

NOFA 2023 Action Plan

**NOTICE OF FUNDING AVAILABILITY
2023 ACTION PLAN**

September 1, 2022

The County of San Luis Obispo (County) is now accepting applications for the 2023 Action Plan until the **3:00 PM submission deadline on October 14, 2022.**

Each application shall specify every item as set forth in the attached specifications. Any exceptions must be clearly stated in the application. Failure to set forth any item in the specifications without taking exception may be grounds for rejection. The County reserves the right to reject any application and to waive any irregularity or informality in any application or in the Notice of Funding Availability (NOFA) process, as long as, in the judgment of the County, such action will not negate fair competition and will permit proper comparative evaluation of the application submitted.

This NOFA is posted on the County's Department of Planning and Building website at <https://www.slocounty.ca.gov/Departments/Planning-Building/Department-Services/Housing/Updates-Meetings.aspx>. Any changes, additions, or deletions to this NOFA will be in the form of written addenda issued by the County. Any addenda will be posted on the website. Prospective applicants must check the website for addenda or other relevant new information during the response period. The County is not responsible for the failure of any prospective applicant to receive such addenda. All addenda so issued shall become a part of this NOFA.

If your firm is interested and qualified, please submit one (1) Adobe Acrobat Portable Data Format (.pdf) file which includes one the completed application and additional required documents through the County's Planning and Building email address listed below by **3:00 p.m. on October 14, 2022.**

If you have any questions about the application process, please contact the Housing Section directly. **Deadline for questions is 3:00 p.m. on September 30, 2022.**

Housing Section
Planning and Building
PL_housing@co.slo.ca.us



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I. INTRODUCTION**A. PURPOSE**

The purpose of this Notice of Funding Availability (NOFA) is to solicit applications from qualified entities for the County to establish grant funding recommendations for the 2023 Action Plan using competitive projects that support the 2020-2024 Consolidated Plan's County-wide goals. The US Department of Housing and Urban Development (HUD) requires that each entitlement jurisdiction develop and implement an annual Action Plan in accordance with its Consolidated Plan that will best serve the community.

Goals established in the Consolidated Plan are based on the priority needs identified during the Consolidated Plan Needs Assessment and a Housing Market Analysis. Established goals for the current (2020-2024) Consolidated Plan are as follows:

- **Increase and Maintain Affordable Housing Stock**
 - Provide funding for the development of new and rehabilitated rental and ownership housing units for very low to moderate-income persons and families.
 - Maintain and upgrade existing housing units occupied by very low to moderate-income households.
- **Decrease Homelessness**
 - Provide funds to support permanent housing for homeless individuals and families drawing from the Housing First approach to ending homelessness.
 - Support new and existing transitional housing and supportive housing facilities.
 - Support programs that provide short-term emergency shelter and supportive services for homeless individuals and families, while still prioritizing a Housing First approach to ending homelessness.
 - Support homelessness prevention activities, and rapid re-housing programs.
- **Create Suitable Living Environments for Low to Moderate Income Persons through Public Facilities and Infrastructure Improvements:**
 - Support infrastructure in the support of affordable housing development.
 - Support public facilities projects that enhance very low- and moderate-income neighborhoods through physical improvements and rehabilitation of public areas and facilities.
- **Create Suitable Living Environments for Low to Moderate Income Persons through Public Services:**
 - Support public and social services programs for special needs and low-income persons.
- **Invest in Economic Growth and Workforce Development:**
 - Provide job skills training opportunities to better prepare the County's low- and moderate-income workforce for employment.

Funding sources available for Program Year 2023 include HUD programs: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and the HOME Investment Partnerships Program (HOME). State and local funding sources included in this NOFA are the Permanent Local Housing Allocation (PLHA), administered by California Department of Housing and Community Development (HCD), and Title 29 (T-29).

2023 Funding**HUD Estimates**

2023 funding estimates (Table 1) are established by averaging the last 3 years' allocations and reducing that average by 5%. Final funding allocation amounts are typically announced in the spring by HUD prior to the start of the upcoming Program Year.

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Table 1: 2023 HUD Funding Estimates

Funding Source	Est. 2023 Allocation	Past Grant Funds Avail.*	Total Funds Available
CDBG	\$1,746,114	\$409,176.11	\$2,155,290.11
ESG	\$151,945	\$0.00	\$151,945
HOME	\$903,024	\$794,220.80	\$1,697,244.80

*Includes accumulated program income and subrecipient approved unspent funds from prior projects.

Table 2, CDBG Funding per Jurisdiction, illustrates the allocation estimates for CDBG funding per jurisdiction.

Table 2: CDBG Funding per Jurisdiction

Jurisdiction	Estimated Allocation	20% of CDBG Funds Avail. for Admin			Remaining Funds Available for 2023 Project Applications
		City Admin Portion (35%)*	County Admin Portion (65%)*	Public Services Funds Avail. (15%)	
Arroyo Grande	\$87,305.70	\$6,111.40	\$11,349.74	\$13,095.86	\$56,748.71
Atascadero	\$139,689.12	\$9,778.24	\$18,159.59	\$20,953.37	\$90,767.93
Morro Bay	\$52,383.42	\$3,666.84	\$6,809.84	\$7,857.51	\$34,049.22
Paso Robles	\$226,994.82	\$15,889.64	\$29,509.33	\$34,049.22	\$147,546.63
Pismo Beach	\$34,922.28	\$2,444.56	4,539.90	\$5,238.34	\$22,699.48
San Luis Obispo	\$488,911.92	\$34,223.83	\$63,558.55	\$73,336.79	\$317,792.75
County	\$715,906.74	\$50,113.47	\$93,067.88	\$107,386.01	\$331,412.44

*CDBG allows 20% total administration funds. City's allocation is 35% of the 20% allocation, and the County's allocation is 65% of the 20%.

HCD Funding

Program Year 2023 serves as Year 3 in the County of San Luis Obispo's PLHA 5-year plan.

Table 3: PLHA Funding by Activity

Activities	Yr. 1	Yr. 2	Yr. 3	Yr. 3 Est. Allocation	Yr. 4	Yr. 5
Affordable Ownership Housing	10%	10%	10%	\$ 149,238.80	10%	10%
Housing Trust Fund	50%	50%	50%	\$ 746,194.00	50%	50%
Homeless-serving and Prevention	35%	35%	35%	\$ 522,335.80	35%	35%
General Administration	5%	5%	5%	\$ 74,619.40	5%	5%
Total	100%	100%	100%	\$ 1,492,388.00	100%	100%

Local Funding

Additional local funding sources include Title 29 and General Fund Support. Title 29 requires that fees generated within a specific market area support the development or preservation of affordable housing within that same region. Table 4 illustrates the amount of Title 29 funds that are available within each market area.

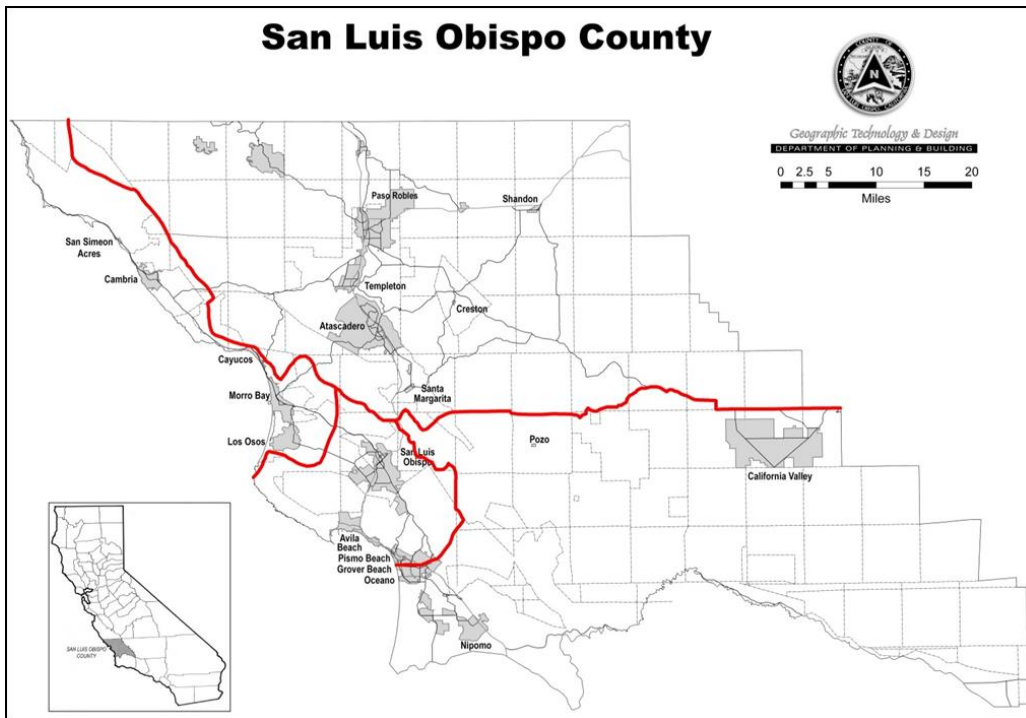
Table 4: 2023 Title 29 Funds

Market Area	Title 29 Funds Available
North Coast	\$46,307.75

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Central County	\$250,724.50
North County	\$259,024.73
South County	\$156,290.02
Interest	\$10,925.91
TOTAL	\$723,272.91

Figure 1: Title 29 Market Areas



General Fund Support

\$126,000: Affordable housing and homelessness related programs

\$253,000: Emergency shelters programs

Included in this NOFA is \$126,000 of funding for affordable housing and homeless related programs which was previously awarded through the County's Community Based Organizations and Preventative Health Grant (CBO/PHG) process. Starting with this NOFA (pending County budget adoption in FY 2023-24), these funds will be shifted away from the Community Based Organizations and Preventative Health Grant (CBO/PHG) process and into this process.

