

Multifamily Finance Super NOFA

2026 MHP Gap Funding NOFA Workshop

May 2026



Agenda Items

Housekeeping

Welcome and NOFA Overview

Overview, Eligibility, and Timeline

What's New?

NOFA and Program Requirements

Application Submission and Review Process

Scoring Criteria

Technical Support

Q & A - All



Housekeeping

- Presentation is being recorded
- If you or a colleague is having technical difficulties, please notify us in the chat
- Please submit your questions in the Q&A Chat
- We will have a Q&A session at the end.
- Any question not submitted today, can be submitted electronically to SuperNOFA@hcd.ca.gov.



The MFSN Team

- ❖ Melissa Harty-Swaleh, Branch Chief
- ❖ Stephanie Mattes, Section Chief
 - ✓ Eddie Fairchild, Program Manager
 - ✓ Kimberly Laws, Program Manager
 - Kenneth Turner, Specialist II
 - Mona Akbar, Specialist II
 - Zachary MacArthur, Specialist I
 - Dylan Hervey, Representative II
 - Roy Pacia, Representative II



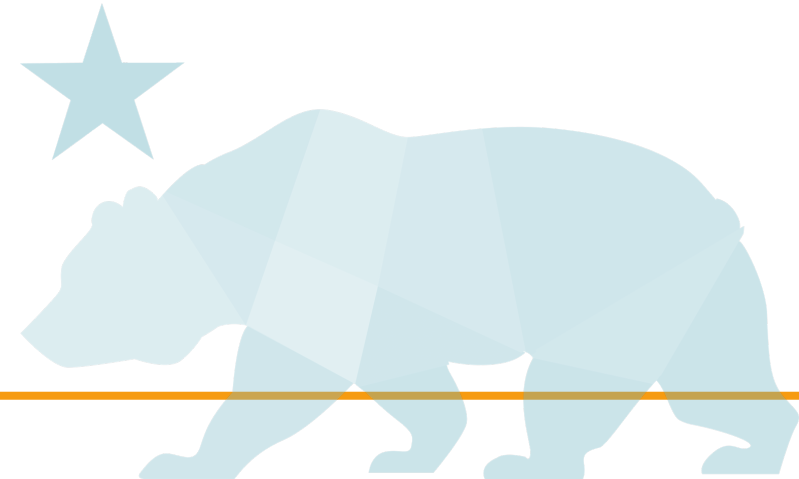
MHP Gap Funding NOFA Overview

- **Goal:** Final "finish line" funding for existing HCD projects.
- **Funds:** Approximately \$240 Million.
- **Key Eligibility:**
 - ✓ Must have an existing HCD award.
 - ✓ Construction not begun construction.
 - ✓ Apply for 4% Federal tax credits and bonds on Sept. 8, 2026 (no State credits).





Overview, Eligibility, and Timeline



Purpose of GAP Funding

Close Funding Gaps

Advance Stalled Projects

Maximize Public Investment

Accelerate Construction



Eligibility Requirements

- ✓ Fully Funded Except for Gap Financing and Bonds/Tax Credit Proceeds

- ✓ No Construction Started

- ✓ Active Qualifying HCD Award Required
 - 2025 HCD Awards – if applicant's first and only HCD award, 2025 application must include 4% state tax credit OR 9% tax credit financing. Exclusions apply.



Eligibility Requirements (continued)

- ✓ Stacking Limits – not applicable
- ✓ Existing Financing Commitments Must Remain in Place
- ✓ Refer to Article II Program Requirements for complete info on eligible applicants and projects



Required Commitments

- ✓ Apply to CDLAC/CTCAC by Sept 8, 2026
- ✓ No State Tax Credit Request
- ✓ Failure to meet these requirements may result in rescission of the award



Funding Limits

Maximum award \$15,000,000

Minimum award \$3,000,000

HCD Funding Limited to $\leq 60\%$ of total development cost

Lower Cost Per Adjusted Restricted Unit (Competitive)

No points at $> \$250,000$ per unit (Scoring)

HCD may allow projects to exceed prior per unit and project limits set by the existing HCD Award.



Geographic Target

10% of Total MHP funds aims to award Projects in Rural Areas.

MHP Allocation to Senior housing was met in previous round of awards.



