

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
- **Doug Gongaware** HCD Representative
- **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 Limborea** HCD Representative
- **Nancy Milla** HCD Representative
- **Samuel Salmanyanyan** HCD Representative
- **Patricia Rifkin** HCD Representative
- **Cathie Whetstone** HCD Representative



Agenda

- 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 §IB

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



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

Home > Grants & Funding > Programs: Active > Portfolio Reinvestment Program (PRP)

Portfolio Reinvestment Program (PRP)

The Portfolio Reinvestment Program (PRP) aims to preserve existing HCD-funded affordable housing projects by extending and restructuring affordability agreements; extending loan maturity dates; providing new low-interest long-term loans for rehabilitation; and providing forgivable loans to capitalize short-term operating subsidies.

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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.

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PRP Portal: Attachments Page Updates

Attachment Item	Before Portal Update	After Portal Update
Supplemental App Info / Other	PRP Application	Unique Attributes / Supplemental Info
Reserve Account Statements	PRP Application	Reserve Account Statements
Existing HCD Funded Projects	PRP Application	Existing HCD Funded Projects
Relocation / No Relocation	State Relocation Plan	State Relocation Law
Preliminary Report	Site Control	Preliminary Title Report
Ownership Change Approval	Ownership Approval	Ownership Change Approval
Ownership Change Capacity	Staffing Chart	Ownership Change Capacity



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