

# San Benito County Housing Advisory Committee

## February 13, 2023 Packet



# **SAN BENITO COUNTY**

## **Housing Advisory Committee**

**Committee:**

**Board of Supervisor Bea Gonzales, District 5;  
Board of Supervisor Dom Zanger, District 1;  
Chair of the Planning Commission, Robert Gibson, District 4;  
Planning Commissioner, Richard Way, District 2;  
Development Community Public Member, Victor Gomez;  
Affordable Housing Public Member, Seth Capron, and  
Financial or Accounting Public Member, Jonathan Casey**



## **AGENDA**

**Monday, February 13, 2022**

**11:00 A.M.**

San Benito County Administration Building  
Board of Supervisors Chambers  
481 Fourth Street, Hollister, California

**Webinar ID: 884 6515 6673**

**Webinar Password: 534704**

Pursuant to AB 361, and the resolution adopted thereunder, relating to the convening of public meetings in response to the COVID-19 pandemic, and pursuant to the recommendation from Dr. Gellert dated January 5, 2022, members of the Committee are allowed to attend the meeting via teleconference and to participate in the meeting to the same extent as if they were present.

The meeting will be available through Zoom those who wish to join or require accommodations with the instructions below:

This meeting can be accessed in the following methods:

Through Zoom (<https://zoom.us/join>) per the instruction stated below

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associated with an instant or scheduled meeting (found at the top of this text). The chat feature is disabled for all participants. Additionally, the video function is not available to the public. Zoom regularly provides new versions of the Zoom desktop client and Zoom mobile app to release new security features and fix bugs. To ensure you can join the meeting and participate through public comment, please launch the web address to download the Zoom application: <https://zoom.us/support/download>. Furthermore, we recommend upgrading to the latest version of Zoom once it is available. Please visit <https://support.zoom.us/hc/en-us/articles/201362233-Upgrade-update-to-the-latest-version> to ensure you have the newest Zoom update.

**A. Zoom on Web-browser:**

a. If joining through web-browser, launch the address <https://zoom.us/join> or open the direct link listed below: <https://zoom.us>

**B. Or launch the Zoom app on your Tablet or Smartphone:**

b. Select **"JOIN A MEETING"**

c. The participant will be prompted to enter **Webinar ID and Password listed above** and name to join the meeting. The meeting agenda can be found at <https://www.cosb.us/>

d. The participant can launch audio through their computer or set it up through the phone.

e. **Public Comment:** Select the **"Participants Tab"** and click **"Raise hand"** icon, and the Zoom facilitator will unmute you when your turn arrives.

**C. Zoom Audio Only (phone):**

a. If you are **calling in as audio-only**, please dial **US: +1 669 900 6833 or +1 408 638 0968**

b. It will ask you to enter the **Webinar ID listed above**, followed by the **"#" key** (pound key), then enter **Webinar Password listed above** at the top page of the agenda. The meeting agenda can be found at <https://www.cosb.us/>

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d. Once you enter the Zoom meeting, you will automatically be placed on mute.

e. **Public Comment:** If you are using a phone, please press **"\*9"** (star-nine) to raise your hand, and the Zoom facilitator will unmute you when your turn arrives.

**Written Comments & Email Public Comment**

Members of the public may submit comments via email by 5:00 PM on the Friday prior to the meeting to the Assistant Planner, Stephanie Reck, at [sreck@cosb.us](mailto:sreck@cosb.us)

**Public Comment Guidelines**

**A.** The Committee welcomes your comments.

**B.** If participating on Zoom, once you are selected you will hear that you have been unmuted: At this time, please state your first name, last name, and county you reside in for the record.

**C.** Each individual speaker will be limited to a presentation total of three (3) minutes, or such other time as may be designed by the Chair.

**D.** Please keep your comments, brief, to the point, and do not repeat prior testimony, so that as many people as possible can be heard. Your cooperation is appreciated.

If you have any questions, please contact **Stephanie Reck**, at (831) 902-2289, or email [sreck@cosb.us](mailto:sreck@cosb.us)

***The San Benito County Housing Advisory Committee welcomes you to this meeting and encourages your participation.***

- *If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period at the beginning of the meeting. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. When addressing the Committee, please state your name for the record. Please address the Committee as a whole through the Chair.*
- *If you wish to speak on an item contained in the agenda, please seek recognition from the Chairman prior to consideration of the item.*

### **11:00 A.M. CALL TO ORDER**

1. TELECONFERENCE INSTRUCTIONS

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

**Committee Members:**

1. *Bea Gonzales, Board of Supervisor District 5;*
2. *Dom Zanger, Board of Supervisor District 1;*
3. *Robert Gibson, Chair of the Planning Commission, District 4;*
4. *Richard Way, Planning Commissioner, District 2;*
5. *Victor Gomez, Development Community Public Member;*
6. *Seth Capron, Affordable Housing Public Member; and*
7. *Jonathan Casey: Financial or Accounting Public Member.*

4. ACKNOWLEDGE CERTIFICATE OF POSTING

5. PUBLIC COMMENT: *Opportunity to address the Committee on items of interest not appearing on the agenda. No action may be taken unless provided by Govt. Code Section 54954.2.*

### **REGULAR AGENDA**

6. PROPOSED RESOLUTION PURSUANT TO AB 361: Adopt proposed resolution authorizing teleconferencing options for meetings of the Committee for the period of February 1, 2023, through March 1, 2023, pursuant to AB 361.

7. REVIEW: COMMITTEE BYLAWS

8. APPOINTMENT: COMMITTEE CHAIR AND VICE CHAIR

9. SCHEDULE: REGULARLY STANDING MEETINGS

10. ADOPT: NOVEMBER 7, 2022 MINUTES

11. REPORT: HOUSING ELEMENT ANNUAL PROGRESS REPORT

12. OVERVIEW: CALHOME GRANT

13. DIRECTION: FUTURE AGENDA ITEMS TO BE ADDRESSED

14. SCHEDULE: NEXT MEETING DATE

**ADJOURNMENT:**

*As required by Gov. Code Section 54957.5 any public record distributed to the San Benito Housing Advisory Committee less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the office of the Clerk of the Board, San Benito County Administration Building, 481 Fourth Street, Hollister, CA 95023. Public records distributed during the meeting will be available for public inspection at the meeting if prepared by the County. If the public record is prepared by some other person and distributed at the meeting it will be made available for public inspection following the meeting at the office of the Clerk of the Board.*

***In compliance with the Americans with Disabilities Act (ADA) the Board of Supervisors meeting facility is accessible to persons with disabilities. If you need special assistance to participate in this meeting, please contact the Clerk of the Board's office at (831) 636-4000 at least 48-hours before the meeting to enable the County to make reasonable arrangements to ensure accessibility.***

**San Benito County  
Housing Advisory Committee**

**Item # 7  
Review: Committee Bylaws**

# SAN BENITO COUNTY



## BY-LAWS

Procedures for the Transaction of Business

For

Housing Advisory Committee (HAC)

**I. Name**

The name of the Committee shall be: Housing Advisory Committee (HAC).

**II. Authority**

- A. San Benito County amended Ch. 21.03 Affordable Housing Regulations (Former Ordinance 766) and adopted the new Ordinance 951 in 2016.
- B. The updated ordinance establishes a Housing Advisory Committee for inclusionary housing projects.
- C. The HAC acts in an advisory capacity to the County Board of Supervisors and/or Planning Commission on subjects relating to Housing.

**III. Purpose**

The purpose of this committee is to advise the Board of Supervisors on matters relating to the Housing Element of the General Plan and the inclusionary housing ordinance, and such other matters as the Board of Supervisors or County Staff shall direct. The committee is also expected to evaluate proposals for disbursement of in-lieu fees in accordance with Ch. 21. The HAC is an appointed body that is charged with reviewing and considering housing related issues for the County.

**IV. Duties**

The Duties of the HAC will meet at least quarterly, to review the following operations:

- A. Provide advice regarding affordable housing programs, guidelines and policies consistent with the Housing Element of the San Benito County General Plan.
- B. Provide advice regarding opportunities for the development of housing affordable to those households with extremely low, very low, low and moderate income.
- C. Assist staff and the Board of Supervisors to promote greater public understanding and acceptance of affordable housing.
- D. Provide advice regarding the expenditures of funds that are set aside for affordable housing programs and make funding recommendations.
- E. Make recommendations to the Planning Commission, Board of Supervisors, and staff regarding affordable housing preferences and program eligibility criteria.
- F. Provide advocacy for establishing and maintaining a diversity of housing types and opportunities in San Benito County.
- G. A housing advisory committee may be designated to review the income qualifications of potential applicants as part of the selection process of program participants
- H. Other functions include review and recommendations on proposed grant and loan applications related to specific housing projects.

**V. Attendance**

- A. HAC committee members shall attend HAC meetings.
- B. A member who cannot attend a meeting must notify the designated staff.
- C. Whenever an elected member of the HAC (Planning Commissioner & Board of Supervisor) does not attend three (3) consecutive, regularly scheduled meetings, the Chair of the HAC shall notify the nominating agency/organization of the absences and request appropriate action.

**VI. Membership**



- A. Members of the Housing Advisory Committee shall be San Benito residents who have a particular interest or expertise in the area of affordable housing and are 18 years of age or older.
- B. Members of the Committee shall be appointed by the Board of Supervisors through a recommendation by the Chair of the Board.
- C. There shall be seven (7) voting members of the Committee, serving two-year terms or until a successor is appointed and able to serve.
  - 1. Two (2) members of the San Benito County Board of Supervisors and an alternative.
  - 2. Two (2) members of the San Benito County Planning Commission and an alternative.
  - 3. Three (3) Members Appointed by the Board of Supervisors Chair
    - a. One member of the affordable housing development community.
    - b. One member of the builder development community
    - c. One member with a financial or accounting background
- D. Public applicants cannot be currently serving on another County Advisory Committee or be an elected official.
- E. Reasons for removal of members of the Committee shall be
  - 1. Members shall notify the Chair or staff in the event of an anticipated absence from a regularly scheduled meeting. Three absences in any twelve month period shall constitute voluntary resignation from being a full Committee member. If due to unforeseen circumstances, a Committee member cannot fulfill his/her duties, the Committee member may request Alternate status through the Chair.
  - 2. Conflict of interest.

## **VII. Terms**

- A. HAC members serve for two year term; with the exception of the first year of establishment, three committee members will serve for three (3) years terms.
- B. Committee members of HAC shall be appointed by and serve at the pleasure of the Board of Supervisors. Alternate committee members may be designated by each representation on HAC; however, in order to have voting privileges, an alternate designated by an organization must be officially appointed as such by the Board of Supervisors after the vacancy in membership is properly noticed per the Maddy Act (Government Code Section 54970 et seq.)
- C. Any Board appointed committee member or alternate committee member choosing to resign from the HAC must submit a written letter of resignation to the Clerk of the Board of Supervisors with a copy to the HAC Chair.
- D. Vacancies in membership shall be properly noticed (Maddy Act) and nominations to fill vacancies shall be submitted by the representative of the organization. Public-at-Large wishing to be appointed shall complete an application available from the Clerk of the Board.

## **VIII. Committee Organization**

- A. The Committee shall set a regular day and time to meet quarterly. Special meeting can be More meetings can be set by the committee.
- B. A quorum shall be 4 voting members.
  - 1. A majority of votes is defined as simple majority, if quorum present.
- C. Generally accepted practices or principles for meetings shall govern the Committee's proceedings



- D. The Brown Act Laws for Open Public Meetings, Government Code Section 54950.5 governs the Committees' actions.

### **IX. Officers & Staff**

The Officers of HAC are the Chair and Vice Chair, and designated alternates.

- A. Officers shall be elected for one year term;
- B. Officers shall be elected from the voting commissioners of the HAC at the first meeting of the New Year by a simple majority of the HAC commission present.
- C. The one-year term officers will begin upon accepting the election and terminate on December 31<sup>st</sup> of the year.
- D. The Chair of the Committee will serve one year appointment.
  1. Presides at meetings;
  2. Appoints sub-committee membership;
  3. Follows-up on work of sub-committees;
  4. Represents the Committee to the Planning Commission and Board of Supervisors;
  5. Calls special meetings;
  6. Coordinates agenda preparation with staff; and
  7. Encourages active participation of members.
- E. The Vice-Chair of the Committee Presides at meetings in the absence of the Chair.
- F. Staff role
  1. Record attendance,
  2. Prepare summary minutes,
  3. Arrange for filling vacancies,
  4. Prepare agenda in consultation with Chair,
  5. Provide information necessary for committee work,
  6. Assure compliance with applicable laws,
  7. Lend professional expertise, and
  8. Track time spent on Committee work.

### **IX. Responsibilities of the Committee**

- A. Appoint sub-committees (either special or on-going),
- B. Appoint acting Chair in absence of both Chair, Vice-Chair, and alternate.
- C. Submit recommendations to the Planning Commission.
- D. Establish goals and action plan to achieve assigned duties, and
- E. Fill vacancies as appointed by the Chair.

### **X. Amendments to these By-laws**

- A. Changes in these By-laws must be approved by a majority vote of the Committee and then ratified by the Board of Supervisors.
- B. Rules of Order:
  - a. All meetings will be governed by the Brown Act.

### **XI. Conflict of Interest**

If a conflict of interest is perceived to exist, at the onset of the meeting, should any commissioner determine their recusal is warranted due to conflict of interest, then that member should inform the Chairperson and state for the record that they will not be participating in that agenda item.



**San Benito County  
Housing Advisory Committee**

**Item # 10**

**Adopt: November 7, 2022 Minutes**

**SAN BENITO COUNTY**  
**Housing Advisory Committee**

*Committee:*

*Board of Supervisor Bea Gonzales, District 5;  
Board of Supervisor Betsy Dirks, District 1;  
Chair of the Planning Commission, Robert Gibson, District 4;  
Planning Commissioner, G.W. Devon Pack, District 5;  
Development Community Public Member, Victor Gomez;  
Affordable Housing Public Member, Seth Capron, and  
Financial or Accounting Public Member, Jonathan Casey*



**MINUTES**

**Monday, November 7, 2022**

**11:00 A.M.**

San Benito County Administration Building  
Board of Supervisors Chambers  
481 Fourth Street, Hollister, California

**Webinar ID: 824 7379 5594**

**Webinar Password: 145559**

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<b>11:00 A.M. CALL TO ORDER</b>
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## **1. TELECONFERENCE INSTRUCTIONS**

*Arielle Goodspeed, Principal Planner, read the teleconference instructions to members participating remotely.*

*No public comment at this time.*

## **2. PLEDGE OF ALLEGIANCE**

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, led the pledge of allegiance.*

*No public comment at this time.*

## **3. ROLL CALL**

### **Committee Members:**

1. *Bea Gonzales, Board of Supervisor District 5;*
2. *Betsy Dirks, Board of Supervisor District 1;*
3. *Robert Gibson, Chair of the Planning Commission, District 4;*
4. *G.W. Devon Pack, Planning Commissioner, District 5;*
5. *Victor Gomez, Development Community Public Member;*
6. *Seth Capron, Affordable Housing Public Member; and*
7. *Jonathan Casey: Financial or Accounting Public Member.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, Betsy Dirks, Board of Supervisor, Robert Gibson, Chair of the Planning Commission, were present in chambers. Victor Gomez, Development Community public member, Seth Capron, Affordable Housing public member, Jonathan Casey, Financial or Accounting public member were present via zoom. G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, was absent.*

## **4. ACKNOWLEDGE CERTIFICATE OF POSTING**

*Robert Gibson, Chair of the Planning Commission, motioned to acknowledge the certificate of posting.*

*Betsy Dirks, Board of Supervisor, seconded that motion.*

*Motion passed four (6) to zero (0).*

No public comment at this time.

5. **PUBLIC COMMENT: Opportunity to address the Committee on items of interest not appearing on the agenda. No action may be taken unless provided by Govt. Code Section 54954.2.**

No public comment at this time.

<b>REGULAR AGENDA</b>
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6. **Proposed resolution pursuant to AB 361- Adopt proposed resolution authorizing teleconferencing options for meetings of the Committee for the period of November 1, 2022, through December 1, 2022, pursuant to AB 361.**

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, motioned to adopt the proposed resolution pursuant to AB 361.*

*Betsy Dirks, Board of Supervisor, seconded this motion.*

*Motion Passed (6) to (0).*

7. **Adopt October 3, 2022, minutes.**

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, motioned to approve the minutes.*

*Robert Gibson, Chair of the Planning Commission, seconded this motion.*

*Motion Passed (6) to (0).*

8. **Overview: Housing support for San Benito County families in K-12 schools.**

*Stephanie Reck, Assistant Planner, invited Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, to present this item.*

*Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, thanked the HAC for having her with us. It was shared that the County's Office of Education (SBCOE) provides support to homeless students and their families through the Foster Youth and Homes Services programs. SBCOE's services are designed to support educational needs, we do not look at the direct oversight of getting housing for our students. However, we do provide educational opportunities for various laws around foster and homeless youth and work to coordinate services with Children Services and other agencies. We started a program called Project Access which provides after school tutorials and other support services, like providing 5 nights in a hotel, for foster and homeless youth. Some of the additional needs that we have identified are tutorial services, health services, and clothing needs, community resources, and ways to connect people to resources. However, we cannot provide all of this without the proper funding, but we try to provide as much of this as possible. SBCOE receives only a small amount of funding, the HAC can assisted by providing direct housing support, like rent subsidies, help with utilities, and additional temporary housing accommodations. The HAC had asked us for some information on the homeless student population that is data we do not collect in regard to why our students are*

homes. If you have a survey that can help us gather this information, we can implement it and it will provide us with some insight on how to help our students and their families. Additional information we would like to gather, with the support of a survey, encompass how and why students are homeless, what programs are most beneficial, and what other needs do the students and families have. This could be a joint project between SBCOE and the HAC.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if SBCOE could define the parameters of what qualifies a student as homeless.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that there is the obvious interpretation where if you don't have a home and you sleep in a car for example, you qualify as homeless. Doubling up also qualifies someone as homeless and that occurs when your children or grandparents lose their home and they come to live with a family member who does have a home. Many of our homeless families are not always identified because they do not report that they are doubling up.

Gwen Baquiran, Director of Student Services at the County of San Benito Office of Education, stated that we will be having a training next Thursday which is an awareness for students who are experiencing homelessness. A topic is how to better identify homeless students because this will help us better identify their needs and determine how best to support them for them to have continued access to educational needs. We will go into details about the educational definition of homelessness. I encourage our community members to participate in that workshop. This month is national homeless month, and this is something we can't let the community to commemorate and be aware. We want the community to be aware of the other support we are providing like project access.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if SBCOE has a date certain for that workshop.

Gwen Baquiran, Director of Student Services at the County of San Benito Office of Education, stated that the workshop is via zoom and will be on November 16<sup>th</sup> from 10am to 11am. The event is titled McKinney Vento 101 Workshop and provides Education for Homeless Children and Youth program basics and eligibility for McKinney-Vento rights and services.

Stephanie Reck, Assistant Planner, stated that she will send the flyer out to the HAC members.

Betsy Dirks, Board of Supervisor, asked if SBCOE have statistics on how many children are considered McKinney-Vento at this time.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that she does not have the information in front of her, but she presented it at the last meeting. (the number of homeless students for the year 2021-2022 was 251 of 11897 students at 2.11% of the student population).

Betsy Dirks, Board of Supervisor, asked if that number could be more if the students had any siblings. Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that was correct.

Betsy Dirks, Board of Supervisor, stated that it would be important for our county workforce development and homeless services providers to be aware of those numbers so they can possibly help address some of those situations and make sure the communication is getting across to



people. Our Community Food Bank and Our Father's House should also have that information so they can support the students and to ensure we are cross-checking other supports.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that the other point to remember is that once a student is deemed homeless, they remain with that designation through the end of the school year, even if they were able to find housing in that time.

Betsy Dirks, Board of Supervisor, asked what the resources are that homeless students can benefit from.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that project access, access to hotel rooms, food and school supplies, and other outside resources in terms of the community. One of the things we need to work on is, where do our students find those resources and how can we put them in a place where they are easy to find and access. We also need to look at what we are missing because we don't have as many resources as other continues.

Betsy Dirks, Board of Supervisor, asked if SBCOE has a list of missing resources in reference to what is provided in other counties.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that she does not have this information handy but that is something we can look at. I suggest you also speak with those running the homeless shelters, because we are only looking at services in terms of educational needs. So those who work with other homeless families may have a more robust understanding of what supports are missing.

Betsy Dirks, Board of Supervisor, stated that would work and it may be beneficial to create a system where we can cross reference that easier. I wonder if we can create a resource page with our new information's officer.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that she would hope the new information's officer could work this out. I have seen firsthand what Santa Cruz County does for its homeless population, student particulars, and Santa Clara County in comparison to what San Benito is doing. As a supervisor there is the power and ability to bring change and it is sad that I can't and I feel helpless, I want to do more of our community collectively, as it is a community effort.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, I think we can conduct some type of needs assessment where we all work together, school, student, homeless shelter, PD, and Sheriffs.

Betsy Dirks, Board of Supervisor, I do want to share that we are in the process of acquiring facilities that would have permanent and transitional housing available too, which will continue to serve those needs. We have a rental deficiency in the county, and we have a housing crisis. We also have around 50 Section 8 vouchers allotted to our county that cannot be used at this time.

Seth Capron, Affordable Housing public member, asked how long the respite hotel housing is available to students and if the whole family can be temporarily housed during that time.

Gwen Baquiran, Director of Student Services at the County of San Benito Office of Education, stated that with regard to Project Rest and Project Access, this is the first time that we are providing support for temporary hotel accommodations for up to 5 days. This really is not enough.

*Two weeks ago, was the first time I was able to handle this situation, which is extremely heartbreaking, and there was noting much we could do but provide a 5-day voucher. A hotel that is associated with this project was able to provide the entire family of 5 to 6 persons with accommodations. We then connected with family with Enrique Arreola, Deputy Director of Community Services and Workforce Development, who was able to support them with some subsequent weeks of temporary placement. What this project has done is make sure there is some stability, even if for a short period of time, where the kids didn't miss a single day of school because they had temporary accommodations during a point of transition. Our county was also able to provide the family with duffle bags with comfort items like blankets, books, and fidget toys to help them with the transition. The family was very grateful for this, and we were able to address their needs and provide them with this accommodation within one hour of the family coming to use and requesting support.*

*Stephanie Reck, Assistant Planner, asked the committee to clarify whether they would like staff to support SBCOE in drafting the survey that would be used for the purposes of gathering further information on the homeless population and services that are missing.*

*Betsy Dirks, Board of Supervisor, stated yes, I think that would be something we want staff to work on. Of course, we would partner and help with that, but I don't want to commit time. I don't know what Enrique Arreola, Deputy Director of Community Services and Workforce Development's, schedule looks like as I assume he would have to be involved in that. So, I would want clarity on that and how in-depth it would be, so I want clarity on that.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that she is reluctant to dedicate staff time because we don't know timewise what that would take. However, if we have some type of survey that has been done in that past that we can bring in a possible update and use I think we should do that.*

*Betsy Dirks, Board of Supervisor, stated that I also don't know how much time you have in your office because we are all very short staffed and especially with this time of the year. It becomes even timelier with the situation we are talking about. If someone has a google form, we could use that may help because we would need to get it out to the schools and possibly have it on hand if someone comes into our office for when people come in to get homeless services.*

*Joel Ellinwood, Assistant County Counsel, stated that from the county's perspective the primary perspective for things like the point-in-time count is from the Health and Human Services Agency and not from the Resource Management Agency or the housing staff. We have no representative here from Health and Human Services or have any information from them, but I imagine the county's Office of Education is in touch with them as they provide the resources for temporary shelter, so we have a lot of agencies and there is a need to coordinate it and there is also a limitation of resources.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that we are mindful of that fact and are reluctant to dedicate staff time, but we would like to look at what has been done in the past. We are not walking away from this as we would like to see what we can do, but we are outside of the realm of what we can do within the scope of this meeting.*

*Betsy Dirks, Board of Supervisor, stated that she is on the Homeless Taskforce as well and they are having another discussion soon. If SBCOE does not have a representative at that table I would suggest you reach out to Tracey Belton, Director of Health, and Human Services, to get on the*

table because there are so many community-based organizations who attend and support with homelessness and they can help disseminate this information.

Jennifer Logue, Deputy Superintendent at the County of San Benito Office of Education, stated that one of the reasons I suggested the survey is that you also had questions that I don't have the answers to as we don't collect that information. So, in order to collect that information, we would have to conduct a survey. If you have one available that you would like to use, I am happy to work with you on that and look at it. We are only coming from the education perspective so that is only a small portion of that population and we also do work very closely with Health and Human Services.

Stephanie Reck, Assistant Planner, stated that it sounds like we need to conduct some additional resources to see what has been done in the past and work to get a joint meeting with HHS and SBCOE to see how we can move forward in establishing a survey and possibly getting one out.

No public comment at this time.

## **9. Overview: Mortgage supports for landlords with tenants who miss rent.**

Stephanie Reck, Assistant Planner, stated that during our August HAC meeting various members of the HAC brought up concern about what a possible moratorium on eviction would do to landlords. Staff were not able to get information from other jurisdictions who have established similar provisions prior to this meeting, but staff is still working to connect with them staff connected with various housing agencies and rental management companies local to San Benito. The process for eviction is as follows: 3-day notice to pay rent or quit, establish communication with the renter, set up a payment plan, connect them with other recourses, apply security deposit to missed rent, and then apply for covid-19 rent relief on behalf of the tenants. While these services do not directly benefit the landlord, they indirectly support the landlord but supporting the renter to make their monthly payment. The current trend for eviction is minimal in regard to a monetary breach of rent. Management companies work out payment plans to avoid evictions and connect at-risk tenants to resources. Management companies also work to educate their tenants on the eviction process. Unit turnaround is also quick when eviction occurs. There appear to be limited supports that are direct to landlords, outside of litigation, especially without any monetary programs to support missed payments. Property Management companies appear to be a good resource for landlords as they can work to support the tenant and connect them to other resources. There are some Landlord Tenant Workshops in the area that would be great resources for information, however these workshops have been postponed. These workshops are organized by the Santa Cruz Superior Court Self-Help Services in Partnership with the Senior Citizens Legal Services which has a branch here at the Epicenter in Hollister and they cover both Santa Cruz County and San Benito County. These workshops are not limited to senior citizens and staff will follow-up on the workshops and will update the HAC when they resume.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if Santa Cruz County has a spot at the Epicenter for Self-Help?

Stephanie Reck, Assistant Planner, stated that it is the Senior Citizens Legal Services that has a location at the Epicenter.

No public comment at this time.