NOFA Schedule

NOFA Released

April 20, 2026

**Application and MFSN
Portal Opened**

May 4, 2026

Exception Request Deadline

June 1, 2026

Application Due Date

June 5, 2026, 4pm PDT

**Anticipated Award
Announcement**

August 2026



Regulatory and State Requirements

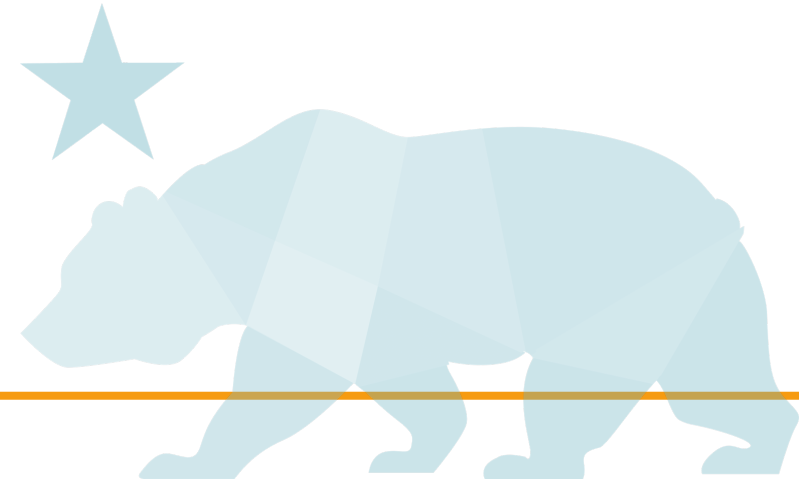
MHP Guidelines Section 7314, awardees must comply with:

- ✓ Applicable State and Federal Laws, Rules, and Regulations
- ✓ California's Preservation Notice Law
- ✓ Relocation Requirements





What's New?



Streamlined Checklist & Certifications

Application Document Checklist

[MFSN Application Portal](#)

Instructions for Application submission:

The following is a full list of all possible documents that may be necessary to upload via the MFSN Application Portal. Use the electronic file name descriptions below for the electronic submission via HCD portal. Excel application and all supporting documentation must be submitted no later than 4:00 p.m. Pacific Daylight Time on June 5, 2026.

Electronic File Name	Document Description	Included?
1. Application	MHP Gap Funding NOFA Excel Application.	<input type="checkbox"/>
2. Application Submission Notification	MHP: The application includes a letter from the Applicant to the relevant local legislative body or tribal governing body that, pursuant to HSC §50675.7(e) , notifies the body of the Applicant's intent to submit a loan application to the Department. HSC §50675.7(e)	<input type="checkbox"/>
3. Rural Status Determination	The California Tax Credit Allocation Committee (TCAC) uses a statutory definition of "rural area" under Health and Safety Code § 50199.21 to determine whether a project site qualifies as rural. Documentation of rural status	<input type="checkbox"/>
4. Sponsor 1 Certification & Legal Status Disclosure	Complete, sign and upload questionnaire. Reference: Sponsor/Applicant Certification Worksheet.	<input type="checkbox"/>
7. Site Control (updated documents if applicable)	If site control has been modified or extended, submit updated documentation. Include a summary explanation of site control and values for applications with multiple or non-contiguous parcels, scattered sites, lot line adjustments, phased projects, or other complex land and acquisition transactions.	<input type="checkbox"/>
8. Preliminary Title Report	Provide a preliminary report dated within 30 days of application due date. For trust or restricted land, a current title status report issued by the BIA is acceptable in lieu of a title report.	<input type="checkbox"/>
9. Permanent Enforceable Funding Commitments #1, #2, etc.	Provide all enforceable funding commitment letters or other evidence documenting all permanent financing commitments.	<input type="checkbox"/>
10. Subsidies #1, #2	For Projects proposing project-based rental assistance in the application's Unit Mix or operating subsidies in the Operating Budget, provide evidence of such commitments. Include clarifying information if the commitments do not specify whether contract rent is gross or net of utility allowance.	<input type="checkbox"/>

MHP Gap Funding NOFA Certifications

Changes to the conditions documented by these previously submitted documents must be disclosed in the application and supported by updated documents

MHP §7302

The Sponsor/Applicant certifies that the project includes one of the following eligible MHP Project Types.

MHP §7302(c)

The Sponsor/Applicant certifies that at the time of the application due date, the construction or Rehabilitation work has not commenced, except for emergency repairs to existing structures required to eliminate hazards or threats to health and safety.