The actual amount (if any) is dependent on approval of the budget in June 2023 by the Board of Supervisors. These funds must be used on eligible activities (below) and expensed during the fiscal year of the award (Program Year 2023).

B. BACKGROUND

(Not an explicit list of requirements. Applicant is responsible for researching program regulations.)

I. Environmental Review

24 CFR Part 58 prohibits the commitment or expenditure of HUD funds until the environmental review process has been completed and the grant recipient receives an "Ability to Obligate and Incur Costs" notice from the County. Recipients may not spend either public or private project funds (HUD, other Federal, state and private funds), or execute a legally binding agreement for any federally funded

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project until environmental clearance has been achieved. Recipients must avoid all actions that would preclude the selection of alternative choices before a final decision is made – that decision being based upon an understanding of the environmental consequences and actions that can protect, restore, and enhance the human environment (i.e., the natural, physical, social, and economic environment). Activities that have physical impacts or which limit the choice of alternatives cannot be undertaken, even with the subrecipient's or other project participant's own funds, prior to obtaining environmental clearance.

Obligated and/or incurred project funds prior to the completion of all required local, state, and federal environmental laws will jeopardize the project's eligibility to receive federal funds. Under federal law, the County of San Luis Obispo is not responsible for the award of funds nor the reimbursement of any project funds to the applicant/recipient and the County will reallocate the funds to another eligible project and applicant.

II. Reallocation of Awarded Funds

Any request to reallocate over \$50,000 of the award will trigger a substantial amendment. A substantial amendment is required to be approved by the Board of Supervisors and could put the funds at risk of not being re-programmed into the requesting entity's project/program.

III. Monitoring

The County will monitor the performance of the Subrecipient against the project/program's goals and performance standards. Substandard performance as determined by the County, the state Department of Housing and Community Development (HCD) or HUD, will constitute noncompliance against the project Agreement. If action to correct such substandard performance is not taken by the Subrecipient within the time prescribed by the County, HCD or HUD, agreement suspension or termination procedures will be initiated.

On-site visits may be required to complete monitoring efforts. Typical monitoring reviews consist of the following:

- Desk top monitoring (Review of application for funding, written agreement, progress reports, draw-down requests, Integrated Disbursement and Information System (IDIS) reports, correspondence, previous monitoring reviews, and copies of audits.)
- On-site monitoring (Notice of visit will be issued, entrance conference will be held, documentation, data gathering, and analysis will occur, an exit conference will be held to present preliminary results of the monitoring.)
- Follow-up will occur by issuing a letter identifying the results of the visit and the subrecipient will have an opportunity to clear any concerns or findings identified with satisfactory documentation of requirements being met. Corrective Action may be required.

IV. Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"

Federal grant programs are administered in accordance with 2 CFR Part 200 requirements.

V. Section 3

The Section 3 Final Rule took effect on November 30, 2020. Updates were implemented to create more effective incentives for employers to retain and invest in their low- and very low-income workers, streamline reporting requirements by aligning them with typical business practices, provide for program-specific oversight, and clarify the obligations of entities that are covered by Section 3. These changes are intended to increase Section 3's impact for low- and very low-income persons, increase compliance with Section 3 requirements, and reduce regulatory burden. HUD will continue to work with grantees and state and local agency partners to implement the new requirements and assess its ongoing effectiveness.

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Training or employment arising in connection with a HUD-funded housing rehabilitation, housing construction, or other public construction project when assistance to the project exceeds \$200,000, or when assistance from HUD's Lead Hazard Control and Healthy Homes (LHCHH) programs exceeds \$100,000, are subject to compliance with Section 3.

Additionally, agreement opportunities arising in connection with both public housing and other Section 3 projects are, to the greatest extent feasible, required to be given to business concerns that provide economic opportunities to low- or very low-income persons consistent with the Section 3 statute and regulations.

The benchmarks for Section 3 projects (housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance where the amount of assistance to the project exceeds *a threshold of \$200,000*) are:

- 25 percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
- 5 percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers, as defined in [§ 75.21](#).

VI. Minority Business Enterprises/ Women Business Enterprises

Minority (MBE) and Women Business Enterprises (WBE) are owned by at least 51% of individuals who are in minority group(s) or are women. Recipients of federal funds utilizing agreements or subagreements are responsible for marketing the opportunity to MBE/WBEs. Projects subject to the MBE/WBE requirement will be required to submit an annual report identifying applicable agreements hired, or subagreements, and demographic data.

COMMUNITY DEVELOPMENT BLOCK GRANT OVERVIEW**I. Program Description**

Community Development Block Grants (CDBG) funds are intended to assist in the development of viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. Regulatory citation: 24 CFR Part 570.

II. Federal Award Information

- Federal awards are issued as grants;
- No cost sharing or match requirement;
- 15% of funds available for Public Service activities.

III. Eligible Applicants

Open to all types of domestic applicants other than individuals.

IV. Eligible Activities

- Acquisition of Real Property- CDBG funds may be used under this category by the grantee, any other public agency, a public nonprofit entity, or a private nonprofit entity to acquire real property for any public purpose. Real property to be acquired may be land, air rights, easements, water rights, rights-of-way, buildings and other real property improvements, or other interests in real property. Reference: §570.207 (a)(1), §570.207(a)(3), §570.201(a). *Subject to site visit during application review.*
- Disposition- CDBG funds may be used to pay costs incidental to disposing of real property acquired with CDBG funds, including its disposition at less than fair market value, provided the property will be used to meet a national objective of the CDBG program. Reference: §570.201(b).

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- Public Facilities and Improvements- CDBG funds may be used by the grantee or other public or private nonprofit entities for the acquisition (including long term leases for periods of 15 years or more), construction, reconstruction, rehabilitation (including removal of architectural barriers to accessibility), emergency shelters, transitional housing, or installation of public improvements or facilities (except for buildings for the general conduct of government). Reference: §570.201(c). *Subject to site visit during application review.*
- Clearance- CDBG funds may be used for the demolition of buildings and improvements, removal of demolition products (rubble) and other debris, physical removal of environmental contaminants or treatment of such contaminants to render them harmless, and the movement of structures to other sites. Reference: §570.201(d). Note, the demolition of HUD-assisted housing may be undertaken only with the prior approval of HUD.
- Public Services- CDBG funds may be used to provide public services (including labor, supplies, materials, and other costs). Public Service funds are subject to a 15% cap of the total program year's allocation. Reference: §570.201(e).
- Interim Assistance- CDBG funds may be used for certain activities on an interim basis, provided that the activities meet a national objective. There are two subcategories of interim assistance activities. The first subcategory covers limited improvements to a deteriorating area as a prelude to permanent improvements. The second subcategory covers activities to alleviate an emergency condition. References: §570.201(f)(1), §570.200(e), §570.201(f)(2), and §570.200(e).
- Relocation- CDBG funds may be used for costs associated with the Uniform Relocation Assistance and Real Property Acquisition Policies Act for optional relocation payments and assistance to persons (individuals, families, businesses, non-profit organizations, and farms) displaced by an activity that is not subject to the requirements described above. This may include payments and other assistance for temporary relocation (when persons are not permanently displaced.) *Subject to site visit during application review.*
- Loss of Rental Income- CDBG funds may be used to pay housing owners for the loss of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by CDBG-assisted activities. The statutory requirements concerning displacement require certain replacement housing to be made available to displacees. Reference: §570.201(j).
- Privately-Owned Utilities- The grantee, other public agencies, private nonprofit entities, and for-profit entities may use CDBG funds to acquire, construct, reconstruct, or install the distribution lines and related facilities for privately-owned utilities. Reference §570.201(1).
- Rehabilitation- CDBG funds may be used to finance the costs of rehabilitation in eligible types of property and under certain eligible types of assistance. Eligible types of property include residential, commercial/industrial, and other nonprofit-owned nonresidential buildings. *Subject to site visit during application review.*
- Construction of Housing- Under this category, CDBG funds may be used in certain specified circumstances to finance the construction of new permanent residential structures. Grantees may use CDBG funds in a housing construction project that has received funding through a Housing Development Grant (a HODAG). Reference: §570.201(m).
- Code Enforcement- Code enforcement involves the payment of salaries and overhead costs directly related to the enforcement of state and/or local codes. CDBG funds may be used for code enforcement only in deteriorating or deteriorated areas where such enforcement, together with public or private improvements, rehabilitation, or services to be provided, may be expected to arrest the decline of the area. Reference: §570.202(c).
- Special Economic Development Activities- CDBG funds may be used for commercial or industrial improvements carried out by the grantee or a nonprofit subrecipient, assistance to private for-profit entities for an activity determined by the grantee to be appropriate to carry out an economic development project, and economic development services in connection with the before mentioned subcategories. Reference: §570.203(a), (b) and (c).
- Microenterprise Assistance- Under this category, grantees and other public or private organizations may use CDBG funds to facilitate economic development through the