## **10. Direction: Future agenda items to be addressed.**

*Stephanie Reck, Assistant Planner, stated that before we discuss future agenda items that staff would like to provide committee member with a reminder that Chapter 21.03 the Affordable Housing Regulations will be presenter with the amendments, we have made to the Planning Commission on November 16<sup>th</sup> at 6pm or soon thereafter as the matter may be heard. Reminders for this event will go out later this week and encourage all HAC members who are available to participate in the public hearing. It is also our intention to present the ordinance to the Board of Supervisors on December 13<sup>th</sup> at 9am or soon thereafter as the mater may be heard and that reminders will also be sent out for that meeting as well. Now, at this time are there any future agenda items committee members would like to address staff to itemize at the next meeting.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that there are not items at this time.*

*No public comment at this time.*

#### **11. Schedule: Next meeting date.**

*Stephanie Reck, Assistant Planner, stated that staff would like to direct your attention to the fact that the first Monday in December is the 5<sup>th</sup> and the Bord of Supervisors has designated it as Employee Appreciation Day. The week after this staff will be presenting the Affordable Housing Regulations to the Board of Supervisors. Due to this schedule staff recommend that we cancel the HAC meeting for December and reconvene in the new year.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that sounds like a good idea.*

*Stephanie Reck, Assistant Planner, stated that in considerations for January, the first Monday is a holiday as New Year's Day will be observed, and staff will be on leave from the 2<sup>nd</sup> to the 8<sup>th</sup>. Due to this staff recommend January 9<sup>th</sup> as the potential meeting date for the HAC. This should not interfere with the Board of Supervisors as potential meeting dates in January are the 17<sup>th</sup> and the 24<sup>th</sup>, and this will be confirmed later this month, so if anything changes staff will follow-up with updates.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated this works for committee members. I wanted to say my appreciation as staff make it so easy to participate in this meeting as you are professional and efficient. You have made this committee a pleasure to be on, so I provide my sincere appreciation.*

*Betsy Dirks, Board of Supervisor, stated that I concur with that statement and also all of the support staff who have supported with these meetings, you have all been a pleasure to work with and are appreciated. Victor Gomez, Development Community public member, Robert Gibson, Chair of the Planning Commission, and Jonathan Casey, Financial or Accounting public member, agreed with this.*

*Seth Capron, Affordable Housing public member, stated that staff have really stepped up to educate themselves on the subject of housing as they were hired to be a planner and not a housing coordinator. So I wanted to thank staff for that.*

*Stephanie Reck, Assistant Planner, thanked committee members.*

#### **ADJOURNMENT:**

*As required by Gov. Code Section 54957.5 any public record distributed to the San Benito Housing Advisory Committee less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the office of the Clerk of the Board, San Benito County Administration Building, 481 Fourth Street, Hollister, CA 95023. Public records distributed during the meeting will be available for public inspection at the meeting if prepared by the County. If the public record is prepared by some other person and distributed at the meeting it will be made available for public inspection following the meeting at the office of the Clerk of the Board.*

*Victor Gomez, Development Community public member, motioned to adjourn the meeting.*

*Betsy Dirks, Board of Supervisor, Seconded this motion.*

*Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, Betsy Dirks, Board of Supervisor, Victor Gomez, Development Community public member, Robert Gibson, Chair of the Planning Commission, and Jonathan Casey, Financial or Accounting public member, and Seth Capron, Affordable Housing public member, voted for this motion.*

*G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, was absent.*

*Motion passed six (6) to zero (0).*

***In compliance with the Americans with Disabilities Act (ADA) the Board of Supervisors meeting facility is accessible to persons with disabilities. If you need special assistance to participate in this meeting, please contact the Clerk of the Board's office at (831) 636-4000 at least 48-hours before the meeting to enable the County to make reasonable arrangements to ensure accessibility.***

**San Benito County  
Housing Advisory Committee**

**Item # 11**

**Report: Housing Element Annual  
Progress Report**

**Please Start Here**

General Information	
Jurisdiction Name	San Benito County - Unincorporated
Reporting Calendar Year	2022
Contact Information	
First Name	Stephanie
Last Name	Reck
Title	Assistant Planner
Email	sreck@cosb.us
Phone	8319022289
Mailing Address	
Street Address	2301 Technology Parkway
City	Hollister
Zipcode	95023

**Optional:** Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

[Click here to download APR Instructions](#)

11\_16\_22

**Optional:** This runs a macro which checks to ensure all required fields are filled out. The macro will create two files saved in the same directory this APR file is saved in. One file will be a copy of the APR with highlighted cells which require information. The other file will be list of the problematic cells, along with a description of the nature of the error.

**Optional:** Save before running. This copies data on Table A2, and creates another workbook with the table split across 4 tabs, each of which can fit onto a single page for easier printing. Running this macro will remove the comments on the column headers, which contain the instructions. Do not save the APR file after running in order to preserve comments once it is reopened.

**Optional:** This macro identifies dates entered that occurred outside of the reporting year. RHNA credit is only given for building permits issued during the reporting year.

Link to the online system: <https://apr.hcd.ca.gov/APR/login.do>

## Submittal Instructions

**Please save your file as Jurisdictionname2022 (no spaces).** Example: the city of San Luis Obispo would save their file as SanLuisObispo2022

Housing Element Annual Progress Reports (APRs) forms and tables must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year for the prior calendar year; submit separate reports directly to both HCD and OPR pursuant to Government Code section 65400. There are two options for submitting APRs:

**1. Online Annual Progress Reporting System - Please see the link to the online system to the left.** This allows you to upload the completed APR form into directly into HCD's database limiting the risk of errors. If you would like to use the online system, email [APR@hcd.ca.gov](mailto:APR@hcd.ca.gov) and HCD will send you the login information for your jurisdiction. *Please note: Using the online system only provides the information to HCD. The APR must still be submitted to OPR. Their email address is [opr.apr@opr.ca.gov](mailto:opr.apr@opr.ca.gov).*

**2. Email -** If you prefer to submit via email, you can complete the excel Annual Progress Report forms and submit to HCD at [APR@hcd.ca.gov](mailto:APR@hcd.ca.gov) and to OPR at [opr.apr@opr.ca.gov](mailto:opr.apr@opr.ca.gov). Please send the Excel workbook, not a scanned or PDF copy of the tables.







Annotations: **Warning**

ANNUAL ELEMENT PROGRESS REPORT  
Household Element Implementation

Note: "X" indicates an optional field

Element ID	Element Name	Priority	Start Date	End Date	Status	Progress %	Completion Date	Remarks	Progress Chart (Green/Yellow/Red)												Assigned To	Responsible Party	Phone Number
10000001	10000001	1																					
10000002	10000002	1																					
10000003	10000003	1																					
10000004	10000004	1																					
10000005	10000005	1																					
10000006	10000006	1																					
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Jurisdiction	San Benito County - Unincorporated	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	5th Cycle	12/31/2015 - 12/31/2023

## ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.  
Please contact HCD if your data is different than the material supplied here

Table B														
Regional Housing Needs Allocation Progress														
Permitted Units Issued by Affordability														
		1	2										3	4
Income Level		RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)	Total Remaining RHNA by Income Level	
Very Low	Deed Restricted	198	-	-	-	-	-	-	-	2	-	9	189	
	Non-Deed Restricted		-	-	-	-	-	3	4	-	-			
Low	Deed Restricted	120	-	-	-	-	-	-	-	8	-	18	102	
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-			
Moderate	Deed Restricted	164	-	-	-	-	-	-	-	-	-	3	161	
	Non-Deed Restricted		2	-	-	1	-	-	-	-	-			
Above Moderate		355	-	17	61	96	177	213	208	108	160	-	1,040	
Total RHNA		837												
Total Units			-	19	61	96	178	213	211	120	172	-	1,070	
Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).														
		5	6										7	
Extremely low-income Need		Extremely low-income Need	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date	Total Units Remaining	
Extremely Low-Income Units*		99	-	-	-	-	-	-	-	-	-	-	99	

\*Extremely low-income housing need determined pursuant to Government Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.

Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).

Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at [apr@hcd.ca.gov](mailto:apr@hcd.ca.gov).



# ANNUAL ELEMENT PROGRESS REPORT

## Housing Element Implementation

<b>Jurisdiction</b>	San Benito County - Unincorporated		
<b>Reporting Year</b>	2022	(Jan. 1 - Dec. 31)	
<b>Table D</b>			
<b>Program Implementation Status pursuant to GC Section 65583</b>			
<b>Housing Programs Progress Report</b>			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Name of Program</b>	<b>Objective</b>	<b>Timeframe in H.E</b>	<b>Status of Program Implementation</b>
HOU-1-1 Community Development Block Grant (CDBG)	Apply for Community Development Block Grant (CDBG) funds to provide funding for housing activities, public improvements, public facilities, and public service projects serving lower-income people in small, typically rural communities	Annual	In 2021, County Health & Human Services along with the City of Hollister & the City of San Juan Bautista applied for the CDBG COVID related grant assistance. All jurisdictions were approved for the non-competitive grant. The funding went specifically to assist homeowner's/renters with their utility payments. In 2022, the County received. The following CDBG grants: 1) CDBG CV-1 to provide utility assistance (energy, water, garbage, and sewer) to residents of Hollister, San Juan Bautista, and San Benito County to serve approximately 350 households. 2) CDBG CV-2 was received in the amount of \$1.15M for the rehab of the homeless shelter. Rehabilitation of the shelter did not take place in 2022 but is anticipated to be complete in Fall of 2023.
HOU-1-1: CDBG Emmaus House	Year around domestic violence shelter to San Benito County Residents	Annual	Emmaus House will continue to make available a shelter facility providing a furnished room and meals for women assisted during the program. The County of San Benito was awarded \$35,047 in 2022 for phase 40 of the Emergency Food and Shelter Program. These funds were awarded directly to Emmaus House.
HOU-1-1: Ccommunity Services & Workforce Development (CSWD) Renter's Assistance	CSWD provided low-income families with renter's assistance and stop eviction services during the upcoming program period.	Annual	In 2021 the county recieved a HOME Tennant Based Rental Assistance (TBRA) program and operated it in 2022 in the amount of \$500K to provide rental assitace for a 12 month period to eligible households. In 2022, a total of 20 households received renters assistance with a total of 41 household memebers. This does not include individuals assisted through the emergency shelter.

<p><b>HOU-1-2. HOME Investment Partnership (HOME)</b></p>	<p>The HOME program assists cities, counties and nonprofit community housing development organizations (CHDOs) to create and retain affordable housing.</p>	<p>Annual</p>	<p>San Benito County applied for the Fall 2018 HOME Grant and was awarded a \$1.1 million grant. The assistance will be used to fund a first-time home buyer program for a local self-help housing development in the County. Community Services and Development Corporation is building 24 very low- and low- housing units. Construction began in 2021 and expected to be completed in 2023. The HOME Grant assisted with 10 of the 24 homes. All 24 homes have been framed with Phase 1 units being close to completion having installed sheet rock and siding. Phase 2 units are anticipated to be completed in 2023. No certificates of occupancy will be issued until all 24 self-help homes are complete.</p>
<p><b>HOU-1-3. Community Services Block Grants (CSBG)</b></p>	<p>Utilize Community Services Block Grants (CSBG). The CSBG funds provide a range of services and activities to assist the needs of low income individuals including the homeless, migrants and the elderly.</p>	<p>Annual</p>	<p>For the implementation of the Family Winter Shelter program for homeless families. 20 families participated in this program. Funds also provided Transportation Tokens, Supportive Supplies, hotel voucher, Outreach, Strategic Planning, CoC 10 Year Plan to end homelessness. No action has been taken in 2022, but rehabilitation to the homeless shelter is anticipated to begin in 2023.</p>
<p><b>HOU-1-4. Emergency Housing &amp; Assistance Program (EHAP)</b></p>	<p>The Community and Services Workforce Development (CSWD) Department intends to continue to apply annually for EHAP funds to provide rental assistance for emergency and transitional shelter purposes.</p>	<p>Annual</p>	<p>EHAP funding has not been made available for the last 5-7 years</p>
<p><b>HOU-1-5. Federal Emergency Shelter Grants (FESG)</b></p>	<p>FESG funds provide for emergency shelters, services and transitional housing for homeless individuals and families.</p>	<p>Ongoing</p>	<p>In 2022, we received the following related grants:  1) Homeless Housing Assistance Program R-2. \$157,000 to provide funding for the operations of the transitional housing that is being built at the Migrant Center. In 2021, we received the first round of funding in the amount of \$306K for Rapid Rehousing services and emergency shelter. 2) Homekey grant was received in the amount of \$2.4M to build 11 transitional housing units at the Migrant Center. These will add to the existing 5 units and the project is expected to be completed in 2023. 3) Received a \$2.45M grant from Office of Migrant Services for the Rehabilitation of the Migrant Center housing. All of the 67 homes will be rehabilitated. This project is anticipated to be complete in 2023. 4) CDBG CV-2 was received in the amount of \$1.15M for the rehab of the homeless shelter.</p>

<p><b>HOU-1-6. Emergency Food &amp; Shelter Program (EFSP)</b></p>	<p>EFSP was created to supplement and expand the work of local Social Services agencies, both non-profit and governmental, in an effort to help people with economic (not disaster-related) emergencies.</p>	<p>Annual</p>	<p>The County of San Benito was awarded \$35,047 in 2022 for phase 40 of the Emergency Food and Shelter Program. These funds were awarded directly to Emmaus House.</p>
<p><b>HOU-1-7. Section 8 Housing</b></p>	<p>The Section 8 Housing program provides rental assistance to low-income individuals and families.</p>	<p>2017</p>	<p>In 2020, San Benito County passed an agreement with the Santa Cruz Housing Authority to begin extending service for the unincorporated areas within 10 miles from the City limits of San Juan Baustista &amp; Hollister. The majority of the rentals are located in the city spheres, but with construction of a new rental apartments it may be helpful. No action taken in 2022. San Benito County is going to re-enter into an agreement with the Housing Authority of Santa Cruz to extend services 10-miles past city limits in 2023.</p>
<p><b>HOU-1-8. Mortgage Credit Certificare Program (MCC)</b></p>	<p>The MCC Program provides tax credits to income eligible homebuyers. The MCC Program reduces the amount of Federal income tax the homeowner pays, thus giving more available income to qualify and pay for a mortgage loan.</p>	<p>2019</p>	<p>San Benito County previously signed a contract with Golden State Finance Authority to manage and provide MCCs to eligible buyers in San Benito County. Golden State Finance Authority has not indicated any direct assistance to San Benito County and no contract was signed in 2022.</p>
<p><b>HOU-1-9. Community Reinvestment Act (CRA)</b></p>	<p>Federal law requires that banks, savings, loans, thrifts, and their affiliated mortgages susidiaries, annually evaluate the credit needs for public projects in communities where they operate. Part of the County's efforts in developing preservation programs will be to meet with the Community Resinvestment Act Lenders Group organized by the County to discuss future housing needs and applicability of the Community Reinvestment Act</p>	<p>Ongoing</p>	<p>No action taken.</p>
<p><b>HOU1-10. Affordable Housing Development Priority</b></p>	<p>To encourage local housing to be affordable to extremely low, very low, low and moderate income families and members of the local workforce, the County shall grant affordable housing units priority for development.</p>	<p>Ongoing</p>	<p>This is still a priortiy for the jurisdiction. There is one current self-help project, which is called Riverview II, whihch received State &amp; Federal Funding to provide 24 units for very low and low income. The RMA department is taking the project as a priority to ensure it follows the applicant's timeline. Construction on the first half of the project began in 2021. Construction still ongoing in 2022 and is anticipated to be complete in 2023. The County also amended their Inclusiaonry Housing Ordinance in 2022, and the amendments were adopted in 2023.</p>



<p>HOU1-1-11. Funding Options</p>	<p>The County shall annually assess the potential local, state, and federal funding options for affordable housing programs for low-income families and some moderate and above moderate income families; shall annually review its eligibility for various federal and state programs that will provide rehabilitation assistance; and shall submit applications for programs for which the County is eligible, as appropriate.</p>	<p>Ongoing</p>	<p>San Benito County applied for the Fall 2018 HOME Grant. San Benito County was awarded the \$1.1 million grant in 2019 to complete the needed funding for a local self-help housing development in the County to build 24 very low and low income homes, which are anticipated to be completed in 2023. In 2020, the State of California released multiple plannings grants. The grants were not specific to affordable housing, but provided resources to the Planning Department that have a nexus to housing. The grants include: SB 2 Planning Grants Program, LEAP of \$65,000 and REAP of \$79,743.90. In 2021, San Benito County began to use the SB 2 Funding to complete zoning code amendments. The amendments were approved in 2022. Additionally, In 2022, we received the following housing related grants: 1) Homeless Housing Assistance Program R-2. \$157,000 to provide funding for the operations of the transitional housing that is being built at the Migrant Center. In 2021, we received the first round of funding in the amount of \$306K for Rapid Rehousing services and emergency shelter. 2) Homekey grant was received in the amount of \$2.4M to build 11 transitional housing units at the Migrant Center. These will add to the existing 5 units and the project is expected to be completed in 2023. 3) Received a \$2.45M grant from Office of Migrant Services for the Rehabilitation of the Migrant Center housing. All of the 67 homes will be rehabilitated. This project is anticipated to be complete in 2023. 4) CDBG CV-1 to provide utility assistance (energy, water, garbage, and sewer) to residents of Hollister, San Juan Bautista, and San Benito County to serve approximately 350 households. 5) CDBG CV-2 was received in the amount of \$1.15M for the rehab of the homeless shelter. 6) Received a HOME Tenant Based Rental Assistance (TBRA) program in 2021 and operated it in 2022 in the amount of \$500K to provide rental assistance for a 12-month period to eligible households. A total of 20 households recieved renters' assistance with a total of 41 household members. 7) Low-income Home Energy Assistance Program-American Rescue Plan Act (LIHEAP-ARPA) of \$409,069 to serve approximately 500 households. 8) Low-Income Home Energy Assistance Program of \$423,177 to serve approximately 700-800 households. 9) Low-Income Home Water Assistance Program of \$50,811 to serve approximately 150 households.</p>
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<p><b>HOU-2-1. Denisty Bonuses</b></p>	<p>The County shall continue to cooperate with and advise developers in the use of density-bonus incentives for affordable housing as permitted by State law. Bonus incentives are available to developers for including affordable units in their projects</p>	<p>Ongoing</p>	<p>The density bonus granted to developments that include affordable housing remains in effect as part of local law and available in accordance with the State density bonus law.</p>
<p><b>HOU-2-2. Tax-Exempt Mortgage Revenue Bonds</b></p>	<p>The County shall continue to cooperate with neighboring cities in the County, developers and builders and with financial institutions to secure tax-exempt mortgage revenue bonds.</p>	<p>Ongoing</p>	<p>No action taken at this time.</p>
<p><b>HOU-2-3. Program Eligibility Review</b></p>	<p>The County shall annually review its eligibility for various federal and state programs that will provide rehabilitation and maintenance assistance for low-income units and special needs groups.</p>	<p>Annual</p>	<p>In 2022, we received the following rehabilitation and maintenance related grants: 1) Homekey grant was received in the amount of \$2.4M to build 11 transitional housing units at the Migrant Center. These will add to the existing 5 units and the project is expected to be completed in 2023. 2) Received a \$2.45M grant from Office of Migrant Services for the Rehabilitation of the Migrant Center housing. All of the 67 homes will be rehabilitated. This project is anticipated to be complete in 2023. 3) CDBG CV-2 was received in the amount of \$1.15M for the rehab of the homeless shelter. Rehabilitation of the shelter did not take place in 2022, but is anticipated to be complete in Fall of 2023. 4) Weatherization Program: Weatherization services for residents of SBC are provided by Central Coast Energy Services (CCES) out of Watsonville. In 2022, a total of 4 households received weatherization services. Also, a total of 6 received assistance in 2021; and 18 in 2020.</p>
<p><b>HOU-2-4. Annual Housing Monitoring Report</b></p>	<p>The Planning Commission shall hold a meeting annually to review the Housing Monitoring Report &amp; make a report to the Board of Supervisors</p>	<p>Annual</p>	<p>The 2022 Housing Element Annual Progress Report will be presented to the Housing Advisory Committee on February 13, 2023. The report will be presented to the Planning Commission on February 22, 2023. Then the report will be presented to the Board of Supervisors on March 14, 2023.</p>

<p><b>HOU-2-5. Federal &amp; State Housing Funding Sources</b></p>	<p>The County shall seek financial assistance to provide financing to assist housing construction of extremely low, very low, low, and moderate income units that serve families and special needs groups using CDBG, USDA, HOME, CalHome, and other Federal and State funding sources.</p>	<p>Annual</p>	<p>San Benito County applied for the Fall 2018 HOME Grant and was awarded a \$1.1 million grant. The assistance will be used to fund a first-time home buyer program for a local self-help housing development in the County. Community Services and Development Corporation is building 24 very low- and low- housing units. Construction began in 2021 and expected to be completed in 2023. The HOME Grant assisted with 10 of the 24 homes. All 24 homes have been framed with Phase 1 units being close to completion having installed sheet rock and siding. Phase 2 units are anticipated to be completed in 2023. No certificates of occupancy will be issued until all 24 self-help homes are complete. The State did not provide a CDBG NOFA in 2019 and the county did not receive any awards in 2021. The following CDBG grants were obtained in 2022: 1) CDBG CV-1 to provide utility assistance (energy, water, garbage, and sewer) to residents of Hollister, San Juan Bautista, and San Benito County to serve approximately 350 households. 2) CDBG CV-2 was received in the amount of \$1.15M for the rehab of the homeless shelter. Rehabilitation of the shelter did not take place in 2022, but is anticipated to be complete in Fall of 2023.</p>
<p><b>HOU-2-6. Self Help Housing</b></p>	<p>The self-help housing program offers very low and low-income families the opportunity to use their —sweat equity—as the down payment on a new home that would otherwise be out of their reach. Families work side by side devoting time in finishing their new homes. Self-help housing is that which is privately and public funded, and which the future owner-resident and sponsoring agency provide funding, materials and/or labor</p>	<p>Ongoing</p>	<p>San Benito County is working with a local Non Profit Agency, Community Services Development Corporation to begin the construction of a self-help development on prior under utilized county property. With Community Services Development Corporation San Benito County applied for HOME Funds in the August 2018 round and was awarded \$1.1 million in 2019 for FTHB down payment assistance. The project is 24 very low- and low- housing units. Construction began in 2021 and expected to be completed in 2023. The HOME Grant assisted with 10 of the 24 homes. All 24 homes have been framed with Phase 1 units being close to completion having installed sheet rock and siding. Phase 2 units are anticipated to be completed in 2023. No certificates of occupancy will be issued until all 24 self-help homes are complete.</p>
<p><b>HOU-2-9. Mobilehome Parks Zoning</b></p>	<p>The County shall consider opportunities for expanded permitting of mobile home parks under the County Zoning Ordinance, including the identification of additional zoning district(s) in which mobile home parks may be allowed</p>	<p>2016</p>	<p>For additional permitting, under RM zoning the requirements have changed from a conditional use permit to ministerial approval in 2022.</p>

<p><b>HOU-2-10 Affordable Housing Requirement</b></p>	<p>To maintain balance in the local supply of housing for both high and lower income populations</p>	<p>2016</p>	<p>The Affordable Housing Ordinance was adopted in October of 2016. Due to the inadequacies in the previous inclusionary study San Benito County contracted with a consultant to develop a feasibility study to determine an adequate in-lieu fee. The consultant has worked with the County to review and provide feedback for the amendments. The consultant also created a work plan on ways to expand support and funding for affordable housing. In 2020, the Board of Supervisors amended portions of the ordinance to clarify sections and provide more information. The biggest amendment to the ordinance is to expand the type of inclusionary and divide between rental and for-sale housing. The San Benito County Board of Supervisors directed county staff to make amendments to Chapter 21.03 during a regularly scheduled public hearing on May 24, 2022, on which date County Staff were directed to address the following with the Housing Advisory Committee: lower the threshold where affordable housing comes into play, establish a phasic process for in-lieu fee payments for developments between 6-10 units, review in-lieu fees for developments of 11 or more units, establish fractional unit requirements for in-lieu payments, address the waiving of impact fees, and review qualifications for in-lieu payment. These amendments were adopted in January 2023.</p>
<p><b>HOU-2-12 Transitional and Supportive Housing</b></p>	<p>To remove regulatory barriers to accommodating need for transitional and supportive housing.</p>	<p>2016</p>	<p>Though the program timeframe ended in 2016 San Benito County continues to work to support and build transitional housing. In 2018 Health and Human Services received \$1,460,000.0 towards the construction of the 8 transitional units, which will be attached to the current overnight homeless shelter. Construction of 6 transitional units were completed in 2021. In 2022, the County received the following related grants: 1) Homeless Housing Assistance Program R-2. \$157,000 to provide funding for the operations of the transitional housing that is being built at the Migrant Center. In 2021, we received the first round of funding in the amount of \$306K for Rapid Rehousing services and emergency shelter. 2) Homekey grant was received in the amount of \$2.4M to build 11 transitional housing units at the Migrant Center. These will add to the existing 5 units and the project is expected to be completed in 2023. 3) Received a \$2.45M grant from Office of Migrant Services for the Rehabilitation of the Migrant Center housing. All of the 67 homes will be rehabilitated. This project is anticipated to be complete in 2023.</p>
<p><b>HOU-2-13 Low-income Housing Tax Credit Program (LIHTC)</b></p>	<p>Utilize AHP and CIP funds in order to expand affordable housing supply within the County</p>	<p>Ongoing</p>	<p>No action taken at this time.</p>

<p><b>HOU-2-14 Affordable Housing Program (AHP) AND Community Investment Program (CIP)</b></p>	<p>The Affordable Housing Program (AHP) and Community Investment Program (CIP) are facilitated by the Federal Home Loan System for the purposes of expanding the affordable housing supply</p>	<p>Ongoing</p>	<p>No action taken at this time.</p>
<p><b>HOU-2-15 Housing Assistance Council (HAC)</b> <i>*Changed to Housing Advisory Committee</i></p>	<p>Utilize HAC funds to provide seed money for rural affordable housing development projects within the County.</p>	<p>Ongoing</p>	<p>No funding was spent towards specific affordable housing projects. But part of the in-lieu fee funds were expended to establish a contract to develop a feasibility study related to an in-lieu fee. The feasibility study is expected to establish an in-lieu fee related to our affordable housing ordinance, which mandates developments to provide affordable units in new developments. In 2020, the the Board of Supervisors also approved the by-laws for the Housing Advisory Committe. The HAC will include two Planning Commissioners, two Board of Supervisors, and three memebtrs of the public. No meetings were conducted in 2021 due to ordinance updates and COVID related precautions. in 2022, the HAC meet 8 times to implement amendmets to the Inclusiaonry Housing Ordinance. Those amendments were adopted by the Board of Supervisors in January of 2023. In 2022, the Housing Feasability Study and the In-Lieu Fee Analysis were completed. Subsequently, the Board of Supervsors adopted the an In-lieu fee of \$30 per sq ft applicable to fractional units to the Master Fee Schedule. No funds were used in 2022. The current status of the fund in roughly 1 million.</p>
<p><b>HOU-2-16 Temporary Farm Labor Housing</b></p>	<p>Expand Temporary Farm labor housing. 1. Amend the zoning ordinance to allow the use of recreational vehicles for seasonal farm labor housing up to 180 days. 2. Explore a pilot program by encouraging use rural schools for clustering seasonal farm labor housing during school vacation.</p>	<p>2017</p>	<p>1. Complete 2. No action taken 3. Activley manage the Migrant Center assisting over 400 farmworkers with their housing needs.</p>
<p><b>HOU-2-17 Transfer of Development Rights</b></p>	<p>The County shall establish a transfer of development rights from the unincorporated area to the City of Hollister and/or the City of San Juan Bautista for the purpose of locating housing types affordable to moderate-, low-, and very-lowincome households close to adequate public services, including utilities and transportation, and amenities including goods and services.</p>	<p>2017</p>	<p>No action taken at this time. Program completed in 2017.</p>

HOU-2-18 Housing for Persons with Developmental Disabilities	The County shall coordinate with the San Andreas Regional Center to inform their clients of housing and related services available for persons with developmental disabilities and shall provide	Ongoing	No action taken at this time. Housing related services which support persons with developmental disabilities are typically vendored through the San Andreas Regional Center. As such, SARC is already informed of their availability.
HOU-2-19 Higher Density Housing	Allow opportunities for development of housing types of economical design and density.	Ongoing	No change to the General Plan related to higher density. The current highest density is still 20 units per acre.
HOU-3-1 Habitat for Humanity	The local chapter of Habitat for Humanity is dedicated to eliminating substandard housing in our community by providing safe, decent, affordable homes. With the stability of a permanent home, families can devote increased attention to jobs, education and health. Habitat for Humanity offers low-income homeowners the opportunity to have their homes rehabilitated and/or repaired. In addition to their rehabilitation component for low-income households, Habitat for Humanity performs a community program called A Brush with Kindness, which serves low-income homeowners impacted by age, disability, and family circumstances who struggle to maintain their homes. Homeowners with disabilities and senior citizens will be given priority. A Brush with Kindness will focus on exterior home repair services (painting, minor exterior repairs, landscaping, and exterior cleanup) performed by volunteers and led by Habitat for Humanity staff.	Ongoing	San Benito County has not worked directly with the local chapter of Habitat for Humanity. There does not appear to be a local (San Benito County Chapter). Staff connected with the Santa Cruz/Monterey Chapters and were informed that our jurisdiction is not covered under their purview.
HOU-3-4 Mobile Homes	The County intends to establish a site to place at least six temporary mobile homes that can be used for up to six months by persons/families displaced as a result of code enforcement actions because the structure is unauthorized/unsafe/substandard.	2017-2019	No action taken at this time. The county completed 6 transitional units for those experiencing lack of shelter. Received a \$1.41 M grant to build 6, 200 sq ft transitional units as Phase III of the HOME Resource Center. This project is expected to be completed in March 2021. Additionally on the Southside Labor Camp 3 trailer units were added to assist during the 2020 COVID Pandemics. In 2022, Homekey grant was received in the amount of \$2.4M to build 11 transitional housing units at the Migrant Center. These will add to the existing 5 units and the project is expected to be completed this year.

