



COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING & BUILDING
TREVOR KEITH, *DIRECTOR*

September 27, 2021

MEMORANDUM FOR: ALL POTENTIAL APPLICANTS

FROM: Trevor Keith, Director
Planning and Building Department

SUBJECT: SAN LUIS OBISPO COUNTY COMMUNITY DEVELOPMENT GRANTS
NOTICE OF FUNDING AVAILABILITY (NOFA)

The Planning and Building Department is pleased to announce the release of this Notice of Funding Availability (NOFA) for up to approximately \$14.2 million in funds for the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), County General Fund Support (GFS), Title 29 Affordable Housing Fund (T-29), Permanent Local Housing Allocation (PLHA), HOME-ARP, and ARPA. The available funding sources are subject to federal, state, and local regulations and will be monitored for program compliance.

To streamline the County's grant management process and enhance customer service for the County's non-profit community, the County is continuing to use an online service (ZoomGrants) to receive and review grant applications.

On Tuesday, October 5, 2021, 11 AM – 12:00 PM, the County and ZoomGrants will hold an applicant training session via webinar. All potential applicants are strongly encouraged to participate.

ZoomGrants Training Webinar: [Click here](#)

All applications are due to the County no later than 5:00 p.m. on November 1, 2021. Applications are awarded on a competitive basis. ZoomGrants applications are available [here](#).

For the list of workshop dates and times see the attached NOFA. The workshops will include discussion about unmet needs for the development of the 2022 Action Plan. If you have any questions, contact the Housing Division at PL_housing@co.slo.ca.us.

**SAN LUIS OBISPO COUNTY
COMMUNITY DEVELOPMENT GRANTS
FOR ACTION PLANS**

2022

Notice of Funding Availability

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I. Introduction to NOFA

The County of San Luis Obispo is now accepting applications from interested parties to receive federal, state, and County funding for eligible activities that benefit low-income and homeless individuals. This document describes the estimated funding amounts for the 2022 Program Year. The U.S. Department of Housing and Urban Development (HUD) will announce the County’s final allocation in the spring. The local funding sources include the County’s General Fund Support (GFS) funds for homeless related services and the County’s Title 29 Affordable Housing Fund (T-29) funds which are available for the creation or rehabilitation of affordable housing. The GFS funding for homelessness is contingent on the County budget approval in June.

ZoomGrants:

The County is continuing to utilize an online application system called ZoomGrants. HUD grantees nationwide have used this system to streamline their application submittal, review, and management process. Applicants will create a profile and submit their application materials. Those who applied last year can use their same profile. We understand the application is still new, so there are many resources available, including a live webinar held on **Tuesday, October 5, 2021, from 11 AM to 12 PM** to explain how to apply and answer any questions you may have. See webinar log-in information on the cover memo of this NOFA. The Department will also issue further webinar log-in instructions via email prior to the training. The [ZoomGrants University](#) webpage is also a source for our applicants, with FAQs and tutorials.

Any IT/technological questions from our applicants can be directed to: questions@zoomgrants.com

To help potential applicants navigate to the correct ZoomGrants application program, please review the table below. It highlights the common activities and which application they can be found under.

Table 1: Application Matrix

General Activity List	Housing	Public Services	Public Facilities
	CDBG, HOME, HOME-ARP, ARPA, PLHA, T-29	CDBG, HOME, ESG, PLHA, GFS	CDBG, PLHA
Acquisition	X		
Relocation	X		
Site Improvements	X		
Rehabilitation	X		
New Construction	X		
Homeownership Assistance	X		X
Tenant-Based Rental Assistance		X	
Rapid Re-Housing Assistance		X	
Street Outreach		X	
Homelessness Prevention		X	
Emergency Shelter		X	
Case Management		X	
Warming/Cooling Shelters		X	
Safe Parking		X	
Data Collection (HMIS)		X	
Non-homeless Public Services		X	
Public Facilities			X

Microenterprise Assistance			X
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New in 2022 NOFA:

This year, the County will make an allocation of HOME-ARP funds. These funds are allocated through the American Rescue Plan (ARP) to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the county. These grant funds will be administered through HUD’s HOME Investment Partnerships Program (HOME).