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establishment, stabilization, and expansion of microenterprises. This category authorizes the use of CDBG funds to provide financial assistance of virtually any kind to an existing microenterprise or to assist in the establishment of a microenterprise. Reference: §570.201(o).

- Special Activities by CBDOs- This category authorizes a grantee to designate certain types of entities to carry out a range of activities that may include activities the grantee may otherwise not carry out itself. While the “otherwise ineligible” activities covered by this authority may take many forms, the most frequent use of this provision in the CDBG program has been to carry out new construction of housing.
- Homeownership Assistance- The specific purposes for which financial assistance using CDBG funds may be provided under this category are to subsidize interest rates and mortgage principal amounts, finance the cost of acquiring property already occupied by the household at terms needed to make the purchase affordable, pay all or part of the premium (on behalf of the purchaser) for mortgage insurance required up-front by a private mortgagee, pay any or all of the reasonable closing costs associated with the home purchase on behalf of the purchaser, and pay up to 50% of the down payment required by the mortgagee for the purchase on behalf of the purchaser.
- Planning and Capacity Building- CDBG funds may be used for studies, analysis, data gathering, preparation of plans, and identification that will implement plans. Such funds may also be used under this category for activities designed to improve the applicant’s capacity to plan and manage programs and activities for the grantee’s CDBG program. *Limited to City Jurisdictions.*
- Program Administration Costs- CDBG funds may be used to pay reasonable program administration costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under the CDBG or the HOME or Urban Development Action Grants (UDAG) programs. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation, as described at §570.206(a)(1). *Limited to City Jurisdictions.*

V. Eligible Beneficiaries

51% of program participants are required to be low/moderate-income. Proof of income eligibility is required for each participant and must be retained in the project file to be made available for review at time of reimbursement request and during monitoring for not less than 5 years after complete draw down of federal award.

VI. Reporting

Progress Reports are required to be submitted quarterly, identifying the demographics of beneficiaries served, milestones reached, any barriers encountered, and accomplishments achieved to ensure reimbursement of funds. A Final Report is also required to ensure reimbursement of funds. Reporting details vary depending on the activity funded. Report templates are available on the County’s website but are subject to change depending on HUD regulations and guidance.

EMERGENCY SOLUTIONS GRANT OVERVIEW**I. Program Description**

Emergency Solutions Grant (ESG) funds are intended to assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. Funds may be used to fund eligible activities that benefit either people who are homeless or those at-risk of homelessness. Regulatory citation: 2 CFR Part 576.

II. Federal Award Information

- Federal awards are issued as grants;

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- 100% match required; proof of matching funds sources and amounts are required to be documented and provided to the County within this application and again at agreement execution.

III. Eligible Applicants

Open to all types of domestic applicants other than individuals.

IV. Eligible Activities

- Homeless Management Information System (HMIS)- ESG funds may be used for HMIS activities associated with contributing data derived from ESG funded programs. HMIS activities must comply with HUD's standards on participation, data collection, and reporting, as well as state defined regulations.
- Rapid Re-Housing Assistance- ESG funds may be provided to support program participants who meet the criteria under paragraph (1) of the "homeless" definition in § 576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition
- Emergency Shelter- ESG funds may be used to cover the cost of providing essential services and shelter operations, as defined in federal regulations, to homeless individuals and families in an emergency shelter. An emergency shelter is any facility where the primary purpose is to provide a temporary shelter for general or specific populations experiencing homelessness and that does not require occupants to sign leases or occupancy agreements.
- Street Outreach- ESG funds may be used for street outreach activities that include the costs of providing essential services necessary to reach out to unsheltered homeless people, connect these individuals with emergency shelter, housing, or critical services, or provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. Eligible activities include engagement, case management, emergency health and mental health services, transportation, and services for special populations, as defined in the federal regulations. ESG-funded street outreach activities must operate for at least as long as the term of the ESG grant.
- Homelessness Prevention- Homelessness prevention activities are not eligible as a stand-alone activity but may be proposed in conjunction with emergency shelter activities (for example, to facilitate shelter diversion) or with rapid-rehousing activities (for example, to facilitate preventing homelessness of a previously assisted individual or family experiencing instability after rapid re-housing assistance has ended). ESG funds can provide housing relocation and stabilization services and short- or medium-term rental assistance to individuals or families "at risk of homelessness," as defined in 24 CFR 576.2, but only to the extent of helping the individuals or families regain housing stability.

V. Eligible Beneficiaries

Providers must only serve "homeless" or "at risk of homelessness" individuals and families who as defined in 24 CFR 576.2.

VI. Reporting

Providers must document client engagement via Homeless Management Information System (HMIS) per the 2022 HMIS Data Standards.

Progress Reports are required to be submitted quarterly, identifying the demographics of beneficiaries served, milestones reached, any barriers encountered, and accomplishments achieved to ensure reimbursement of funds. A Final Report is also required to ensure reimbursement of funds. Reporting details vary depending on the activity funded. Report templates are available on the County's website but are subject to change depending on HUD regulations and guidance.

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HOME INVESTMENT PARTNERSHIPS PROGRAM OVERVIEW

I. Program Description

HOME Investment Partnerships Program (HOME) funds are intended to assist implementation of local housing strategies designed to increase homeownership and affordable housing opportunities for low and very low-income households.

HOME-assisted rental units HOME-assisted rental units must have rents that do not exceed the applicable HOME rent limits. Each year, HUD publishes the applicable HOME rent limits by area, adjusted for bedroom size. For projects with five or more HOME-assisted rental units, 20 percent of the units must be rented to very low-income families. HOME- rental housing must remain affordable for a long-term affordability period, determined by the amount of per-unit HOME assistance or the nature of the activity. HOME-assisted homebuyer housing is also subject to resale or recapture requirements. Regulatory citation: 24 CFR Part 92.

Underwriting requirements:

- Current market demand assessment (for the neighborhood in which the project will be located)
- Assessment of developer’s capacity and experience
- Examination of sources and uses statement
- Assessment of operating pro forma for the period of HOME affordability
- Analysis of profit and returns to developer
- Review of written financial commitments
- If a partnership, the partnership agreement and equity letters indicating the general and limited partner contributions
- Rent and utility allowance schedule for rental housing project
- Number of bedrooms, baths, and net rentable square feet of all rental units
- Subsidy layering review / determination of HOME amount
- HOME-eligible costs / HOME-prohibited costs
- Cost allocation
- Minimum HOME investment = \$1,000 per HOME unit
- Maximum per-unit HOME subsidy (publish by HUD each year)

Affordability requirements:

- Income limit, income targeting & rules for determining income
- HOME rent restrictions (high/low rents), County to approve rents
- Applicability of income & rent restrictions & property standards during Period of Affordability
- Affordability period based on type of activity and amount of HOME investment
 - Secured with deed of trust or use restriction and covenant running with land
 - Table 5, below, illustrates required affordability periods per levels of assistance

Table 5: Affordability Periods

HOME Assistance	Length of Affordability Period
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
More than \$40,000	15 years
New construction of rental housing	20 years
Refinancing of rental housing	15 years

- Monitoring Schedule (24 CFR 92.504(d)(1))
 - Table 6, below, demonstrates the frequency of on-site monitoring required

