

# Competitive Permanent Local Housing Allocation (PLHA)

## Application Direction



# What is PLHA?

- ▶ Formula grants to entitlement and non-entitlement jurisdictions based on the formula prescribed under federal law for the Community Development Block Grant.
- ▶ Competitive grants to non-entitlement jurisdictions. Funding amounts will vary based on annual revenues to the Building Homes and Jobs Trust Fund.
- ▶ The City currently has an open award under Formula program, with funds dedicated to the City-incubated 501(c)(3) non-profit community land trust, Housing Mendocino Coast.
- ▶ The City received an award under the Competitive program in 2021 in partnership with Danco for development of the Plateau housing project.

# 2023 Competitive PHLA NOFA

- ▶ Applicants may only include one activity are limited to one application. Eligible activities for the 2023 PLHA Competitive NOFA are limited to the following and must take place within the City's jurisdiction:
  - ▶ Development of new multifamily rental housing that is Affordable to households at or below 60 percent of AMI or substantial rehabilitation of multifamily rental housing that will be Affordable to households at or below 60 percent of AMI, but which is not currently restricted as Affordable housing. In order to be eligible as “substantial rehabilitation”, a project must complete a minimum of \$40,000 per unit in hard construction costs; or
  - ▶ Assistance to persons who are experiencing or At risk of homelessness, including, but not limited to, through rapid rehousing, rental assistance, supportive services, and case management services that allow people to obtain and retain housing, operating and capital costs for Navigation Centers, or new construction, rehabilitation, or preservation of permanent or transitional rental housing.

# Rental Housing Development Activities

All assisted rental units must be restricted for a minimum of 55 years and all development projects must provide the following at application to demonstrate fiscal integrity:

- ▶ The Sponsor's organizational documents;
- ▶ A market study prepared in accordance with California Tax Credit Allocation Committee requirements, and prepared or updated within 12 months prior to the application due date, which demonstrates a market for the non-Assisted Units and documents the anticipated need for the Assisted Units;
- ▶ An appraisal prepared or updated at the Sponsor's expense within 24 months prior to the application due date;
- ▶ A preliminary title report;
- ▶ For new construction projects, a Phase I Environmental Site Assessment prepared or updated within 12 months prior to the application due date, and a Phase II environmental report if recommended by the Phase I;
- ▶ For rehabilitation projects, lead-based paint, mold, and asbestos reports.

# Assistance to Persons Experiencing or At Risk of Homelessness

Applicants must demonstrate readiness by submitting documentation of the following with the application:

- ▶ For Program Activities:
  - ▶ Timeline for the implementation of the activity
  - ▶ Written plan describing how funds will be used
  - ▶ Guidelines for determining amount of funds to be provided
- ▶ For Navigation Centers or Permanent or Transitional Housing:
  - ▶ Site Control
  - ▶ Land use Entitlements
  - ▶ Environmental Review
  - ▶ Commitment of other funding and other resources required

# Potential Applications Identified

- ▶ Supportive and Case Management Services:
  - ▶ Funding for the Police Department's Care Response Unit to provide supportive services through street outreach and case management, in order to assist persons experiencing or at risk of homelessness obtain and maintain housing, by connecting them with housing resources, mental health services, and substance abuse services.
- ▶ Rental Assistance:
  - ▶ Funding for a Rental Assistance Program to provide rent subsidies for persons experiencing or at risk of homelessness.

# Estimated City Scoring

Priority Points Rating Factors	Maximum Points	CRU	Rental Assist
Population	5	0	0
Prior Award	5	5	5
Activity	15	15	15
<b>Priority Points Total</b>	<b>25</b>	<b>20</b>	<b>20</b>
Evaluation Criteria Rating Factors	Maximum Points	CRU	Rental Assist
Community Need	30	20	20
Applicant Administrative Experience	15	5	5
Demonstrated Capacity	30	10	10
<b>Evaluation Criteria Total</b>	<b>75</b>	<b>35</b>	<b>35</b>
<b>Estimated Total</b>	<b>100</b>	<b>55</b>	<b>55</b>

# Next Steps

- ▶ Applications are due June 6, 2024
- ▶ If Council directs staff to prepare an application, a resolution must be approved authorizing application submittal
  - ▶ This would be scheduled for the May 28, 2024 Council meeting