In addition, the County Board of Supervisors has allocated \$6M of its allotment of American Rescue Plan Act funds towards Housing and Homelessness, to be considered for award under this year’s NOFA. The County may choose to direct a portion of the \$6M towards internal Housing and Homeless initiatives, so it is possible that less than \$6M is awarded via the NOFA process. This grant will be administered by the offices of the County Administrative and the Auditor, Controller, Treasurer and Tax Collector.

II. Estimated Funding Amounts

A. Funding Estimates

Below are the estimated totals for CDBG, ESG, HOME, GFS, T-29, PLHA, HOME-ARP, and ARPA for the 2022 Program Year. The estimates are subject to change and will be finalized based on their respective time frames.

Table 2: Funding Estimates

CDBG	ESG	HOME	GFS	T-29	PLHA	HOME-ARP	ARPA
\$1,772,309	\$153,597	\$882,722	\$253,000	\$542,982	\$1,356,138	\$3,294,619	Up to \$6M

B. Activity Limits

The CDBG funds can be used for any eligible activity, but the activities should address the five-year Consolidated Plan goals. Each year, there are set limitations for what can be allocated towards CDBG administration (20%) and public services (15%). These limitations are applied to the entire Urban County and are apportioned to each jurisdiction. Table 2 below indicates the estimated amount per jurisdiction. Administration can only be applied for by the cities and is apportioned based on the current Cooperation Agreement.

Table 3: Urban County CDBG Estimated Allocations

Jurisdiction	Total Estimated Allocation	Public Services max (15%)	Total Admin
Arroyo Grande	\$86,666	\$13,000	\$6,067
Atascadero	\$139,465	\$20,920	\$9,763
Morro Bay	\$57,656	\$8,648	\$4,036
Paso Robles	\$235,165	\$35,275	\$16,462
Pismo Beach	\$34,966	\$5,245	\$2,448
San Luis Obispo	\$494,210	\$74,132	\$34,595
County/unincorporated	\$724,181	\$108,627	\$144,836
Total	\$1,772,309	\$265,846	\$209,626

III. Program Milestones

Table 4: Input Opportunities

Steps	Date	Description
Application Released	Avail: 9/27 Due: 11/1	NOFA – Applications are made in ZoomGrants to the Urban County for projects and programs.
Applicant Training in Zoom Grants	10/5 11AM – 12PM	An opportunity to learn about the application process in Zoom Grants, held by Zoom Grants staff.
Needs Workshops	10/5: 6 PM 10/6: 1 PM	Virtual meetings to provide information about available federal funding, eligible types of projects and collect input on community needs. *Click the dates in schedule for links.
Needs Hearing	Board of Supervisors: 12/7	Provide information about available federal funding, eligible types of projects and collect input on community needs.
Application Review	November – January	The City Councils and County staff make draft funding recommendations along with the HSOC.
*Draft Funding Workshops	December – January	Prepare and release draft plan including all recommended projects/programs for a 30-day public review period.
Final Plan Hearing	May	Finalize and approve the Action Plan containing all projects and programs that will assist in meeting the identified needs in the community.
Action Plan to HUD	May	County’s final deadline for submitting Action Plan to HUD.

*Additional processes may be added to the above timeline to accommodate the reservation letter process. This is dependent on Affordable Housing applicant’s timing in applying for State Tax Credits. Refer to [Community Participation Plan](#) (pgs. 10-11).