Table 6: On-site Monitoring Frequency

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HOME ONSITE MONITORING REQUIREMENTS	
Activity	Required Frequency of Onsite Monitoring Visits
Any activity administered by a subrecipient, State recipient, or contractor, while contract is in effect	Annually
Tenant-based rental activity	Annually (unit inspection and income verification only)
Project development activities during all phases of project through to occupancy/ project completion	Annually, recommended throughout development process (ex. Upon submission of payment voucher)
Post completion, rental with 1-4 units	Every 3 years
Post completion, rental with 5-25 units	Every 2 years
Post completion, rental with 26 or more units	Annually

- Monitoring Fees (92.214)
 - Minimum requirements for monitoring of rental projects include:
 - Reviewing and approving the annual owner’s report on rents and occupancy, as required by §92.252(f)(2);
 - Establishing maximum monthly utility allowances annually, in accordance with §92.252(d)(1);
 - Conducting the first year and periodic ongoing onsite monitoring of tenant files and physical inspections of a sample of assisted units, in accordance with §92.251(f) and §92.504(d)(1)(ii); and
 - Conducting annual examinations of the financial condition of HOME-assisted rental projects with ten (10) or more units, in accordance with §92.504(d)(2).
 - Fees are dependent on frequency of onsite visits
 - Monitoring fees begin April 1 of the year after lease-up (or beginning of affordability period) and increase 3% each year of the HOME loan agreement term. Fees must be captured within operating costs. Schedule as follows:

Total Units	2023	2024	2025	2026	2027	2028	2029	2030
1-5 units	\$750	\$772.50	\$795.68	\$819.55	\$844.13	\$869.46	\$895.54	\$922.41
6-20 units	\$1,200	\$1,236.00	\$1,273.08	\$1,311.27	\$1,350.61	\$1,391.13	\$1,432.86	\$1,475.85
21-39 units	\$1,600	\$1,648.00	\$1,697.44	\$1,748.36	\$1,800.81	\$1,854.84	\$1,910.48	\$1,967.80
40+	\$2,000	\$2,060.00	\$2,121.80	\$2,185.45	\$2,251.02	\$2,318.55	\$2,388.10	\$2,459.75

Property standards:

Project must meet applicable standards upon completion. Site visits will be scheduled to ensure standards are met.

- New Construction
 - State/local codes or national code – upon completion
 - Accessibility requirements of Section 504 (24 CFR Part 8)
 - Disaster mitigation, if applicable
 - Broadband infrastructure, unless infeasible
 - County ensures compliance with scope in construction documents and by conducting progress and final inspections
- Rehabilitation
 - State/Local codes or national code
 - Correction of minimum deficiencies/Uniform Physical Condition Standard (UPCS)

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- Health & safety /life threatening deficiencies if home is occupied
- Lead-based paint requirements per 24 CFR part 35
- Accessibility requirements of Section 504 (24 CFR Part 8)
- Disaster mitigation, if applicable
- Broadband infrastructure (after 1/19/2017), unless infeasible – for projects with 4+ units
- Assessment of remaining useful life of major systems (If 26+ units, capital needs assessment)
- County ensures compliance with scope in construction docs & by conducting initial, progress & final inspections
- Acquisition
 - Use new construction standards if constructed within 12 months of commitment
 - Use rehab standards if rehabilitated within 12 months of commitment or acquired in standard condition
- Ongoing Property Standards
 - State/Local codes or HUD-identified inspectable areas of UPCS
 - Health and safety standards
 - Lead-based paint requirements per 24 CFR Part 35

Other Federal Requirements:

- Nondiscrimination (92.350)
- Affirmative marketing & minority outreach (92.351)
- Environmental review (92.352)
- Relocation, if project involves acquisition, demolition and/or rehabilitation (92.353)
- Davis-Bacon and labor requirements for projects with 12 or more HOME-assisted units (92.354)
- Lead-based paint (92.355)
- Conflict of interest (92.356)
- Violence Against Women Act (VAWA) (92.359)

Leasing and Tenant Protections:

- Tenant selection policies
- Lease term = 1 year, unless mutually agreed
- Prohibited lease terms
- VAWA requirements
 - Notice requirements
 - Bifurcation of lease requirements
 - Obligations under emergency transfer plan

II. Federal Award Information

- Interest-bearing or non-interest-bearing loan or advance, deferred payment loan, or grant;
- 25% match required;
- 15% of allocation set-aside for housing to be owned, developed, or sponsored by community housing development organizations.

III. Eligible Applicants

Open to all types of domestic applicants other than individuals.

Community Housing Development Organizations (CHDOs)

As defined by the Department of Housing and Urban Development, CHDOs (Community Housing Development Organizations) are special types of non-profit housing developers that are accountable to the low-income communities they serve. Congress and HUD have recognized the role that CHDOs play in housing development by setting aside a minimum of 15% of each jurisdiction's annual HOME allocation for qualified CHDOs. HUD regulations on CHDOs may be found at [24 CFR 92.300-303](#).

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The purpose of CHDO set-aside funds is to (1) promote partnerships between states, units of general local government and nonprofit organizations and (2) expand nonprofit organizations' capacity to develop and manage decent and affordable housing.

Eligible CHDO Activities:

- Acquisition and/or rehabilitation of rental housing
- New construction of rental housing
- Acquisition and/or rehabilitation of homebuyer properties
- New construction of homebuyer properties
- Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by the CHDO with HOME funds

Ineligible CHDO Activities:

- Tenant-Based Rental Assistance (TBRA)
- Homeowner rehabilitation
- Brokering or other real estate transactions

CHDOs may apply for these funds for eligible projects.

IV. Eligible Activities

- **New Construction-** HOME funds may be used for the new construction of both ownership and rental housing. New construction is any project that includes the addition of dwelling units outside the existing walls of a structure.
- **Rehabilitation-** This includes the alteration, improvement, or modification of an existing structure. It also includes moving an existing structure to a foundation constructed with HOME funds. Rehabilitation may include adding rooms outside the existing walls of a structure. However, adding a housing unit is considered new construction. *Subject to site visit during application review.*
- **Reconstruction-** HOME funds may be used to rebuild a structure on the same lot where housing is standing at the time of project commitment. Funds can be used to build a new foundation or repair an already existing one. Reconstruction also includes replacing a substandard manufactured house with a new manufactured house. During reconstruction, the number of rooms per unit may change, but the number of units may not. *Subject to site visit during application review.*
- **Conversion-** Usually classified as rehabilitation, conversion is the changing of an existing structure from another use into affordable residential housing. If conversion involves additional units beyond the walls of an existing structure, the entire project is considered a new construction. The conversion of a structure to commercial use is not eligible under HOME. *Subject to site visit during application review.*
- **Site Improvements-** Site improvements must be in keeping with improvements to surrounding standard projects. They include new, on-site improvements where none are present or the repair of existing infrastructure when it is essential to the development. Building new, off-site utility connections to an adjacent street is also eligible. Otherwise, off-site infrastructure is not eligible as a HOME expense but may be eligible for match credit.
- **Acquisition of Property-** Acquisition of existing standard property, or substandard property in need of rehabilitation, is eligible as part of either a homebuyer program or a rental housing project. After acquisition, rental units must meet HOME rental occupancy, affordability, and lease requirements. *Subject to site visit during application review.*
- **Acquisition of Vacant Land-** HOME funds may be used for the acquisition of vacant land only if the construction of a HOME project will begin within 12 months of purchase. Land banking is prohibited.

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- Demolition- Demolition of an existing structure may be funded through HOME only if construction will begin on the HOME project within 12 months.
- Relocation Costs- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (known as the “Uniform Relocation Act” or “URA”) and Section 104(d) of the Housing and Community Development Act of 1974, as amended (known as “Section 104(d)”) apply to HOME-assisted properties. Both permanent and temporary relocation assistance are eligible costs for all those relocated, regardless of income. Staff and overhead costs associated with relocation assistance are also eligible.
- Refinancing- HOME funds may be used to refinance existing debt on single family, owner-occupied properties in connection with HOME-funded rehabilitation. The refinancing must be necessary to reduce the owner’s overall housing costs and make the housing more affordable. Refinancing for the purpose of taking out equity is not permitted. HOME may be used to refinance existing debt on multifamily projects being rehabilitated with HOME funds, if refinancing is necessary to permit or continue long-term affordability, and is consistent with PJ-established refinancing guidelines, as outlined in the PJ’s consolidated plan. (A PJ is any state, local government, or consortium that has been designated by HUD to administer a HOME program.)
- Capitalization of Project Reserves- HOME funds may be used to fund an operating deficit reserve for rental new construction and rehabilitation projects for the initial rent-up period. The reserve may be used to pay for project operating expenses, scheduled payments to a replacement reserve, and debt service for a period of up to 18 months.
- Project-Related Soft Costs- Must be reasonable and necessary. Examples of eligible project soft costs include: finance-related costs; architectural, engineering, and related professional services; tenant and homebuyer counseling, provided the recipient of counseling ultimately becomes the tenant or owner of a HOME-assisted unit; project audit costs; affirmative marketing and fair housing services to prospective tenants or owners of an assisted project; and PJ staff costs directly related to projects (not including TBRA).
- Tenant-Based Rental Assistance (TBRA)- The TBRA program shall only help individual households (rather than subsidizing particular rental projects). TBRA moves with the tenant—if the household no longer wishes to rent a particular unit, the household may take its TBRA and move to another rental property. The level of TBRA subsidy varies and is based upon the income of the household, the particular unit the household selects, and the County’s rent standard (rather than being tied to the County’s high and low HOME rents). Eligible activities include but are not limited to, rental/deposit assistance, eviction prevention, and utility deposits.