<p><b>HOU-3-5 Housing Condition Monitoring</b></p>	<p>The County shall continue to periodically update the status of housing conditions to determine the need for housing rehabilitation and the removal of unsafe units.</p>	<p>Annual</p>	<p>In partnership with our code enforcement staff our agency will review units and determine the health and safety of each specified unit. The code enforcement staff will consult the homeowners to discuss improvement needs and requirements. The agency does not currently have separate funding available to financially assist the rehabilitation, but can seek financing in the future whether through State funded grants or inclusionary fees.</p>
<p><b>HOU-3-6 Affordable Unit Conversion Risk Coordination</b></p>	<p>The County will contact property owners of units at-risk of converting to market rate housing within one year of affordability expiration to discuss the County's desire to preserve units as affordable housing. Participation from agencies interested in purchasing and/or managing units at-risk will be sought.</p>	<p>Annual</p>	<p>There are no known properties at risk for conversion to Market Rate.</p>
<p><b>HOU-4-1 Fair Housing</b></p>	<p>The County will continue to partner with local HUD Approved Certified Counseling Agencies for ongoing promotion of Fair Housing throughout the community, at large.</p>	<p>Ongoing</p>	<p>At the County's Health and Human Services Agency office, where the public would generally seek social services, Community Services and Workforce Development in 2021 offered literature on topics including fair housing and tenant rights. Due to COVID regulations, no workshops were completed by the county in 2021 or 2022.</p>
<p><b>HOU-4-2 Language Barriers</b></p>	<p>Language Barriers. The County will ensure all housing-related materials relating to activities, services and programs are distributed in multiple languages. The County Housing and Economic Development Department will continue to conduct bilingual affordable housing-related workshops to the public in both English &amp; Spanish. All marketing efforts, fliers and materials will be made available in English and Spanish to the public. The County Affordable Housing webpage will continue to be updated which offers qualifying documents such as applications, checklist and information to the public in both English and Spanish. The County Housing and Economic Development Department will continue to distribute additional fair housing materials in both English and Spanish on behalf of the HUD Approved Certified Counseling Agencies to the community at large. Materials will be displayed throughout local community and senior centers, social service offices, and other public locations.</p>	<p>Ongoing</p>	<p>The agency asks the for assistance from associates, who are bilingual to help communicate with homeowners. The applications and monitoring materials are in both Spanish &amp; English. There are two future affordable development projects, which will begin construction in 2021-22. Based on the varied programs (Self-Help &amp; Inclusionary) new application and education materials in English &amp; Spanish will be developed for all application.</p>

HOU-4-3 Equal Housing Opportunities	The County will continue to promote and protect housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color or household composition. The County will continue to remove market constraints regarding the construction of multi-family, single family, condominium and townhouse development due to liability.	Ongoing	The County continued to promote and comply with this practice. Application information for future affordable development sites will include a brochure with information regarding equal housing lending practices such as the logo and contact information.
HOU-4-4 Reasonable Accommodation	The County will continue to provide reasonable accommodation for persons with disabilities by using flexible approaches to retrofitting and converting existing buildings and construction of new buildings that meet the shelter needs of persons with	Ongoing	When feasible for the applicant, the County requires American with Disabilities Act Compliance. One of the developers in the County provides ramp access from the sidewalk into the development for ease.
HOU-4-5	Streamline the resale of deed restricted affordable units and educate the public about the availability of the units and the real estate community about the resale process regardless of race, religion, sex, marital status, ancestry, national origin, color or household composition.	Ongoing	The County continues to oversee its jurisdiction's supply of deed-restricted affordable units and took action to ensure an affordable units continued affordability in case of property sale or loan refinancing. Staff was available to discuss access to affordable housing, although supply of such housing, being located in a relatively low-population jurisdiction, is limited. There are currently two future developments, which will be constructing very low/low/moderate income homes that will be deed restricted and monitored by the County
HOU-4-6 Housing Programs Administration	The Resource Management Agency will continue to enhance and manage the County's Affordable Housing Program, HOME Program, promote Fair Housing and pursue additional housing-related funding resources.	Ongoing	The Resource Management Agency in 2022 continued assistance with the HOME program and cooperated with other local agencies on issues of affordable housing. San Benito County no longer has a Housing Coordinator, this position is being covered by an Assistant Planner, until such time as this the position is funded again. Both County and City continue to work together. The Assistant Planner continues to work with individuals and non-profits like the Monterey Bay Area Economic Partnership to reach our housing needs and goals. In September of 2022, the County held their preliminary Housing Element Workshop for the anticipated 6th RHNA cycle.
HOU-4-7 Handicap Accessible Floor Area	Exempt the net increase in floor area dedicated to providing handicap accessible housing from building permit impact fees.	2016	No action taken at this time.
HOU-4-8 Mortgage Prevention Housing Counseling Services	Maintain bilingual (English & Spanish) HUD-Approved mortgage foreclosure prevention housing counseling services in San Benito County.	Ongoing	No workshops were completed in 2021 or 2022. No known issues with potential foreclosures related to our affordable units.



<p><b>HOU-4-9 Rental Housing Counseling Services</b></p>	<p>The Resource Management Agency will solicit organizations and/or firms to provide bilingual (English and Spanish) rental housing counseling services to residents of San Benito County. The services shall provide tenant/landlord referral and mediation services benefiting residents and landlords of San Benito County. Services provided will encompass all rental</p>	<p>2017</p>	<p>No workshops for Rental Housing Counseling Services in 2022. This program was expected to be completed by 2017. The Santana Ranch project is developing rental units for low and moderate income level groups, so Staff bilingual services will be provided for the application process and other items needed. The first portion of affordable housing in the Santana Ranch project is anticipated to be completed in 2023.</p>
<p><b>HOU-4-10</b></p>	<p>The Resource Management Agency will solicit organizations and/or firms to provide bilingual (English and Spanish) fair housing counseling services to residents of San Benito County. Housing services shall include an organization who is qualified to engage in fair housing enforcement activities, including but not limited to complaint intake, complaint investigation, testing for fair housing violations, and enforcement of meritorious claims.</p>	<p>2017</p>	<p>Workshops completed for Phase II of Riverview II in 2022 and the program was expected to be completed in 2017. The Assistant Planner will consult with all current homeowners on an annual basis to discuss any concerns and confirm proper owners are residing in their homes and following the expected rules in the Resale Restrictions.</p>
<p><b>HOU-4-11 Homebuyer Education Workshops</b></p>	<p>The Resource Management Agency will continue to partner with a HUD-approved organization and/or firm to provide bilingual (English and Spanish) homebuyer education workshops to residents of San Benito County. The homebuyer education workshops shall be presented by HUD-trained homebuyer educators, following the format and content required by HUD.</p>	<p>Ongoing</p>	<p>Phase II of workshops was completed in 2022 for specific homeowners, who were approved for the Riverview II self-help development. Topics discussed during the workshop were specific to the recorded documents and agreements between the homeowners and county. The homeowners were able to ask questions and be provided examples. The session was conducted in Spanish as well.</p>
<p><b>HOU-5-1 Income Heating &amp; Energy Assistance</b></p>	<p>The LIHEAP program provides funds to help low-income households make home heating more affordable, avoid shutoff of utility services during the winter, and maintain a warm, safe, and healthy environment for households with young children, the elderly, and the disabled.</p>	<p>Annual</p>	<p>In 2021 Health &amp; Human Services received \$75,000 in HEAP funding for transitional supportive housing. In 2022 the county received the following related grants: 1) Low-Income Home Energy Assistance Program-American Rescue Plan Act (LIHEAP-ARPA) of \$409,069 to serve approximately 500 households. 2) Low-Income Home Energy Assistance Program (LIHEAP) of \$423,177 to serve approximately 700-800 households. As a component to the LIHEAP program, all clients receive information awareness on conserving energy. This is intended to educate our clients on energy conservation. 3) Low-Income Home Water Assistance Program (LIHWAP) of \$50,811 to serve approximately 150 households.</p>

HOU-5-2	Work with CCES to weatherize up to 30 San Benito County dwelling units. Ongoing promotion of the Weatherization Program throughout the community, at large.	Ongoing	Two of the programs provided by CCES, Home Energy Assistance Program (HEAP) is organized through our local CSWD in the Health & Human Services Agency. The California Alternate Rates for Energy (CARE) is offered through PG&E. Any requests for LIHEAP or Weatherization services are forwarded to the Integrated Case Worker. CSWD provides its clients with LIHEAP services, budget counseling, and assistance with payment of propane or wood. Weatherization services for residents of SBC are provided by Central Coast Energy Services (CCES) out of Watsonville. In 2022, a total of 4 households received weatherization services. Also, a total of 6 received assistance in 2021; and 18 in 2020.
HOU-5-3 Energy Conservation Programs	Ongoing promotion of the Energy Conservation and Rehabilitation Programs throughout the community, at large.	Annual	The Low Income Heating Energy Assistance Program (LIHEAP), which is administered by the Health & Human Services Division, low-income residents can weatherize their homes in our efforts to conserve energy. All LIHEAP clients are provided with information to conserve energy. The number of applicants and eligible recipients is tracked by the Health & Human Services Agency.
HOU-5-6 Solar Access	The County shall study a solar access ordinance, which would provide solar access in all new subdivisions and planned unit developments. Such an ordinance would include criteria, which could be included in subdivision review. Requirement of solar water and space heating should be considered.	2016	The timeframe allotted for the program has passed. But the California Building Standards Commission approved a new solar power law that requires houses built beginning 2020 will include rooftop solar panels. No county ordinance needs to be specifically written.
HOU-2-7. Second Unit	Encourage appropriately designed second units. Second units shall be encouraged as a means of developing small, affordable units throughout the County. Second units can provide a significant source of affordable housing. Often smaller than typical homes, second units can provide housing for younger persons, seniors, single parents, and lower-income people. Second units can also provide a source of income for the owner of the main home, making housing more affordable for the primary homeowner as well.	Ongoing	San Benito County applied for the SB 2 Planning Grants Program and was awarded \$160,000 in early 2020. Portion of the grant funds will be used to develop pre-approved accessory dwelling unit site plans. The pre-approved site plans would help future customers with the costs of developing a site plan for their home. Zoning update began in 2021 and was completed in 2022.

HOU-3-2	Assist in the development of affordable housing by working with qualified sponsors and agencies in order to maximize funding sources for the construction of affordable rehabilitation housing.	Annual	At the County's Health and Human Services Agency office, where the public would generally seek social services, Community Services and Workforce Development in 2021 offered literature on topics including fair housing and tenant rights. No workshops were completed in 2021 or 2022. In 2022, phase 2 of Riverview II, a 100% affordable project developed by Community Services and Development Corporation, recieved its building permits and began construction. This is a total of 24 homes who recieved a USDA 502 mortgage loan and San Benito County Impact Fee Defferal. 10 of these homes also recieved HOME project loans through HCD. Development began in 2021 and is anticipated to complete in 2023.
HOU-3-3 Code Enforcement Officer	The Code Enforcement Officer will review all properties within the unincorporated area of the County for property maintenance and compliance issues. The Code Enforcement Officer will implement housing, building and fire code enforcement to ensure compliance with basic health and safety building standards, and provide information about rehabilitation loan programs for use by qualifying property owners who are cited.	Ongoing	This funding and position continue. One item which can be added to implementation is for the code enforcement officer to complete on street property inspections to confirm property owners are maintaining their home. Due to the number of labor housing and other farm workforce housing we have seen an increase in the number of related code enforcement cases. The county will need to review the temporary mobile home ordinance and how to help displaced laborers when a code enforcement issues arises. As of 2022 the county has both a contracted Code Enforcement Officer through 4Leaf and a County of San Benito Code Enforcement Officer.
HOU-4-12. County Zoning	The County, for compliance with federal and State fair-housing law, will consider options for modifying the County Zoning Ordinance to allow housing options for individuals whose relationship to other current or prospective household members does not conform to the current definition of the terms family and family member.	2016	Do not believe there is current relevancy. The county follows at State & Federal Fair Housing Laws.
HOU-5-4 Title 24	The County shall enforce Title 24 provisions of the California Administrative Code for residential energy conservation measures.	Ongoing	Energy conservation measures are required for new construction and for every substantial remodeling activity.
HOU-5-5 Energy Conservation Information	Encourage energy conservation in all existing rental and homeownership developments.	Ongoing	Energy conservation measures are required for new construction and for very substantial remodeling activity.

<b>HOU-2-8 Accessory Senior Dwelling Units</b>	Contiue to allow construction of accessory senior dwelling units, residences with deed restrictins requiring their residents to be at or above a certain age.	Ongoing	<b>In 2019, San Benito County applied for the LEAP Grant to provide financial support to both update our zoning code ordinance and provide updated accessory dwelling infomration. Since 2017, the California Legislation has greatly updated and provided more feasible options to construct accessory units. We were approved in late 2020 and began work on amending the zoning code in 2021. Amendments to the zoning code were completed in 2022. We continue to devleop an ADU Program, that is not just targeted to seniors, to allow indiviudals to come to the office and choose an architectural approved site-plan. These pre-approved site-plans will decrease upfront costs to the homeowners and hopefully increaes the number of units built in San Benito County; especially on the larger 1+ acre lots. Work with the consultant began in 2021. San Benito County plans to focus on completion of the zoning amendings were completed in 2022 and ADU site-plans should be completed in 2023.</b>
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Jurisdiction	San Diego County - Unincorporated	
Reporting Period	2022	(Jan. 1 - Dec. 31)
Planning Period	5th Cycle	12/31/2015 - 12/31/2023

## ANNUAL ELEMENT PROGRESS REPORT

### Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

**Table F**

**Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)**

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA <sup>+</sup> Listed for Informational Purposes Only				Units that Count Towards RHNA <sup>+</sup> Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1 <sup>+</sup> . For detailed reporting requirements, see the checklist here:  <a href="https://www.hcd.ca.gov/community-development/docs/adequate-sites-checklist.pdf">https://www.hcd.ca.gov/community-development/docs/adequate-sites-checklist.pdf</a>
	Extremely Low-Income <sup>+</sup>	Very Low-Income <sup>+</sup>	Low-Income <sup>+</sup>	TOTAL UNITS <sup>+</sup>	Extremely Low-Income <sup>+</sup>	Very Low-Income <sup>+</sup>	Low-Income <sup>+</sup>	TOTAL UNITS <sup>+</sup>	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									









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and restrictions for the unit. Before adding information to

ove Moderate	Notes
	6
<u>Date Converted</u>	<u>Notes</u>









Jurisdiction	San Diego County - Unincorporated	
Reporting Period	2022	(Jan. 1 - Dec. 31)
Planning Period	5th Cycle	12/31/2015 - 12/31/2023

**NOTE: STUDENT HOUSING WITH DENSITY BONUS ONLY.** This table only needs to be completed if there were student housing projects WITH a density bonus approved pursuant to Government Code 65915(b)(1)(F)

# ANNUAL ELEMENT PROGRESS REPORT

## Housing Element Implementation

Not
Cells in c

**Table J**

**Student housing development for lower income students for which was granted a density bonus pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Section 65915**

Project Identifier				Project Type	Date	Units (Beds/Student Capacity) Approved						
1				2	3	4						
APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SH - Student Housing)	Date	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income
Summary Row: Start Data Entry Below												



<b>Jurisdiction</b>	San Diego County - Unincorporated	
<b>Reporting Year</b>	2022	(Jan. 1 - Dec. 31)
<b>Planning Period</b>	5th Cycle	12/31/2015 - 12/31/2023

<b>Building Permits Issued by Affordability Summary</b>		
<b>Income Level</b>		<b>Current Year</b>
Very Low	Deed Restricted	2
	Non-Deed Restricted	0
Low	Deed Restricted	10
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		160
<b>Total Units</b>		<b>172</b>

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

<b>Units by Structure Type</b>	<b>Entitled</b>	<b>Permitted</b>	<b>Completed</b>
SFA	0	0	0
SFD	0	132	50
2 to 4	0	0	0
5+	0	0	0
ADU	0	32	12
MH	0	8	0
<b>Total</b>	<b>0</b>	<b>172</b>	<b>62</b>

<b>Housing Applications Summary</b>	
Total Housing Applications Submitted:	0
Number of Proposed Units in All Applications Received:	0
Total Housing Units Approved:	0
Total Housing Units Disapproved:	0

<b>Use of SB 35 Streamlining Provisions</b>	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

<b>Units Constructed - SB 35 Streamlining Permits</b>			
<b>Income</b>	<b>Rental</b>	<b>Ownership</b>	<b>Total</b>
Very Low	0	2	2
Low	0	10	10
Moderate	0	0	0
Above Moderate	0	0	0
<b>Total</b>	<b>0</b>	<b>12</b>	<b>12</b>

Cells in grey contain auto-calculation formulas

<b>Jurisdiction</b>	Benito County - Unincorporated	
<b>Reporting Year</b>	2022	(Jan. 1 - Dec. 31)

Please update the status of the proposed uses listed in the entity's application for funding and the c 50515.03, as applicable.

<b>Total Award Amount</b>	\$
---------------------------	----

<b>Task</b>	<b>\$ Amount Awarded</b>	<b>\$ Cumulative Reimbursement Requested</b>
Housing Element	\$65,000.00	\$0.00

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Tak

<b>Completed Entitlement Issued by Affordability Summary</b>	
<b>Income Level</b>	
Very Low	Deed Restricted
	Non-Deed Restricted
Low	Deed Restricted
	Non-Deed Restricted
Moderate	Deed Restricted
	Non-Deed Restricted

Above Moderate	
Total Units	

Building Permits Issued by Affordability Summary	
Income Level	
Very Low	Deed Restricted
	Non-Deed Restricted
Low	Deed Restricted
	Non-Deed Restricted
Moderate	Deed Restricted
	Non-Deed Restricted
Above Moderate	
Total Units	

Certificate of Occupancy Issued by Affordability Summary	
Income Level	
Very Low	Deed Restricted
	Non-Deed Restricted
Low	Deed Restricted
	Non-Deed Restricted
Moderate	Deed Restricted
	Non-Deed Restricted
Above Moderate	
Total Units	

**ANNUAL ELEMENT PROGRESS REPORT**

**Local Early Action Planning (LEAP) Reporting**

(CCR Title 25 §6202)

Corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the

65,000.00

Total award amount is auto-populated based on amounts entered in rows 15-26.

**Task Status**

Other (Please Specify in Notes)

Table A2)

Current Year
0
0
0
0
0
0

0
<b>0</b>

Current Year
2
0
10
0
0
0
160
<b>172</b>

Current Year
0
0
0
0
0
0
62
<b>62</b>

eligible uses specified in Section 50515.02 or

Other Funding	Notes
None	San Benito County is using the grant funding to complete the new Housing Element for the 6th cycle. At this time we have received our final RHNA allocation and have posted and RFQ. Once the bid process is complete the County will choose a consultant to work on the update.

**San Benito County  
Housing Advisory Committee**

**Item # 12**

**Overview: CalHome Grant; Super  
NOFA & Final Guidelines**


**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF STATE FINANCIAL ASSISTANCE**

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P. O. Box 952054  
Sacramento, CA 94252-2054  
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January 6, 2023

**MEMORANDUM FOR:** ALL POTENTIAL APPLICANTS

**FROM:** Jennifer Seeger, Deputy Director   
Division of State Financial Assistance

**SUBJECT:** **2023 Homeownership Super Notice of Funding Availability (Super NOFA)**

The California Department of Housing and Community Development (HCD or Department) is pleased to announce the release of this Homeownership Super Notice of Funding Availability (HOSN or Super NOFA) for approximately \$170 million in funds for the for the following programs:

- CalHome Program (\$135 million)
- Joe Serna, Jr. Farmworker Housing Grant Program – Homeownership (\$35 million)

This funding provides loans and grants to Local Public Entities and Nonprofits for Homeownership Development Projects, Self-Help Technical Assistance Projects, Mortgage Assistance Programs, Owner-Occupied Rehabilitation Programs, Shared Housing Programs and Programs for the Acquisition of Manufactured Housing for Agricultural Households.

Per California Assembly Bill No. 434 (AB 434) (Chapter 192, Statutes of 2020), HCD is required to do the following for the Homeownership elements of the Joe Serna, Jr. Farmworker Housing Grant Program: (1) make the program funds available at the same time it makes funds, if any, available under the CalHome Program; (2) rate and rank the applications in a manner consistent with the CalHome Program except that the department may establish additional point categories for the purposes of rating and ranking applications that seek funding under Serna in addition to those used in the CalHome Program; and (3) administer the funds in a manner consistent with the CalHome Program.

**Applications for this funding must be submitted electronically via the application portal no later than 4:00 P.M. Pacific Standard Time on Tuesday, February 28th.** The portal link, and requirements for submitting the Super NOFA application and required supporting documentation, including naming conventions, can be found on the Department's Homeownership Super NOFA website, <https://www.hcd.ca.gov/grants-and-funding/programs-active/homeownership-super-nofa>.

The online workshop details and final Guidelines are posted on the Department's website at [Homeownership Super NOFA | California Department of Housing and Community Development](#). To receive information regarding online workshops and other updates, please subscribe to our Homeownership listserv at <https://www.hcd.ca.gov/email-signup>. If you have further questions, please contact [HOSN@hcd.ca.gov](mailto:HOSN@hcd.ca.gov).



# **2023 Homeownership Super Notice of Funding Availability (Super NOFA)**

## **CalHome Program**

### **Joe Serna, Jr. Farmworker Housing Grant Program – Homeownership**



**Gavin Newsom, Governor  
State of California**

**Lourdes Castro Ramírez, Secretary  
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director  
Department of Housing and Community Development**

2020 West El Camino Avenue, Suite 500, Sacramento, CA 95833

Telephone: (916) 263-2771

Website: <http://www.hcd.ca.gov/>

Homeownership Super NOFA Email: HOSN@hcd.ca.gov

**January 6, 2023**

## Table of Contents

<b>I. Overview .....</b>	<b>1</b>
a. Notice of Funding Availability.....	1
b. Timeline.....	3
c. Authorizing Legislation and Regulations (Regulatory Authority).....	3
<b>II. Program Requirements.....</b>	<b>4</b>
a. Eligible Sponsor/Applicant .....	4
b. Eligible Uses .....	5
c. Program Funding Amounts and Terms .....	8
d. Site Control .....	11
e. Funding Targets, Geographic Distribution of Funds, and Discretionary Funds .....	11
f. Funding Limits.....	14
g. Threshold.....	14
h. Rating and Ranking.....	16
i. Negative Points and Disencumbrance Policies .....	18
<b>III. Application Submission and Review Procedures .....</b>	<b>18</b>
a. Application Submission Process .....	18
b. Application Workshops.....	19
c. Disclosure of Application .....	19
<b>IV. Base Evaluation Criteria.....</b>	<b>19</b>
<b>V. Appeals .....</b>	<b>24</b>
a. Basis of Appeals .....	24
b. Appeal Process and Deadlines.....	25
c. Decision.....	25
<b>VI. Award Announcements and Contracts .....</b>	<b>25</b>
a. Award Announcements .....	25
b. Contracts .....	25
<b>VII. Other State Requirements.....</b>	<b>26</b>
<b>VIII. Other Terms and Conditions.....</b>	<b>26</b>
a. Right to Modify or Suspend .....	26
b. Conflicts.....	26

## I. Overview

### a. Notice of Funding Availability

The California Department of Housing and Community Development (HCD or Department) is pleased to announce the release of this Homeownership Super Notice of Funding Availability (HOSN or Super NOFA) for approximately \$170 million, which may be augmented based on the availability of funds.

The Super NOFA is issued to distribute funds through a combination of HCD-administered homeownership programs. These programs are:

- **CalHome Program (CalHome)** supports Homeownership programs aimed at lower and very low-income households, and in the case of a disaster, households at or below moderate income, and operated by private nonprofit and local government agencies, to increase homeownership, encourage neighborhood revitalization and sustainable development, and maximize use of existing homes.
- **Joe Serna, Jr. Farmworker Housing Grant Program (FWHG or Serna)** supports development projects involving multiple home ownership units, including single-family subdivisions, for lower-income agricultural employees and their families, and programs that assist lower-income agricultural employees and their families to become or remain homeowners.

This Homeownership Super NOFA announces funding availability for two programs that in the past would have been announced separately. Consistent with the purposes of AB 434, defined below, funding for these two programs is being made available at the same time, and both programs are being administered consistent with CalHome.

The Homeownership Super NOFA distributes funds for the CalHome Program and funds limited to the Homeownership activities of Serna. **Please note that new construction or rehabilitation (with or without acquisition) of a rental housing development, including under Serna, is not an eligible activity under this Super NOFA. Multifamily and single-family rental housing projects should submit applications under the Department's Multifamily Finance Super NOFA.**

The information provided in this Super NOFA is intended to be a summary and is not considered a complete representation of the entirety of the eligibility, threshold, and other requirements or terms and conditions of the CalHome Program and Serna Program. Applicants should familiarize themselves with all applicable Statutes and Guidelines which, in the event of any conflict(s) with this Super NOFA, shall control.

This Super NOFA, the CalHome Final Guidelines (2022), and the Serna-Homeownership Final Guidelines (2022) implement the requirements of California

Assembly Bill 434 (AB 434) (Chapter 192, Statutes of 2020). For the Homeownership activities of Serna, AB 434 requires the Department to:

- Make those funds available at the same time it makes funds, if any, available under the CalHome Program,
- Rate and rank applications in a manner consistent with the CalHome Program, except that the department may establish additional point categories for the purposes of rating and ranking applications that seek funding under Serna in addition to those used in the CalHome Program, and
- Administer those funds in a manner consistent with the CalHome Program.

The Department is making approximately \$170 million available as follows:

Funding Programs	
CalHOME Program	\$135 million
Joe Serna, Jr. Farmworker Housing Grant (Serna) Program	\$35 million

Funding for this Super NOFA is provided by a combination of funding sources as outlined below:

- General Fund (as appropriated in the 2022 Budget Act): Provides \$135 million for CalHome and \$20 million for Serna.
- Building Homes and Jobs Act (Senate Bill 2): Provides \$15 million for Serna.

Approximately \$135 million will be available to fund Local Public Agencies, Nonprofit Corporations, and Tribal Entities, for the following activities within the CalHome program:

- Homeownership Development Project Loans (including Predevelopment Costs and carrying costs during construction related to ADUs and JADUs)
- Technical Assistance for Self-Help Housing Projects
- First-Time Homebuyer Mortgage Assistance (including the purchase of a home with an Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU))
- Owner-Occupied Rehabilitation Assistance (including Rehabilitation of Manufactured Housing not on a permanent foundation, and construction, repair, or Rehabilitation of ADUs or JADUs)
- Technical Assistance for Shared Housing Programs
- ADU/JADU Assistance (including construction, repair, or Rehabilitation of ADUs or JADUs)

Approximately \$35 million will be available for the following Homeownership activities within the Serna program to address the housing needs of agricultural workers:

- Homeownership Development Projects involving multiple home ownership units, including single-family subdivisions, for lower-income agricultural employees and their families
- Technical Assistance for Self-Help Housing Projects
- First-Time Homebuyer Mortgage Assistance
- Owner-Occupied Rehabilitation Assistance
- Acquisition of Manufactured Housing as part of a program to address and remedy the impacts of current and potential displacement of farmworker families from existing labor camps, mobilehome parks, or other housing

Funding targets are described in Section II.E. of this Super NOFA.

**b. Timeline**

Super NOFA Release	January 6, 2023
Application Portal Available on Website	January 20, 2023
Application Due Date	February 28, 2023 4:00 PM
Tribal Application Due Date	March 30, 2023 4:00pm
Award Announcement	June 2023

**c. Authorizing Legislation and Regulations (Regulatory Authority)**

Applications submitted under this Super NOFA are subject to the applicable Program Guidelines, all applicable statutory requirements, and this Super NOFA. Section references in this Super NOFA refer to applicable Program Guidelines unless otherwise noted. Capitalized terms in this Super NOFA are either defined herein or in Appendix A of the applicable Guidelines.