Table 5: City Information

Jurisdiction	City Council Date	Contact Name	Contact Information
Arroyo Grande	December 14	Andrew Perez	aperez@arroyogrande.org ; 805-473-5420
Atascadero	December 14	Dawn Patterson	dpatterson@atascadero.org ; 805-461-5000
Morro Bay	December 14	Cindy Jacinth	cjacinth@morrobayca.org ; 805-772-6577
Paso Robles	December 7	Darren Nash	dnash@prcity.com ; 805-237-3970
Pismo Beach	December 7	Megan Martin	mmartin@pismobeach.org ; 805-773-4658
San Luis Obispo	December 1	Owen Goode	ogood@slcity.org ; 805-781-7170

IV. CDBG Program Requirements

A. Eligible Activities

1. **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).
2. **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).
3. **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), or installation of public improvements or facilities (except for buildings for the general conduct of government). Reference: §570.201(c)
4. **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.
5. **Public Services-** CDBG funds may be used to provide public services (including labor, supplies, materials, and other costs).
6. **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).
7. **Relocation-** CDBG funds may be used 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.)
8. **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).
9. **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).
10. **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.

11. **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).
12. **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).
13. **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).
14. **Microenterprise Assistance-** Under this category, grantees and other public or private organizations may use CDBG funds to facilitate economic development through the 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).
15. **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.
16. **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.
17. **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 grantee’s capacity (or that of its subrecipients) to plan and manage programs and activities for the grantee’s CDBG program.
18. **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).

B. Terms of Assistance

Based on the activity type funded, there are applicable elements that must be adhered to receive funding. Some of the elements may include but are not limited to:

- Long-term Affordability period with reporting
- Beneficiary Documentation submitted and maintained
- Project files maintained for County identified time frame
- Compliance with all monitoring requests
- Submit requested file documentation
- Deliver project on schedule

C. Requirements

- The subrecipient must agree to perform during the terms of the agreement.
- The subrecipient must submit progress reports (beneficiaries served and demographics) with reimbursement requests.
- The Subrecipient certifies that the activities carried out under the Agreement will meet the CDBG program national objective of primarily benefitting low- and moderate-income persons.
- The subrecipient must not obligate any funds, incur any costs, or initiate any projects until all environmental review has been completed and certified by the Department of Planning and Building.
- The subrecipient shall not perform any work under this Agreement until the County gives the Subrecipient a written approval (which shall serve as an Authorization to obligate funds and incur costs).
- Timely completion of the project is the highest priority of the agreement.

D. Rating Criteria

Applicants will be rated based on the following criteria:

- Does this activity meet the priorities of the Consolidated Plan?
- Environmental Clearance (Title 24 Part 58)
- Community support (for example, approval of project by a City Council)
- Seriousness of community development need proposed to be addressed by project. Applicant must clearly describe how much the proposed project will benefit the community.
- Degree to which the project benefits low-income and very low-income families or persons.
- Does the project include a clear timetable?
- Cost effectiveness of funds requested and leveraging of other funds.
- Has the applicant applied and received the necessary permits?
- Organization's experience or knowledge of regarding CDBG requirements and grant administration.
- Program/Project Management Capacity
- Application completeness and readiness

V. ESG Program Requirements

A. Eligible Activities

Providers must only serve individuals and families that have an annual income of less than or equal to 30% of the annual area median income (AMI).

1. **Homeless Management Information Systems (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.
2. **Rapid Re-Housing Assistance**- ESG funds may be used to provide housing relocation and stabilization services and short or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.
3. **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 ES. An ES 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.
4. **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 ES, housing or critical services, or provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access ES, 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.
5. **Homelessness Prevention**- HP activities are not eligible as a stand-alone activity, but may be proposed in conjunction with ES (for example, to facilitate shelter diversion) or with RR activities (for example, to facilitate preventing homelessness of a previously assisted individual or family experiencing instability after RR 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.

B. Terms of Assistance

Based on the activity type funded, there are applicable elements that must be adhered to receive funding. Some of the elements may include but are not limited to:

- Beneficiary Documentation submitted and maintained
- Project files maintained for County identified time frame
- Compliance with all monitoring requests
- Submit requested file documentation
- Deliver project on schedule

C. Requirements

- During the Agreement, the Subrecipient must maintain a list of all persons benefitting from the program and collect all other required HMIS data elements.
- The Subrecipient shall maintain appropriate documentation of client consent to participate in the HMIS database for a period of seven years.
- The Subrecipient must authorize the County to review their records for purposes of verifying the validity of the information reported to the County.