MHP §7302(i)

The Sponsor/Applicant acknowledges that once a Project is awarded Department funds, the Sponsor/Recipient/Awardee acceptance of these Department funds is acknowledging that the Project as submitted to and approved by the Department is the Project that is to be funded and built. Any bifurcation of the Project would make that Award null and void, as the awarded Project is no longer feasible as originally submitted and approved and because the awarded funds are unable to be assumed or assigned.

MHP §7303(d) and §7303(f)

The Sponsor/Applicant certifies that the Sponsor experience and capacity and property management experience remains consistent since the most recent HCD award.

MHP §7318(b)(4)

The Sponsor/Applicant certifies that the organizational documents for each entity remain in compliance since the most recent HCD award.

MHP §7303.1(c)

The Sponsor/Applicant certifies that valid site control has been continuously maintained since the most recent HCD award was made and site control will remain through permanent financing close of escrow, in accordance with MHP Guidelines Section 7303.1(c) and UMR Sections 8303 and 8316.

MHP §7303.1(h)

The Sponsor/Applicant acknowledges that the status of local land use approvals has been maintained since the most recent HCD award.

MHP §7303.1(j)

The Sponsor/Applicant certifies that a Phase I Environmental Site Assessment (ESA) and a Phase II Environmental Site Assessment (if applicable), has been completed and previously submitted to HCD.



Gap Eligibility

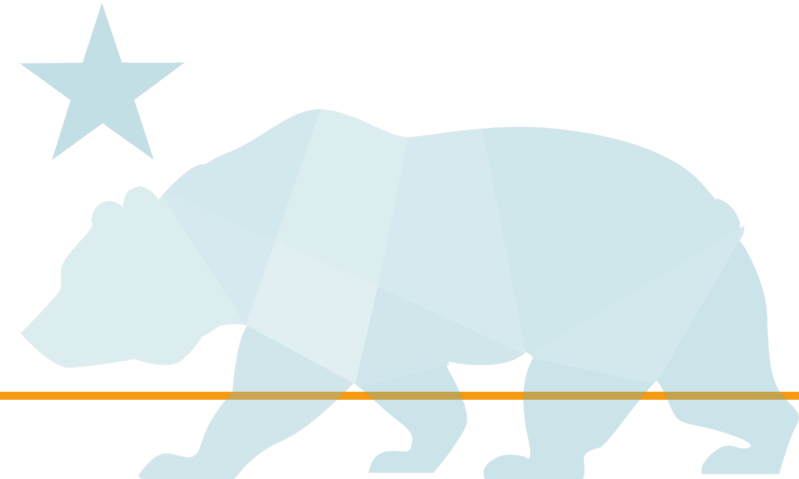
- Purpose
- Instructions
- Example

MHP Gap NOFA – Funding Gap Eligibility			
Total Development Cost	\$28,475,773	Development Budget!D3	
Total Permanent Sources Before MHP Gap Request	\$21,036,308	Development Sources!H65	
Funding Gap	\$0	Development Sources!E66	
Funding Limit Calculations			
Calculated Funding Gap	\$7,439,465	Eligibility:	Meets Minimum Requirements
Remaining Funding Gap	\$0	If greater than 0, project is not eligible for a funding gap award.	Eligible Gap Request
Maximum Award	\$15,000,000	Eligible Project / Funding limits	Maximum Award of \$15,000,000
Minimum Award	\$3,000,000	Eligible Project / Funding limits	Minimum Award of \$3,000,000
HCD 60% Test	26.12559%	Eligible Project / Funding limits	Acceptable
Requested MHP Award	\$7,439,465		





NOFA and Program Requirements



Eligible Project

MFSN -
MHP GAP
FUNDING
NOFA

Development
type must be:

Shall not have
commenced
construction

Location should
meet the needs
of the tenants

New construction,
Rehabilitation or
Conversion

Must contain five
(5) or more Units



Eligible Sponsor/Applicants

- Include all Sponsor(s) of existing HCD award(s).
- Meet MHP Guidelines Section 7303 requirements.
- **Federal Subrecipients:**
 - ✓ Require HCD consultation by June 1, 2026, via email.

Project Types

- Large Family
- Senior
- Farmworker Housing
- At High Risk
- Special Needs



Eligible Uses, Project Cost, and Site Control

Eligible Uses

Funds used only for approved eligible costs incurred per MHP Guidelines Section 7304.