The administration of the CalHome and Serna Programs are governed by the applicable Program Guidelines that implement, interpret, or make specific the following laws:

- The CalHome program was established by Chapter 6, commencing with § 50650) of Part 2 of Division 31 of the California Health & Safety Code (HSC).
- The Serna program was established by Chapter 3.2 (commencing with § 50515.2) of Part 2 of Division 31 of the HSC. The Serna Guidelines referenced in this Super NOFA apply only to the Homeownership elements of Serna. Rental housing Development activities are governed under a separate set of Program Guidelines available at <https://www.hcd.ca.gov/grants-and-funding/supernofa>.

- Chapter 364, (commencing with §50470) of Part 2 of Division 31, HSC, 2017 (SB2).
- Chapter 365, (commencing with §5400) of Part 16 of Division 31, HSC, 2017 (SB 3), which was adopted by voters on November 6, 2018, as Proposition 1, provided funding for the CalHome and Serna Programs and authorized the Department to administer the Programs through the Guidelines. These Guidelines were explicitly exempt from the requirements of the Administrative Procedures Act (Chapter 3.5 (commencing with § 11340) of Part 1 of Division 3 of Title 2 of the California Government Code).

This Super NOFA will be governed by the December 30, 2022 CalHome Program Final Guidelines (2022) and the December 30, 2022 Serna Homeownership Program Final Guidelines (2022). Applications must be completed pursuant to the applicable Guideline requirements.

## **II. Program Requirements**

The following is provided as a summary only. Applicants should refer to the CalHOME and Serna program Guidelines, as applicable, for a comprehensive discussion of the requirements that are relevant to their proposed Projects. A Project is not eligible for an award unless it meets all the threshold requirements of the applicable program. Please review the individual Program Guidelines of each Program for complete information. Further, Sponsors/Applicants must achieve a minimum point score of 55 points in Base Scoring Criteria to be considered for a funding award.

### **a. Eligible Sponsor/Applicant**

An Applicant is the entity or entities applying to the Department for the Program funding. Such entity or entities may also be the Sponsor. If receiving an Award of funds, the Applicant or co-Applicants will, both individually and collectively, be referred to as the “Recipient” in the Department’s legal documents relative to an Award of a grant, or as “Sponsor” in the Department’s legal documents relative to an Award of a Loan.

A Sponsor shall be any individual, joint venture, partnership, limited liability company, limited partnership (including a limited partnership in which the Sponsor or an affiliate is a general partner), trust, corporation, cooperative, Local Public Entity, Tribal Entity, other legal entity, or any combination thereof which meets the requirements of the following sections of the relevant Program Guidelines:

- CalHome
  - §200 Eligible Applicants
  - §400.1 Eligible Applicant (Homeownership Development Project Loan)
  - §401.1 Eligible Applicant (Self-Help Technical Assistance Grant Program)
  - §402.1 Eligible Applicant (Mortgage Assistance Grant Program)

§403.1 Eligible Applicant (Owner-Occupied Rehabilitation Grant Program)

§404.1 Eligible Applicant (Shared Housing Program)

§405.1 Eligible Applicant (ADU/JADU Program)

- Serna
  - §200 Eligible Applicant
  - §400.1 Eligible Applicant (Homeownership Development Project Loan)
  - §401.1 Eligible Applicant (Self-Help Technical Assistance Grant Program)
  - §402.1 Eligible Applicant (Mortgage Assistance Grant Program)
  - §403.1 Eligible Applicant (Owner-Occupied Rehabilitation Grant Program)
  - §404.1 Eligible Applicant (Acquisition of Manufactured Housing Grant Program)

Notwithstanding the foregoing, and solely for the purpose of applying to the Community-Based Developer funding target for a Homeownership Development Project Loan and/or a Self-Help Technical Assistance Grant, a Community-Based Developer shall qualify on its own as a Sponsor so long as the Community-Based Developer meets the requirements set forth in the Defined Terms Appendix A of the Multifamily Housing Program Final Guidelines dated March 30, 2022, Amended May 5, 2022, which is incorporated hereto by this reference.

**Please note, Applicants that were previously awarded CalHome funds must submit all outstanding reports from the past two years to the Department by the application date. Failure to submit the reports by the application date will result in the Applicant being ineligible for a CalHome award under this Super NOFA (CalHome Final Guidelines (2022) §200(c)(1)). Applicants may email: [CalHomeReports@hcd.ca.gov](mailto:CalHomeReports@hcd.ca.gov) to obtain status on previous reports.**

## **b. Eligible Uses**

The Department is making CalHome and Serna funds available for the following activities:

- 1. Homeownership Development Project Loans** (Guidelines §400) for conditional awards of development Loans to the Applicants to be used as specified in §400.2 of the Guidelines.

Homeownership Development Projects must have a minimum of five units.

The estimated sales price of the homes to be constructed shall not exceed the current local median sales price of a single-family home. Recipients may use the most recent median sales price, by county, posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. However, if prices have significantly changed, Recipients may request

Department approval to use different limits based on a local calculation of median values.

**Note:** Proposed projects are ineligible to receive funds if construction work has begun or will begin prior to the date the Department executes the Standard Agreement with the Recipient and all conditions have been satisfied. Construction work includes grading, site preparation (with the exception of demolition or clearing properties), or site improvements intended for public dedication (Guidelines §201).

- 2. Technical Assistance for Self-Help Housing Projects** (Guidelines §401) in which the Applicant organization will be providing the services required in Guidelines §401.3.

Homebuyer Education (Guidelines §401.2(b)) will be reimbursed in the form of a Grant from the Department to the Recipient in an amount not to exceed \$250 per assisted unit.

- 3. First-Time Homebuyer Mortgage Assistance** (including the purchase of homes with ADUs or JADUs) (commencing with Guidelines §402) for Loans to Households at or below 80 percent of Area Median Income (AMI).

Homebuyer Education (Guidelines §402.2) will be reimbursed in the form of a Grant from the Department to the Recipient in an amount not to exceed \$250 per assisted unit.

Maximum appraised home values at time of purchase or upon completion of acquisition/Rehabilitation work shall not exceed the most recent median sales price, by county, posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. However, if prices have significantly changed, Recipients may request Department approval to use different limits based on a local calculation of median values.

Financial assistance provided to qualified individual homeowners for Mortgage Assistance shall be in the form of deferred payment Loans, repayable upon the sale or transfer of the homes, when the home ceases to be owner-occupied, or upon the Loan maturity date, whichever occurs first (HSC § 50650.3 (c)(1)). The Loan shall be up to a 30-year term with the following exception: when USDA, Rural Housing Service (RHS) 502 Mortgage Loans are in first lien position the term shall be the term of the 502 Mortgage (30-38 years) (Guidelines §301). The interest rate is set by the Recipient at up to 3 percent simple interest per annum (Guidelines §301(d)). Borrowers shall occupy units as their principal place of residence for the term of the Loan (Guidelines §203(d)). If the Borrower will occupy an ADU or JADU, then residents of the single-family residence shall not be considered as part of the Household receiving program funding (Guidelines §203). Recipients shall comply with the Homeowner/Homebuyer Loan-to-Value Limits for Mortgage Assistance program Loans defined in Guidelines §302.



**4. Owner-Occupied Rehabilitation Assistance** (including repair, full reconstruction, or the addition of an ADU or JADU) (Guidelines §403) for Loans to Households at or below 80 percent of AMI.

All assisted units shall have After-Rehabilitation Values at or below the current local median sales price of a single-family home. Recipients may use the most recent median sales price, by county, posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. However, if there is a significant price discrepancy, Recipients may request Department approval to use different limits based on a local calculation of median values.

Manufactured Housing is also eligible, including replacement of a manufactured home not on a permanent foundation in the case where it has been determined by the Recipient it is infeasible to rehabilitate the home, whether located in a Mobilehome Park or elsewhere (Guidelines §403.2).

Financial assistance provided to qualified individual homeowners for Owner-Occupied Rehabilitation shall be in the form of deferred payment Loans, repayable upon the sale or transfer of the homes, when the home ceases to be owner-occupied, or upon the Loan maturity date, whichever occurs first (HSC §50650.3(c)(1)). The Loan shall be up to a 30-year term (Guidelines §301). The interest rate is set by the Recipient up to 3 percent simple interest per annum (Guidelines §301). Borrowers must occupy units as their principal place of residence for the term of the Loan (Guidelines §203). If the Borrower will occupy an ADU or JADU, then residents of the single family residence shall not be considered as part of the Household receiving funding (Guidelines §203).

Recipients shall comply with the Homeowner/Homebuyer loan-to-value limits for Owner-Occupied Rehabilitation program Loans defined in Guidelines §302.

Financial assistance provided to individual Households to rehabilitate, repair, or replace Manufactured Housing located in a Mobilehome Park and not permanently affixed to a foundation shall be in the form of a secured forgivable Loan, which shall also be made in a manner consistent with the Guidelines and applicable Statutes (HSC §50650.3(c) and Guidelines §403.2). The Loan shall be due and payable in 20 years, with 10 percent of the original principal to be forgiven annually for each additional year beyond the 10th year that the home is owned and continuously occupied by the Borrower (HSC §50650.3 (c)). Pursuant to HSC §50650.3(c), not more than 10 percent of the funds available in a given fiscal year shall be used for financial assistance in the form of secured forgivable Loans.

- 5.** The Department is also making CalHome funds available for the following additional activities:
- Technical Assistance for Shared Housing Programs (Guidelines §404) to operators of Shared Housing Programs that will directly provide match

services where the providers are homeowners who occupy their homes as their principal place of residence.

- ADU/JADU Programs (Guidelines §405) for Loans for ADU/JADU construction, reconstruction, repair, or Rehabilitation to Households at or below 80 percent of AMI (in compliance with HSC §[50052.5\(b\)](#)).

Funds in support of an ADU/JADU Program shall be used for:

- Construction, reconstruction, repair, conversion, or Rehabilitation
  - Structural modifications to the existing home necessary to accommodate an ADU or a JADU
  - Building permits and other related government fees, including all fees necessary to build and occupy the ADU/JADU
  - Consulting services which are directly related to construction, such as appraisal, architectural, or engineering services
  - Non-recurring Loan costs
  - CalHome Activity Delivery Fees
6. The Department is also making Serna funds available for the following activity, as set forth in Guidelines §404:

**A. Acquisition Of Manufactured Housing** as part of a local Program to address and remedy the impacts of current and potential displacement of low-income farmworker families from existing labor camps, Mobilehome Parks, or other housing.

All manufactured homes acquired through the Program must be owner occupied by a low-income Agricultural Worker Household (Guidelines§ 404.4(a)).

Financial assistance provided to individual Households for Manufactured Housing located in a Mobilehome Park and not permanently affixed to a foundation shall be in the form of a secured forgivable Loan. The Loan shall be due and payable in 20 years, with 10 percent of the original principal to be forgiven annually for each additional year beyond the 10th year that the home is owned and continuously occupied by the Borrower.

### **c. Program Funding Amounts and Terms**

#### **1. Minimum and Maximum Application Amounts.**

The minimum application amount for any single project or program (except if the project or program is Technical Assistance for Self-Help Housing Projects or CalHome Technical Assistance for Shared Housing Programs) is \$500,000.

The minimum application amount for any single project or program (if the project/program is Technical Assistance for Self-Help Housing Projects or

CalHome Technical Assistance for Shared Housing Programs) is \$100,000. If applying for more than one activity, the minimum application amount for those activities is \$600,000.

The maximum application amount for a project (a Homeownership Development Project Loan with or without Technical Assistance for Self-Help Housing Projects) is \$10 million.

The maximum application amount for one or more programs is \$5 million. If applying only for Technical Assistance for Self-Help Housing Projects, the maximum application amount is \$500,000. If applying only for CalHome Technical Assistance for Shared Housing Programs, the maximum application amount is \$300,000.

## **2. Minimum and maximum per-unit funding limits**

### **A. CalHome and Serna Grant Activities**

For the purposes of this Super NOFA, the minimum and maximum amount of funding to individual Borrowers will be:

#### **i. Mortgage Assistance, including for Mortgage Assistance provided as a part of a Homeownership Development Project Loan**

The maximum Loan amount by an award recipient to an eligible Borrower will be 40 percent of the Borrower's purchase price for the property, up to a maximum of \$200,000. The minimum Loan to a Borrower will be not less than \$1,000.

#### **ii. Owner-Occupied Rehabilitation Assistance**

The maximum Loan amount by an award recipient to an eligible Borrower will be \$200,000 unless the home is in need of reconstruction. If the home is in need of reconstruction, the maximum Loan amount will be \$250,000. The maximum Loan amount for addition or full reconstruction of an ADU will be \$250,000. The maximum Loan amount for replacement of a manufactured home not on a permanent foundation in the case where it has been determined by the Recipient it is infeasible to rehabilitate the home will be \$150,000. The minimum Loan to a Borrower will be not less than \$1,000.

#### **iii. CalHome ADU/JADU Assistance**

The maximum Loan amount by an award recipient to an eligible Borrower for ADU/JADU construction will be \$250,000. The minimum Loan to a Borrower will be not less than \$1,000.

#### **iv. Serna Acquisition of Manufactured Housing**

The maximum Loan or Grant amount by an award recipient to an eligible Agricultural Worker Household will be 100 percent of the purchase price for the manufactured home, up to a maximum of \$150,000. The minimum Loan or Grant will be not less than \$1,000.

## **B. CalHome and Serna Loan Activities**

### **i. Homeownership Project Development**

The maximum per-unit Loan amount for Homeownership Development Project Loans will be \$250,000.

If an Applicant is applying to fund a Homeownership Development Project with a Self-Help Housing Project, the Applicant may additionally apply for Technical Assistance of \$20,000 per-unit on top of the application amount requested for a Homeownership Development Project.

## **C. Funding limits for Technical Assistance**

The minimum Technical Assistance Grant to a Recipient will be not less than \$1,000. For the purposes of this Super NOFA, the maximum Grant per-unit will be:

- **CalHome and Serna Technical Assistance for Self-Help Housing Projects**

The maximum per-unit Grant amount will be \$20,000. All expenses shall be documented.

- **CalHome Technical Assistance for Shared Housing Programs**

The maximum activity amount for Shared Housing Programs is established in § (C)(1) of this NOFA.

## **D. Activity Delivery Fees (ADFs)**

For CalHome and Serna Mortgage Assistance Programs, the Department may provide funding to cover ADFs of up to 10 percent of the total award. Up to 5 percent of the total award may be provided within 90 days after the execution of the Standard Agreement for program development and program management expenses incurred after the execution of the Standard Agreement, and up to 5 percent of the total award may be reimbursed on a per-Loan basis. The per-Loan reimbursement maximum will be 5 percent of the total award divided by the estimated number of Loans to be made under the contract.

For CalHome and Serna Owner-Occupied Rehabilitation Programs, Serna Acquisition of Manufactured Housing Grant Programs, and CalHome ADU/JADU Programs, the Department may provide funding to cover ADFs of up to 20 percent of the total award. Up to 10 percent of the total award may be provided within 90 days after the execution of the Standard Agreement for program development and program management expenses incurred after the execution of the Standard Agreement, and up to 10 percent of the total award may be reimbursed on a per-Loan basis. The per-Loan reimbursement maximum will be 10 percent of the total award divided by the estimated number of Loans to be made under the contract.

Applicants need to provide documentation verifying their Activity Delivery expenses. This requirement may be satisfied through documents such as invoices, receipts, time tracking, or other documentation of valid program expenses.

**d. Site Control**

For Homeownership Development Project Loans, Recipients shall comply with the Site Control requirements listed in 400.3.

**e. Funding Targets, Geographic Distribution of Funds, and Discretionary Funds**

1. To the extent there are eligible applications, the Department shall target \$30 million of the available \$135 million in CalHome funds as awards for Mobilehome assistance in a Mobilehome or manufactured home community. To the extent there is insufficient demand of eligible applications to make \$30 million in awards, any remaining funds will be applied to the general pool of applicants.
2. To the extent there are eligible applications, the Department shall target 10 percent of Super NOFA funds (i.e., \$17 million), to Tribal Entities. This shall include 10 percent of the total CalHome funds available under the Super NOFA (i.e., \$13.5 million) and 10 percent of the total Serna funds available under the Super NOFA (i.e., \$3.5 million).
3. To the extent that there are eligible applications, the Department shall target 15 percent of Super NOFA funds (i.e., \$25.5 million) to Community-Based Developers applying for a Homeownership Project Development Loan and/or a Self-Help Technical Assistance Grant. This shall include 15 percent of the total CalHome funds available under the Super NOFA (i.e., \$20.25 million) and 15 percent of the total Serna funds available under the Super NOFA (i.e., \$5.25 million). If Serna funds are awarded to a Homeownership Project Development Loan for a Community Based Developer in excess of the \$5.25 million available under this target, any funds over \$5.25 million will come from the general Serna pot and not count against the CalHOME Community Based Developer target.

Community-Based Developers may only compete in the funding target for this Super NOFA if they meet BOTH of the following: 1) maintain their corporate headquarters within 10 miles of the proposed project site or have three (3) deed-restricted affordable housing projects within 10 miles of the proposed project site; AND 2) directly provide at least two community benefit programs accessible to the general public within 10 miles of the proposed project as detailed below:

Community benefit programs may include, but are not limited to, the following:

- Free or reduced-cost childcare, after-school care, youth development, or adult day care programs.
- Community center facilities that are staffed and open to the public at least once a week or a minimum of 7 hours each week.
- Medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week.
- Small business technical assistance, lending, or investment to at least ten neighborhood businesses within five miles of the proposed Project.
- Job training, digital literacy training, college outreach (linking potential students to college resources and information), financial counseling, housing counseling, free tax return, or other economic empowerment programs.
- Food distribution programs.

All community benefit programs must be provided directly by the Community-Based Developer applicant. Such programs must be open and accessible to the general public, as described in the application. The applicant must demonstrate that the services are generally accessible during core hours/times. For example, an applicant could demonstrate that food distribution services are available based on a set schedule of days and hours. Please note that some services may require greater hours, e.g., medical clinic, or job training services, to be responsive to community needs.

For Applicants applying as Community-Based Developers, the entity must demonstrate in their application that they have community knowledge, commitment to long-term community investment, and population-specific cultural competency, through a combination of the following:

- Receipt of grant funds for services within the relevant neighborhood or community.
- Cultural and linguistic competency on staff relevant to community members (must be utilized daily in the provision of services and community benefit programs).

- A record of hiring from the community (within a ten-mile range of the Community-Based Developer’s central office).
- Membership in or recruitment from a local Urban League (or substantially equivalent) organization.

The sufficiency of the foregoing demonstration shall be evaluated in the reasonable discretion of the Department. The entity shall be allowed to define their served community within reason, for example by specifying a neighborhood geography of a specific number of square miles within the location of their central office, which area should include the proposed project.

Capability points (maximum 40 points) will not be considered in the ranking of the Community-Based Developer funding target; however, the capability point category will be applicable if an application is unsuccessful in the Community-Based Developer funding target and is then ranked with the remaining unfunded applications.

4. The Super NOFA shall have geographic targets of up to 46 percent of available funds for Southern California, up to 24 percent for Northern California, and up to 20 percent for rural jurisdictions. Ten percent shall not be subject to a specific geographic distribution. In its sole discretion, HCD may determine the geographic distribution targets have been met based either on individual Program funding components or on the amount of total funds awarded under this NOFA.

For the purpose of geographic distribution:

1. Targets are based on the percent of Low-Income renters in California, based on the HUD-released data from American Community Survey (ACS) for the 2015-2019 period.
2. "Rural" is defined to be consistent with the definition used by the TCAC for the tax credit program. A list of Rural areas, as well as the methodology to determine Rural or non-rural status, can be found on TCAC’s website or by clicking this link: <https://www.treasurer.ca.gov/ctcac/2022/rural-status.pdf>.

<b>Northern</b>	Non-rural areas of the following counties: Alameda, Butte, Contra Costa, El Dorado, Fresno, Kings, Madera, Marin, Merced, Monterey, Napa, Placer, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Solano, Sonoma, Stanislaus, Sutter, Tulare, Yolo, Yuba
<b>Southern</b>	Non-rural areas of the following counties: Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Ventura

<b>Rural</b>	Rural areas as defined by statute, including but not limited to the following 100 percent rural counties: Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Sierra, Siskiyou, Tehama, Trinity, Tuolumne
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**f. Funding Limits**

Use of both CalHome and Serna funds on the same Project or Program is permitted, subject to the following limitations:

1. Any given Assisted Unit must only be funded from one Program, CalHome or Serna.
2. Any given Assisted Unit must be assisted by funds from only one Project or Program (for example, repair of an ADU the unit can be assisted with funds from a CalHome Owner Occupied Rehabilitation program or a CalHome ADU/JADU program, but not both).
3. Each Applicant is limited to no more than \$10,000,000 in total Super NOFA *Homeownership Development Project Loans*. Note: If the Applicant is a co-Applicant or part of a Joint Venture partnership, Limited Liability Company, or Limited Partnership with a Tribal Entity on one or more applications, those applications will not count against the \$10,000,000 per-Applicant limit.
4. Each Applicant is limited to no more than \$5,000,000 in total Super NOFA *program grants*.
5. Each Applicant is limited to no more than \$10,000,000 in *total* Super NOFA funds (including applications for Homeownership Development Project Loans and applications for program grants).
6. The per-Applicant Super NOFA award cap is not applicable beyond an individual Super NOFA competition – it is not a cumulative per-Applicant cap across other Department NOFA funding opportunities.
7. The Department will not award funding from CalHome or Serna to a Unit that previously received funding from the same program funding source. For example, the Department will not provide CalHome funding under this Super NOFA to Units that were awarded CalHome funding in a prior CalHome funding round.

**g. Threshold**

A Project is not eligible for an award unless it meets all the threshold requirements of the relevant Program (CalHome or Serna). Please review the individual Program Guidelines for each Program for complete information. Below is a summary of some of the key threshold requirements and is not to be considered a complete representation of the entirety of the threshold, or other requirements, terms, and conditions for CalHome and Serna.



Further, Sponsors/Applicants must achieve a minimum point score of 55 points in the Base Evaluation Criteria in Section IV of this Super NOFA to be considered for a funding award.

## **1. CalHOME and Serna Guidelines Section §208 Threshold Requirements**

The following are highlights of CalHOME and Serna threshold requirements:

- A.** A Locality shall only be eligible to apply for an award of program funds for a Local Program or project located within its jurisdictional boundaries. A Locality may hire nonprofit and for-profit consultants located and/or registered within or outside its jurisdictional boundaries, including other counties within the state. Out-of-county consultants are obliged to fulfill the same experience requirements as the in-county entities. Localities may establish a consortium (provided there is a Memorandum of Understanding between the parties) with a single administrator. One Locality shall apply on behalf of other entities in a consortium and may serve all jurisdictions.
- B.** A Nonprofit Corporation shall only be eligible to apply for an award of program funds for a program or project if it has developed a project or operated a housing program in California within the past two years or if the Nonprofit Corporation has an existing 523 Self-Help Technical Assistance Grant Agreement with United States Department of Agriculture (USDA).

## **2. Serna Guidelines §208: Threshold Requirements**

All Serna threshold requirements shall be satisfied. The following are highlights of Serna threshold requirements:

- A.** All Units assisted with program funds must serve Lower-Income Agricultural Households.
- 3.** CalHome and Serna requirements are subject to AB 1010 (Chapter 660, Statutes of 2019), which is set forth in HSC §50406(p). Accordingly, and pursuant to HSC §50406(p): (1) where the provisions of tribal law, tribal governance, tribal charter, or difference in Tribal Entity or legal structure would cause a violation or not satisfy the requirements of the CalHome or Serna Guidelines, said requirements may be modified as necessary to ensure Program compatibility; and (2) where provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity legal structure or agency create minor inconsistencies (as determined by the Director of the Department or a duly authorized designee thereof) with the requirements set forth in the Guidelines the Department may waive said requirements, as deemed necessary, to avoid an unnecessary administrative burden. Matters set forth or otherwise provided for in the Guidelines that may be modified or waived include, without limitation, threshold scoring requirements and any other matters set forth in HSC §50406(p)(2). Tribal Applicants are accordingly encouraged to discuss any such potential modifications or waivers and their

options in that regard during any pre-application technical assistance communications or meetings.

## **h. Rating and Ranking**

All applications will be evaluated on the Base Evaluation Criteria included in Section IV of this Super NOFA. Applications for Serna funding will also be scored on the Additional Serna Criteria included in Section IV.

CalHome and Serna applications will be ranked separately since the additional evaluation criteria used for Serna applications means those applications have a higher possible maximum score.

All applications meeting the threshold requirements of the applicable Program and achieving a minimum point score of 55 points in Base Evaluation Criteria will be considered for funding pursuant to the process described below.

Funding targets will be applied in the following order: 1) Tribal Entities, 2) Community-Based Developers, 3) Mobilehome assistance in a Mobilehome or manufactured home community and finally 4) geographic. All applications awarded under the Tribal or Mobilehome assistance in a Mobilehome or manufactured home community will also count towards meeting the applicable regional targets. If a concentration of awards in any geographic area would make it impossible for the Department to meet the geographic funding targets established in this Super NOFA, the Department may skip to lower-scoring applications in other geographic areas.

Applications that include some activities that are eligible for a funding target and some that are not eligible for a funding target, or include activities in multiple geographic regions, will be separated out into multiple applications for the purposes of rating and ranking. For example, if an Applicant applies for \$1 million for Owner-Occupied Rehabilitation funds targeted to Mobilehome assistance in a Mobilehome or manufactured home community and \$2 million for Owner-Occupied Rehabilitation funds not targeted to Mobilehome assistance in a Mobilehome or manufactured home community, the \$1 million request will be scored separately from the \$2 million request and only the \$1 million request will be considered in the Mobilehome assistance in a Mobilehome or manufactured home community funding target. Similarly, if an Applicant applies for \$500,000 in Mortgage Assistance program funds to be used in rural areas and \$2.5 million in Mortgage Assistance program funds to be used in non-rural areas in Southern California, the \$500,000 request will be scored separately from the \$2.5 million request. As such, it is possible that only the part of a given application that is eligible as part of a funding target or is in an undersubscribed geographic area will be awarded funds if the remainder of the application does not score high enough in the general ranking.

Funding targets will only be awarded to the extent that eligible applications (those meeting all threshold requirements including minimum point score) exist. If the Department receives fewer eligible applications than funding available, any

unawarded funds within the funding targets may be used to fund remaining eligible applications based on ranked score.

1. CalHome funding targets for Tribal Entities, Community-Based Developers, and Mobilehome assistance in a Mobilehome or manufactured home community: Beginning with the top-ranked CalHome applications (according to the Base Evaluation Criteria including tiebreakers as applicable) eligible for the funding target, the highest scoring applications will be “fully funded” (provided all applicable threshold, minimum point score, and other eligibility criteria are met). “Fully funded” means these applications will receive an award of all requested Program funds, subject to applicable limits. Applicable limits that could result in Department awards below requested levels include but are not limited to: maximum allowable funding limits (per unit, per project and per applicant) and available funding in the 2023 Homeownership Super NOFA. Applicants that are eligible can compete in multiple funding targets, if unsuccessful in one due to oversubscription. CalHome applications funded through the Tribal, Community-Based Developer and Mobilehome assistance in a Mobilehome or manufactured home community funding target are accounted for in the geographic percentage targets.
2. Serna funding target for Tribal Entities and Community-Based Developers: Beginning with the top-ranked Serna applications (according to the Base Evaluation Criteria including tiebreakers as applicable) eligible for the Tribal Entities funding target, the highest scoring applications will be “fully funded” (provided all applicable threshold, minimum point score, and other eligibility criteria are met). “Fully funded” means these applications will receive an award of all requested Program funds, subject to applicable limits. Applicable limits that could result in Department awards below requested levels include but are not limited to: maximum allowable funding limits (per unit, per project and per applicant) and available funding in the 2023 Homeownership Super NOFA. Serna applications funded through the Tribal or Community-Based Developer funding target are accounted for in the geographic percentage targets.
3. Once all funding targets are met to the extent possible, the highest-ranking remaining Serna applications will be fully funded until Serna funds are exhausted. However, if a concentration of Serna awards in any geographic area would make it impossible for the Department to meet the geographic funding targets established in this Super NOFA, the Department may skip to lower-scoring Serna applications in other geographic areas.
4. If the last-ranked Serna application requests more Serna funds than remain, that Project will, conditioned upon the availability of additional funding, receive an augmentation of Serna funds and be fully funded.
5. Finally, the highest-ranking CalHome applications will be fully funded until CalHome funds are exhausted. However, if a concentration of CalHome awards in any geographic area would make it impossible for the Department to meet the

geographic funding targets established in this Super NOFA, the Department may skip to lower-scoring CalHome applications in other geographic areas.