- Subrecipient may share Data with other County affiliated agencies provided such sharing of Data is in accordance with the County standards and policies, the San Luis Obispo HMIS Policies and Procedures Manual, and the subrecipient agreement.
- The subrecipient must submit progress reports (beneficiaries served and demographics) with reimbursement requests.
- Subrecipient acknowledges and agrees that a contract is subject to the obligations and limitations imposed on the County by the Grant Agreement and all future amendments to the Grant Agreement and is intended to be in conformance and harmony with it.

D. Rating Criteria

Applicants will be rated based on the following criteria:

- Does this activity meet the priorities of the Consolidated Plan?
- Environmental Clearance (Title 24 Part 58)
- Community support (for example, approval of project by a City Council)
- Seriousness of community development need proposed to be addressed by project. Applicant must clearly describe how much the proposed project will benefit the community.
- Degree to which the project benefits low-income and very low-income families or persons.
- Does the project include a clear timetable?
- Cost effectiveness of funds requested and leveraging of other funds.
- Has the applicant applied and received the necessary permits?
- Organization's experience or knowledge of regarding ESG requirements and grant administration.
- Program/Project Management Capacity
- Application completeness and readiness

VI. HOME Program Requirements

A. Eligible Activities

1. **New Construction-** HOME funds may be used for the new construction of both ownership and rental housing. New constructions are any projects that include the addition of dwelling units outside the existing walls of a structure.
2. **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 but adding a housing unit is considered new construction.
3. **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.
4. **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.

5. **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.
6. **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.
7. **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.
8. **Demolition-** Demolition of an existing structure may be funded through HOME only if construction will begin on the HOME project within 12 months.
9. **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. Note that homeownership undertaken with FY04 –FY07 American Dream Downpayment Initiative (ADDI) funds is not subject to the URA.
10. **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.)
11. **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.
12. **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).
13. **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 -- the level of subsidy 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.

B. Terms of Assistance

Based on the activity type funded, there are applicable elements that must be adhered to receive funding. Some of the elements may include but are not limited to:

- Long-term Affordability period with reporting
- Beneficiary Documentation submitted and maintained
- Project files maintained for County identified time frame
- Compliance with all monitoring requests
- Submit requested file documentation
- Deliver project on schedule

C. Requirements

- The lease period for HOME assisted rental units must be a minimum of 12 months.
- The subrecipient must keep requested documents on-site for review by the County.
- The subrecipient must submit progress reports (beneficiaries, applicants, and demographics) with reimbursement requests.
- The subrecipient must provide several forms to the County. These include the annual Rent and Occupancy form, the annual Financial Report, affirmative marketing documentation, previous monitoring documents, and any new findings or concerns.
- HOME assisted rental units are subject to inspection by the County, arranged with prior notice.
- A 10% retainer will be held until all documents are received at project close.

D. Rating Criteria

Applicants will be rated based on the following criteria:

- Does this activity meet the priorities of the Consolidated Plan?
- Environmental Clearance (Title 24 Part 58)
- Community support (for example, approval of project by a City Council)
- Seriousness of community development need proposed to be addressed by project. Applicant must clearly describe how much the proposed project will benefit the community.
- Degree to which the project benefits low-income and very low-income families or persons.
- Does the project include a clear timetable?
- Cost effectiveness of funds requested and leveraging of other funds.
- Has the applicant applied and received the necessary permits?
- Organization's experience or knowledge of regarding HOME requirements and grant administration.
- Program/Project Management Capacity
- Application completeness and readiness
- The number of HOME assisted units

VII. General Fund Support Program

A. Eligible Activities

These funds are set-aside for emergency/homeless shelter programs only. Emergency shelter facilities include those whose primary purpose is to provide temporary overnight and day shelter and services for homeless persons. Such services include case management, childcare, education services, employment assistance, outpatient health services, legal services, life skills training, mental health services, and substance abuse treatment.