Site Control

- Must meet the site control requirements per MHP Guidelines Section 7303.1(o).
- Submit updated documentation if site control has been modified or extended



Threshold Requirements

Meet

Threshold requirements per MHP Guidelines Section 7303.1.

Achieve

A point score of greater than 55.0 points to be considered for funding.

Achieve

20-point score in the Readiness to Proceed scoring category.



Scoring

- ✓ Incomplete or low self-scoring applications may not be fully reviewed.

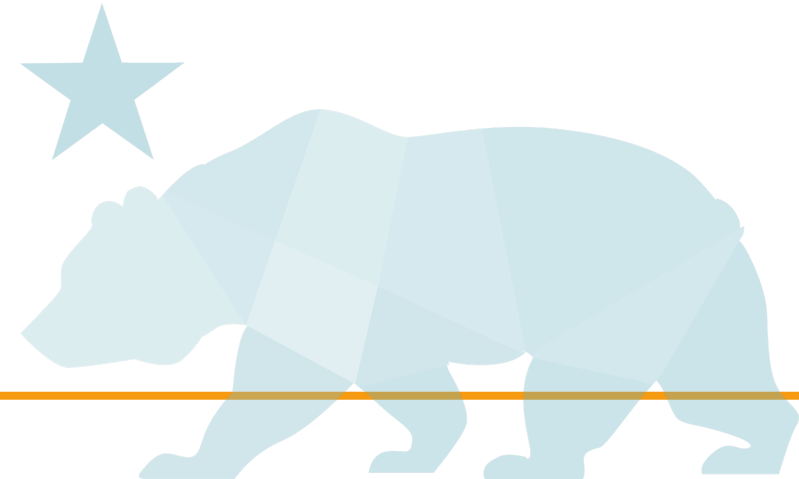
Ranking

- Funded in order of highest scores
- No partial awards when funds run low.
- May skip projects to meet rural target
- Requesting more than remaining funds will be skipped.
- NOFA may be augmented; Remaining funds used in future NOFA.





Application Submission and Review Process



Application Streamlining

- No re-review of previously approved HCD documents;
- Any changes from previous HCD awards must be disclosed and updated.
 - ✓ Certification of threshold requirements:
 - Sponsor/Applicant experience and capacity
 - Organizational documents
 - Site control
 - Local approvals and entitlements
 - Environmental clearances and reports
 - Market Studies



Application Streamlining

Underwriting will focus on debt service coverage ratio requirement and demonstration of positive cash flow for 15 years.

Include Current:

- Unit Mix
- Development Sources and Uses
- Development/Operating Budget
- Cash Flow



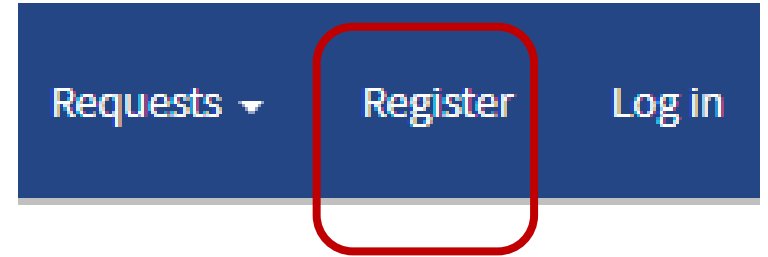
Application Checklist

- ✓ Streamlined for efficiency
- ✓ Identifies required documentation
- ✓ External weblinks

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Application Submittal



MHP Gap NOFA Application Portal (SNAP), through Service Now

Multifamily Finance Super NOFA

Home > Grants & Funding > Multifamily Finance Super NOFA

APPLICATION WINDOW
OPEN

PROGRAM APPLICATION PERIOD
May 4 - June 5, 2026
Find out more about the [2026 MHP Gap NOFA](#).

APPLY NOW

- Returning users will use there log in
- First time users will need to register



HCD Services and Funding Applications Portal

Sign In to submit a customer service request, submit ADU documents, or apply for funding. If you do not have an account, use the "Register" link on the menu to create an account.

[Forgot Password ?](#)

Log in

MFSN Application Portal

- All fields with red asterisk* are required fields.
- Unable to proceed until all fields are complete.