Funds MAY NOT be used for public housing development, public housing operating costs, or for Section 8 tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs (92.214).

V. Eligible Beneficiaries

- All housing developed with HOME funds must serve low- and very low-income families.
- For rental housing, at least 90 percent of the families benefited must have incomes at or below 60 percent of the area median income; the remaining 10 percent of the families benefited must have incomes at or below 80 percent of area median income.
- Homeownership assistance must be to families with incomes at or below 80 percent of the area median income.
- Each year, HUD publishes the applicable HOME income limits by area, adjusted for family size.

VI. Reporting

Progress Reports are required to be submitted quarterly, identifying the demographics of beneficiaries served, milestones reached, any barriers encountered, and accomplishments achieved to ensure

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reimbursement of funds. A Final Report is also required to ensure reimbursement of funds. Reporting details vary depending on the activity funded. Report templates are available on the County's website but are subject to change depending on HUD regulations and guidance.

PERMANENT LOCAL HOUSING ALLOCATION (PLHA) OVERVIEW**I. Program Description**

Permanent Local Housing Allocation (PLHA) provides funding to local governments in California for housing-related projects and programs that assist in addressing the unmet housing needs of their local communities. Eligible activities included in the County's 5-year plan are the funding priorities and are indicated below (Section IV) in bold text.

II. Award Information

- Awards are issued as grants; or
- Low-interest loan (activities indicated below)

III. Eligible Applicants

Open to all types of domestic applicants other than individuals.

IV. Eligible Activities

- The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary operating subsidies.
- **The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120-percent of AMI, or 150-percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.**
- **Matching portions of funds placed into Local or Regional Housing Trust Funds.**
- Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.
- Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.
- **Assisting persons who are experiencing or at risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.**
 - **This activity may include subawards to administrative entities as defined in HSC Section 50490(a)(1-3) that were awarded CESH program or HEAP funds for rental assistance to continue assistance to these households.**
 - **Applicants must provide rapid rehousing, rental assistance, navigation centers, emergency shelter, and transitional housing activities in a manner consistent with the Housing First practices described in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with WIC Section 8225(b)(8). An applicant allocated funds for the new construction, rehabilitation, and preservation of permanent supportive housing shall incorporate the core components of Housing First, as provided in WIC Section 8255, subdivision (b).**
- Accessibility modifications in lower-income owner-occupied housing.
- Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.
- Homeownership opportunities, including, but not limited to, down payment assistance.
- Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing projects, or matching funds invested by a county in an affordable

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housing development project in a city within the county, provided that the city has made an equal or greater investment in the project.

- The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing project.
- Matching funds investments by both the county and the city also shall be a grant or low-interest, deferred loan to the affordable housing project.

V. Eligible Beneficiaries

- Households at or below 60-percent of AMI
- Persons experiencing or at risk of experiencing homelessness

VI. Reporting

Progress Reports are required to be submitted quarterly, identifying the demographics of beneficiaries served, milestones reached, any barriers encountered, and accomplishments achieved to ensure reimbursement of funds. A Final Report is also required to ensure reimbursement of funds. Reporting details vary depending on the activity funded. Report templates are available on the County's website but are subject to change depending on updated regulations and guidance.

TITLE 29 OVERVIEW**I. Program Description**

Title 29 fees are collected to support the production and preservation of affordable housing throughout San Luis Obispo County. Table 4 shows the market areas within the County that fees are collected. Compliance with the applicable county standards and policies for affordable housing include, but are not limited to, Title 22, Section 22.12.030 — Housing affordability standards, and Title 23, Section 23.04.094 — Housing affordability standards, and periodic reporting to assist the County in the monitoring of compliance with the agreement.

Underwriting requirements:

- Current market demand assessment (for the neighborhood in which the project will be located)
- Assessment of developer's capacity and experience
- Examination of sources and uses statement
- Assessment of operating pro forma for the period of HOME affordability
- Analysis of profit and returns to developer
- Review of written financial commitments
- If a partnership, the partnership agreement and equity letters indicating the general and limited partner contributions
- Rent and utility allowance schedule for rental housing project
- Number of bedrooms, baths, and net rentable square feet of all rental units
- Subsidy layering review
- Cost allocation

Affordability requirements:

- Income limit, income targeting & rules for determining income
- Applicability of income & rent restrictions & property standards during Period of Affordability
- Affordability period: 45 years for ownership, 55 years for rental units
 - Secured with deed of trust or use restriction and covenant running with land

II. Award Information

- Awards are issued as grants;
- Fees collected are restricted to use within the market area the fees were originally collected.

III. Eligible Applicants

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Open to all types of domestic applicants other than individuals.

IV. Eligible Activities

- New Construction- Funds may be used for the new construction of both ownership and rental housing. New construction is any project that includes the addition of dwelling units outside the existing walls of a structure.
- Rehabilitation- This includes the alteration, improvement, or modification of an existing structure. *Subject to site visit during application review.*
- Repair- Funds may be used to repair a structure. *Subject to site visit during application review.*

V. Eligible Beneficiaries

Households served must be income eligible based on the County's Affordable Housing Standards (160% of AMI or below).

VI. Reporting

Progress Reports are required to be submitted quarterly, identifying the demographics of beneficiaries served, milestones reached, any barriers encountered, and accomplishments achieved to ensure reimbursement of funds. A Final Report is also required to ensure reimbursement of funds. Reporting details vary depending on the activity funded. Report templates are available on the County's website but are subject to change depending on updated regulations and guidance.

II. SCHEDULE AND SUBMITTAL

A. NOFA SCHEDULE

The following represents the tentative schedule for this NOFA. Any change in the scheduled dates for the Deadline for Final Questions, Application Submission Deadline, or Interviews will be advertised in the form of an addendum to this NOFA. The schedule for other milestones dates may be adjusted without notice. Any updates to the schedule for this NOFA will be made available on Planning and Building's website, <https://www.slocounty.ca.gov/Departments/Planning-Building/Department-Services/Housing/Updates-Meetings.aspx>.

NOFA Schedule	Date
Issued	September 1, 2022
Needs Assessment Workshops (<i>information below</i>)	September 7, 2022 – 11 am September 7, 2022 – 6 pm
Application Office Hours (<i>information below</i>)	September 9, 2022
Deadline for Final Questions	September 30, 2022
Application Submission Deadline	October 14, 2022
Needs Hearing – BOS	November 1, 2022
Evaluation of Applications	October – January
Interviews (Public Services, <i>information below</i>)	November 16, 2022 – 1 pm
Participating Jurisdiction City Council Meeting – <i>Establish Draft Funding Recommendations</i>	December 2023
Draft Funding Recommendations Posted	January – February 2023
Participation Jurisdiction City Council Meeting – <i>Approve Funding Recommendations</i>	March 2023
Action Plan Hearing – BOS	April 2023
Action Plan to HUD	May 2023
2023 Program Year	July 1, 2023 – June 30, 2024

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B. QUESTIONS

All questions (requests for interpretations or corrections) pertaining to the content of this NOFA must be made in writing through the County's Planning and Building email (PL_housing@co.slo.ca.us) by 3:00 p.m. on September 30, 2022. Requests submitted after said date may not be considered.

Application Office Hours will be held September 9, 2022, from 11:30 am – 12:30 pm via Teams to answer any questions relating to the applications and application process.

