or budget revision may be required.

4. As applicants under the 2024-2028 PLHA funding cycle, will there be a separate Standard Agreement?
   Answer: Yes. Applicants will receive an original Standard Agreement for the second 5-year cycle after the initial award(s). Applicants must reapply to receive additional allocations as they are made available and will receive an Amended Standard Agreement after additional funds have been awarded.

The PLHA Plan

1. If I want to make an amendment to my **plan in the future** is there a deadline for me to submit it?

Answer: Yes, applicants have until the end of June the year before the funds must be disbursed to submit a plan amendment. This is to ensure that the plan amendment can be processed, and an updated Standard Agreement can be issued with enough time for the commitment documents to be reviewed, Request for Funds to be processed and funds to be disbursed prior to the disbursement deadline. Please see the PLHA Application Upcoming Dates and Deadlines chart on page 2.

2. When is a Plan amendment to the Standard Agreement or Budget Revision required if a jurisdiction wants to change how the PLHA funds are used?
   Answer: A Budget Revision or formal amendment may be required when a jurisdiction proposes changes to its approved PLHA Plan or reallocation of awarded funds.
   - If the proposed change reallocates 10% or less of the total awarded allocation amount, an amendment is typically not required. The jurisdiction should coordinate with its assigned PLHA Representative regarding submission of a Budget Revision form and any required supporting documentation.
   - If the proposed change reallocates more than 10% of the total awarded allocation, the PLHA Plan must be formally amended, including discussion and approval at a publicly noticed meeting of the Local government's governing board. Jurisdictions must submit an application for an amendment and any required supporting documentation, including an updated resolution approving the changes to the plan.

3. Does the PLHA Program have a template for jurisdictions to use for resolutions that authorize delegating the five-year allocations to Counties, and is there a template for the legally-binding agreement?
   Answer: No. For the purposes of entering a delegation we do not have a template resolution (the City can use their own resolution to obtain approval from council to delegate their funds to another jurisdiction) or a template legally-binding agreement. The terms of the legally-binding agreement can be decided upon between jurisdictions but must acknowledge that both parties understand that it is for the term of the Standard Agreement.

4. Can a County use its PLHA funds to support eligible households in jurisdictions within the County that are not part of the Consortium but receive their own PLHA funding?

Answer: Yes. Jurisdictions that receive their own PLHA allocation should spend those funds within their own jurisdiction. However, it is acceptable for jurisdictions to put their PLHA funds towards a jointly funded project located within one of their jurisdictions so long as they are both contributing to the project.

Eligible Applicants

1. If cities are not specifically listed in Appendix A of the NOFA, does that mean that they are not eligible for funds?
   Answer: No. Cities not listed in Appendix A were participants with their Urban County in 2017. We have added Appendix D to list these Local Governments (PLHA Guidelines Section 200(c)).

2. What is the responsibility of an Urban County for distributing to cities and towns from the entitlement communities? Could all funds be dedicated to one jurisdiction in the entitlement community?
   Answer: Guidelines section 200(c) state that it is recommended Urban Counties provide a proportional share of their allocations to cities within the county with which they had a three-year urban county cooperation agreement as of September 1, 2017, as long as those cities meet the threshold requirements. The County should discuss this with the cities that were members of the Urban County in 2017 to make sure it has an equitable method for distributing funds.

3. Would a local lender apply directly to the PLHA program, or would they contact their local jurisdiction?
   Answer: Lenders are not eligible applicants for the PLHA Program. For general information, lenders can refer to the PLHA Formula Program Guidelines on the PLHA website. Each eligible local government determines how it will use its PLHA funds and whether it operates programs that lenders may participate in. For program-specific details or participation requirements within a particular City or County, lenders should contact that jurisdiction directly, as each local government administers its own PLHA-funded activities.

Income and Rent Limits

1. How are AMI income limits applied under the current PLHA NOFA?
   Answer: Under the current NOFA, allowable AMI levels are determined by the eligible Activity category. Rental and Homeownership activities may serve households with incomes above 60% AMI, up to 120% AMI, or 150% in High-Cost Areas, where permitted. Homeless Assistance activities are

limited to households at 30% AMI or below. Applicants should refer to the current NOFA and Guidelines for applicable income limits.

2. If a jurisdiction provides a loan to a project that includes units at both 60% AMI and 80%–120% AMI, can PLHA funds be used for all these income levels?
   Answer: Yes. Jurisdictions can serve AMI levels at or below the AMI's they indicated on their plan for their selected activities, please refer to the Plan submitted as part of your application or Exhibit E of your Executed Standard Agreement .

3. For ADU rehab or new construction, if the unit will be rented do the renters have to income qualify? *Answer:* Yes. As listed in Activity 2, both the homeowner and anyone residing in the unit must income qualify and may earn up to 120% of AMI, or 150% of AMI in high-cost areas.

