Portfolio Reinvestment Program (PRP) Application Workshop

California Department of Housing and Community Development
September 13, 2022
Housekeeping

• Please keep your microphone muted.

• You may submit questions during the presentation by typing in the chat feature; you may also use the raise your hand feature.

• The recording of this workshop will be posted on the HCD PRP website.
PRP Contact Information

Email Application questions to:
AppSupport@hcd.ca.gov

Email Program questions to:
PortfolioReinvestment@hcd.ca.gov

These emails are routinely monitored by PRP staff
# Acknowledgements

## ASSET MANAGEMENT & COMPLIANCE BRANCH
- **Lindy Suggs**  Branch Chief
- **Rebecca Weber**  CRP Section Chief
- **Moira Monahan**  Senior Specialist
- **George Rodine**  Senior Specialist
- **Carter Bennett**  Senior Specialist
- **Gabriella Navarro**  Senior Specialist
- **Carrie Keema**  PRP Manager
- **Joanna Chang**  HCD Specialist
- **Joan Carnago**  HCD Specialist
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- **Gwendolyn Drury**  HCD Representative
- **Michelle Shatto-Lyon**  HCD Representative

## TRANSACTION UNIT
- **Brian Johnston**  Transaction Unit Section Chief
- **Hasmik Mnatsakanyan**  PRP Manager
- **Gina Lassagne**  HCD Representative
- **Kelly Limbrea**  HCD Representative
- **Nancy Milla**  HCD Representative
- **Samuel Salmanyar**  HCD Representative
- **Patricia Rifkin**  HCD Representative
- **Cathie Whetstone**  HCD Representative
I. Overview (Joanna Chang, PRP Specialist)

II. Application Portal (Carter Bennett, Senior Specialist)

III. Application Workbook (George Rodine, Application Developer and Senior Specialist)

IV. Question and Answer Session
PRP Funds Available

PRP NOFA and Guidelines §1A

• Original NOFA released March 28, 2022 (funds available was approximately $285 million).

• Funds available under this NOFA (released on July 28, 2022) is approximately $332.5 million.

• Three funding set asides within this NOFA:
  – $50 million for Small Projects; projects with 5 to 20 units.
  – $100 million for Residential Hotels; defined in the MHP Guidelines §7301.
  – $50 million for Projects that have been foreclosed on by the Department or by another public lender.

Note: if a set aside is not fully utilized by November 30, 2022, the remaining funds will be made available to the general funding pool.
### Timeline

**PRP NOFA and Guidelines §1B**

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<td>March 28, 2022</td>
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<td>NOFA Amendment #1:</td>
<td>July 28, 2022</td>
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<td>Application Submission Period:</td>
<td>April 29 – November 30, 2022 5 p.m. PST</td>
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<td>Award Announcements:</td>
<td>Continuously as applications are approved, approximately 4-5 months after application submittal, but no later than May 31, 2023</td>
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<td>Funds encumbered through an executed Standard Agreement:</td>
<td>No later than June 30, 2024</td>
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<td>Permanent Loan Conversion:</td>
<td>No later than August 31, 2026</td>
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<td>Capitalized Operating Subsidy Reserve (COSR) Expenditure Deadline:</td>
<td>December 31, 2026</td>
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PRP Application

- The completed application and all required supporting documents must be uploaded to the Department’s online application portal.

- The Department will evaluate applications on a first-come, first-served basis through November 30, 2022, or until all available funds are exhausted.

- The Department will evaluate applications for compliance with the requirements set forth in the NOFA.
PRP Application Portal

https://www.hcd.ca.gov/portfolio-reinvestment-program
## PRP Portal: Attachments Page Updates

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PRP NOFA Amendment #1

• NOFA Amendment #1 includes these updated provisions:
  – Increased available funds from $285 million to $332.5 million
  – Increased maximum rehabilitation and per assisted unit loan amounts
  – Extended application deadline to November 30, 2022
  – Expanded project eligibility criteria (email HCD to verify project eligibility for PRP funding)
  – Increased maximum developer fee
  – Extended eligible COSR timeframe by six months to December 31, 2026
  – Clarified various terms and regulations
Sample PRP Application

- Project Name: PRP Hotel
- Applicant/Sponsor: ABC, Inc. (nonprofit owner)
- Location: City of Eureka, Humboldt County
- Existing HCD loan: DPRLP; RA expiring in 2026
- Set-Aside: Residential Hotel
- Proposal: 21 total Assisted 1–3-bedroom units for 80% AMI and below (5 PBVs for formerly homeless households)
- Total Rehabilitation Cost: $5,550,729
- PRP Rehab Loan: $5,550,729; COSR: $109,408
- High-Cost funding boost: for relocation and structural work