B. Terms of Assistance

The actual amount (if any) is dependent on approval of the budget in June 2022 by the Board of Supervisors. The funds must be used on eligible activities and expensed during the fiscal year of the award.

C. Rating Criteria

Programs will be reviewed and prioritized based on local need, funding sources/ability to leverage funds, program cost compared to number of people served, and collaboration with other agencies and programs. The Homeless Services Oversight Council (HSOC) will make a funding recommendation to the County at one of its meetings, and the Board of Supervisors will subsequently make a final recommendation for allocation of funding.

VIII. Title 29 Affordable Housing Fund

A. Eligible Activities

Title 29 funds may be spent for construction or rehabilitation of very low, low, moderate income, and workforce housing.

B. Terms of Assistance

Title 29 requires an affordability period of 45 years for ownership units and 55 years for rental units. If the property is transferred during the affordability period to a new owner, it resets the original term. The households served must be income eligible based on the County's [Affordable Housing Standards](#) (160% of AMI or below). Compliance with the applicable county standards and policies for affordable housing including, but 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.

C. Requirements

- The County requires that Title 29 funds be drawn within 2 years from the date of commitment. Progress reports (beneficiaries served and demographics) are required to be submitted with reimbursement requests.

Table 6, below, shows the amount of Title 29 funds (i.e. in-lieu fees) that are available for this 2022 NOFA. Every year the Title 29 funds are allocated to affordable housing projects in the areas where the in-lieu fees were collected. Figure 1 on the next page shows the four designated areas of the County (four [Housing Market Areas](#)).

Table 6: Available funding per Housing Market Area

North County	South County	Central County	North Coast	Total
\$229,700	\$54,274	\$250,987	\$0	\$542,982