4. Which rent guidelines does the PLHA program follow?
   Answer: The MHP Income and Rent Limits must be followed for Extremely Low-Income, Very Low-Income, and Low-Income units, as defined in Section 101 of the Guidelines. For Moderate-Income households, the "Official State Income Limits for [year]" must be used. Both sets of income limits are available on HCD's website https://www.hcd.ca.gov/funding/income-limits/state-federal-income-limits/state

5. Should Restricted Stock income be excluded from household income?
   Answer: The determination of whether Restricted Stock income is included or excluded from household income is based on the lender's underwriting guidelines. This consideration does not fall under PLHA guidelines, so jurisdictions should defer to the standards and practices used by the participating lender.

6. For our downpayment assistance program, can we use HUD or NSP income limits rather than the State posted limits?
   Answer: No. The PLHA guidelines require the use of the income limits issued by the Department, which are available on HCD's website under the Income Limits section.

7. When should we use MTSP Limits vs. State Limits?
   Answer: MTSP limits are federal HUD standards used for LIHTC, HUD loan programs, and some California programs that follow HUD's methodology. State limits are California-specific and used for state-funded programs like PLHA, HOME, and local housing initiatives. A PLHA project may be subject

to both if it is funded under multiple programs (e.g., state PLHA plus LIHTC), in which case the more restrictive limit applies.

Program Income Reuse Plan

1. Is there any type of template for the reuse plan?
   Answer: Program does not have a reuse plan template. Applicants must state how the interest earned from PLHA funds on deposit and repaid loans will be reused on their eligible activities, as they are listed in their standard agreement Exhibit E.

2. Are jurisdictions able to reserve five percent of the program income earned for administrative costs?
   Answer: No, the five percent admin is specific to the total annual allocation, not any income earned. Any income earned should be put towards the eligible activity(ies) as listed in the PLHA plan.

3. Can a jurisdiction create a revolving loan fund, and if so, how would the resulting program income be handled?
   Answer: Yes. As loans are repaid, the returned funds become program income, which must be used for PLHA-eligible activities. Because these repaid funds are continually re-lent for eligible purposes, this structure effectively functions as a revolving loan fund under the PLHA program.

4. Can we include all PLHA-eligible activities in our Program Income Reuse Plan, or are we restricted to the activities identified in our original PLHA Plan?
   Answer: Each grantee's program income is limited to the activities listed on their executed Standard Agreement, which contains their PLHA Plan.

Administrative Expenses and Activity Delivery

1. Does a developer or consultant preparing a site for development qualify as an eligible pre-development expense for affordable housing developments?
   Answer: An administrative consultant would be paid from the 5% Administrative Expenses cap. However, the following types of consultants are examples of those that are included in eligible project costs: Geotech study consultants, environmental consultants, and marketing consultants. Essentially, if a consultant is included in total project costs under low-income housing tax credit rules, they don't have to be paid with Administrative Expense funds, and the cost to pay those fees are eligible for reimbursement as predevelopment expenses.

2. What is the difference between Activity Delivery Costs and Administration Expenses?
   Answer: Activity Delivery Costs are expenses that are directly tied to implementing a specific eligible activity. These costs are necessary to carry out the activity itself. Examples include:
   - Underwriting for homebuyer or development programs
   - Environmental reviews
   - Work directly supporting project or program execution
   - Construction monitoring or inspections

   These costs must be clearly attributable to the delivery of the activity.

   Administration Expenses, by contrast, are general program administrative costs that support overall program management rather than any one specific activity. Examples include:
   - Staff time for program oversight and reporting
   - General accounting and financial management
   - Monitoring multiple activities at the program level
   - Office supplies or indirect costs associated with running the program

   Administration Expenses are capped under PLHA program rules, while Activity Delivery Costs are tied to each activity's budget and eligible use.

3. Are operating costs, such as utility expenses for emergency shelters, navigation centers or transitional housing eligible PLHA expenses?
   Answer: Yes. Operating costs such as utility expenses may be eligible when directly associated with an eligible PLHA homelessness activity. Eligibility is evaluated on a case-by-case basis and must be consistent with program requirements and the approved application.

4. If a jurisdiction decides to operate an emergency shelter with its PLHA funds, would costs associated with the staff running the shelter be part of Activity Delivery since they are performing all tasks related to shelter operations, or would any of that staff time need to come from the 5% Administrative cost?
   Answer: If a staff member is assigned solely to operate the emergency shelter, their compensation is considered Activity Delivery and should be paid from program funds. It does not need to come from the 5% Administrative Expenses.

5. If we use our funds for rental assistance, does the 5% Administrative Expenses mean the third party we decide to administer the program?
   Answer: No, if you hire an administrator for your activity, the five percent admin allowance is not eligible to cover your costs, but the programs funds can.

6. Can a jurisdiction submit a Request for Funds to request only the 5% Administrative Fee from their allocation?
Answer: No. The allowable 5% Administrative Fee must be requested along with activity funds.

7. Can we be reimbursed for the staff time that went into the development of the plan?
Answer: Yes. These costs would fall within the 5% Administrative Expenses.