6. If the last-ranked CalHome application requests more CalHome funds than remain, that Project will, conditioned upon the availability of additional funding, receive an augmentation of CalHome funds and be fully funded.

#### **i. Negative Points and Disencumbrance Policies**

The Department's [Negative Points Policy](https://www.hcd.ca.gov/sites/default/files/2022-04/Negative-Points-Policy-FINAL-33022_ADA.pdf) (Administrative Notice Number 2022-01), ([https://www.hcd.ca.gov/sites/default/files/2022-04/Negative-Points-Policy-FINAL-33022\\_ADA.pdf](https://www.hcd.ca.gov/sites/default/files/2022-04/Negative-Points-Policy-FINAL-33022_ADA.pdf)) dated March 30, 2022 and published on the Department's website, is hereby incorporated by this reference to this Super NOFA as if set forth in full herein, and shall apply with equal force as all other provisions set forth herein. If the Applicant is subject to a negative points assessment based on the criteria outlined in the Department's Negative Points Policy or is determined to be ineligible for funding, the Department shall notify the Applicant in writing in the initial point score letter.

Funds awarded under this Super NOFA may be disencumbered by the Department as set forth in §603 of the Guidelines.

### **III. Application Submission and Review Procedures**

#### **a. Application Submission Process**

Application materials must be submitted electronically via the application portal. The portal link, and requirements for submitting the Super NOFA application and required supporting documentation, including naming conventions, can be found on the Department's Homeownership Super NOFA website, <https://www.hcd.ca.gov/grants-and-funding/programs-active/homeownership-super-nofa>. The application instructions and submittal portal will be available beginning January 20, 2023.

Applicants must upload and submit all application materials to the application portal no later than 4:00 p.m. Pacific Time on February 28, 2023. Tribal applicants must upload and submit all application materials to the application portal no later than 4:00 p.m. Pacific Time on March 30, 2023. Applications that do not meet the filing deadline will not be eligible for funding.

Applications must be on HCD's forms and cannot be altered or modified by the Applicant. It is the Applicant's responsibility to ensure the application is clear, complete, and accurate. Excel forms must be submitted in Excel format, not a PDF document.

**b. Application Workshops**

The Department will conduct two recorded webinar application workshops for the Homeownership Super NOFA. Please go to the Homeownership Super NOFA website (<https://www.hcd.ca.gov/grants-and-funding/programs-active/homeownership-super-nofa>) for the dates and locations and to register.

**c. Disclosure of Application**

Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (Chapter 1473, Statutes of 1968). As such, any materials provided will be disclosable to any person making a request under this Act. The Department cautions applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, personal phone numbers and home addresses. By providing this information to the Department, the applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

**IV. Base Evaluation Criteria**

- a. Each CalHome and Serna application considered for funding shall be rated using the following criteria and maximum possible rating points:

Criteria Defined	Maximum Points
<p><b>Capability to operate the proposed program, administer and conduct the Self-Help Technical Assistance Project, or develop the type of Homeownership Project proposed in the application:</b></p> <p>Number of units or projects assisted within the last four years:</p> <ul style="list-style-type: none"> <li>• <u>For Mortgage Assistance, Owner-Occupied Rehabilitation, CalHome ADU/JADU, and Serna Acquisition of Manufactured Housing Programs:</u> <ul style="list-style-type: none"> <li>▪ 2 – 5 units ~ 20 points</li> <li>▪ 6 – 10 units ~ 30 points</li> <li>▪ 11 or more units ~ 40 points</li> </ul> </li> <li>• <u>For Technical Assistance for Self-Help Housing Projects:</u> <ul style="list-style-type: none"> <li>▪ 2 – 10 units ~ 20 points</li> <li>▪ 11 – 20 units ~ 30 points</li> <li>▪ 21 or more units ~ 40 points</li> </ul> </li> </ul>	<p><b>40</b></p>

<ul style="list-style-type: none"> <li>• <u>For CalHome Technical Assistance for Shared Housing Programs:</u> <ul style="list-style-type: none"> <li>▪ 2 units ~ 20 points</li> <li>▪ 3 – 4 units ~ 30 points</li> <li>▪ 5 or more units ~ 40 points</li> </ul> </li> <li>• <u>For Homeownership Development Project Loans:</u> <ul style="list-style-type: none"> <li>▪ 2 projects ~ 20 points</li> <li>▪ 3 – 4 projects ~ 30 points</li> <li>▪ 5 or more projects ~ 40 points</li> </ul> </li> </ul>	
<p><b>Community Need in a geographic area for the proposed Local Program or project will be based on the following factors:</b></p> <p><u>For Mortgage Assistance Programs, Technical Assistance for Self-Help Housing Projects, CalHome Technical Assistance for Shared Housing Programs, CalHome ADU/JADU Programs, Serna Acquisition of Manufactured Housing Programs, and Homeownership Development Project Loans:</u></p> <ul style="list-style-type: none"> <li>• Housing affordability in the geographic area: The ratio of the current median sales price of a single-family home to the AMI for a 4-person Household in the county in which the program or project is located. The current median sales price is the most recent available from the California Association of Realtors as of the NOFA date, and the AMI is updated on an annual basis by the Department;</li> <li>• Percent of renter Households that are low income: The percent of Households in renter-occupied housing with incomes below 80 percent of AMI, as reported in the most recent HUD Comprehensive Housing Affordability Strategy U.S. Census Bureau American Community Survey (HUD CHAS) data;</li> <li>• Percent of renter Households occupying overcrowded housing: The percent of renter-occupied housing units with more than 1.5 occupants per room, as reported in the most recent HUD CHAS data; and</li> <li>• Rental vacancy rate: The percent of rental housing units that are currently vacant, as reported in the most recent HUD CHAS data.</li> </ul> <p><u>For Owner-Occupied Rehabilitation Programs:</u></p> <ul style="list-style-type: none"> <li>• Percent of homeowner Households that are in poverty: The percent of families in owner-occupied housing with incomes below the federal poverty line, as reported in</li> </ul>	<p>15</p>

<p>the most recent American Community Survey (ACS) data; and</p> <ul style="list-style-type: none"> <li>• Percent of homeowner Households that are low income: The percent of Households in owner-occupied housing with incomes below 80 percent of AMI, as reported in the most recent HUD CHAS data.</li> </ul>	
<p><b>Feasibility in a geographic area for the proposed Local Program or project will be based on the following factors:</b></p> <p><u>For Mortgage Assistance Programs:</u></p> <ul style="list-style-type: none"> <li>• Affordability of Homeownership relative to renting: The ratio of median Monthly Housing Costs for owner-occupied housing units with a Mortgage, to median Monthly Housing Costs for renter-occupied housing units, as reported in the most recent ACS data;</li> <li>• Availability of homes for sale relative to the proposed lending activity: The ratio of the following: <ul style="list-style-type: none"> <li>○ The number of home sales in the previous year priced below the current median sales price of a single-family home in the county in which the program is located;</li> <li>○ The number of Loans that the Applicant expects to provide in the program;</li> <li>○ The Applicant will provide home sales information based on publicly available real estate transactions data (e.g., Zillow.com, Redfin.com).</li> </ul> </li> </ul> <p><u>For Owner-Occupied Rehabilitation Programs and CalHome ADU/JADU Programs:</u></p> <ul style="list-style-type: none"> <li>• Age of the housing stock: The percent of owner-occupied housing units over 30 years old, as reported in the most recent ACS data; and</li> <li>• Percent of homeowner Households occupying overcrowded housing: The percent of owner-occupied housing units with more than 1.5 occupants per room, as reported in the most recent HUD CHAS data.</li> </ul> <p><u>For CalHome Technical Assistance for Shared Housing Programs:</u></p> <ul style="list-style-type: none"> <li>• Incidence of severe cost burden for low-income renters: The percent of Households in renter-occupied housing units spending 50 percent or more of income on</li> </ul>	<p><b>20</b></p>

<p>housing expenses, as reported in the most recent HUD CHAS data; and</p> <ul style="list-style-type: none"> <li>• Rental vacancy rate: The percent of rental housing units that are currently vacant, as reported in the most recent HUD CHAS data.</li> </ul> <p><u>For Serna Acquisition of Manufactured Housing Programs:</u></p> <ul style="list-style-type: none"> <li>• All applications for this activity will receive 10 points for feasibility because the likelihood that they will acquire manufactured homes is absolute.</li> <li>• Applicants who can demonstrate that they have site control over land zoned appropriately on which to place all of the acquired manufactured homes for which they are applying for funding will receive the full 20 points.</li> </ul> <p><u>For Technical Assistance for Self-Help Housing Programs and Homeownership Development Project Loans or a Mortgage Assistance Program for housing newly constructed by the Applicant using funds other than CalHome or Serna funds or for housing newly acquired and substantially rehabilitated by the Applicant using funds other than CalHome or Serna funds for sale to first-time homebuyers:</u></p> <ul style="list-style-type: none"> <li>• These programs and projects receive full points for feasibility. Since these programs and projects create new affordable housing units, the likelihood that they will successfully and feasibly provide affordable homes to low-income households is absolute.</li> </ul>	
<p><b>Contributes to Community Revitalization as defined in Appendix A of the Guidelines, or all units to be assisted with program funds are, or will be, located within a High-Resource or Highest-Resource area, as identified on the TCAC/Department Opportunity Area Map.</b></p>	<p><b>10</b></p>
<p><b>Volunteer Labor, Self-Help Labor, or Youth Construction Skills Training Program</b></p> <p>Applicants applying for Homeownership Development Project Loans or Self-Help Technical Assistance Homeownership Projects, or a Mortgage Assistance Program for housing newly constructed by the Applicant using funds other than CalHome or Serna funds or for</p>	<p><b>5</b></p>



<p>housing newly acquired and substantially rehabilitated by the Applicant using funds other than CalHome or Serna funds for sale to first-time homebuyers will receive up to 5 points to the extent that:</p> <ul style="list-style-type: none"> <li>• The Applicant utilizes Volunteer Labor or Self-Help Construction labor, where a minimum of five hundred (500) hours of on-site construction labor per assisted unit is provided; or</li> <li>• The Applicant utilizes labor provided by youth participating in a construction skills training program, where a minimum of five hundred (500) hours of on-site construction labor per assisted unit is provided. The five hundred (500) hours of construction training labor shall be provided by the 16- to 24-year-old program participants;</li> </ul>	
<p><b>Increases Affordable Housing Supply</b></p> <p>Applicants applying for Homeownership Development Project Loans, a Mortgage Assistance Program for housing newly constructed by the Applicant using funds other than CalHome or Serna funds or for housing newly acquired and substantially rehabilitated by the Applicant using funds other than CalHome or Serna funds for sale to first-time homebuyers, Self-Help Technical Assistance Homeownership Projects, CalHome ADU/JADU Programs, and Serna Acquisition of Manufactured Housing Programs will receive 3 points for supporting the state policy goal of increasing the supply of affordable housing.</p> <p>An additional two points will be awarded to applications receiving 3 points as outlined above where the applicant can demonstrate the new development will be located on an infill site as defined in Health and Safety Code Section 53599(d)(3)(B).</p>	<p><b>5</b></p>
<p><b>Prohousing Designation</b></p> <p>5 points will be awarded to Applicants that are jurisdictions that have received a prohousing designation.</p>	<p><b>5</b></p>
<p><b>MAXIMUM TOTAL POINTS</b></p>	<p><b>100</b></p>

- b. Applications for Serna funding will also be evaluated on the following additional factors:

Serna Program Criteria Defined	Maximum Points
<p><b>Farmworker Need</b> based on the number of Office of Migrant Services (OMS) Migrant Family Housing Centers in the geographic area for the proposed Local Program or project, as identified in the Department’s OMS Program Directory:</p> <ul style="list-style-type: none"> <li>▪ 1 OMS Center ~ 10 points</li> <li>▪ 2 OMS Centers ~ 20 points</li> <li>▪ 3 or more OMS Centers ~ 30 points</li> </ul>	<b>30</b>

- c. Tiebreaker

In the event of tied point scores, the following tiebreakers shall be used to determine the ranking, in the order listed:

1. The Community Need point score
2. The Capacity point score
3. The Feasibility point score
4. The total number units to be assisted

**V. Appeals**

**a. Basis of Appeals**

1. Upon receipt of the Department’s notice that an application has been determined to be incomplete, ineligible, fail threshold review, or have a reduction to the initial point score, Applicants under this Super NOFA may appeal such decision(s) to the Branch Chief or their designee pursuant to this section.
2. No Applicant shall have the right to appeal a decision of the Department relating to another Applicant’s application (e.g., eligibility, award).

Any request to appeal HCD’s decision regarding an application shall be reviewed for compliance with the Guidelines and this Super NOFA. All decisions rendered shall be made by the Director or his/her designee. The decision shall be final, binding, and conclusive, and shall constitute the final action of HCD.

3. The appeal process provided herein applies solely to decision of the Department made pursuant to this Super NOFA. For greater specificity, applicants may refer to the appeal procedure set forth in section “V. Appeals” in the Multifamily Finance Super Notice of Funding Availability dated March 30, 2022, Amended June 10, 2022, which is incorporated hereto by this reference, and which the

Department shall, to the extent not contrary to this NOFA and feasible, substantially follow.

**b. Appeal Process and Deadlines**

1. Process: To file an appeal, Applicants must submit to the Director of the Department or their designee, by the deadline set forth below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant must provide a detailed reference to the area or areas of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be considered if this information would result in a competitive advantage to an Applicant. Once the written appeal is submitted to the Department, no further information of materials will be accepted or considered thereafter. Appeals are to be submitted to the Department at [HOSN@hcd.ca.gov](mailto:HOSN@hcd.ca.gov) according to the deadline set forth in Department review letters.
2. Filing Deadline: Appeals must be received by the Department no later than five (5) business days from the date of the Department's threshold review, or initial score letters, representing the Department's decision made in response to the application.

**c. Decision**

Any request to appeal the Department's decision regarding an application shall be reviewed for compliance with the Guidelines and this NOFA. All decisions rendered shall be made by the Director or their designee. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of the Department.

**VI. Award Announcements and Contracts**

**a. Award Announcements**

The Department will announce program awards on the Homeownership Super NOFA website [Homeownership Super NOFA | California Department of Housing and Community Development](#).

**b. Contracts**

Recipient(s) will enter into a Standard Agreement with the Department. The Standard Agreement will contain relevant state contracting and program requirements, specific information about the award, the work to be performed, a project/program timeline, and any special conditions required to make the project feasible (Guidelines §600).

The Recipient(s) shall remain a party to the Standard Agreement for the agreement's entire term. The Standard Agreement allows a maximum of 36-months from the date the Standard Agreement is fully executed by all parties to expend

funds, except for Homeownership Project Developments which are allowed a maximum of 60 months (Guidelines §603).

The Department may exercise its reasonable discretion to disencumber funds or to grant an extension of time for completion (Guidelines §603). Any extensions are subject to any and all applicable encumbrances, deadlines, and limitations, including, but not limited to, HSC §54006(g). Documentation to support the Recipient's expenditure of funds shall be received prior to the contract expiration date. The Standard Agreement expires at the end of 42 months from the date the Standard Agreement is fully executed by all parties (or 66 months for Homeownership Project Developments), unless extended. Recipients remain subject to the terms of the 20-year Monitoring Agreement (Guidelines §600).

## **VII. Other State Requirements**

The Recipient agrees to comply with all applicable state and federal laws, rules, Guidelines, and regulations that pertain to health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the program or project, the Recipient, its contractors or subcontractors, and any Loan or grant activity, including without limitation the following:

- Guidelines §204 Local Program/Project Administration
- Guidelines §400.7 Homeownership Development Project Requirements

Where the proposed program or project type presents a fair housing issue (e.g. Serna housing), the Department reserves discretion to require a fair housing legal opinion.

## **VIII. Other Terms and Conditions**

### **a. Right to Modify or Suspend**

The Department reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this Super NOFA at any time, including without limitation, the amount of funds available hereunder. If such an action occurs, the Department will notify all interested parties via the Department's Homeownership email list and will post the revisions to the Homeownership Super NOFA website <https://www.hcd.ca.gov/grants-and-funding/programs-active/homeownership-super-nofa>. Please be sure and subscribe to the Homeownership email list at <https://www.hcd.ca.gov/email-signup>.

### **b. Conflicts**

It is the duty and responsibility of the Applicant and Sponsor to review any funding source they obtain for a Project to ensure each of the requirements for those funding sources are compatible with Department program requirements.

In the event of any conflict between the terms of this Super NOFA and the Guidelines, state, federal law regulation(s), or any number of them (collectively,

“Controlling Law”), the Controlling Law shall prevail., Applicants are deemed to have fully read and understand all applicable state and federal laws, regulations, and Guidelines pertaining to the relevant Program, and understand and agree that the Department shall not be responsible for any errors or omissions in the preparation of this Super NOFA.

# CalHome Program Final Guidelines



**Gavin Newsom, Governor  
State of California**

**Lourdes M. Castro Ramírez, Secretary  
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director  
California Department of Housing and Community Development**

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**December 30, 2022**

# CALHOME PROGRAM GUIDELINES

## Table of Contents

ARTICLE I. GENERAL OVERVIEW .....	4
Section 100. Purpose and Scope .....	4
Section 101. Definitions.....	4
ARTICLE II. GENERAL PROGRAM REQUIREMENTS.....	5
Section 200. Eligible Applicants .....	5
Section 201. Eligible Activities.....	6
Section 202. Eligible and Ineligible Uses of Funds .....	7
Section 203. Eligible Households .....	7
Section 204. Local Program/Project Administration .....	8
Section 205. Homebuyer Education Requirements .....	10
Section 206. Loan Servicing Requirements.....	11
Section 207. Reuse Account Requirements .....	11
Section 208. Threshold Requirements .....	12
ARTICLE III. HOMEOWNERSHIP/HOMEBUYER LOAN REQUIREMENTS .....	13
Section 300. Maximum Homeowner/Homebuyer Loan amounts.....	13
Section 301. Maximum Homeowner/Homebuyer Loan terms.....	14
Section 302. Homeowner/Homebuyer Loan-to-Value Limits .....	16
ARTICLE IV. PROGRAM REQUIREMENTS.....	16
Section 400 Homeownership Development Project Loan .....	16
Section 400.1 Eligible Applicant .....	16
Section 400.2 Eligible Costs.....	17
Section 400.3 Site Control .....	17
Section 400.4 Maximum Homeownership Development Project Loan Amount.....	18
Section 400.5 Homeownership Development Project Loan Terms .....	18
Section 400.6 Homeownership Development Project Loan-to-Value Limits.....	19
Section 400.7 Homeownership Development Project Requirements .....	20
Section 401 Self-Help Technical Assistance Project.....	20
Section 401.1 Eligible Applicant .....	21
Section 401.2 Eligible Costs.....	21
Section 401.3 Self-Help Technical Assistance Administrative Requirements .....	21
Section 402 Mortgage Assistance Program .....	22
Section 402.1 Eligible Applicant .....	22
Section 402.2 Eligible Costs.....	22
Section 402.3 Administrative Requirements.....	23
Section 402.4 Underwriting Requirements.....	24
Section 403 Owner-Occupied Rehabilitation.....	25

Section 403.1 Eligible Applicant .....	25
Section 403.2 Eligible Costs.....	25
Section 403.3 Administrative Requirements .....	26
Section 403.4 Owner-Occupied Underwriting and Construction Requirements.....	26
Section 404 Shared Housing Programs .....	28
Section 404.1 Eligible Applicant .....	28
Section 404.2 Eligible Costs.....	28
Section 404.3 Administration Requirements. ....	28
Section 405 ADU/JADU Programs.....	29
Section 405.1 Eligible Applicant .....	29
Section 405.2 Eligible Costs.....	29
Section 405.3 ADU/JADU Programs Administration Requirements. ....	30
Section 405.4 ADU/JADU Programs Underwriting and Construction Requirements.....	30
ARTICLE V. APPLICATION PROCEDURES .....	31
Section 500. Application Process.....	31
Section 501. Application Requirements.....	32
Section 502. Selection Process.....	33
Article VI. Program Operations.....	33
Section 600. Legal Documents .....	34
Section 601. Disbursement of Loan and Grant Funds.....	37
Section 602. Reporting Requirements .....	38
Section 603. Performance Goals.....	39
Section 604. Defaults and Loan Cancellations .....	41
APPENDIX A- DEFINITIONS .....	43
APPENDIX B- Tribal Eligibility .....	53



## ARTICLE I. GENERAL OVERVIEW

### Section 100. Purpose and Scope

- (a) These CalHome Program Final Guidelines (the “Guidelines”) implement and interpret, [Chapter 6 \(commencing with §50650\) of Part 2 of Division 31, Health and Safety Code \(H.S.C.\)](#), which establishes the CalHome Program administered by the California Department of Housing and Community Development (the “Department”) and [Chapter 2 \(commencing with §54006\) of Part 16 of Division 31, H.S.C.](#).
- (b) These guidelines implement [Assembly Bill \(AB\) 434 \(Chapter 192, Statutes of 2020\)](#), which amends [H.S.C. §50517.5](#). AB 434 requires the Department to harmonize the Joe Serna, Jr. Farmworker Housing Grant Program (the “Serna Program”) with the CalHome Program in the following four respects: (1) Serna Program funds are to be made available at the same time as CalHome Program funds; (2) Serna Program applications are to be rated and ranked in a manner consistent with CalHome Program applications; (3) Serna Program funds are to be administered consistent with the CalHome Program, and; (4) Serna Program Loan terms are to be consistent with CalHome Program Loan terms to the greatest extent possible.
- (c) These Guidelines establish terms, conditions and procedures for the Award and disbursement of funds allocated to the CalHome program pursuant to [H.S.C. §54006\(g\)](#).
- (d) These Guidelines apply only to funds made available through H.S.C. §54006(g) and do not apply to funds made available to the CalHome program authorized by [Chapter 6 \(commencing with §50650\)](#) prior to the adoption of [H.S.C. §54006\(g\)](#).

NOTE: Authority cited: [§50406\(n\)](#), [50650.2](#), [50650.7](#), and [54014, H.S.C.](#). Reference: [50650.3](#), [50650.4](#), [50650.5](#), [50650.7](#), and [H.S.C. §54006\(g\)](#).

### Section 101. Definitions

In addition to the definitions found in [Chapter 2 \(commencing with §50050\), of Part 1 of Division 31, H.S.C.](#), the definitions in the Definitions Appendix shall apply to this subchapter.

In the event of a conflict, the definitions in the Definitions Appendix shall prevail for the purposes of these Guidelines and application. The defined terms will be capitalized as they appear in the guideline text. References to sections herein refer to sections of these Guidelines unless otherwise noted.

## ARTICLE II. GENERAL PROGRAM REQUIREMENTS

### Section 200. Eligible Applicants

To be eligible to apply for funding, the Applicant shall be a Local Public Entity, Local Public Agency, Tribal Entity, or Nonprofit Corporation.

- (a) Geographic restrictions.
  - (1) A Local Public Entity shall only be eligible to apply for an award of CalHome program funds for a Local Program or project located within its jurisdictional boundaries. A Locality may hire Nonprofit and for-profit consultants located and/or registered within or outside its jurisdictional boundaries, including other counties within the state. Out-of-county consultants are obliged to fulfill the same experience requirements as the in-county entities. Localities may establish a consortium (provided there is a Memorandum of Understanding between the parties) with a single administrator. One Locality shall apply on behalf of other entities in a consortium and may serve all jurisdictions.
  - (2) A Nonprofit Corporation shall only be eligible to apply for an Award of CalHome program funds for a program or project if it has developed a project or operated a housing program in California within the past two years or if the Nonprofit Corporation has an existing 523 Self-Help Technical Assistance Grant Agreement with the United States Department of Agriculture (USDA).
- (b) Stability and capacity:
  - (1) To be eligible for funding, the Applicant shall demonstrate to the Department's satisfaction that it has sufficient organizational stability and capacity to carry out the activity for which it is requesting funds.
  - (2) In order to demonstrate organizational stability, the Applicant shall have been operating as a housing Developer or housing program administrator for a minimum of two years prior to the date of application. A Locality may subcontract with an Administrative Subcontractor to qualify toward the organizational stability and experience requirement.
  - (3) A Nonprofit Corporation must be a corporation whose exempt purposes for the two years prior to the date of application have included the activity for which it is applying.
  - (4) A Nonprofit Corporation shall also demonstrate financial stability to the Department's satisfaction through audited financial statements

submitted for Department review as part of its application for funding.

- (5) An Applicant shall also meet the additional stability and capacity requirements set forth in these Guidelines for the specific activity for which it is applying.
  - (6) To the extent necessary to address a presidential declaration of disaster or emergency, or a “state of emergency” or a “local emergency” declared by the Governor under GC §8571, the Department may alter or waive state-required criteria set forth in this subsection (b), to the extent otherwise allowed by law.
- (c) Reporting requirements
- (1) Recipients shall submit outstanding reports from previous CalHome program Grants to the Department by the application date (as specified in the NOFA). Failure to submit the reports by the application date will make the Recipients ineligible for a CalHome program Award.

NOTE: Authority cited: [§50406\(n\)](#), [50650.2, H.S.C.](#) and [50650.7, H.S.C.](#), Reference: [50650.3](#), [50650.4](#), [50650.5](#), and [50650.7, H.S.C.](#)

## **Section 201. Eligible Activities**

Eligible Activities are:

- (a) Homeownership Development Project Loans
  - (1) The Department may make construction period Loans to eligible Applicants for development of Homeownership Development Projects, including Program eligible Housing Developments that include ADUs or JADUs, or make permanent Loans for Mutual Housing and limited equity housing cooperatives.
  - (2) Proposed development projects shall be ineligible to receive funding if Construction Work has begun or will begin prior to the date that the Department makes an Award of program funds. “Construction Work” includes grading; site preparation (with the exception of demolition or clearing of property); or site improvements intended for public dedication.
- (b) Self Help Technical Assistance
- (c) Mortgage Assistance
- (d) Owner-Occupied Rehabilitation

- (e) Shared Housing
- (f) Accessory Dwelling Units/Junior Accessory Dwelling Units

## **Section 202. Eligible and Ineligible Uses of Funds**

- (a) Eligible uses of funds for specific activities are set forth in the Guideline provisions that directly address each activity.
- (b) CalHome program funds shall not be used for any of the following costs that may be incurred in the Local Program or the project:
  - (1) Refinancing of existing Loans with CalHome program funds, except CalHome program funds may be used for site acquisition bridge Loans with a term of 36 months or less on Homeownership Development Projects.
  - (2) Costs associated with the Rehabilitation or repair of property owned by a Mobilehome Park owner.
  - (3) Offsite improvements (improvements outside the boundaries of the subdivision or individual parcels for scattered site development).
  - (4) Unit construction costs, except in Owner-Occupied Rehabilitation Local Programs or for construction period expenses for development of new Homeownership Development Projects.
  - (5) Recurring Loan closing costs.
  - (6) Payoff of all or any portion of a Borrower's consumer debt, liens, or judgments.
  - (7) Self-Help Technical Assistance Grant funds may not be used to pay for purchase of land, materials, tools, and construction equipment or for any costs of construction.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\), H.S.C.](#)

## **Section 203. Eligible Households**

To be eligible to receive the benefits of CalHome program funding, an individual Household shall:

- (a) Be a Lower-Income Household, when considering the Annual Income of all Household residents 18 years old or older. When calculating income eligibility, Applicants shall refer to Chapter 3 of the Income Calculation and Determination Guide for Federal Programs. For Shared Housing Match services, where the provider is Elderly, the income of non-

occupying children who are on title will not be counted;

- (b) Be a Moderate-Income Household that is a victim of a disaster, when considering the Annual Income of all Household residents 18 years old or older. When calculating income eligibility, Applicants shall refer to Chapter 3 of the Income Calculation and Determination Guide for Federal Programs. For Shared Housing Match services, where the provider is Elderly, the income of non-occupying children who are on title will not be counted;
- (c) Include as Borrowers on the CalHome program promissory note all persons who will be or are on title to the property; and
- (d) Either:
  - (1) In the case of a Rehabilitation Loan or if receiving Shared Housing Match services, be an owner-occupant and intend to continue occupying the home as a principal place of residence; or
  - (2) In the case of a Mortgage Assistance Loan or if receiving Self-Help Technical Assistance services, be a First-Time Homebuyer and intend to occupy the home as a principal place of residence.