Link:

https://teams.microsoft.com/dl/launcher/launcher.html?url=%2F_%23%2F%2Fmeetup-join%2F19%3Ameeting_YzY2YTg3MzltZTQ5YS00NzkyLWJiYjAtNGQ0NzRmNGNiZDc1%40thead.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%252284c3c774-7fdf-40e2-a590-27b2e70f8126%2522%252c%2522Oid%2522%253a%2522a3a35dfe-9cdf-4084-aa79-a5514867f0fa%2522%257d%26CT%3D1660688075117%26OR%3DOutlook-Body%26CID%3D22E141DD-DD34-4C21-9D5F-355520C55EE0%26anon%3Dtrue&type=meetup-join&deeplinkId=ade21d0b-dd65-434c-adc4-d4fd52fb6535&directDl=true&msLaunch=true&enableMobilePage=true&suppressPrompt=true
Call-in number: +1 831-296-4487, 867185146#

C. APPLICATION SUBMITTAL

If your firm is interested and qualified, please submit one (1) Adobe Acrobat Portable Data Format (.pdf) file which includes the completed application and additional required documents through the County's Planning and Building Department at **PL_housing@co.slo.ca.us** by **3:00 p.m.** on **October 14, 2022.**

D. NEEDS ASSESSMENT WORKSHOPS

Needs Assessment Workshops will be held on September 7, 2022, at 11 am – 12 pm via Teams and September 7, 2022, at 6 pm – 7 pm via Teams, links and call-in numbers provided below. Interested applicants should attend this workshop to learn more about the funding available and eligibility. This workshop also serves as an opportunity to identify community needs and help establish funding priorities. This workshop is not mandatory; however, it is highly recommended.

September 7, 2022 (11 am – 12 pm):

Link:

https://teams.microsoft.com/dl/launcher/launcher.html?url=%2F_%23%2F%2Fmeetupjoin%2F19%3Ameeting_ZmMxNjU3MTYtMGZhZS00NDJlTgyNWMTMGUxY2RkZDMxMWU4%40thread.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%252284c3c774-7fdf-40e2-a590-27b2e70f8126%2522%252c%2522Oid%2522%253a%2522a3a35dfe-9cdf-4084-aa79-a5514867f0fa%2522%257d%26CT%3D1660685942369%26OR%3DOutlook-Body%26CID%3D445F1CEE-D7AF-408F-BF6A-54740C5B77B6%26anon%3Dtrue&type=meetup-join&deeplinkId=928cf4ce-562c-4889-93ef-7f4cf4f893a0&directDl=true&msLaunch=true&enableMobilePage=true&suppressPrompt=true
Call In Number: +1 831-296-4487, 880208111#

September 7, 2022 (6 pm – 7 pm)

Link:

https://teams.microsoft.com/dl/launcher/launcher.html?url=%2F_%23%2F%2Fmeetup-join%2F19%3Ameeting_NjM0NDZlTMDUwZC00YjQ0LWI2N2QtY2JjNDNmMmY4MDV%40thread.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%252284c3c774-7fdf-40e2-a590-27b2e70f8126%2522%252c%2522Oid%2522%253a%2522a3a35dfe-9cdf-4084-aa79-a5514867f0fa%2522%257d%26CT%3D1660686233787%26OR%3DOutlook-Body%26CID%3D66056E2E-7854-4E7E-B580-

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F550D1A9DD16%26anon%3Dtrue&type=meetup-join&deeplinkId=338f4f9d-2078-4be6-8ce5-2726b7c9e4fc&directDI=true&msLaunch=true&enableMobilePage=true&suppressPrompt=true
Call In Number: +1 831-296-4487, 993293364#

E. PUBLIC SERVICE INTERVIEWS

Interviews for Public Service applicants will be held November 16, 2022, at the Homeless Services Oversight Council (HSOC) meeting at 1PM. A zoom link will be sent out ahead of time containing the link to the meeting. Applicants are permitted to advocate during Public Comment period and give an elevator speech explaining the application. No questions will be asked from HSOC members and applicants cannot comment during the action item when the application is being considered by HSOC for recommendation.

A non-conflicted grant review committee will be convened to review and score project applications. County staff will meet with applicants to ask for additional information as requested by the committee. Applicants will be informed of date/ time to be available for additional questions.

III. GENERAL INSTRUCTIONS**A. COUNTY RIGHTS & OPTIONS**

1. All applications must be submitted to the County's Department of Planning and Building via PL_housing@co.slo.ca.us in Adobe PDF format no later than **3:00 p.m. on October 14, 2022**. Late application will not be considered.
2. The County reserves the right to request any missing information in an application submitted in response to this NOFA. Applicant shall have 24 hours to provide the information to the requesting County staff.
3. All costs incurred in the preparation and submission of application and related documentation will be borne solely by the applicant.
4. This NOFA does not constitute an offer of employment or to agreement for services.
5. The County may, in its sole and absolute discretion, accept or reject any and all application, in whole or in part, with or without cause, in response to this NOFA, and make more than one award, or no award, or postpone or cancel, at any time, this NOFA process, as which the County determines to be in its best interests.
6. The County reserves the right to remedy technical errors, modify the published scope of services, and approve or disapprove the use of all sub-consultants.
7. The issuance of this NOFA does not constitute an agreement by the County that any subsequent selection process will occur, or that any agreement will be entered into by the County. Application and other materials will not be returned.
8. The County has the right to use any or all ideas or concepts presented in any application or interview without restriction, without conversation to all applicants.
9. All documents submitted to the County in response to this NOFA will become the exclusive property of the County.
10. All application shall remain firm for 180 days following closing date for receipt of application.
11. The County reserves the right to award the agreement to the firms who present the application which, in the judgment of the County, best accomplishes the desired results.
12. The term of the agreement will be 1 year from date of award, unless otherwise negotiated. Award amount will remain unchanged throughout the term of agreement.
13. Any agreement awarded pursuant to this NOFA will incorporate the requirements and

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specifications contained in this NOFA. All information presented in an applicant's application will be considered binding upon selection of the successful applicant, unless otherwise modified and agreed to by the County during subsequent negotiations.

14. Under the provisions of the California Public Records Act (the "Act"), Government Code section 6252 et seq., the County may be obligated to provide a copy of any and all records that the applicant provides County relating to this NOFA (hereafter "Records from Applicant"), including those records which the applicant believes constitute confidential information. If the County determines (in its sole discretion) that (i) a person/entity has requested a copy of records that would include Records from Applicant, and (ii) the County does not have sufficient direct, first-hand knowledge to independently conclude that such Records from Applicant are exempt from disclosure under the Act, and (iii) the requester is not willing to accept the applicant's claim that the Records from Applicant are exempt from disclosure under the Act, the County will provide the applicant written notice thereof (via mail and/or email). If the applicant does not, within seven court business days thereof, file the appropriate papers in San Luis Obispo County Superior Court ("Court") seeking a court order preventing the County from disclosing any such Records from Applicant to the requester, and have its request heard by the Court within 30 days thereof, the applicant shall be deemed to have waived any claim that the Records from Applicant are exempt under the Act. (The County reserves the right to issue a written extension of time if it determines (in its sole discretion) that one is appropriate.) Under no circumstances shall the applicant be entitled to recover from County any of its court costs, attorney's fees, or other litigation expenses that are related in any way to whether any Records from Applicant are exempt under the Act. If any applicant believes that information contained in its response to this NOFA should be protected from disclosure, the applicant MUST specifically identify the pages of the response that contains the information by properly marking the applicable pages and inserting the following notice in the front of its response:

NOTICE: *The data on pages _ of this response identified by an asterisk (*) contain technical or financial information, which are trade secrets, or information for which disclosure would result in substantial injury to the applicant's competitive position. Applicant requests that such data be used only for the evaluation of the response, but understands that the disclosure will be limited to the extent the County considers proper under the law. If an agreement is entered into with the applicant, the County shall have the right to use or disclose the data as provided in the agreement, unless otherwise obligated by law.*

The County will not honor any attempt by applicant to designate its entire application as proprietary. If there is any dispute, lawsuit, claim, or demand as to whether information within the response to the NOFA is protected from disclosure under the Act, applicant shall indemnify, defend, and hold harmless, the County arising out of such dispute, lawsuit, claim, or demand.

15. The applicant warrants that no official or employee of the County has an interest, has been employed or retained to solicit or aid in the procuring of any agreement resulting from this NOFA, if any, and further warrants that such person will not be employed in the performance of the agreement without immediate written notice to the County.
16. Firms submitting application shall warrant that their offer is made without any previous understanding, agreement, or connection with any person, firm, or corporation submitting a separate application for the same project and is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action. This condition shall not apply to application which are submitted by firms who have partnered with others to submit a cooperative application that clearly identifies a primary agreement and the associated sub-agreements.

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17. Agreement shall comply with all laws and regulations governing nondiscrimination in employment, including the Americans with Disabilities Act of 1990, the Fair Employment and Housing Act (California Government Code §§ 12900, et seq.), and the applicable regulations promulgated thereunder (2 California Code of Regulations §§ 7285, et seq.).
- 17.1. **Nondiscrimination:** The Agreement, with regard to the work performed by them during the Agreement, shall not discriminate on the grounds of race, color or national origin or other legally protected criteria in employment or the selection and retention of subagreements, including procurement of materials and leases of equipment. The Agreement shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the Agreement covers a program set forth in Appendix B of the Regulation.
- 17.2. **Solicitation for Subagreements, Including Procurement of Materials and Equipment.** In all solicitation, either by competitive bidding or negotiation, made by the Agreement for work to be performed under a subagreement, including procurement of materials or leases of equipment, each potential subagreement or supplier shall be notified by the Agreement of the Agreement's obligations under this Agreement and the regulations
18. Unforeseen additional items and/or services may be required. The County therefore reserves the right to negotiate with the successful applicant for additional items and/or services beyond what is described in Appendix A to be added to the final agreement.