D. Housing Market Areas

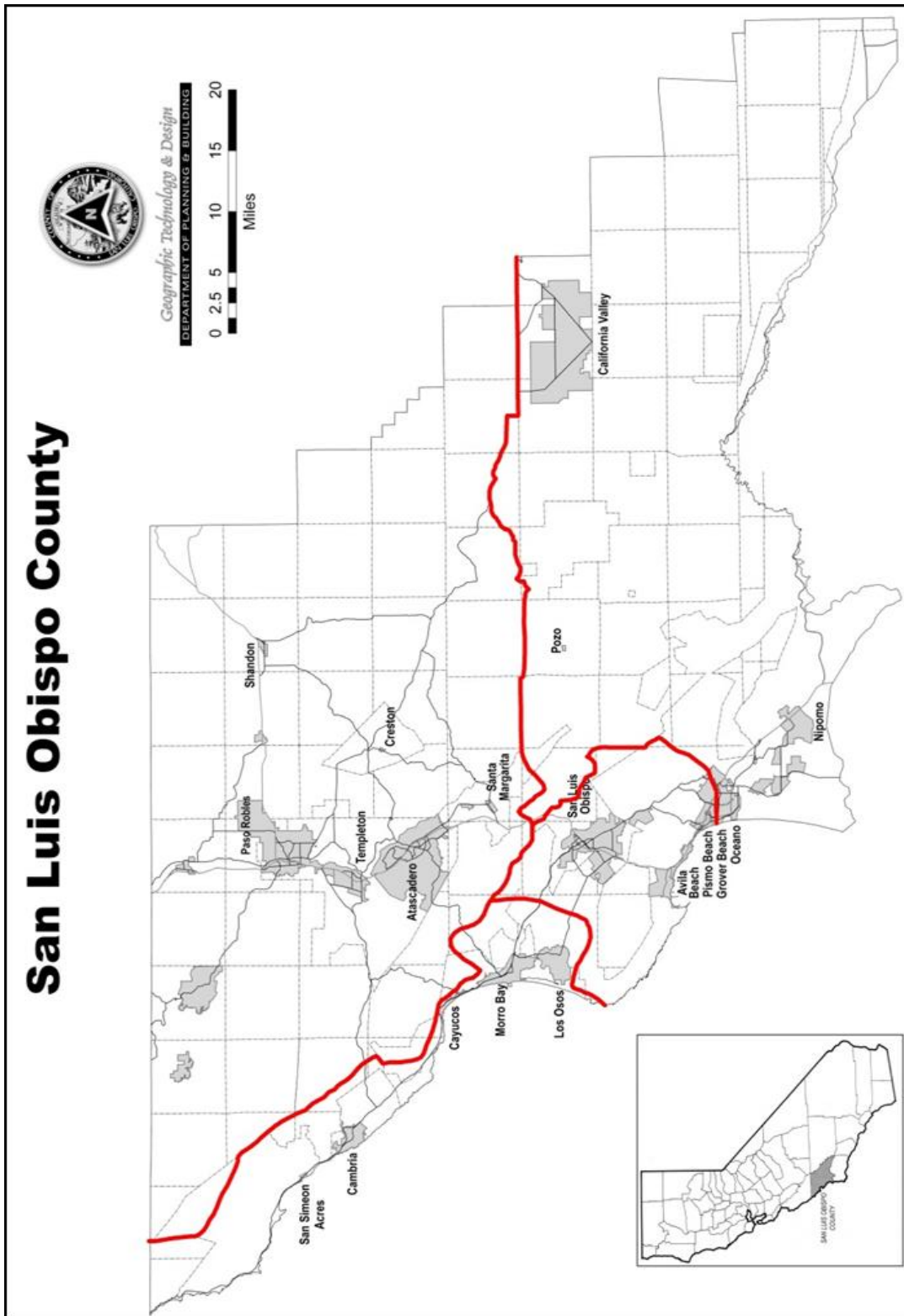


Figure 1: Housing Market Areas

IX. Permanent Local Housing Allocation

A. Eligible Activities

These funds may be used for a range of activities to address unmet housing needs in the county. The County, through the 5-year Plan and Application and direction from the Board of Supervisors, has defined how these funds are allocated by activity. The eligible activities include homeownership, homeless-serving and prevention, and administration. The State’s [PLHA Guidelines](#) further define what is eligible for each activity.

B. Process to Allocate Funds

This NOFA is seeking applications for the “Homeownership” (\$135,613) and “Homeless-serving and Prevention” (\$474,648) activities for Year 2 of the County’s 5-year PLHA Plan, which was adopted by the Board of Supervisors on July 14, 2020 (Table 7). The PLHA 5-year Plan sets forth the types of activities and the percentage of funds dedicated to each activity.

Table 7: Planned Activities and Percent Allocations

Activities	Yr. 1	Yr. 2	Yr. 2 Est. Allocation	Yr. 3	Yr. 4	Yr. 5
Homeownership	10%	10%	\$135,613	10%	10%	10%
Housing Trust Fund	50%	50%	\$678,069	50%	50%	50%
Homeless-serving and Prevention	35%	35%	\$474,648	35%	35%	35%
General Administration	5%	5%	\$67,806	5%	5%	5%
Totals	100%	100%	\$1,356,138	100%	100%	100%

C. Terms of Assistance

Based on the activity type funded, there are applicable elements that must be adhered to receive funding. Some of the elements may include but are not limited to:

- Long-term Affordability period with reporting
- Beneficiary Documentation submitted and maintained
- Project files maintained for County identified time frame
- Compliance with all monitoring requests
- Submit requested file documentation
- Deliver project on schedule

D. Requirements

- The subrecipient must agree to perform during the terms of the agreement.
- The subrecipient submits all necessary documents to allow the County to effectively monitor performance.
- The Subrecipient certifies that the activities carried out under the Agreement will meet the objective of benefitting low- and moderate-income persons and those at-risk or experiencing homelessness.