Residents of an ADU or a JADU shall not be considered as part of the Household receiving CalHome program funding for purposes of this section. If the Borrower will occupy an ADU or a JADU, then the residents of the primary unit shall not be considered as part of the Household receiving CalHome program funding for purposes of this section.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#), Reference: [50650\(c\)](#) and [50650.3, H.S.C.](#)

#### **Section 204. Local Program/Project Administration**

- (a) The Recipient shall implement the Local Program or project and be responsible for the following activities:
  - (1) Marketing the Local Program or project;
  - (2) Determination of a Household's income-eligibility pursuant to the income requirements of Section 203 of these Guidelines;
  - (3) Where applicable, based on the nature of the Local Program or project, compliance with the following requirements:
    - (A) Section 205 Homebuyer Education requirements;
    - (B) Section 206 Loan servicing requirements;

- (C) Section 207 Reuse Account requirements;
  - (D) Section 401.3 Self-Help Technical Assistance Administration requirements;
  - (E) Section 402.3 Mortgage Assistance administration requirements;
  - (F) Section 402.4 Mortgage Assistance underwriting requirements;
  - (G) Section 403.3 Owner-Occupied Rehabilitation administration requirements;
  - (H) Section 403.4 Owner-Occupied Rehabilitation underwriting and construction requirements;
  - (I) Section 404.3 Shared Housing Program administration requirements;
  - (J) Section 405.4 ADU/JADU underwriting and construction requirements;
  - (K) Section 405.3 ADU/JADU Program administration requirements.
- (4) For Mortgage Assistance or Owner-Occupied Rehabilitation Loans, disbursing funds on behalf of Borrowers at time of property acquisition or during Rehabilitation;
  - (5) Maintaining complete and accurate records of all CalHome program Loan disbursements and repayments to ensure adherence to proper accounting procedures for the CalHome program Loans, which may be verified by the Department and may be subject to a fiscal and programmatic audit;
  - (6) Complying with reporting requirements pursuant to Section 602; and
  - (7) Complying with all other Locality and/or Nonprofit Corporation requirements as set forth in these Guidelines and all applicable federal and state regulations.
- (b) The Recipient shall adopt a written nondiscrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language,

immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with Program funds.

- (c) The Recipient shall comply with all applicable state and federal laws, rules, guidelines, and regulations that pertain to nondiscrimination and fair housing. Such laws include, without limitation, the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.); the Americans with Disabilities Act of 1990; the Fair Housing Act; the Fair Housing Amendments Act of 1988; the California Fair Employment and Housing Act; the Unruh Civil Rights Act; Government Code section 11135; Section 504 of the Rehabilitation Act of 1973; and all regulations promulgated pursuant to those statutes.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#), [50650.4](#) and [50650.7, H.S.C.](#)

## **Section 205. Homebuyer Education Requirements**

- (a) Homebuyer Education shall be provided to all homebuyers receiving a CalHome program Mortgage Assistance Loan and to all Self-Help Construction participants being assisted under a CalHome program Self-Help Technical Assistance Grant. For each home purchase completed by an assisted Household, the CalHome program shall provide a Grant of up to a maximum amount as published in the latest NOFA per assisted Household toward the cost of the Homebuyer Education, provided the following conditions are met:
  - (1) Homebuyer Education curriculum shall be pre-approved by the Department and, at a minimum, shall include the following topics:
    - (A) Preparing for Homeownership;
    - (B) Available financing and credit analysis;
    - (C) Loan closing and homebuyer responsibilities;
    - (D) Home maintenance and Loan servicing.
  - (2) A certificate of successful completion of Homebuyer Education shall be issued to each prospective homeowner and a copy submitted to the Department.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#)

## **Section 206. Loan Servicing Requirements**

- (a) Recipients shall develop and employ a Loan servicing plan that has been submitted to and approved by the Department as addressing the following topics:
  - (1) Process for monitoring the requirement of owner-occupancy
  - (2) Annual review of hazard and flood insurance
  - (3) Timely payment of property taxes and assessments
  - (4) Accounting for repayment of CalHome program Loans
  - (5) Properly calculating payoffs
  - (6) Processing demands
  - (7) Reconveyance of deeds of trust
  - (8) Collection of CalHome program notes in default or foreclosure
- (b) If Loan servicing will be performed under a contract with a third party, that third party must be in the business of performing Loan servicing; and
- (c) Recipients shall be required to enter into a long-term Monitoring Agreement with the Department allowing Department monitoring of Loan servicing for compliance with these Guidelines.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\), 50650.4 and 50650.7, H.S.C.](#)

## **Section 207. Reuse Account Requirements**

- (a) CalHome program Recipients shall develop and employ a Reuse Account plan that has been submitted to and approved by the Department as addressing the following topics:
  - (1) Description of a tracking system to ensure the reuse of funds for eligible activities including:
    - (A) Loans to individual homeowners and homebuyers,
    - (B) CalHome program Loan processing, housing Rehabilitation processing, Homebuyer Education and other eligible ADF,



and

- (C) Allowable 5 percent Loan servicing fee.
- (b) All repayments of CalHome Loan principal and any CalHome program Loan interest (i.e., program income) shall be deposited into a separately maintained Reuse Account.
- (c) Any interest earned on deposited CalHome reuse funds must accrue to the CalHome program identified funds and be reused for CalHome program purposes.
- (d) Funds in the Reuse Account shall only be used by the Recipient for CalHome program eligible activities which are subject to these Guidelines.
- (e) Recipients shall be required to enter into a long-term Monitoring Agreement with the Department allowing the Department monitoring of Reuse Accounts for compliance with these Guidelines.

### **Section 208. Threshold Requirements**

Applications will not be considered for funding unless the application is received by the deadline as stated in the NOFA and demonstrates compliance with all CalHome program Statutes and Guidelines, including the following conditions:

- (a) The Applicant meets geographic restrictions per CalHome Guidelines (Guidelines Section 200, subd. (a))
- (b) The Applicant is an eligible Local Public Entity, Local Public Agency, Tribal Entity, or Nonprofit Corporation (Guidelines Section 200). For purposes of these Guidelines, a Local Public Entity or Locality is defined to include a Tribal Entity. Pursuant to Health & Safety Code §50091, a Nonprofit Corporation shall include a tribally designated housing entity as further defined therein.
- (c) The Applicant has complied with reporting requirements (Guidelines § 200, subd. (c))
- (d) The activity is eligible (Guidelines §201)
- (e) The proposed use of funds is eligible (Guidelines §202)
- (f) The Applicant meets the eligibility requirements for the activity or activities for which they are applying:

- (1) First-Time Homebuyer Mortgage Assistance (Guidelines §402.1)
  - (2) Owner-Occupied Rehabilitation Assistance (Guidelines §403.1)
  - (3) Technical Assistance for Self-Help Housing Projects (Guidelines §401.1)
  - (4) Technical Assistance for Shared Housing Programs (Guidelines §404.1)
  - (5) ADU/JADU Assistance (Guidelines §405.1)
  - (6) Homeownership Development Project Loans (Guidelines §400.1)
- (g) The application is complete (Guidelines §501)
  - (h) The application shall be on the Department forms and cannot be altered or modified by the Applicant
  - (i) The Applicant does not have any unresolved audit findings for prior Department or federally funded housing or community development projects or programs (Guidelines §501)
  - (j) The Applicant has no pending lawsuits that would impede the implementation of the program (Guidelines §501)

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\) and 50650.3\(d\), H.S.C.](#)

### **ARTICLE III. HOMEOWNERSHIP/HOMEBUYER LOAN REQUIREMENTS**

#### **Section 300. Maximum Homeowner/Homebuyer Loan amounts**

- (a) CalHome program Loans to individual Borrowers shall not exceed the amount published in the current NOFA or, when considered with other available financing and assistance, the minimum amount necessary:
  - (1) In the case of First-Time Homebuyer Mortgage Assistance, to ensure Affordable monthly Housing Costs as defined by the first Mortgage Lender.
  - (2) In the case of Owner-Occupant Rehabilitation, to fund eligible Rehabilitation costs only, in accordance with program

requirements.

- (3) In the case of ADU/JADU assistance, to fund eligible costs only, in accordance with program requirements.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

### **Section 301. Maximum Homeowner/Homebuyer Loan terms**

- (a) CalHome program Loans shall be secured by the property or leasehold interest, as applicable.
- (b) The lien securing repayment of the CalHome program Loan shall be subject only to liens, encumbrances and other matters of record reviewed and approved by the Recipient responsible for underwriting the CalHome program Loan.
- (c) Homeowner/homebuyer CalHome program Loans shall have the following terms and conditions:
  - (1) Principal and interest payments shall be deferred for the term of the CalHome program Loan;
  - (2) Loans shall be repayable upon sale or transfer of the property, when the property ceases to be owner-occupied, or upon the CalHome program Loan maturity date. However, if it is determined by the Recipient that repayment of the CalHome program Loan at the maturity date causes a hardship to the Borrower, the Recipient has two other options. They are:
    - (A) Amending the note and deed of trust to defer repayment of the amount due at Loan maturity, that is, the original principal and the accrued interest, for up to an additional 30 years (at 0 percent additional interest), this may be offered one time, or
    - (B) Converting the debt at Loan maturity, that is, the original principal balance and any accrued interest, to an amortized Loan, repayable in 15 years at 0 percent additional interest.
  - (3) Loans are not assumable;
  - (4) The following transfers of interest shall not require the repayment of the CalHome program Loan:
    - (A) Transfer to a surviving joint tenant by devise, descent, or operation of law on the death of a joint tenant;

- (B) A transfer, in which the transferee is a person who occupies or will occupy the property, which is:
  - (i) A transfer where the spouse becomes an owner of the property;
  - (ii) A transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse becomes an owner of the property; or
  - (iii) A transfer into an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the property.
  
- (5) The term for First-Time Homebuyer Mortgage Assistance CalHome program Loans shall be 30 years with the following exception: when USDA, Rural Housing Service (RHS) 502 Mortgage Loans are in first lien position, the term shall be the term of the 502 Mortgage (30 to 38 years);
  
- (6) The term for Owner-Occupied Rehabilitation CalHome program Loans shall be a maximum of 30 years as determined by the Recipient; and
  
- (7) A Borrower may pay the CalHome program Loan amount, in part or in whole, at any time without penalty.
  
- (d) All CalHome program assistance to individual Households shall be made in the form of a Loan. Recipients may make CalHome program Loans bearing simple interest up to 3 percent per annum and may allow forgiveness of all or a portion of the accrued interest as part of its Local Program design. Loan principal shall not be forgiven, except as allowed by statute. In lieu of making Loans bearing a fixed rate of interest, Recipients may instead charge contingent deferred interest in the form of shared net appreciation as set forth in subsection (e).
  
- (e) Shared net appreciation is allowed, only as follows:
  - (1) Gross appreciation is calculated by subtracting the original sales price from the current sales price or the current appraised value if the Loan accelerating event is other than sale of the property;
  - (2) Net appreciation is calculated by subtracting the seller's applicable closing costs, seller's cash contribution in the original purchase transaction, the value of seller's sweat equity, if applicable, and the documented value of capital improvements from the gross appreciation amount;

- (3) The Recipient may only claim repayment of the principal, interest, and a portion of the net appreciation. That maximum portion of the net appreciation which may be claimed by the Recipient is equal to the percentage of the value of the residence financed by the CalHome program Loan. That is, if the Loan equals 20 percent of the initial value of the residence, a maximum of 20 percent of the appreciation may be charged by the Recipient.
- (f) In any Loan transaction where there is no other public subsidy or public resale restriction, the Borrower cannot be restricted from selling the home at its fair market value at any time.
- (g) CalHome program assistance that is provided to assist in the Rehabilitation or replacement of existing Mobilehomes located in a Mobilehome or Manufactured Home community may be provided in the form of a forgivable Loan.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

### **Section 302. Homeowner/Homebuyer Loan-to-Value Limits**

- (a) The Loan-to-Value Ratio for a Mortgage Assistance CalHome program Loan, when combined with all other indebtedness to be secured by the property, shall not exceed 100 percent of the sales price plus a maximum of up to 5 percent of the sales price to cover actual closing costs.
- (b) The Loan-to-Value Ratio for an Owner-Occupied Rehabilitation CalHome program Loan, when combined with all other indebtedness secured by the property, shall not exceed 105 percent of the After-Rehabilitation Value estimated pursuant to §403.4.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

## **ARTICLE IV. PROGRAM REQUIREMENTS**

### **Section 400 Homeownership Development Project Loan**

#### **Section 400.1 Eligible Applicant**

In addition to the requirements of §200, to be eligible to apply for a Homeownership Development Project Loan, an Applicant shall have successfully developed a minimum of two similar projects within the last four years, and the Applicant shall have staff that will be committed to the proposed project that possess the knowledge, skills, and ability

to perform the tasks required in a Homeownership Development Project. If the Applicant will use a portion of a Homeownership Development Project Loan to provide Mortgage Assistance to qualified First-Time Homebuyers, the Applicant or its Administrative Subcontractor shall also have successfully administered a homebuyer program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

### **Section 400.2 Eligible Costs**

CalHome program funds in support of a Homeownership Development Project shall be used only for the following costs:

- (a) Purchase of real property;
- (b) Building permits and state and local fees;
- (c) Predevelopment Costs directly related to eligible Homeownership Development Projects, including ADUs and JADUs;
- (d) Onsite improvements related to eligible Homeownership Development Projects (within the boundaries of the subdivision or individual parcels for scattered site developments);
- (e) Carrying costs during construction, including insurance, construction financing fees and interest, taxes, and any other expenses necessary to hold the property while the eligible Homeownership Development Project, including ADUs and JADUs, is under construction;
- (f) Escrow, title insurance, recording and other related costs;
- (g) Costs for items intended to assure the completion of construction, such as contractor bond premiums;
- (h) Environmental hazard reports, surveys, and investigations;
- (i) Payoff of bridge Loan financing for site acquisition which has a term of 36 months or less; and
- (j) Attorney fees directly associated with activities related to units funded by the CalHome program.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#)

### **Section 400.3 Site Control**

To be eligible to apply for a Homeownership Development Project Loan, the Applicant shall have site control of the proposed project property through the application Award date listed in the NOFA, as evidenced by one of the following:

- (a) Fee simple title;
- (b) An enforceable option to purchase, which shall extend, or may be extended, for a minimum of 120 days beyond the deadline for application submittal;
- (c) A disposition and development agreement with a public agency;
- (d) A sales contract, or other enforceable agreement for the acquisition of the property;
- (e) A leasehold interest, or an enforceable option to lease. The option to lease shall extend for a minimum of 120 days beyond the deadline for application submittal. The leasehold term must be for a minimum of 40 years. The leasehold must have provisions that enable the lessee(s) to make improvements on and encumber the property for a term sufficient to secure the CalHome program lien; or
- (f) Other forms of site control that give the Department equivalent assurance that the project will be able to proceed without inordinate delay. For example, site control as evidenced, in the case of a Tribal Entity and a Homeownership Development Project located on land held in trust by the Bureau of Indian Affairs (BIA) or land subject to a restriction by the United States against alienation, by a title status report (TSR) issued by the BIA and other documentation as may be required demonstrating site control satisfactory to the Department.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#)

#### **Section 400.4 Maximum Homeownership Development Project Loan Amount**

The maximum Homeownership Development Project Loan amount shall be published in the current NOFA.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

#### **Section 400.5 Homeownership Development Project Loan Terms**

- (a) All CalHome Homeownership Development Project Loans shall be secured by the project real property and improvements, subject only to liens, encumbrances and other matters of record which have been

reviewed and approved by the Department on a case-by-case basis. For clarity, in the case of a Tribal Entity and a Homeownership Development Project located on land held in trust by the BIA or land subject to a restriction by the United States against alienation, a CalHome Homeownership Development Project Loan may be secured by (i) a Declaration of Restrictive Covenants, (ii) lien against the leasehold property interest, or (iii) other mechanism acceptable to the Department.

- (b) The Homeownership Development Project Loan term shall end no later than the date specified in the Standard Agreement.
- (c) Principal and interest payments shall be deferred for the term of the Homeownership Development Project Loan.
- (d) Homeownership Development Project Loans shall be repayable at permanent closings of the individual homebuyer CalHome program Loans or at the Homeownership Development Project Loan maturity date, whichever occurs first. The portion of Homeownership Development Project Loan repayments that are used to provide Mortgage Assistance to qualified First-Time Homebuyers will be converted to a Grant to the Recipient. The balance of the Homeownership Development Project Loan will be repaid to the Department.
- (e) Homeownership Development Project Loans shall bear interest at the rate of 6 percent simple interest per annum. The Department may forgive accrued interest on a pro rata basis to the extent that the number of Lower-Income Households and disaster-affected Moderate-Income Households originally proposed to be served have been served upon completion of the project.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

### **Section 400.6 Homeownership Development Project Loan-to-Value Limits**

Loan-to-Value limits include all liens recorded or to be recorded on the project property.

- (a) When Homeownership Development Project Loan funds are used for the purchase of unimproved real property, the Loan-to-Value Ratio shall not exceed 100 percent of the unimproved appraised value.
- (b) When Homeownership Development Project Loan funds are used for the purchase of improved real property, the Loan-to-Value Ratio shall not exceed 100 percent of the improved appraised value.
- (c) When Homeownership Development Project Loan funds are used for predevelopment or site improvement costs, the Loan-to-Value Ratio shall not exceed 100 percent of the appraised land value, plus predevelopment



and/or site improvements costs.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

### **Section 400.7 Homeownership Development Project Requirements**

- (a) Prior to disbursement of Homeownership Development Project Loan proceeds:
  - (1) The Developer Borrower shall be the sole owner of the Homeownership Development Project site (when CalHome program funds are being used for site acquisition, the Developer Borrower shall be the sole owner of the Homeownership Development Project site upon close of purchase escrow). In the case of a Tribal Entity that is a Developer Borrower and a Homeownership Development Project located on land held in trust by the Bureau of Indian Affairs or land subject to a restriction by the United States against alienation, the Tribal Entity Developer Borrower shall be either the legal beneficiary of said trust, or benefitted by said restriction against alienation, respectively;
  - (2) The Developer Borrower shall have a firm financing commitment(s) for all costs to complete the Homeownership Development Project;
  - (3) The Department shall have approved a final construction budget that ensures that the estimated sales price of the homes to be constructed:
    - (i) Does not exceed the limits established in the NOFA; and
    - (ii) Can reasonably be expected to be Affordable to eligible buyers; and
  - (4) The Developer Borrower shall have met all other Department conditions for disbursement as stated in the Standard Agreement required by §600(a).
- (b) A home assisted with a Homeownership Development Project Loan shall not be sold at a price that exceeds its appraised value.
- (c) Occupancy restrictions on all properties shall be imposed and enforced in a manner which does not violate state or federal fair housing laws.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

### **Section 401 Self-Help Technical Assistance Project**

## **Section 401.1 Eligible Applicant**

In addition to meeting the requirements of §200 of these guidelines, to be eligible to apply for CalHome program assistance for a Self-Help Technical Assistance project, the Applicant shall meet the criteria set forth in the CCR, Title 25, Division 1, Chapter 7, Subchapter 6.5, Article 1, §7532 “Eligible Sponsors”, and have successfully completed a minimum of two Self-Help Construction projects within the four years immediately preceding the application.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#), [50650.4](#) and [50650.7, H.S.C.](#)

## **Section 401.2 Eligible Costs**

CalHome program funds in support of a Self-Help Technical Assistance project shall be used only for the following costs:

- (a) Costs for assistance, training, and supervision on Self-Help Construction activities and techniques;
- (b) Homebuyer Education, which will be reimbursed in the form of a Grant from the Department to the Recipient in an amount not to exceed the maximum published in the current NOFA;
- (c) Costs of assistance provided in project development which include, but are not limited to, the preparation of contracts for professional services, application for project funding, packaging Households’ applications for assistance, preparation of subdivision maps, review of engineering plans and specifications for construction and Rehabilitation projects, and compliance with appropriate requirements of funding agencies and local government;
- (d) Administrative costs of providing Technical Assistance for the project funded by the Department including, but not limited to, wages, salaries and fringe benefits of clerical and management personnel, and payment for rent, utilities, communications, printing, and travel expenses.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#), [H.S.C.](#)

## **Section 401.3 Self-Help Technical Assistance Administrative Requirements**

- (a) The Recipient shall develop and employ Self-Help Technical Assistance Program Guidelines submitted to and approved by the Department as addressing the following topics:
  - (1) Program Marketing
  - (2) Recruitment of homebuyers and selection criteria

- (3) Income limits for participation and income determination procedures
  - (4) Criteria for homebuyer participation in the program including:
    - (A) Residency requirements
    - (B) Credit requirements
    - (C) Process of providing reasonable accommodations to persons with a disability
  - (5) List of activities to be performed by Self-Help participants
  - (6) Construction training plan
  - (7) Homeownership training plan
- (b) A home assisted with Self-Help Technical Assistance shall not be sold at a price that exceeds its appraised value;
  - (c) Prior to the disbursement of an advance, not to exceed 25 percent of the total Grant amount, the Recipient must submit a certification that the Recipient does not have available funds to initiate the project.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\), H.S.C.](#)

## **Section 402 Mortgage Assistance Program**

### **Section 402.1 Eligible Applicant**

In addition to the requirements of §200, to be eligible to apply for CalHome program funding for a Mortgage Assistance program, the Applicant or its Administrative Subcontractor shall have successfully administered a homebuyer program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.4, H.S.C.](#)

### **Section 402.2 Eligible Costs**

CalHome program funds in support of a Mortgage Assistance program shall be used only for the following costs:

- (a) Mortgage Assistance for permanent financing of:
  - (1) A dwelling unit, which may include an ADU or a JADU, ready for

occupancy; or

- (2) A unit, which may include an ADU or a JADU, acquired by a Loan such as a HUD FHA 203(k) Loan. This includes Mortgage Assistance for Self-Help Construction housing, except that CalHome program permanent financing may be disbursed at time of lot purchase where the Self-Help Construction housing is being financed under the USDA-RHS 502 program.
- (b) Homebuyer Education, which will be reimbursed in the form of a Grant from the Department to the Recipient in an amount not to exceed the maximum published in the current NOFA.
- (c) Non-recurring Loan closing costs.
- (d) A CalHome program Loan-processing ADF not to exceed the maximum amount published in the current NOFA will be reimbursed in the form of a Grant from the Department to the Recipient.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#)

### **Section 402.3 Administrative Requirements**

The Recipient of CalHome program funds to operate a local Mortgage Assistance program shall be responsible for the following activities:

- (a) Providing information and assistance to First-Time Homebuyers on obtaining the maximum amount of first Mortgage financing pursuant to the underwriting requirements in §402.4(a)(3)(A)
- (b) Reviewing CalHome program required appraisals for property eligibility under value limits established pursuant to §402.4(b)(3). The appraised value shall not exceed these limits;
- (c) In the case of acquisition of existing housing, the Recipient shall be responsible for inspection of properties to be purchased or a review of Uniform Residential Appraisal Reports, including the valuation conditions, to ensure that they conform to the requirements of State Housing Law (California H.S.C., §17910 et seq.);
- (d) If the unit type is a Manufactured Home in a Mobilehome Park, ensuring that the Mobilehome Park has a valid Permit to Operate or conditional Permit to Operate.
- (e) Ensuring completion by each assisted Household of a Homebuyer Education class that meets the requirements of §205; and

- (f) Originating, underwriting, packaging, and closing CalHome program Loans in accordance with program requirements.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

#### **Section 402.4 Underwriting Requirements.**

- (a) CalHome program Recipients shall develop and employ Mortgage Assistance Program Underwriting Guidelines that have been submitted to and approved by the Department as addressing the following underwriting topics:
  - (1) Establish Front- and Back-End Ratios used to qualify the Borrower;
  - (2) What criteria will be used to determine the credit worthiness of the Borrower;
  - (3) Requirements for the first Mortgage:
    - (A) Borrower shall obtain the maximum first lien Mortgage Loan with a term and interest rate from a Mortgage Lender consistent with Affordable Housing Costs as defined in each program's Guidelines.
  - (4) Mortgage Loans shall not include provisions for negative amortization, principal increases, balloon payments, or deferred interest.
  - (5) Financing subordinate to the CalHome program Loan:
    - (A) Fees and/or charges for subordinate financing shall be reasonable Loan origination fees for first Mortgage financing as determined by the Department to be consistent with industry standards;
    - (B) There must not be a balloon payment due before the maturity date of the CalHome program Loan;
    - (C) All subordinate financing provided shall defer principal and interest payments for the term of the CalHome program Loan;
- (b) Prior to close of escrow, the Recipient shall ensure that an appraisal has been obtained which meets the following requirements:
  - (1) The appraisal shall be prepared by a state-licensed, residential

property appraiser;

- (2) The appraisal shall use the sales of comparable properties approach to determine value; and
  - (3) Maximum appraised home values at time of purchase or upon completion of acquisition/Rehabilitation work shall not exceed the appraised value limit established by the Department and published in the NOFA.
- (c) Cash out of escrow to Borrowers is limited to the amount deposited into escrow by the Borrowers and not needed for any lender-required minimum down-payment.
  - (d) Recipients must obtain title insurance in the amount of the CalHome program Loan at close of escrow.
  - (e) Fire insurance (and flood insurance where applicable) requirements are as follows:
    - (1) Recipient must require Borrowers to maintain insurance on the property in an amount at least equal to the replacement value of the improvements; and
    - (2) Recipient must be named as additional loss payee on the policy.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

## **Section 403 Owner-Occupied Rehabilitation**

### **Section 403.1 Eligible Applicant**

In addition to the requirements of §200, to be eligible to apply for CalHome program assistance for an Owner-Occupied Rehabilitation Program, the Applicant or its Administrative Subcontractor shall have successfully administered a local Owner-Occupied Rehabilitation Program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.4](#) and [50650.7, H.S.C.](#)

### **Section 403.2 Eligible Costs**

CalHome program funds in support of an Owner-Occupied Rehabilitation program shall be used only for the following costs:

- (a) Cost of Rehabilitation of the property, as defined in Appendix A.
- (b) Cost of building permits and other related government fees.
- (c) Cost of an appraisal, and of architectural, engineering, and other consultant services that are directly related to the Rehabilitation of the property.
- (d) Non-recurring Loan closing costs.
- (e) Replacement cost of a Manufactured Home not on a permanent foundation up to the maximum amount published in the current NOFA in the case where it has been determined by the Recipient it is infeasible to rehabilitate the home.
- (f) Transport costs for purchase of Manufactured Homes.
- (g) Installation costs for Manufactured Homes.
- (h) A CalHome program ADF in an amount not to exceed the maximum amount published in the current NOFA per Assisted Unit will be reimbursed in the form of a Grant from the Department to the Recipient.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

### **Section 403.3 Administrative Requirements**

The Recipient of CalHome program funds for the operation of a local Owner-Occupied Rehabilitation Program shall be responsible for the following activities:

- (a) Reviewing CalHome program required After-Rehabilitation appraisals for property eligibility under value limits established in the current published NOFA;
- (b) Originating, underwriting, packaging, and closing CalHome program Loans in accordance with program requirements; and
- (c) Completion of Rehabilitation construction requirements pursuant to the Owner- Occupied Rehabilitation Program Guidelines required by §403.4 (a).