* Indicates required

Multifamily Finance Super NOFA - 2026 MHP Gap Funding Notice of Funding Availability

Applicant/Sponsor 1

* Name

* Contact Name

* Contact Email Address

* Contact Phone

e.g. 555-555-5555

Co-Applicant/Sponsor

Applicants

Programs

Multifamily Housing Program (MHP)?

Project Details

* Project Name

* Project Street Address



Application Portal

✓ Supporting documents need to be uploaded as separate attachments

✓ .Jpeg files

✓ SNAP Confirmation emails



Multifamily Finance Super NOFA - 2026 MHP Gap Funding No Funding Availability

Submission Details Attachments Activity



* = Required 11 = Total Number of attachments

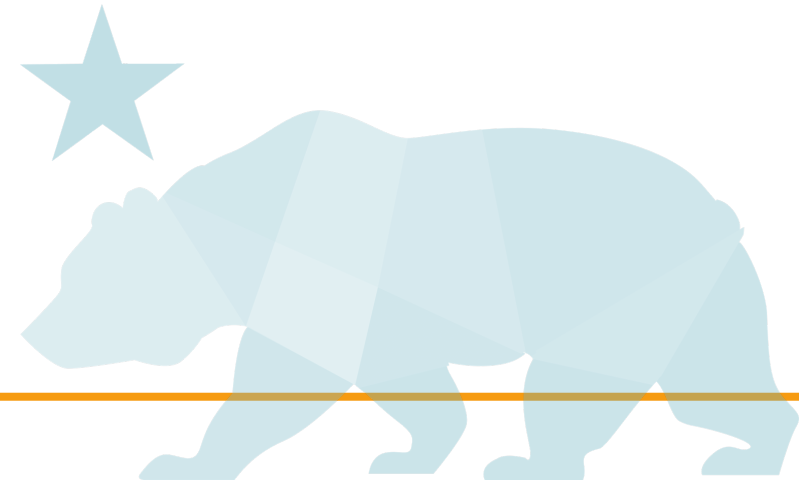
Search...

<p>* 1 Main Application</p> <p>01 Application *</p> <p>01. Application.docx (21.8 KB) 2h ago</p>	<p>* 3 Project Overview</p> <p>02. App Sub Notification</p> <p>03. Original HCD Award Letter(s)</p> <p>04. Rural Status Determination *</p> <p>04. Rural Status Determination.docx (22 KB) 2h ago</p> <p>03. Original HCD Award Letter(s).docx (22 KB) 2h ago</p> <p>02. App Sub Notification.docx (22 KB) 2h ago</p>
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Scoring Criteria



Scoring Criteria

Point Score Criteria	Maximum Score
Extent to which the Project serves Households at the Lowest Income Levels	30
Funding Priorities	20
Readiness to Proceed	20
Cost Containment	5
Total Points	75



Funding Priorities: 20 Points

Cost Efficiency: 0–20 Points

- Total requested funds ÷ Adjusted AMI-restricted units.
- Point totals are weighted by bedroom count.
- Projects requesting over \$250,000 per unit will receive 0 points

Unit Type	Adjustment Factor
Studio/SRO	0.90
1-Bedroom	1.00
2-Bedroom	1.25
3-Bedroom	1.50
4-Bedroom or larger	1.75



Funding Priorities cont.

Example: \$15,000,000 Funding Gap; 112 Unit Project

$(20 - 19.99 * (\text{cost per unit} / \$250,000)) = \text{Points Earned}$

Unit Type	Adjustment Factor	Actual LI Unit Count	Adjusted Restricted Units
Studio/SRO	0.90	28.00	25.20
1-Bedroom	1.00	28.00	28.00
2-Bedroom	1.25	28.00	35.00
3-Bedroom	1.50	28.00	42.00
4-Bedroom or Larger	1.75	0.00	0.00
Total:		112.00	130.20

Funding Gap / Adjusted Restricted Units = **Cost per Unit**
 $\$15,000,000 / 130.20 = \$115,207$