- Agreements commence at the beginning of the Program Year and terminate based on terms in the agreement.
- The subrecipient shall not perform any work under this Agreement until the County gives the Subrecipient a written approval (which shall serve as an Authorization to obligate funds and incur costs).
- Timely completion of the project is the highest priority of the agreement.

E. Rating Criteria

Applicants will be rated based on the following criteria:

- Does this activity meet the priorities of the five-year plan?
- Community support (for example, approval of project by a City Council).
- Seriousness of community development need proposed to be addressed by project. Applicant must clearly describe how much the proposed project will benefit the community.
- Degree to which the project benefits low-income and very low-income families or persons.
- Does the project include a clear timetable?
- Cost effectiveness of funds requested and leveraging of other funds.
- Has the applicant applied and received the necessary permits?
- Organization's experience or knowledge regarding the State Department of Housing and Community Development requirements and grant administration practices.
- Program/Project Management Capacity.
- Application completeness and readiness.

X. HOME-ARP Program Requirements

A. Eligible Activities

Congress allocated ARP funds to be administered through HOME to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. These activities include:

1. Production and Preservation of Affordable Housing
2. Supportive Services, Homeless Prevention Services, and Housing Counseling [For HOME-ARP assisted units only]
3. Purchase and Development of Non-Congregate Shelter
4. Tenant-Based Rental Assistance (TBRA) [For HOME-ARP assisted units only]

For further guidance on eligible activities, please see HUD's CPD notice ([Notice CPD-21-10: Requirements for the Use of Funds in the HOME-ARP Program - HUD Exchange](#)).

B. Terms of Assistance

Based on the activity type funded, all applicable terms and conditions are a condition of final approval. The most important component for compliance is the eligibility of a qualifying households, as follows:

Qualifying Households. Units restricted for occupancy by qualifying households must be occupied by households that meet the definition of a qualifying population at the time of admission to the HOME-ARP unit. A qualifying household after admission retains its eligibility to occupy a HOME-ARP rental unit restricted for qualifying populations, irrespective of the qualifying household's changes in income or whether the household continues to meet the definition of a qualifying population. As such, a unit restricted for a qualifying household remains in compliance with the HOME-ARP unit

restriction as long as the unit is occupied by a qualifying household that met the definition of a qualifying population at the time of admission.

C. Requirements

1. The subrecipient must agree to perform during the terms of the agreement.
2. The subrecipient submits all necessary documents to allow the County to effectively monitor performance.
3. The minimum compliance period for HOME-ARP assisted rental units is 15 years.
4. The subrecipient must keep requested documents on-site for review by the County.
5. The subrecipient must submit progress reports (beneficiaries, applicants, and demographics) with reimbursement requests.
6. The subrecipient must provide the annual Rent and Occupancy form, the annual Financial Report, affirmative marketing documentation, previous monitoring documents, and any new findings or concerns.
7. HOME-ARP assisted rental units are subject to inspection by the County, arranged with prior notice.

D. Rating Criteria

The County expects to award the HOME-ARP to multiple development projects to distribute housing opportunities across the geographic areas of County. Supportive Services are an important component for success in housing this specific population. Therefore, for each housing unit awarded HOME-ARP funding, the County is making a per unit subsidy available an array of eligible supportive services. Unit subsidies are as follows:

1. For each 1/1 unit:
 - A subsidy of \$100,00/unit (includes capitalization of operating subsidies).
 - Plus a \$15,000/unit for supportive services.
2. For each 2/1 or 2/2 unit:
 - A subsidy of \$125,000/unit (includes capitalization of operating subsidies).
 - Plus \$25,000/unit for supportive services.
 - No more than one 2/1 per development will be awarded.
3. For each 3/2 unit:
 - A subsidy of \$150,00/unit (includes capitalization of operating subsidies).
 - Plus a \$35,000/unit for support services.
 - No more than one 3/2 per development will be awarded.
4. Up to 5 HOME-ARP units for a total project size of less than 20 units.
5. Up to 8 HOME-ARP units for a total project size of 20 units or more.