B. FEDERAL PREVAILING WAGE & PROCUREMENT REQUIREMENTSDavis-Bacon Act & Related Acts

The Davis-Bacon Act requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics on Federal government and District of Columbia construction projects in excess of \$2,000. Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works.

The Agreement Work Hours and Safety Standards Act (CWHSSA) requires time and one-half pay for overtime (O/T) hours (over 40 in any workweek) worked on the covered project. The CWHSSA applies to both direct Federal agreements and to indirect Federally assisted agreements except where the assistance is solely in the nature of a loan guarantee or insurance. CWHSSA violations carry a liquidated damages penalty (\$10/day per violation). Intentional violations of CWHSSA standards can be considered for Federal criminal prosecution.

The Copeland Act (Anti-Kickback Act) makes it a federal crime for anyone to require any laborer or mechanic (employed on a Federal or Federally assisted project) to kickback (i.e., give up or pay back) any part of their wages. The Copeland Act requires every employer (agreements and subagreements) to submit weekly certified payroll reports (CPRs) and regulates permissible payroll deductions.

The Fair Labor Standards Act (FLSA) contains Federal minimum wage rates, overtime (O/T), and child labor requirements. These requirements generally apply to any labor performed. The DOL has the authority to administer and enforce FLSA. HUD will refer to the DOL any possible FLSA violations that are found on HUD projects.

Federal Procurement Process

The non-Federal entity must have and use documented procurement procedures, consistent with the standards of section 2 CFR 200.320 and 200.317, 22.318, and 200.319 for any of the following methods of procurement used for the acquisition of property or services required under a Federal

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award or sub-award.

C. CHANGES TO THE NOFA

This NOFA is posted on the County’s Planning and Building website at <https://www.slocounty.ca.gov/Departments/Planning-Building/Department-Services/Housing/Updates-Meetings.aspx>. Any changes, additions, or deletions to this NOFA will be in the form of written addenda issued by the County. Any addenda will be posted on the website. Prospective applicants must check the website for addenda or other relevant new information during the response period. The County is not responsible for the failure of any prospective applicant to receive such addenda. All addenda so issued shall become a part of this NOFA.

D. COMMUNICATIONS

All communications concerning this NOFA shall be directed to the Housing Section, **PL_housing@co.slo.ca.us**. All other communication is not binding and shall in no way modify the NOFA or the obligations of the County.

The proceedings of the Selection Committee are confidential, and members of the Selection Committee are not to be contacted by the applicants. Any questions and requests for information must be addressed to County staff.

E. INSURANCE

The selected applicant will be required to provide insurance coverage in the amount of One Million Dollars (\$1,000,000) Commercial General Liability (CGL) Insurance and Two Million Dollars (\$2,000,000) Professional Liability Insurance. See Appendix B – Sample Agreement for complete insurance and indemnification requirements.

INSURANCE REQUIRED	AMOUNT
CGL & Property Damage	\$ 1.0 Million per occurrence
Professional Liability	\$ 1.0 Million per occurrence / \$ 2.0 Million aggregate
Auto Liability /Property Damage/Bodily Injury	\$ 1.0 Million per occurrence
Workers Compensation & Disability Benefits	\$ 1.0 Million per occurrence

The selected applicant shall provide within five (5) days after the Notice of Award is issued a certificate of liability insurance naming the County of San Luis Obispo and its employees and officers as additionally named insured. This shall be maintained in full force and effect for the duration of the agreement and must be in an amount and format satisfactory to the County.

F. EXCEPTIONS & DEVIATIONS

Any exceptions to or deviations from the requirements set forth in this NOFA must be declared in the application submitted by the applicant. Such exceptions or deviations must be segregated as a separate element of the application under the heading “Exceptions and Deviations” as instructed below in section IV. The County may waive any immaterial deviation or defect in a application.

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G. AWARDS

Draft recommendations will be announced in the Spring of 2023 but are subject to the approval of the Board of Supervisors and HUD. The County reserves the right to make awards once the United States Department of Housing and Urban Development (HUD) announces final allocation amounts and approves the annual Action Plan, *approximately* eight (8) – ten (10) months after application submittal. Awards are subject to adjustments per HUD allocations announced.

IV. APPLICATIONS**Application A: Community/Supportive Services and Infrastructure Activities**

Funding sources available: CDBG, ESG, PLHA, GFS

1. APPLICANT INFORMATION

- Entity Name
- Ultimate Borrower, if applicable
- Application Contact (Name and Title)
- Contact Phone Number
- Entity Address, City and Zip Code
- Mailing Address (if different from above)
- Applicant's Website
- Unique Entity Identification (UEI) Number
- Type of Agency (501(c)(3), For Profit, Gov't/Public, CHDO, Other)
- Date of Incorporation
- Project Management
 - Project Lead Name:
 - Title:
 - Phone:
 - Email:

2. PROJECT SUMMARY

- Project Title
- Project Address
- APN #, if applicable
- Description of the Project
 - Provide a project description that captures the maximum anticipated scope of the application. It should include all contemplated actions which logically are, either geographically or functionally, a composite part of the project, regardless of the source of funding. Describe all physical aspects of the project, such as plans for multiple phases of development, size and number of buildings, and activities to be undertaken. Include details of the physical impacts of the project, including whether there will be ground disturbance. If applicable, indicate whether the project site will require acquisition or if the sponsor already has ownership.

3. BUDGET

- Funds Requested (Amount and Source)
- Total Project/ Program Cost (Identify funding to be used to support the project throughout affordability period, if applicable)
- Identify leveraged funds (Committed, Match, Not Yet Committed)
- Identify additional rental assistance in project, if applicable
- Indicate how the match requirement will be met (include sources and source documentation), if applicable.

NOFA 2023 Action Plan**4. PURPOSE & NEED**

- Purpose of the Proposed Project. Describe the project by addressing each of the following:
 - What activities will be undertaken?
 - What are the project goals and objectives?
 - Explain the need being addressed by this project.
 - Explain how the need was identified.
 - Who are the beneficiaries? How will eligibility be determined?
 - Is there community and/or political support? Explain.
 - Describe how the impact will be sustained once this round of funding ends.
- Organizational Capacity. Summarize the organization's background/capacity to carry out the proposed project. Address the following points:
 - Has the organization carried out this type of project previously? Explain.
 - What makes the organization a preferred provider of this service?

5. ELIGIBILITY

- Indicate the eligible activity category for this project, using the lists above.

6. SCHEDULE

- Provide a detailed project timeline, include milestones with units of measure.
- Describe agency's record keep system with relevance to the proposed project and how reporting requirements will be met.

7. ADDITIONAL INFORMATION

- Has site control been obtained? If so, how is site control held? Attach documentation of site control.
- Zoning. Is the current project location zoned for the proposed activity? If not, describe steps to be taken to ensure zoning requirements are met.
- If applicable, indicate the application due date for tax credits.
- Identity all permits necessary for the project. Include estimated dates of application and approval.
- Does this Project require Relocation? If so, attach Relocation Plan.
- Indicate Housing Type (Permanent Homeowner Housing, Rental Housing, Transitional Housing).
- Does the Project intend to target special populations (such as seniors, persons with disabilities, children in foster care, etc.)?
- Will the Applicant be providing services? If so, please provide a brief explanation.

8. ENVIRONMENTAL REVIEW

- Indicate level of environmental review required for proposed project.
- Indicate environmental review steps completed to date.

9. SECTION 3 AND MINORITY AND WOMEN BUSINESS ENTERPRISES (AS APPLICABLE)

- Section 3: Please explain how Section 3 benchmarks will be met.
- MBE/WBE: Please explain how your project will be marketed towards MBE/WBEs.

10. ADDITIONAL REQUIRED DOCUMENTS

- Articles of Incorporation/Bylaws
- Non-profit Determination
- List of the Board of Directors
- Authorization to Request Funds
- Designation of Authorized Official
- Organizational Chart

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- Most Recent Financial Audit
- Policies and Procedures
- SAM Search

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Application B: Housing Activities

Funding sources available: CDBG, HOME, Title 29, PLHA

1. APPLICANT INFORMATION

- Entity Name
- Ultimate Borrower, if applicable
- Application Contact (Name and Title)
- Contact Phone Number
- Entity Address, City and Zip Code
- Mailing Address (if different from above)
- Applicant’s Website
- Unique Entity Identification (UEI) Number
- Type of Agency (501(c)(3), For Profit, Gov’t/Public, CHDO, Other)
- Date of Incorporation

2. PROJECT SUMMARY

- Project Title
- Project Address(es)
- APN(s)
- Description of the Project
 - Provide a project description that captures the maximum anticipated scope of the application. It should include all contemplated actions which logically are, either geographically or functionally, a composite part of the project, regardless of the source of funding. Describe all physical aspects of the project, such as plans for multiple phases of development, size and number of buildings, and activities to be undertaken. Include details of the physical impacts of the project, including whether there will be ground disturbance. If applicable, indicate whether the project site will require acquisition or if the sponsor already has ownership.