$20 - 19.99 * (\$115,207 / \$250,000)$

$20 - 19.99 * (0.4608)$

$20 - 9.2120 = 10.7880$

= 10.7880 Point Earned



Readiness to Proceed: 20 Points



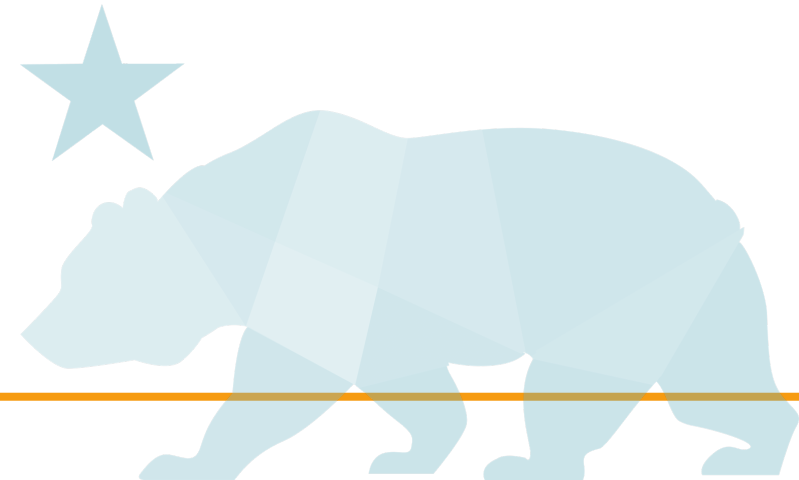
Tiebreaker

I. Tiebreaker Score	0.000000	
<p>In the event of tied point scores, the Department shall rank tied applications based on three factors which will be added together for a final tiebreaker score. The three (3) factors are: (1) the lowest weighted average affordability of all residential units, (2) leverage of other funds, and (3) additional cost containment. The tiebreaker scoring calculation is explained below. Although the exact balance will be driven by the applicant pool, the Department will strive to ensure that no single MHP project-type exceeds roughly 50% of the total NOFA funds.</p>		
<p>1 Lowest weighted average affordability of all residential Units.</p>		
<p>a. Multiply each income limit applicable to the Project by the number of adjusted residential Units restricted at that income level (market rate units, which do not include units subject to rent and/or occupancy restrictions at 70 percent or 80 percent AMI, shall be designated 100 percent AMI). Unrestricted Manager's Unit(s) are excluded from this calculation.</p>		
<p>For purposes of this calculation:</p>		
<ul style="list-style-type: none"> ▪ Units with federal project-based rental assistance shall be assigned targeted Rent levels no lower than 30 percent AMI regardless of their actual income targeting; and ▪ If the average affordability of all unadjusted residential Units, exclusive of Units with rental assistance, is less than 40 percent AMI, then the calculation shall assume a targeted Rent level of 40 percent AMI for each residential Unit that does not have rental assistance. 		
<p>b. Add the products calculated pursuant to the previous paragraph.</p>		
<p>c. Divide the sum calculated pursuant to the previous paragraph by the total number of adjusted residential Units in the Project to obtain the average affordability.</p>		0.00%
<p>d. Subtract (c) from 1.0.</p>		0.00%
<p>2 Leverage of other funds.</p>		
<p>a. Leverage of other funds will be calculated as the amount of funds other than Multifamily Finance Super NOFA funds to be used for permanent funding of the development.</p>		\$0
<ul style="list-style-type: none"> ▪ Project based housing vouchers, including Faircloth to RAD conversions, will be valued at the amount of permanent amortizing debt that is financed by the additional project income received. 		
<p>b. Local public land donations will be counted as leveraged funds where the value is established with a current appraisal, with the amount discounted to reflect any fees, or other reliably predictable payments required as a condition of the donation.</p>		





Application Support and Program Support



Support Resources



Program & Policy Inquiries:

SuperNOFA@hcd.ca.gov

- ✓ Inquiries on Guidelines, NOFAs, or UMRs
- ✓ Threshold/Scoring clarifications and general Application process questions.

Application Workbook/Portal Technical Support:

AppSupport@hcd.ca.gov

- ✓ Excel Workbook issues, system errors and Portal guidance.



Response Expectation



- 3–5 business days (longer if research needed).
- Timelines and updates will be communicated.
- Do not send duplicate inquiries; slows response times.

Tips Faster Responses: Identify exact guideline or requirement in subject line.

- Use “Application Workbook/Portal Support” in the subject line for workbook/portal help.



Reminders and Contacts



- ✓ **Click Submit** in the portal; ensure you receive a confirmation email.
- ✓ **Deadline: June 5, 2026, at 4:00 PM PT.**
 - Late submissions will not be accepted.
 - Include Excel Application workbook and attachments

Program Inquiries: SuperNOFA@hcd.ca.gov

Technical Support: AppSupport@hcd.ca.gov



Open for Q & A