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3,](#) [50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

### **Section 403.4 Owner-Occupied Underwriting and Construction Requirements**

- (a) CalHome program Recipients shall develop and employ Owner-Occupied

Rehabilitation Program Guidelines submitted to and approved by the Department as addressing the following topics:

- (1) Owner-Occupied Rehabilitation underwriting guidelines, including Borrower credit requirements; and
  - (2) Rehabilitation construction requirements.
- (b) Prior to commencement of Rehabilitation work, an appraisal shall be obtained with the following requirements:
- (1) The appraisal may be prepared by Recipient's staff using the sales of comparable properties approach to determine value. If comparable sales are not available, the appraisal shall be prepared by a state- licensed, residential property appraiser;
  - (2) The appraisal shall take into consideration the estimated value of the Rehabilitation work to be completed on the property and shall include the pre-rehabilitated value and the After-Rehabilitation Value; and
  - (3) An appraisal is not required in the case of Rehabilitation work on a Manufactured Home that is not on a permanent foundation.
- (c) Any cash out of escrow to Borrowers is prohibited.
- (d) Recipients must obtain title insurance in the amount of the CalHome program Loan at close of escrow.
- (e) Fire insurance (and flood insurance where applicable) requirements are as follows:
- (1) Recipient must require Borrowers to maintain insurance on the property in an amount at least equal to the replacement value of the improvements; and
  - (2) Recipient must be named as additional loss payee on the policy.
  - (3) The Department may, at its sole discretion, waive these requirements for loan recipients who also receive funds from the ReCover California Owner-Occupied Rehabilitation and Reconstruction Program ([www.hcd.ca.gov/recoverca](http://www.hcd.ca.gov/recoverca)) and who are in compliance with that program's insurance requirements.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)



## **Section 404 Shared Housing Programs**

### **Section 404.1 Eligible Applicant**

In addition to the requirements of §200, to be eligible to apply for CalHome program assistance for a Shared Housing program, the Applicant or its Administrative Subcontractor shall have successfully administered a Shared Housing program for renters or homeowners for a minimum of two years immediately preceding the application.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#), Reference: [50650.3\(b\)](#), [50650.4](#) and [50650.7, H.S.C.](#)

### **Section 404.2 Eligible Costs**

CalHome program Shared Housing Technical Assistance funds shall be used only for the following costs:

- (a) Indirect costs of administering a Shared Housing Local Program, including the costs of providing information and referrals; outreach/marketing costs; program evaluation; and CalHome program reporting requirements; and/or
- (b) Costs of direct services, including Shared Housing Matching, documentation of match efforts, and match follow-up services.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#), Reference: [50650.3\(b\), H.S.C.](#)

### **Section 404.3 Administration Requirements.**

- (a) A Shared Housing Technical Assistance Local Program shall, at a minimum, include the following features:
  - (1) Information regarding services available, procedures and program requirements, which shall be provided to all individuals requesting assistance;
  - (2) Outreach and marketing activities shall be conducted to reach both potential Homeowner Providers and potential Seekers and provide information about the availability, purpose, and requirements of Shared Housing Match services;
  - (3) Program evaluations shall be obtained from clients (Homeowner Providers and Seekers) by the Shared Housing Technical Services provider to be used as a basis for assessment and improvement of services provided to clients;

- (4) All services required to effect a Shared Housing Match between a Low- Income qualified Homeowner Provider and a Seeker, which must include, at minimum, intake forms/applications, face-to-face interviews between Homeowner Providers/Seekers and Shared Housing agency staff, reference checks, and income determinations to determine Homeowner Provider eligibility;
  - (5) Documentation of a minimum 10 percent reduction in Housing Costs (or increased income) for Homeowner Providers, except in instances where a Homeowner Provider is age 60 or over or disabled and the Seeker (renter) will be providing services to the Homeowner Provider. In cases that do not meet this requirement, the Recipient shall provide written justification; and
  - (6) Match follow-up services to determine Match satisfaction and to help clients maintain a successful Shared Housing Match.
- (b) A Seeker may not be matched to a Homeowner Provider who rents out more than two rooms in their home.
  - (c) The aggregate annual CalHome program reimbursement cannot exceed 50 percent of the Locality's or Nonprofit Corporation's annual budget for their Shared Housing Match Local Program.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3\(b\)](#) and [50650.7, H.S.C.](#)

## **Section 405 ADU/JADU Programs**

### **Section 405.1 Eligible Applicant**

In addition to the requirements of §200, to be eligible to apply for CalHome program assistance for an ADU/JADU Program, the Applicant or its Administrative Subcontractor shall have successfully administered a local Owner-Occupied Rehabilitation Program, new construction development involving multiple Homeownership units (including single-family subdivisions), or an ADU/JADU Program for a minimum of two years within the four years immediately preceding the application.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3](#), [50650.4](#) and [50650.7, H.S.C.](#)

### **Section 405.2 Eligible Costs**

CalHome program funds in support of an ADU/JADU Program shall be used only for the following costs:

- (a) Cost of construction, reconstruction, repair, conversion, or rehabilitation.

- (b) Cost of structural modifications to the existing home necessary to accommodate an ADU or a JADU.
- (c) Cost of building permits and other related government fees, including all fees necessary to build and occupy an ADU or a JADU.
- (d) Cost of an appraisal, and of architectural, engineering, and other consultant services that are directly related to the construction.
- (e) Non-recurring Loan closing costs.
- (f) A CalHome program ADF in an amount not to exceed the maximum amount published in the current NOFA per Assisted Unit will be reimbursed in the form of a Grant from the Department to the Recipient.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3](#), and [50650.7, H.S.C.](#)

### **Section 405.3 ADU/JADU Programs Administration Requirements.**

The Recipient of CalHome program funds for the operation of a local ADU/JADU Program shall be responsible for the following activities:

- (a) Originating, underwriting, packaging, and closing CalHome program Loans in accordance with program requirements; and
- (b) Completion of construction requirements pursuant to the ADU/JADU Program Guidelines required by §405.4(a).

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3](#), [50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

### **Section 405.4 ADU/JADU Programs Underwriting and Construction Requirements**

- (a) Recipients shall develop and employ ADU/JADU Program Guidelines submitted to and approved by the Department as addressing the following topics:
  - (1) ADU and/or JADU underwriting guidelines, including Borrower credit requirements;
  - (2) ADU and/or JADU construction requirements; and
  - (3) ADU and/or JADU site standards required by local jurisdictions.
- (b) Recipients must obtain title insurance in the amount of the CalHome program Loan at close of escrow.

- (c) Fire insurance (and flood insurance where applicable) requirements are as follows:
- (1) Recipient must require Borrowers to maintain insurance on the property in an amount at least equal to the replacement value of the improvements; and
  - (2) Recipient must be named as additional loss payee on the policy.
  - (3) The Department may, at its sole discretion, waive these requirements for loan recipients who also receive funds from the ReCover California Owner-Occupied Rehabilitation and Reconstruction Program ([www.hcd.ca.gov/recoverca](http://www.hcd.ca.gov/recoverca)) and who are in compliance with that program's insurance requirements.
- (d) Recipients shall set a minimum tenancy of 30 days and shall not use this program for short-term rentals.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: [50650.3, 50650.3\(b\), H.S.C.](#) and [50650.7, H.S.C.](#)

## **ARTICLE V. APPLICATION PROCEDURES**

### **Section 500. Application Process**

- (a) The Department shall periodically issue a NOFA that specifies, among other things, the amount of funds available, the minimum/maximum application amount, the minimum/maximum activity amount, minimum/maximum amount per Assisted Unit, the Maximum Sales Price/Value Limit which will represent 100 percent of the current local median sales price of a single family home, minimum number of units per Homeownership Development Project, application requirements, the activities eligible for funding, the number of activities that may be applied for in one application, the allocation of rating points, the deadline for submittal of applications, and the schedule for rating and ranking applications and awarding funds.
- (b) In order to implement goals and purposes of the CalHome program, the Department may adopt measures to direct funding awards to designated Local Program types or project types including, but not limited to Local Programs or projects that: are utilizing self-help labor; are utilizing Volunteer Labor; involve a Construction Skills Training Program; contribute toward Community Revitalization; are located in Rural Areas or other areas to achieve a reasonable geographic distribution of funding, to the extent feasible; or are located in a geographic area subject to a presidential declaration of disaster or emergency, or a "state of emergency", or a "local emergency", as those terms are defined in GC §8558. Such measures may include, but are not limited to:

- (1) Issuing a separate NOFA for designated Local Program or project types;
- (2) Awarding bonus points to designated Local Program or project types within a particular NOFA;
- (3) Reserving a portion of funds in the NOFA for designated Local Program or project types; and/or
- (4) Notwithstanding anything in these Guidelines to the contrary, a separate NOFA issued pursuant to this subsection may establish an over-the-counter application process, meaning the Department continuously accepts and rates applications until the funding available under the NOFA is exhausted. At a minimum, a separate NOFA shall include a description of the application process and funding conditions, shall require compliance with paragraph (a) of this Section, and shall establish minimum funding threshold criteria consistent with these Guidelines.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: 50650.2, H.S.C. and [50650.3, H.S.C.](#)

### **Section 501. Application Requirements**

Application shall be made in a format provided by the Department. The Department shall request the following information:

- (a) Applicant identification information including: name, address, telephone number, contact person and, for Nonprofit Corporations, corporate governing documents and financial information (e.g., articles and by laws, certificate of good standing, confirmation of 501(c)(3) status, audited financial statements), and list of legislative representatives for the area where the program or project will be undertaken.
- (b) Authorizing resolutions of the Applicant's governing board shall be provided, and must be approved by the Department, prior to issuance of a Standard Agreement.
- (c) Documentation evidencing that the Applicant: has the authority to undertake the activities applied for; that it meets the eligibility requirements; that it does not have any unresolved Department audit findings nor pending lawsuits; that if the application is for a construction project, Construction Work has not yet begun; and that it agrees to comply with all program requirements.
- (d) Project or program description including amount applied for, number of units or Households to be assisted, income levels of Households to be

assisted, description of prior experience with the type of program or project applied for, geographic location of the activities, financing sources and uses, and description of any contributed labor.

- (e) For Homeownership Development Projects, the description of the project also shall include: a description of how the Applicant has site control; the status of all local government approvals; availability of on and off site improvements and utilities; soil condition and environmental conditions; project costs; unit description in terms of size, number of bedrooms; per unit construction cost; estimated sales price and sources of financing; estimated monthly Housing Costs of purchasers; and description of the Homebuyer Education program.
- (f) A description of how the Applicant will comply with the requirements for Local Program/project administration set forth in §204 applicable to the program or project being applied for.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) Reference: and [50650.7, H.S.C.](#)

## **Section 502. Selection Process**

- (a) For applications that pass threshold reviews, those applications will be rated and ranked according to the rating criteria set forth in the NOFA, and application.
- (b) For those eligible applications received in an over-the-counter NOFA process, individual Projects will be evaluated for funding on a first-come, first-served basis as set out in NOFA.
- (c) Tiebreaker criteria and methodology will be specified in the NOFA.
- (d) Applications shall be evaluated on the criteria identified in the NOFA.
- (e) Once an Activity is awarded Department funds, the Recipient's acceptance of these Department funds is acknowledging the Activity as submitted and approved by the Department is the activity that is to be funded. Any modification of the Activity, without written approval from the Department, would deem 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.

## **Article VI. Program Operations**

## Section 600. Legal Documents

- (a) Upon the Award of funds, the Department shall enter into a Standard Agreement with the Recipient constituting a conditional commitment of funds. This contract shall require the parties to comply with the requirements and provisions of these Guidelines. The Standard Agreement shall encumber state monies in an amount sufficient to fund the approved Local Program or project, subject to limits established in the NOFA and consistent with the application. The Standard Agreement shall contain, but not be limited to, the following as appropriate for the activity.
- (1) A description of the approved Local Program or project and the permitted uses of CalHome program funds;
  - (2) Provisions governing the amount, terms, and conditions of the Department's development Loan or Grant to Recipient;
  - (3) For Homeownership Development Projects, provisions governing the Construction Work and, as applicable, the acquisition of the project site, and the disbursement of Loan proceeds;
  - (4) For Self-Help Technical Assistance projects, a budget, and a timetable for completion of the project;
  - (5) Requirements for the execution, and where appropriate, the recordation of the agreements and documents required under the CalHome program;
  - (6) For a Local Program or project, the Recipient's responsibilities for operation of the Local Program or completion of the project, including, but not limited to, number of units to be assisted, marketing, CalHome program Loan processing and funding, construction monitoring and disbursement, report submissions, file documentation;
  - (7) For a Homeownership Development Project, the Recipient's responsibilities for the development of the project, including, but not limited to, number of units to be assisted, marketing, processing of individual homebuyer CalHome program Loans, expiration date, report submissions, file documentation;
  - (8) Manner, timing, and conditions for disbursement of CalHome program or Project funds to Recipients;
  - (9) Provisions relating to the placement on or in the vicinity of the Homeownership Development Project site, a sign indicating that the Department has provided financing for the Project. The Department may also arrange for publicity of the Department

- CalHome program Homeownership Development Loan in its sole discretion;
- (10) Remedies available to the Department in the event of a violation, breach, or default of the Standard Agreement;
  - (11) Requirements that the Recipient permit the Department or its designated agents and employees the right to inspect the Project or Local Program and all books, records and documents maintained by the Recipient in connection with the Local Program or Self-Help Technical Assistance Project Grant or Homeownership Development Project Loan or Local Program individual CalHome program Loans;
  - (12) Special conditions imposed on a case-by-case basis as part of Department approval of the Local Program or Project;
  - (13) Terms and conditions required by federal or state law; and
  - (14) Other provisions necessary to ensure compliance with the requirements of the CalHome program.
- (b) Prior to the disbursement of funds, the Department shall enter into a 20-year Monitoring Agreement with the Recipient requiring the parties to comply with the requirements and provisions of §207 regarding a Reuse Account established pursuant to the CalHome program legislation. The Monitoring Agreement shall contain, but not be limited to, the following:
- (1) Requirements regarding the establishment of a Reuse Account for the deposit of CalHome program Loan repayments, including interest and principal, and the requirements for disbursement of funds from the Reuse Account;
  - (2) The plan for servicing of the CalHome program Loans as prepared by the Recipient and reviewed and approved by the Department;
  - (3) The plan for the reuse of CalHome program funds;
  - (4) Requirements for submittal of an annual report;
  - (5) Remedies available to the Department in the event of a violation, breach, or default of the Monitoring Agreement;
  - (6) Requirements that the Recipient permit the Department or its designated agents and employees the right to inspect the Local Program or Project and all books, records and documents maintained by the Recipient in connection with the Reuse Account and long-term Loan servicing; and



- (7) Other provisions necessary to ensure compliance with the requirements of the CalHome program.
- (c) All homeowner/homebuyer CalHome program Loans originated by a Recipient shall be evidenced by the following documents and provisions:
- (1) A promissory note evidencing the CalHome program Loan, payable to the Recipient in the principal amount of the CalHome program Loan, and stating the terms and rate of interest of the CalHome program Loan consistent with the requirements of the CalHome program. The Recipient is prohibited from assigning their beneficial interest under the note. The note shall be secured by a deed of trust, or other appropriate security instrument acceptable to the Department, on the homeowner/ homebuyer property naming the Recipient as beneficiary. This deed of trust or other appropriate security instrument shall be recorded and shall secure the Recipient's financial interest in the Project.
  - (2) In the case of homeowner Rehabilitation CalHome program Loans, a Loan agreement between the homeowner and the Recipient governing the Rehabilitation and the CalHome program Loan terms. The terms of any other financing provided by the Recipient should also be included.
- (d) Homeownership Development Project Loan legal documents shall include, but not be limited to:
- (1) A promissory note evidencing the Loan, payable to the Department in the principal amount of the Loan and stating the terms of the Loan consistent with the requirements of the CalHome program. The note shall be secured by a deed of trust on the Project property naming the Department as beneficiary. This deed of trust shall be recorded junior only to such liens, encumbrances and other matters of record approved by the Department and shall secure the Department's financial interest in the Project and the performance of the Developer Borrower's program obligations. In the case of a Tribal Entity and a Project located on land held in trust by the BIA or land subject to a restriction by the United States against alienation, the note may be secured by the following wherein the Department shall be named as a beneficiary in each security instrument (i) a Declaration of Restrictive Covenants, (ii) lien against the leasehold property interest, or (iii) other mechanism acceptable to the Department;
  - (2) A development agreement between the Department and the Developer Borrower, for not less than the term of the Homeownership Development Project Loan, which sets forth the

obligations of the parties regarding standards and conditions which control development of the subject property.

- (e) Self-Help Technical Assistance Grant legal documents shall include, but not be limited to, an agreement between the Recipient and Self-Help participants which clearly sets forth what is expected of each party, and which clearly shows what work is expected of the participating Household.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#), [50650.3\(b\)](#), [50650.4](#) and [50650.7, H.S.C.](#)

## **Section 601. Disbursement of Loan and Grant Funds**

- a) CalHome program funds shall be disbursed on an advance basis or a reimbursement basis. Advances may include, but are not limited to:
  - (1) Homeownership Development Project Loan disbursements;
  - (2) Advances of up to 25 percent of the Award for Self-Help and Shared Housing Technical Assistance;
  - (3) Advances of up to 25 percent of the Award for Owner-Occupied Rehabilitation Programs or ADU/JADU Programs up to the amount of the Recipient's anticipated volume of closed Loans for the following 60 days; or
  - (4) Advances of up to 25 percent of the Award for escrow for Mortgage Assistance Loans.
  
- b) Details of the process for disbursements are as follows:
  - (1) CalHome program funds shall not be obligated to a Recipient prior to the date a Standard Agreement is executed by both the Recipient and the Department. CalHome program funds may be released only after the Standard Agreement is fully executed and the Department has reviewed and approved the following Recipient submissions:
    - A. Loan servicing plan;
    - B. Recipient's applicable Program Guidelines;
    - C. Loan document templates;
    - D. Reuse Agreement with verification of established Reuse Account;

- E. Fully executed 20-year Monitoring Agreement, and;
  - F. If Recipient contracts with a third party for any item(s) listed under this Section 601(b)(1), then Recipient shall also submit the contract with such third party, together with any and all exhibits, addenda, and amendments thereto, to the Department for review and approval.
2. CalHome program funds may be requested as either a reimbursement or as an advance. All Recipients shall reconcile advances within ninety (90) days of receipt of funds from HCD. Documentation showing at least two-thirds of the funds previously released for program activities were expended shall be submitted to the Department before another advance request will be processed. Recipients shall also be up to date on all submissions of quarterly performance reports before another advance request will be processed.
- c) Advances that are not used within 180 days of the receipt of funds shall be returned to the Department.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#), Reference: [50650.3\(b\), H.S.C.](#), [50650.4](#) and [50650.7, H.S.C.](#)

## **Section 602. Reporting Requirements**

- (a) During the term of the Standard Agreement, and no later than 30 days after the end of each calendar quarter, the Recipient shall submit to the Department a performance report which shall address the following topics;
  - (1) Description of current status of program activity, including number of units assisted,
  - (2) Description of activities to be undertaken in the next reporting period,
  - (3) Description of problems or delays encountered in program implementation, and course of action taken to address them,
  - (4) Description of actions taken to meet program expenditure deadlines,
  - (5) Summary of program fiscal status, including:
    - (A) Award amount

- (B) Funds drawn
  - (C) Remaining balance
- (b) During the term of the Standard Agreement and Monitoring Agreement, no later than 30 days after June 30 of each year, the Recipient shall submit to the Department an annual performance report which shall address the following topics:
  - (1) Number of units assisted with CalHome program Loans by program activity type,
  - (2) Amount of CalHome program funds spent on CalHome program eligible activities by category,
  - (3) Summary of fiscal status for the reporting period, including
    - (A) Award amount,
    - (B) Funds drawn as of June 30, and
    - (C) Remaining balance.
- (c) At any time during the term of the Standard Agreement or the Monitoring Agreement, the Department may perform or cause to be performed an independent financial audit of any and all phases of the Recipient's Local Program, Self-Help Technical Assistance Project or Homeownership Development Project. At the Department's request, the Recipient shall provide, at its own expense, a financial audit prepared by a certified public accountant.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#), H.S.C., [50650.7, H.S.C.](#), and [50650.7, H.S.C.](#)

### **Section 603. Performance Goals**

- (a) For all Local Program activities:
  - (1) 100 percent of funds shall be expended within 36 months of the date the Standard Agreement is executed by the Department. If this goal is not met:
    - (A) The remaining unused funds may be disencumbered by the Department; and
    - (B) If less than 95 percent of the funds are expended at the end of the 36<sup>th</sup> month, the Recipient's next application for funding under the CalHome program may receive a penalty

deduction in the total points awarded pursuant to the current NOFA.

- (b) For Homeownership Development Projects:
  - (1) The Recipient shall draw down CalHome program funds or begin onsite construction within 22 months from the date the Standard Agreement is executed by the Department. If this goal is not met, the Department may disencumber all funds and cancel the Department commitment to the Project; and
  - (2) Unit construction must be completed and CalHome program Mortgage Assistance Loans closed within 60 months from the date the Standard Agreement is executed by the Department. If the projected number of Assisted Units has not been achieved by the end of the 60<sup>th</sup> month, the Recipient's next application for funding under the CalHome program may receive a penalty deduction in the total points awarded pursuant to the current NOFA.
  
- (c) For Self-Help Technical Assistance Grants:
  - (1) The Recipient shall begin onsite construction within 12 months from the date of the Award of funds by the Department. If this goal is not met, the Department may disencumber all funds and cancel the Department commitment to the Project; and
  - (2) Unit construction shall be completed within 36 months of the date the Standard Agreement is executed by the Department. If this goal is not met, then:
    - (A) The remaining unused funds may be disencumbered by the Department; and
    - (B) If the projected number of Assisted Units has not been completed by the end of the 36<sup>th</sup> month, the Recipient's next application for funding under the CalHome program may receive a penalty deduction in the total points awarded pursuant to the current NOFA.
  
- (d) The Department may exercise its reasonable discretion to disencumber funds discussed under this provision or to grant an extension of time; provided however that any extensions are in all events subject to any and all applicable encumbrances, deadlines, and limitations, including but not limited to H.S.C. 54006(g).

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) and [50650.7, H.S.C.](#)

## Section 604. Defaults and Loan Cancellations

- (a) Funding commitments may be canceled by the Department under any of the following conditions:
  - (1) The objectives and requirements of the CalHome program cannot be met;
  - (2) Implementation of the Local Program or Project cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement; or
  - (3) Funding conditions have not been fulfilled within required time periods.
  
- (b) In the event of a breach or violation by the Recipient of any of the provisions of the Standard Agreement, the development agreement, the Homeownership Development Project Loan promissory note, or the Homeownership Development Project Loan deed of trust or other security interest, or any other agreement pertaining to the Homeownership Development Project, the Department may give written notice to the Sponsor to cure the breach or violation within a period of not less than 15 days. If the breach or violation is not cured to the satisfaction of the Department within the specified time period, the Department, at its option, may declare a default under the relevant document and may seek legal remedies for the default, including the following:
  - (1) The Department may accelerate all amounts, including outstanding principal and interest, due under the Loan and demand immediate repayment thereof. Upon a failure to repay such accelerated amount in full, the Department may proceed with a foreclosure in accordance with the provisions of the deed of trust and state law regarding foreclosures. In the case of a Tribal Entity and a Project located on land held in trust by the BIA or land subject to a restriction by the United States against alienation, the Department may exercise its beneficiary rights under the security instrument described under §600(d)(1);
  - (2) The Department may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the Project in accordance with CalHome program requirements; and
  - (3) The Department may seek such other remedies as may be available under the relevant agreement or any law.
  
- (c) Upon receipt of a notice of intent to cancel the commitment from the Department, the Recipient shall have the right to appeal to the Director.

NOTE: Authority cited: [§50406\(n\)](#) and [50650.2, H.S.C.](#) and [50650.3\(b\)](#), and [50650.7, H.S.C.](#)

## APPENDIX A- DEFINITIONS

This appendix includes combined definitions for both Homeownership Super NOFA Guidelines and replaces former Guidelines definitions. Definitions specific to a particular set of program Guidelines are identified by the color coding noted below:

General across both Programs - Black

Serna specific Guidelines Definitions - Green

CalHome specific Guidelines definitions - Blue

**AB 434-** Assembly Bill No. 434, Chapter 192, Statutes of 2020.

**Accessory Dwelling Unit (ADU)-** Shall have the same meaning as defined by [paragraph \(4\) of subdivision \(j\)\(1\) of Government Code \(GC\) §65852.2](#).

**Accessible Housing Unit-** A housing Unit that meets the persons with disabilities requirements of the State of California's Building Code.

**Activity Delivery Fees (“ADFs”)-** Are reasonable and necessary costs incurred by the Applicant and associated with the financing, or development (or both) of activities assisted with CalHome or Program funds. ADFs directly related to a specific Activity are not part of the general administrative costs. The Fee is to defray such costs as: adequate inspections to ensure that work writeups for contractor bid purposes are professionally done and accurately reflect required rehabilitation work; overseeing the bid process and ensuring that only qualified contractors are selected; inspecting completed work for deficiencies; or arranging for qualified architectural or engineering work as may be required. The maximum ADF amounts shall be published in the NOFA. This amount is payable to the Recipient in the form of a Grant and the amount is not included in the Borrower's Loan amount.

**Activity-** An eligible use of Program funds that can be either a Project or a Local Program.

**Administrative Subcontractor-** Any entity or individual which contracts with the Program Recipient to provide any portion of administrative services to the Local Program Activity. Individuals or groups that are acting in the capacity of developer or owner of a Project shall not act as Administrative Subcontractor for the Activity.

**ADU/JADU Program-** Funds are provided to a Locality or Nonprofit Corporation to administer a Program to fund the construction, reconstruction, repair, or Rehabilitation of ADUs or Junior Accessory Dwelling Units (JADUs). The Eligible Household is allowed, if assisted through a CalHome Program ADU/JADU Program, to rent or lease an ADU or a JADU unit.

**Affordable-** As it relates to housing costs, this means that the housing obligation can be paid by the person or Household, along with all other financial responsibilities, without endangering the financial stability of the Household.

**After-Rehabilitation Value-** The appraised value of the property



including completed Rehabilitation work.

**Agricultural Employment-** Employed in the cultivation and tillage of the soil; the production, cultivation, growing and harvesting of any agricultural or horticultural commodities; the raising of livestock, bees, furbearing animals, or poultry; dairying, forestry, and lumbering operations; and any work on a farm as incident to or in conjunction with such farming operations, including the delivery and preparation of commodities for market or storage. Agricultural Employment also includes work done by any person who works on or off the farm in the processing of any agricultural commodity until it is shipped for distribution, whether or not such person is encompassed within the definition specified in [subdivision \(b\) of §1140.4 of the Labor Code](#).

**Agricultural Household-** An Agricultural Worker or workers and other persons who reside or will reside with an Agricultural Worker in an Assisted Unit.

**Agricultural Worker-** An individual who derives, or prior to retirement or disability derived, a substantial portion of his/her income from Agricultural Employment.

**Annual Income-** All income as defined in [24 Code of Federal Regulations \(CFR\), Part 5, §5.609](#) (see Income Calculation and Determination Guide for Federal Programs, Chapter 1, Chapter 2, and Chapter 3). ADU or JADU related income will be exempt from the Annual Income calculation.

**Applicant-** The Local Public Entity(ies) and/or Nonprofit(s) applying to the Department for the Program funding. Such Local Public Entity(ies) and/or Nonprofit(s) may also be the Sponsor, defined in these guidelines. Upon receiving an Award of funds, the Applicant or co-Applicants will, both individually and collectively, be referred to as the “Recipient” in the Department’s legal documents relative to an Award of a Grant, or as “Sponsor” in the Department’s legal documents relative to an Award of a Loan. For the purpose of designated Program guidelines, an Applicant or co-Applicant that only receives an Award of Grant funding will, both individually and collectively, be referred to as the “Recipient.”

**Assisted Housing Unit (Unit)-** A housing Unit that is subject to Program occupancy restrictions as a result of financial assistance provided under the Program. [Assisted Units shall also include Units occupied by a Seeker successfully matched to a Homeowner Provider under a Shared Housing Local Program or a Household provided with Self-Help Technical Assistance in a Project funded pursuant to this subchapter.](#)

**Award-** A commitment of money in the form of a Program Grant or a Loan that is made by the Department to an Applicant.

**Back-End Ratio-** The ratio between monthly Household income and monthly Housing Costs plus all payments on long-term installment debt.