3. BUDGET

- Funds Requested (Amount and Source)
- Total Project/ Program Cost (Identify funding to be used to support the project throughout affordability period, if applicable)
- Identify leveraged funds (Committed and Not Yet Committed)
- Identify additional rental assistance in project, if applicable
- Indicate how the match requirement will be met, if applicable.

4. PROJECT MANAGEMENT

- Project Lead Name:
 - Title:
 - Phone:
 - Email:
- Project Team
 - Please include information on the project team in the table below. Describe the roles, financial structure, and legal relationships of the entities identified in the project team table below.

Team Member	Contact Person/Phone Number	Company Name/Address
Developer		

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Owner(s)		
General Partner(s) (Please specify if managing, sole, etc.)		
Sponsor		
Administrative Subagreement		
General Agreement		
Architect		
Construction Specialist		
Construction Lender		
Permanent Lender		
Property Management Company		
Relocation Consultant		
Market Analyst		
Service Provider(s)		
Green Building & Sustainability Consultant		
Other Project Partners: Financial Consultant		

5. PURPOSE & NEED

- Purpose of the Proposed Project. Describe the project by addressing each of the following:
- What activities will be undertaken?
- What are the project goals and objectives?

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- Explain the need being addressed by this project.
- Explain how the need was identified.
- Who are the beneficiaries? How will eligibility be determined?
- Is there community and/or political support? Explain.
- Describe how the impact will be sustained once this round of funding ends.
- Organizational Capacity. Summarize the organization's background/capacity to carry out the proposed project. The narrative should address the following points:
- Has the organization carried out this type of project previously? Explain.
- What makes the organization a preferred provider of this service?

6. ELIGIBILITY

- Indicate the eligible activity category for this project, using the lists above.

7. SCHEDULE

- Provide a detailed project timeline, include milestones with units of measure.
- Describe agency's record keep system with relevance to the proposed project and how reporting requirements will be met.

8. ADDITIONAL INFORMATION

- Has site control been obtained? If so, how is site control held? Attach documentation of site control.
- Zoning. Is the current project location zoned for the proposed activity? If not, describe steps to be taken to ensure zoning requirements are met.
- If applicable, indicate the application due date for tax credits.
- Identity all permits necessary for the project. Include estimated dates of application and approval.
- Does this Project require Relocation? If so, attach Relocation Plan.
- Indicate Housing Type (Permanent Homeowner Housing, Rental Housing, Transitional Housing).
- Does the Project intend to target special populations (such as seniors, persons with disabilities, children in foster care, etc.)?
- Will the Applicant be providing services? If so, please provide a brief explanation.

9. ENVIRONMENTAL REVIEW

- Indicate level of environmental review required for proposed project.
- Indicate environmental review steps completed to date.

10. SECTION 3 AND MINORITY AND WOMEN BUSINESS ENTERPRISES (AS APPLICABLE)

- Section 3: Please explain how Section 3 benchmarks will be met.
- MBE/WBE: Please explain how your project will be marketed towards MBE/WBEs.

11. ADDITIONAL REQUIRED DOCUMENTS

- Articles of Incorporation/Bylaws
- Non-profit Determination
- List of the Board of Directors
- Authorization to Request Funds
- Designation of Authorized Official
- Organizational Chart
- Most Recent Financial Audit
- Policies and Procedures
- SAM Search
- Sources and Uses Statement
- Timeline of Project Expenditures
- Timeline of Project Milestones

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- Phase I or II Environmental Assessment
- Site Photos
- Complete construction drawing package
- Commitment Letters
- Operating Pro forma for length of period of affordability
- Partnership agreement and equity letters indicating general and limited partner contributions
- Rent schedule for rental housing project

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V. APPLICATION SELECTION & AGREEMENT AWARD**A. SELECTION PROCEDURES**

Application will be evaluated by a Selection Committee comprised of one or more County departments and stakeholders. The Selection Committee will consider the completeness of an application and how well the application meets the needs of the County. Evaluations will be based on criteria as outlined in **Section B (Selection Criteria)** below. All application in response to this NOFA will be evaluated using the same criteria.

The sole purpose of the selection procedure is to determine, from among the responses received, which one is the best qualified firm at compensation that the agency determines to be fair and reasonable. Any final analysis or weighted score does not imply that one applicant is superior to another, but simply that, in the Selection Committee's judgment, the selected applicant appears to be best qualified for the County's current and anticipated needs.

Public Service Interviews

Interviews for Public Service applicants will be held November 16, 2022, at the Homeless Services Oversight Council (HSOC) meeting at 1PM. A zoom link will be sent out ahead of time containing the link to the meeting. Applicants are permitted to advocate during Public Comment period and give an elevator speech explaining the application. No questions will be asked from HSOC members and applicants cannot comment during the action item when the application is being considered by HSOC for recommendation.

A non-conflicted grant review committee will be convened to review and score project applications. County staff will meet with applicants to ask for additional information as requested by the committee. Applicants will be informed of date/ time to be available for additional questions.

B. SELECTION CRITERIA

The County will evaluate the application based on, but not limited to, the following criteria:

Selection Criteria – NOFA	Points Available
Understanding of scope of work	25
Demonstrated expertise in performing similar work	20
Qualifications and experience of key staff	25
Familiarity with state and federal procedures	20
Demonstrated technical ability	10
Total Points Available Per Agreement	100

C. FINAL SELECTION

The Selection Committees will formulate its recommendation for award of the Agreement and forward its selection to the appropriate parties for approval.

D. AGREEMENT AWARD AND EXECUTION

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The County reserves the right to enter into an agreement without further discussion of the submitted application. Therefore, the application should be initially submitted on the most favorable terms the applicant can offer.

The County reserves the right to withdraw the NOFA in whole or in part, at any time and for any reason. Submission of an application confers no rights upon an applicant and does not obligate the County in any manner. The County reserves the right to award no agreement and to solicit additional offers at a later date.

Each applicant, by submitting an application, agrees that if the County accepts its application, such applicant will furnish all items and services upon the terms and conditions in this NOFA and subsequent agreement. Application that do not meet the mandatory requirements set forth in this NOFA will be considered non-compliant. Applicants may be disqualified, and the application may be rejected by the County for any of, but not limited to, the following reasons:

- Failure to properly respond to the NOFA;
- Evidence of collusion among the applicants submitting the application;
- Failure to comply with the specification requirements of the NOFA.

Terms, conditions, prices, methodology, or other features of the Agreement's application may be subject to negotiation and subsequent revision. As part of the negotiations, the Agreement may be required to submit additional financial information and other data to allow for a detailed evaluation of the feasibility, reasonableness, and acceptability of the application.

The NOFA document and the successful applicant's application response, as amended by agreement between the County and the successful Agreement, including e-mail or written correspondence relative to the NOFA, may become part of the agreement documents. Additionally, the County may verify the successful applicant's representations that appear in the application. Failure of the successful applicant to perform as represented may result in elimination of the successful applicant from competition or in agreement cancellation or termination.

The requirements listed in this NOFA are not negotiable and will remain unchanged unless the County determines that a change in such requirements is in the best interest of the County.

The County expressly reserves the right, in its sole judgment, to accept or reject any or all application, with or without cause, modify, alter, waive any technicalities or provisions, or to accept the application which, in its sole judgment, is determined to be the best evaluated offer resulting from negotiation and taking into consideration other evaluation factors set forth in the NOFA. The successful applicant will be expected to enter into an agreement with the County. If the successful applicant fails to sign an agreement within fifteen (15) business days following the delivery of the agreement documents, the County may elect to negotiate an agreement with the next-highest ranked applicant.

The County shall not be bound, or in any way obligated, until both parties have executed a agreement. The selected applicant may not incur any chargeable costs prior to final agreement execution. The foregoing should not be interpreted to prohibit either party from proposing additional agreement terms and conditions during the negotiation of the final Agreement.

The supplies and services are to be provided in compliance with all applicable state and federal standards, rules, and regulations. The County reserves the right to request additional written and/or oral information from applicants at any time before agreement award to obtain clarification of their responses.

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E. PROTEST OF AWARD

Any objection to the County's final decision will be handled according to applicable state and local procurement laws.