Expenditure Deadlines and Commitment Requirements

A chart with important deadlines is listed below.

Allocation Years	Application Deadline (expiring funds)	Draft Loan Docs Submittal Deadline	Commitment Doc Submittal Deadline	Request for Funds Deadline	Disbursement Deadline
Year 1 (2024)	Feb 29, 2028	Jan 15, 2029	Feb 1, 2029	Mar 1, 2029	April 30, 2029
Year 2 (2025)	Feb 28, 2029	Jan 15, 2030	Feb 1, 2030	Mar 1, 2030	April 30, 2030
Year 3 (2026)	Feb 28, 2030	Jan 15, 2031	Feb 1, 2031	Mar 1, 2031	April 30, 2031
Year 4 (2027)	Feb 28, 2031	Jan 15, 2032	Feb 1, 2032	Mar 1, 2032	April 30, 2032
Year 5 (2028)	Feb 28, 2032	Jan 15, 2033	Feb 1, 2033	Mar 1, 2033	April 30, 2033

1. If we apply for our previous year's allocation this year, will the terms or deadlines be extended?
Answer: No. The terms and deadlines for each year's allocation remain the same regardless of when funds are applied for. Please see the chart above detailing the deadlines.

2. Does the 2024 allocation need to be fully expended prior to the April 30, 2029 deadline?
Answer: No. The 2024 allocation must be disbursed by April 30, 2029. The 2025 allocation must then be disbursed by April 30, 2030, and so on for each

subsequent year. All Program funds must be expended by the end of the standard agreement.

3. If we wait until year two or three to apply, does the 58-month period to allocate start with the application date, or is it tied to the appropriation year?
Answer: Deadlines are tied to the appropriation year of each allocation, not to the date a jurisdiction submits its application. A jurisdiction must submit its PLHA application and 5-Year Plan within 48 months of the first day of the applicable budget year. Once funds are awarded, they must be fully disbursed within 58 months of that same budget year start date. Waiting to apply in later years of the cycle does not extend these deadlines. Additional requirements to note. A jurisdiction may not apply for more than three allocations at one time (Guidelines section 201(b)).

4. Does the Request for Funds (RFFs) form have a deadline for submission?
Answer: Yes. RFF's for the 2024 allocation must be submitted no later than March 1, 2029, and for 2025 allocation, March 1, 2030. If the project requires review of draft loan documents, those documents must be submitted no later than January 15, 2029, for 2024 allocation and for 2025 allocation, January 15, 2030. For projects requiring review/approval of other supporting documents, please submit them no later than February 1, 2029.

5. When can we spend funds and request reimbursement?
Answer: Grantees may request funds immediately following the execution of the Standard Agreement or Standard Agreement Amendment.

Reporting, Monitoring and Compliance

1. When is the PLHA Annual Report due?
Answer: The PLHA Annual Report is due on or before July 31st of each reporting year.

2. Is monitoring for an Accessory Dwelling Unit required to be discussed in the Annual Report?
Answer: Yes. Any monitoring activities for ADUs must be reported in the Annual Report.

3. Would the County need to monitor ADUs each year (for example, verifying occupancy, income eligibility, and unit upkeep)?

Answer: Yes. The Jurisdiction must ensure that each ADU complies with its own local requirements as well as the required HCD minimum 10-year restriction.

4. Where may I find HCD habitability standards?
Answer: The PLHA Guidelines don't require specific PLHA habitability standards, but we recommend the HUD REAC standards.

5. Does the PLHA program require inspections when using funds for Rental Assistance?
Answer: The Department recommends ensuring that units leased by recipients of rental assistance are decent, safe, and sanitary, which can be verified through inspections.

6. Can program income be used for long-term monitoring of Affordable Housing covenants for projects that were funded with SB 2 funds?
Answer: Program income cannot be used for long-term monitoring of Affordable housing projects.

7. If our rental projects charge a monitoring fee, are those funds considered program income?
Answer: No, monitoring fees that are specifically for monitoring rental projects are not program income, but residual receipts payments and interest payments are program income.

8. What does HCD consider a "housing outcome" for PLHA purposes?
Answer: A housing outcome includes the development, rehabilitation, or preservation of a PLHA Restricted housing unit(s) consistent with eligible PLHA activities.

Other

1. Are jurisdictions required to pay prevailing wage?
Answer: All HCD programs require compliance with all applicable law including the payment of prevailing wages unless the project meets one of the exceptions of Labor Code § 1720(c) as determined by the Department of Industrial Relations. For further assistance on this, we recommend you speak to your legal counsel.

2. Does the State Prevailing Wage apply only to construction and not rehabilitation? *Answer:* We recommend you reach out to the Department of Industrial Relations regarding any clarifying information on Prevailing Wages. Link to their website: Office of the Director - Research: Contact Us (ca.gov)

3. Are individuals allowed to receive assistance from multiple State or Federally funded programs concurrently? (i.e., PLHA and Bringing Families Home Program)
   Answer: The PLHA program does not have any limitations but check with the other programs if they do.