XI. ARPA Program Requirements

A. Eligible Activities

NOFA requests considered for funding with County ARPA funds will be reviewed for eligibility with the Department of Treasury's Interim Final Rule (IFR), found here:

<https://home.treasury.gov/system/files/136/FRF-Interim-Final-Rule.pdf>

In the categories of Housing and Homelessness, the IFR describes the following as eligible activities:

A program, service, or other assistance that is provided in a Qualified Census Tract, that is provided to households and populations living in a Qualified Census Tract, that is provided by a Tribal

government, or that is provided to other households, businesses, or populations disproportionately impacted by the COVID-19 public health emergency, such as:

- Programs or services that address housing insecurity, lack of affordable housing, or homelessness, including:
- Supportive housing or other programs or services to improve access to stable, affordable housing among individuals who are homeless;
- Development of affordable housing to increase supply of affordable and high-quality living units; and
- Housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity and to reduce concentrated areas of low economic opportunity.

B. Reporting Requirements

Based on guidance in the IFR, NOFA Requests fulfilled with ARPA funds will be required to report on the following performance metrics, if applicable:

- Number of people or households receiving eviction prevention services and demographics (including legal representation)
- Number of affordable housing units preserved or developed

Additional performance reporting may be required upon release of the Treasury Final Rule.

C. Rating Criteria

Applications for ARPA funding shall include a narrative with supporting documentation describing how the proposed project meets the following rating criteria.

Threshold Criteria – Minimum Requirements

To be considered for ARPA funding, proposed projects must meet the eligibility criteria described above in addition to the following minimum requirements:

1. Demonstrated capacity and plan to leverage other funding sources to develop and build housing units (e.g. CDBG, HOME, tax credits). Include list of funding sources and if any of them are pending, provide alternate committed source or timing/confidence in receiving the funding.
2. Demonstrated organizational capacity to manage the project during development.
3. A project schedule that shows construction would be achieved consistent with funding deadlines (i.e., show timeliness of and level of certainty of construction start and completion dates in clear timetable and identified areas of uncertainty).
4. Documentation that permitting and environmental clearance is complete or has a clear path to completion. (e.g. letter from permitting agency describing permit status or copy of approved permit)
5. Verification of site control.

Scoring Criteria

Projects that meet the above threshold requirements will be rated and ranked based on the following criteria (45 points possible):

6. Developer has maximized long-term level of affordability in the housing units offered and mode of committed affordability (0-5 points).
7. Developer provides documentation to demonstrate sustainability of project and services. This can be in the form of a business plan for the project, including a cash flow statement (income

sources generated, expenses, timing, etc.). Identifies ongoing costs and Developer's intended funding structure for the ongoing costs, such as case management to support permanent supportive housing (0-5 points).

8. Transparently demonstrates where funds are spent and cost effectiveness of project and/or supportive services overall (0-5 points).
9. Number of units set-aside for homeless persons (0 – 5 points).
10. Number of ADA units (0 – 3 points).
11. Project's proximity to transit, amenities like schools, market, etc. (0 – 5 points).
12. Project's role in increasing jobs/housing balance, such as with mixed use on-site or proximity to job center(s) or through workforce training programs/services on-site/via project (0 – 3 points).
13. Provides supportive services and/or healthcare services as appropriate to the targeted special needs and vulnerable population (0 – 3 points).
14. Project's role in providing on-site supportive services that allow remote working/school for residents, such as on-site childcare services, educational support services, demonstrate sufficient broadband and/or office services to support remote work/school, etc. (0 – 3 points).
15. Demonstration of community support for the project and note any potential public opposition that may arise which could get in the way of their project meeting the expedited ARPA deadline (0 – 3 points)
16. Projects that include lower income units in communities that have not received funding from the County in the last 10 years will be eligible to receive up to 5 bonus points.