**Borrower-** A homebuyer(s) or existing homeowner(s) who has or will receive a Program Loan made from the Department funded Local Program. This person(s) will sign the promissory note and is or will be the homeowner of the property being financed.

**Community Revitalization-** A Program or Project will be considered to contribute towards Community Revitalization if all Units to be assisted with Program funds are, or will be, located within a federal Promise Zone or a Choice Neighborhood Initiative Area or an Opportunity Zone.

**Construction Skills Training Program-** An existing program that trains youth 16 to 24 years old in construction skills.

**Construction Period Costs-** Standard costs that are incurred during the construction period that are not directly related to the cost of construction.

**Construction Work -** means grading; site preparation (with the exception of demolition or clearing of property); and/or site improvements intended for public dedication.

**Department-** The California Department of Housing and Community Development (HCD).

**Developer-** locality or Nonprofit Corporation that owns the Project land, obtains the Project financing, and develops the Homeownership Development Project.

**Developer Borrower-** Developer who receives a Program Loan for the development of a Project involving Homeownership Units.

**Elderly-** The same as defined in [H.S.C., §50067](#).

**Eligible Household-** A Lower or Very Low-Income Household at or below Moderate-Income Household that is a victim of a disaster as defined in [H.S.C., §50650.3](#) that is:

- (a) A First-Time Homebuyer;
- (b) An existing owner-occupant of property in need of Rehabilitation, including construction, repair, reconstruction, or rehabilitation of an ADU or a JADU;
- (c) A homeowner participant in a Shared Housing Local Program; or
- (d) A First-Time Homebuyer participant in a Self-Help Construction Project.

The Eligible Household shall occupy, or intend to occupy, the property as their principal residence and shall not lease or rent the property (except in the case of a Homeowner Provider assisted through a CalHome Shared Housing Program in renting a room in their home to a Seeker, or in the case of an owner-occupant assisted through a CalHome Program ADU/JADU Program in renting an ADU or a JADU Unit).

**First-Time Homebuyer-** A Borrower(s) who has not owned a home during the three-year period before the purchase of a home with Program assistance, except that the following individual or individuals may not be excluded from consideration as a First-Time Homebuyer under this definition:

- (a) A displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has

not within the preceding two years worked on a fulltime basis as a member of the labor force for a consecutive 12-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment, and worked primarily without remuneration to care for his or her home and family;

- (b) A single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody, or is pregnant; or
- (c) An individual or individuals who owns or owned, as a principal residence during the three-year period before the purchase of a home with Program assistance, a dwelling Unit whose structure is:
  - (1) Not permanently affixed to a permanent foundation in accordance with local or state regulations; or
  - (2) Not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

**Front-End Ratio-** The ratio between monthly Household income and monthly Housing Costs, including first Mortgage, principal, interest, taxes, and insurance.

**Grant-** An Award of funds made from the Department to eligible Localities or Nonprofit Corporations to operate Local Programs or to provide Self-Help Technical Assistance to a Project. In the case of a Homeownership Development Project Loan, the portion of that Loan which is used to provide Mortgage Assistance to qualified First-Time Homebuyers is converted to a Grant.

**Grant Agreement-** The written agreement between the Department and the developer of an ownership Housing Project ensuring compliance with construction, financial and Program obligations.

**Homebuyer Education-** A specific course of instruction to educate First-Time Homebuyers regarding various aspects of purchasing and maintaining a home.

#### **Homeownership-**

- (a) For Mortgage Assistance: fee simple title on real property or a leasehold interest on real property that enables the lessee to make improvements on and encumber the property and has a term sufficient to secure the Program Loan or ownership of a Manufactured Housing Unit located on a rented space in a Mobilehome Park.
- (b) Owner-Occupied Rehabilitation: fee simple title on real property; or a leasehold interest that enables the lessee to make improvements on and encumber the property and has a term sufficient to secure the Program Loan; or ownership of a Manufactured Housing Unit located on a rented space in a Mobilehome Park.
- (c) A share interest in a limited equity housing cooperative.

(d) [An interest in a Mutual Housing Project.](#)

**Homeownership Development Project-** New construction, rehabilitation, or adaptive reuse on a site, including single-family subdivisions, multifamily Homeownership Projects such as condominium developments, or scattered sites, that is under common ownership, development financing and construction.

**Homeowner Provider-** [A Low-Income person\(s\) currently residing in a home they own and occupy as a principal place of residence who desires to find a tenant to share their residence.](#)

**Household-** One or more persons occupying the same housing Unit.

**Housing Cost-** Pursuant to [Title 25, California Administrative Code, §6920](#), the Housing Cost of a person or family purchasing a housing Unit shall include all of the following associated with that housing Unit:

- (a) Principal and interest on a Mortgage Loan, including any Rehabilitation Loans, and any Loan insurance fees associated therewith;
- (b) Property taxes and assessments;
- (c) Fire and casualty insurance covering replacement value of property improvements;
- (d) Property maintenance and repairs;
- (e) A reasonable allowance for utilities, including garbage collection, sewer, water, electricity, gas, and other heating, cooking, and refrigeration fuels. Utilities does not include telephone service. Such an allowance shall take into consideration the cost of an adequate level of service;
- (f) Homeowner association fees;
- (g) Space rent if the housing Unit is situated on rented land.

**Housing development-** A residential housing development that receives assistance from the Program and includes Assisted Housing Units.

**HUD-** The U.S. Department of Housing and Urban Development.

**Indian Country-**

- (a) All land located in “Indian country” as defined by 18 U.S. Code (USC) 1151;
- (b) All land within the limits of a Rancheria under the jurisdiction of the United States Government;
- (c) All land held in trust by the United States for an Indian tribe or individual; and
- (d) All land held by an Indian tribe or individual subject to a restriction by the United States against alienation.

**Junior Accessory Dwelling Unit (JADU)-** In compliance with [GC §65852.22](#), a residential living area contained within a proposed or existing Single-Family residence that is no more than 500 square feet in size. JADUs can include additions to an existing structure of no more than 150 square feet. JADUs shall include independent provisions for living, sleeping, eating, and cooking (area meeting the definition of Efficiency Kitchen but not a standard Kitchen), and shared or separate sanitation facilities with the main dwelling unit. See also Accessory Dwelling Unit.

**Loan-** The same meaning as defined in [H.S.C., §50076.6](#).

**Loan-to-Value Ratio-** The ratio between the amount of all indebtedness liened, or to be liened, against a property and the appraised value of the property securing the liens.

**Limited Liability Company-** a Limited Liability company where all the members are nonprofit public benefit corporations. Limited Liability Company eligibility requirements are specified in §200.1 of the Serna Guidelines.

**Limited Partnership-** A Limited Partnership as defined in [§171.5 of the Corporations Code](#) and in which all of the general partners are either Nonprofit public benefit corporations, Limited Liability Companies, or a combination of Nonprofit public benefit corporations and Limited Liability Companies. Limited Partnership eligibility requirements are specified in §200.1 of the Serna guidelines.

**Local Public Entity or Locality-** Any county, city, city and county, Tribal Entity, a community redevelopment agency, or successor agency organized pursuant to [Part 1 \(commencing with §33000\) of Division 24](#), or housing authority organized pursuant to [Part 2 \(commencing with §34200\) of Division 24](#), and any instrumentality thereof, which is authorized to engage in or assist in the development or operation of housing for persons and families of Low-Income. It also includes two or more Local Public Entities acting jointly.

**Local Program-** Either a First Time Homebuyer Mortgage Assistance, Owner-Occupied Rehabilitation, Self-Help Technical Assistance, Serna Acquisition of Manufactured Housing Activity, CalHome ADU/JADU, or CalHome Shared Housing Program operated by a Local Public Entity or Nonprofit Corporation.

**Lower-Income or Low-Income-** The same meaning as defined in [§50079.5 of the H.S.C.](#) or another definition if one is provided in a given NOFA for Program funding.

**Manufactured Housing or Manufactured Home-** A Mobilehome as defined by [§18007 of the H.S.C.](#) A Manufactured Home can be either in a rental Mobilehome Park, on leased land, or on property owned by the occupant. It can either be on a permanent foundation or a foundation system. In these guidelines, with respect to Manufactured Housing not installed on a permanent foundation, terms that typically apply to conventionally constructed housing or to Loans secured by real property shall be given the appropriate analogous meaning used in the Manufactured Housing industry. For example, rather than holding fee title to the property, a Manufactured Homeowner is listed as the registered owner on the certificate of title issued by the Department.

**Maximum Sales Price/Value Limit-** The maximum allowable sales price, or the maximum

After-Rehabilitation Value of a home assisted with a Program Loan.

**Mobilehome-** Pursuant to [HSC §18008](#) means a structure that was constructed prior to June 15, 1976, is transportable in one or more sections, is eight body feet or more in width, or 40 body feet or more in length, in the traveling mode, or, when erected onsite, is 320 or more square feet, is built on a permanent chassis and designed to be used as a single-family dwelling with or without a foundation system when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. “Mobilehome” includes any structure that meets all the requirements of this paragraph and complies with the state standards for Mobilehomes in effect at the time of construction. “Mobilehome” does not include a commercial modular, as defined in [HSC §18001.8](#), factory-built housing, as defined in HSC §19971, a Manufactured Home, as defined in [H.S.C. §18007](#), a multifamily Manufactured Home, as defined in [HSC §18808.7](#), or a recreational vehicle, as defined in [HSC §18010](#).

Notwithstanding any other provision of law, if a codified provision of state law uses the term “Mobilehome,” and it clearly appears from the context that the term “Mobilehome” should apply only to Mobilehomes, as defined under subdivision (a), the codified provision shall apply only to those Mobilehomes. If any codified provision of state law, by its context, requires that the term applies to Mobilehomes or Manufactured Homes without regard to the date of construction, the codified provision shall apply to both Mobilehomes, as defined under subdivision (a), and Manufactured Homes, as defined under [HSC §18007](#).

**Mobilehome Park-** The same as defined in [H.S.C. §18214](#).

**Moderate-Income Household-** The same as defined in [H.S.C., §50093](#), or another definition if one is provided in a given NOFA for CalHome funding.

**Monitoring Agreement-** The contract entered into between the Department and a Recipient that allows for the long-term monitoring of Award for compliance with Program guidelines.

**Mortgage-** A deed of trust which is used to secure a lien on real property or, in the case of Manufactured Housing, a security instrument sufficient to legally perfect a security interest in the home.

**Mortgage Assistance-** Permanent financing used towards homebuyer costs, up to a maximum limit as specified in the current NOFA.

**Multifamily Housing-** A structure or facility established primarily to provide housing that provides four or more living Units, in which ultimately Agricultural Households hold title to individual Units.

**Mutual Housing-** A multi-Unit Homeownership Development that allows each resident a vested financial interest that has a determinable market value, is divisible and gives the owner an exclusive right to occupy a designated Unit for an indefinite period.

**NOFA-** Notice of Funding Availability issued by the Department to announce that funds are available and that applications for that funding may be submitted.

**Nonprofit-** The same as "Nonprofit Corporation" defined in [H.S.C. §50091](#).

**Owner-Occupied-** Real estate in which the person who owns the property also uses the home as their primary residence.

**Owner-Occupied Rehabilitation Program-** A Program to assist owners of homes that are in need of Rehabilitation that is run by a locality or Nonprofit Corporation.

**Permit to Operate** –A “Permit to Operate” a mobile home issued by the Mobilehome Parks Program of the Division of Codes and Standards of the California Department of Housing and Community Development.

**Person With a Disability-** An individual with a physical or mental impairment that limits one or more major life activities as defined by the California Fair Employment and Housing Act (FEHA) and other disability rights statutes ([GC §12955.3](#), [GC §12926\(m\)](#), and [GC §12926\(j\)](#)).

**Predevelopment Costs-** The costs directly related to Program eligible housing development, including ADUs and JADUs. Predevelopment Costs may include, but are not limited to, the costs of, or the costs associated with, land purchase or options to buy land; professional services such as architectural, engineering, or legal services; permit or application fees; bonding; site preparation; related water or sewer development; or material expenses.

**Principal-** Employees of the Applicant who are in a position responsible for the oversight and management of development activities.

**Program–** in the CalHome guidelines, the term ‘Program’ is defined as the CalHome Program.

**Program-** in the Serna guidelines, the term ‘Program’ is defined as the Joe Serna, Jr. Farmworker Housing Grant Program.

**Project-** An eligible Activity that is a specific, singular endeavor to deliver a tangible output, such as a housing development, as opposed to a Program which is a combination of activities is delivered as a single package, such as a Mortgage Assistance Program.

**Recipient-** An eligible Applicant that has applied or has received approval for an Award of funds from the fund. The term "Recipient" shall include successors in interest and assignees of a Recipient.

**Rehabilitation-** In addition to the definition from [H.S.C. §50096](#) and [§50097](#), it can also have the following meanings:

- (a) Repairs and improvements to a Manufactured Home necessary to correct any condition causing the home to be substandard;
- (b) Installation of a permanent foundation on a Manufactured Home that is Owner-Occupied as a principal place of residence, such that the Manufactured Home is assessed as real property, and valued in the same manner as a conventional home;

- (c) Reconstruction;
- (d) Construction, repair, reconstruction, or Rehabilitation of an ADU or a JADU;
- (e) Conversion of an existing space to add an ADU or a JADU;
- (f) Room additions to prevent overcrowding;
- (g) Repairs and improvements which are necessary to meet any locally adopted standards used in local Rehabilitation; and
- (h) Modifications, alterations, and additions necessary to improve accessibility and usability for persons with disabilities who reside in or regularly visit them.

Rehabilitation includes costs incurred for implementing resiliency mitigation measures identified in the Hazard Mitigation Plan or the Safely Element of the General Plan adopted by the jurisdiction in which the Program will be offered.

Rehabilitation does not include replacement of personal property.

**Reuse Account-** An account established pursuant to §209 of these guidelines.

**Rural Area-** The same as defined in [H.S.C. §50199.21](#).

**RD or Rural Development-** The United States Department of Agriculture acting through the Rural Housing Service, formerly known as the Farmers Home Administration.

**Seeker-** A person who desires to be placed as a tenant in a home that is Owner-Occupied.

**Self-Help Construction-** Owner building as defined in [H.S.C., §50692](#) and may include Mutual Self-Help Housing as defined in [H.S.C., §50692\(b\)](#).

**Self-Help Technical Assistance-** Conducting and administering a Project of technical or supervisory assistance, which will aid Eligible Households in carrying out owner-builder housing efforts.

**Shared Housing-** A Local Program designed to preserve Homeownership by matching a Homeowner Provider with a Seeker.

**Shared Housing Match-** A Seeker who has been successfully placed as a tenant into the residence of a Homeowner Provider.

**Shared Housing Technical Assistance-** The provision of services required to match a Homeowner Provider with a Seeker.

**Single-Family Housing-** A residence with one to four dwelling Units in which ultimately Agricultural Households hold title to individual Units.

**Standard Agreement-** The contract entered into between the Department and a Recipient pursuant to §600 of these guidelines.



**Sponsor-** *This term is only applicable under the New Construction Loan Program.* A Sponsor is an entity who constructs, develops, rehabilitates, purchases, or owns a housing development that is or will be subject to legally enforceable restrictive covenants that require the housing development to provide, at least in part, Affordable housing.

**TCAC/HCD Opportunity Area Map-** The map or maps approved periodically by the California Tax Credit Allocation Committee (TCAC) as the TCAC/HCD Opportunity Area Map.

**Tribal Entity-** Any of the following:

- (a) An Indian Tribe as defined under [United States Code \(USC\) §4103\(13\)\(B\) of Title 25](#).
- (b) A Tribally Designated Housing Entity under [25 USC §4103\(22\)](#).
- (c) If not a federally recognized Indian Tribe as identified above, either:
  - (1) An Indian Tribe Listed in the Bureau of Indian Affairs Office of Federal Acknowledgment Petitioner List, pursuant to [CFR §83.1 et. seq. of Title 25](#); or
  - (2) Indian Tribe located in California that is on the contact list maintained by the State of California Native American Heritage Commission for the purposes of consultation pursuant to [GC §65352.3](#).

**Very Low-Income Household-** The same as defined in [§50105 of the H.S.C.](#) or another definition if one is provided in a given NOFA for CalHome funding.

**Volunteer Labor-** Skilled or unskilled construction labor provided without remuneration.

## APPENDIX B- Tribal Eligibility

A **Tribal Entity** may qualify for CalHome program funds if their **Project** meets the following requirements:

(a) Projects are located on one of the following lands:

- (1) Located in **Indian country** or on fee land within the State of California

AND;

(b) The Applicant meets the following conditions of Award funding to the extent applicable, and, subject to any modifications or waivers as provided for in HSC §50406, subdivision (p) (Assembly Bill 1010 (Chapter 660, Statutes of 2019) that shall be set forth in a Standard Agreement. It is noted that these same conditions do not need to be satisfied initially to engage in the competitive Award process:

- (1) **BIA Consent.** The BIA has consented to the Applicant's execution and recordation (as applicable) of all Department-required documents that are subject to 25 CFR sec. 152.34, 25 CFR sec. 162.012, or 25 CFR sec. 162.388, et seq., prior to Award disbursement. This requirement shall not apply to Projects that are located on fee land not subject to restriction by the United States against alienation.
- (2) **Personal and Subject Matter Jurisdiction.** Personal and subject matter jurisdiction in regard to the Standard Agreement, Project, or any matters arising from either of them is in state court and the Department has received any legal instruments or waivers, all duly approved and executed, as are or may be legally necessary and effective to provide for such personal and subject matter jurisdiction in state court.
- (3) **Title Insurance.** The Department has received title insurance for the property underlying the Project that is satisfactory to the Department. Notwithstanding the foregoing sentence, upon a showing of good cause, for Applicants unable to provide a conventional title insurance policy satisfactory to the Department, this condition may be satisfied by a TSR issued by the BIA Land Title and Records Office and pursuant to a title opinion letter issued for the benefit of the Department but paid for by the Applicant.
- (4) **Recordation Requirements.** Where recordation of instruments is a condition of Award funding or otherwise required under or pursuant to the Standard Agreement, the subject instrument is recorded if recorded with the Land Titles and Records Office at the BIA or in the appropriate official records of the County in which the Project is located, as may be applicable
- (5) **Fee Security Required.** For all Projects, except those located on trust or restricted lands within Indian Country, fee security shall be required,

unless the terms allowing leasehold security are satisfied as set forth in Title 25 CCR 8316. If a Department Loan/Grant is recorded on fee land, then there must be a restriction preventing that land being put into trust until the Department Loan/Grant term is complete.

- (c) Minimum Requirements for Sovereign Immunity Waivers. Sovereign immunity waiver language shall be included in the Department Standard Agreement, and all Department regulatory and Loan or Grant agreements, all of which may be accomplished by incorporating by reference a separately executed sovereign immunity waiver instrument. The Applicant shall also provide or obtain a separate limited waiver of sovereign immunity instruments for both personal and subject matter jurisdictions which shall require, at a minimum, compliance with state construction standards and regulations or, with respect to tribal housing Projects in Indian Country, compliance with tribal construction standards and regulations that are at least as stringent as state construction standards and regulations, subject to the Department's review and satisfaction.



# Housing Advisory Committee

February 13, 2023  
Prepared By: Stephanie Reck

# **Adopt AB 361 Resolution**



# Review: Committee Bylaws

## **Duties:**

- ▶ Meet at least quarterly
- ▶ Provide advice regarding the Housing Element of the General Plan
- ▶ Review affordable housing plans
- ▶ Advise planning commission and BOS on housing matters

## **Membership and terms:**

- ▶ 2 Board of Supervisors (2 years +1)
- ▶ 2 Planning Commissioners (2years +1)
- ▶ 3 public members (2 years +1)



# Review: Committee Bylaws

## **Officers and Staff:**

- ▶ Officers elected for a one-year term
- ▶ Terms terminate December 31<sup>st</sup>

## **Responsibilities:**

- ▶ Appoint sub-committees
- ▶ Establish goals and plans to meet housing needs
- ▶ Fill vacancies as appointed by the chair
- ▶ Other functions include recommendations for grants and loan applications



# Appointment: Committee Chair/Vice Chair





# Schedule: Regularly Standing Meetings



# **Adopt November 7, 2022, Minutes**



# Report: Housing Element Annual Progress Report

## **What is the Housing Element?**

- ▶ Component of the General Plan
- ▶ Updated every 8 years
- ▶ Develops strategies to provide for housing
- ▶ Regional Housing Needs Allocation (RHNA)

## **The Housing Element Provides:**

- ▶ Identification and analysis of existing and projected housing needs
- ▶ Statement of goals, policies, financial resources, and quantified objectives
- ▶ Preservation, improvement, and development of housing



# Report: Housing Element Annual Progress Report

<b>Goal One: Availability of Housing</b>
The County shall stimulate the private sector's involvement and participation and investigate the use of Federal and State programs to help promote the preservation and availability of affordable housing.
<b>Goal Two: Development of Housing</b>
To promote the provision of adequate housing for all persons in the County including those with special housing needs and to emphasize the basic human need for housing as shelter.
<b>Goal Three: Maintenance of Housing</b>
To encourage the preservation, maintenance and improvement of existing housing and the replacement of unsafe or dilapidated housing. Stimulate and encourage private housing rehabilitation. Make use of Federal and State programs for such rehabilitation.
<b>Goal Four: Equal Housing Opportunity</b>
To assure that housing opportunities are open to all without regard to income, source of income, marital status, familial status, age, sex, sexual orientation, religion, creed, color, race, national origin, ancestry, or disability.
<b>Goal Five: Energy Conservation</b>
To establish development and construction standards which encourage energy conservation in residential uses. Promote the use of energy conservation methods in housing for all segments of the community.



# Report: Housing Element Annual Progress Report

## Current Housing Element:

- ▶ 2015-2023 (5<sup>th</sup> cycle)
- ▶ 2023-2031 (6<sup>th</sup> cycle)

## What is the Annual Housing Element Progress Report?

- ▶ Each jurisdiction is required to complete an annual report on the status and progress in implementing the housing element
- ▶ Demonstrate project applications, completed building permits, annexations, changes of public land
- ▶ The report must be submitted to HCD and the Governor's Office of Planning and Research on or before April 1 of each year.



# Report: Housing Element Annual Progress Report

## 2023-2031 Housing Element Plans & Timeline:

- ▶ Approved REAP & LEAP Grants (January/May 2021)
- ▶ COG received RHNA Determination (September 2021)
- ▶ COG adopted RNA methodology (October 2022)
- ▶ HCD approved COG's methodology (Nov 2022)
- ▶ County posted RFQ (December 2022)
- ▶ Housing Element Update (Due December 31, 2023)



# Report: Housing Element Annual Progress Report

Option F	Jobs			Resilience and Balance					RHNA	Units by Income			
	Jobs	Region	Units	% Area Not in High Risk Zone	J/H Ratio	Risk x Jobs x J/H Ratio	% Region	Units		30% Shift			Above Mod.
	2020	Jobs	Units						Total	Very Low	Low	Mod.	Above Mod.
<b>San Benito County</b>	23,263		<b>1,752</b>					<b>3,253</b>	<b>5,005</b>	<b>1,110</b>	<b>890</b>	<b>947</b>	<b>2,058</b>
Hollister	15,492	67%	<b>1,167</b>	100%	1.3	20,139	92%	<b>2,996</b>	<b>4,163</b>	846	678	826	1,813
San Juan Bautista	557	2%	<b>42</b>	81%	0.7	308	1%	<b>46</b>	<b>88</b>	18	14	18	38
Unincorp. San Benito	7,214	31%	<b>543</b>	20%	1.0	1,419	6%	<b>211</b>	<b>754</b>	246	198	103	207



# Report: Housing Element Annual Progress Report

## **Inclusionary Housing**

- ▶ Requires new construction to provide affordable units to below moderate-income levels
- ▶ San Benito County adopted an Inclusionary Ordinance in 2004
- ▶ Amendments were enacted and adopted in 2016, 2020, and 2023
- ▶ In-lieu fee passed and adopted in January of 2023 (**\$30 per sq ft**)
- ▶ Board of Supervisors requested additional amendments in 2023

## **Work accomplished in 2022:**

- ▶ Completion of the Housing Feasibility Study
- ▶ In-lieu fee analysis
- ▶ Ordinance amendments

## **Development applications (as of February 2023):**

- ▶ Must comply with adopted inclusionary ordinance





# Report: Housing Element Annual Progress Report

Income Level		RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	Total Units to Date	Total Remaining
Very Low	Deed Restricted	198							4	2	9	189
	Non-Deed Restricted							3				
Low	Deed Restricted	120							8	10	18	102
	Non-Deed Restricted											
Moderate	Deed Restricted	164									3	161
	Non-Deed Restricted		2			1						
Above Moderate		355	17	61	96	177	213	208	108	160	1,070	N/A
Extremely Low		99									0	99
Total RHNA		837										
Total Units			19	61	96	178	213	211	120	172	1,070	452



# Report: Housing Element Annual Progress Report

**Staff Recommendation:** Staff requests that the Housing Advisory Committee review the 2022 Housing Element Annual Progress Report and recommend presenting the report to the Planning Commission to accept and recommend to the Board of Supervisors for approval. Following Board action, the report will be submitted to the Office of Planning and Research and the state department of Housing and Community Development.



# Overview: CalHome Grant

- ▶ On January 6, 2023, HCD releases Homeownership Super Notice of Funding Availability for \$170 million
  - CalHome Program (**\$135 Million**)
  - Joe Serna, Jr. Farmworker Housing Grant Program – Homeownership (**\$35 Million**)

Provides loans and grants to local public entities and nonprofits for homeownership development projects, self-help technical assistance projects, mortgage assistance programs, owner-occupied rehabilitation programs, shared housing programs and programs for the acquisition of manufactured housing for agricultural households.

2023 Homeownership Super Notice of Funding Availability:  
<https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/Homeownership-Super-NOFA-2023.pdf>

CalHome Program Final Guidelines:  
<https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/CalHome-Final-Guidelines-2022.pdf>



# Overview: CalHome Grant

## Applications:

- ▶ Due February 28<sup>th</sup> at 4pm
- ▶ Grant Writer- California Consulting, INC.

## Timeline:

- ▶ Resolution signed by BOS on February 7<sup>th</sup>, 2023
- ▶ Award announcement in June 2023

## Cal Home Eligible Uses:

- ▶ Homeownership development project loans (Maximum \$10 Million)
- ▶ Technical Assistance for Self-Help Housing Projects (Maximum \$500,000)
- ▶ First-Time Homebuyer Mortgage Assistance (Maximum \$5 Million)
- ▶ Owner-Occupied Rehabilitation Assistance (Maximum \$200,000)
- ▶ Technical Assistance for Shared Housing Programs (Maximum \$300,000)
- ▶ ADU/JADU Programs (Maximum \$250,000)
- ▶ Acquisition of Manufactured Housing (Maximum \$150,000)



# Overview: CalHome Grant

## Applications:

- ▶ Due February 28<sup>th</sup> at 4pm
- ▶ Grant Writer- California Consulting, INC.

## Timeline:

- ▶ Resolution going to the Board on February 28, 2023
- ▶ Award announcement in June 2023

## Joe Serna Jr. Eligible Uses:

- ▶ Homeownership development project loans (Maximum \$10 Million)
- ▶ Technical Assistance for Self-Help Housing Projects (Maximum \$500,000)
- ▶ First-Time Homebuyer Mortgage Assistance (Maximum \$5 Million)
- ▶ Owner-Occupied Rehabilitation Assistance (Maximum \$200,000)
- ▶ Technical Assistance for Shared Housing Programs (Maximum \$300,000)
- ▶ Acquisition of Manufactured Housing (Maximum \$150,000)



# Direction: Future Agenda Items to be Addressed

## Items to be discussed:

- ▶ Hollister high school district updates (*March*)
- ▶ Administrative Manual (*Ongoing*)
- ▶ Amendments to chapter 21.03 (*Ongoing*)
- ▶ Workforce Housing (*March?*)

## Additional Amendments to Discuss:

- ▶ Increase inclusionary requirement
- ▶ Remove option to pay in-lieu fee for 5-10 units
- ▶ Review qualifications for in-lieu payment
- ▶ Include very low-income in for-sale units
- ▶ review percentage breakdown between income category



# Schedule: Next meeting date





# Thank You

Questions