STATE OF CALIFORNIA











SECTION 811 PROJECT RENTAL ASSISTANCE

ROUND IV

NOTICE OF FUNDING AVAILABILITY

December 26, 2024

AMENDED MARCH 11, 2025

December 26, 2024

MEMORANDUM FOR: Interested Parties

FROM: Rebecca Franklin, Chief Deputy Director

California Housing Finance Agency

SUBJECT: AMENDED Notice of Funding Availability Section 811

Project Rental Assistance (PRA) Program – Round IV

The California Housing Finance Agency (CalHFA) in partnership with the California Department of Health Care Services (DHCS), the California Department of Developmental Services (DDS), the California Department of Housing and Community Development (HCD), and the California Tax Credit Allocation Committee (TCAC) is pleased to announce the availability of approximately \$8 million for renewable project-based rental assistance funds targeted to non-elderly disabled persons eligible to receive services under Medi-Cal as set forth under the terms of this NOFA.

Questions on this NOFA from housing agencies should be directed to Christina DiFrancesco@hcd.ca.gov or Cristina Green at CGreen@calhfa.ca.gov.

Questions from persons seeking housing under this program should be directed to the Department of Health Care Services 811PRA@dhcs.ca.gov. Persons with intellectual or developmental disabilities should contact Michael McClintock at:

Michael.McClintock@dds.ca.gov.

NOTICE OF FUNDING AVAILABILITY

SECTION 811 PROJECT RENTAL ASSISTANCE (PRA) PROGRAM – ROUND IV TIMETABLE FOR APPLICATIONS

NOFA Issued	December 26, 2024
Applications Accepted	PRA funds are available on a noncompetitive basis until all available funds have been awarded. CalHFA will begin accepting applications for PRA funds on January 30, 2025 through April 30, 2025. If funds are still available after that time, the application window will re-open. If all funds are awarded prior to April 30, 2025, the NOFA will be closed and applications will no longer be accepted.
Initial Occupancy Deadline	The project's Rental Assistance Contract (RAC) with CalHFA must be executed no later than December 31, 2029. All 811 PRA units under that RAC must be initially occupied no later than December 31, 2029. These dates may be subject to change by the State, defined below.

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I. INTRODUCTION

The California Housing Finance Agency (CalHFA) in collaboration with the California Department of Health Care Services (DHCS), the California Department of Developmental Services (DDS), the California Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) (collectively the "State") is pleased to announce the availability of approximately \$8 million in renewable project-based rental assistance funds targeted to non-elderly disabled persons eligible to receive services under Medi-Cal as set forth under the terms of this NOFA.

II. APPLICATION SUBMISSION PROCEDURE

Applications for PRA funds, when available pursuant to the terms of this NOFA, shall be accepted from eligible project Sponsors via electronic mail at: PRA811@CalHFA.ca.gov. A complete application shall consist of a completed PRA application form and all required attachments. Application forms are available at:

http://www.calhfa.ca.gov/multifamily/section811/index.htm.

Please submit all documents associated with each application in one-email; however, if your own e-mail system does not permit this, clearly identify in all e-mails which application the attachments belong to. Do not submit separate applications in the same e-mail.

The maximum file size allowed by the email service is 10 MB. If you are having trouble sending an email with the application attached, or receive a message telling you the file size is too large, please contact the California Housing Finance Agency Information Technology Help Desk at 916.326.8888 or ITHelp@CalHFA.ca.gov for instructions on an alternative process for sending larger files.

III. TECHNICAL ASSISTANCE

Questions on this NOFA from housing agencies should be directed to Christina DiFrancesco at Christina.DiFrancesco@hcd.ca.gov or Cristina Green at CGreen@calhfa.ca.gov.

Questions from persons with disabilities seeking housing under this program should be directed to the Department of Health Care Services at 811PRA@dhcs.ca.gov. Questions from persons with intellectual or developmental disabilities should be directed to Michael McClintock at: Michael.McClintock@dds.ca.gov.

IV. PROGRAM AUTHORITIES

The authority for the PRA Program is Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), as amended by the Frank Melville Supportive

Housing Investment Act of 2010 (Pub. L. 111-374). The funding under this NOFA is made available pursuant to the Consolidated Appropriations Act, 2022 (Pub. L. No. 117-103), enacted March 15, 2022.

V. DEFINITIONS

Definitions for terms used in this NOFA are in Appendix A located at the back of the NOFA.

VI. ELIGIBLE PRA TENANTS

A. General Requirements:

Eligible Section 811 PRA tenants must meet all of the following criteria:

- Medi-Cal eligible Persons with Disabilities whose income does not exceed 30% of the Area Median Income (AMI) as determined by the project's Management Agent;
- 2. Age 18-61 at the time of initial occupancy in a Section 811 PRA unit;
- 3. Eligible for and require Long-term Services and Supports, including but not limited to supportive services funded under one or more of the following: California's 1915 (i) State Plan Benefit,1915 (c) Home and Community-Based Services (HCBS) Waiver, including the DDS Self Determination Program Waiver, the 1915(b) Specialty Mental Health Waiver for services covered under Medi-Cal's Rehabilitation Option or other State Plan services, including but not limited to, In-Home Supportive Services (IHSS), and
- 4. Qualify under one or more of the Target Population groups discussed below.

B. Eligible Target Populations

Persons with Disabilities who are Institutionalized, or Persons with Disabilities who are Noninstitutionalized as set forth below.

1. <u>Institutionalized:</u> Non-elderly Persons with Disabilities, including individuals with Developmental Disabilities, residing in an inpatient facility for at least 60 consecutive days, for which Medi-Cal has paid for at least one of those days, who are enrolled in the California Community Transitions (CCT) Program, or

who qualify for one of the other services listed in Section A3 above, and who are in need of housing upon exit.

A qualifying inpatient facility includes facilities directly billed to Medi-Cal, including but not limited to, Nursing Facilities, Developmental Centers, Hospitals, Institutions for Mental Disease (IMDs), ICF-DD habilitation facilities, and other types of Intermediate Care Facilities.

Priority for PRA unit occupancy for the funds available through this NOFA will be given to the Institutionalized population. For this population, it must have been determined by the individual's physician that without the provision of Long-term Services and Supports the individual would continue to require a level of care provided by an inpatient facility.

- 2. <u>Noninstitutionalized:</u> means non-elderly Persons with Disabilities including but not limited to the following groups listed below. Persons with Developmental Disabilities who qualify under any one of these Noninstitutionalized populations listed below will be given priority over other Noninstitutionalized persons within these priority groups):
 - Persons at risk of moving into an inpatient facility, or into a more restrictive living arrangement (e.g. residential facility, group home) due to the need for rental assistance
 - b. Persons experiencing Homelessness
 - c. Persons at-risk of Homelessness

Where two or more Noninstitutionalized households from the same category are ready to move in, priority for available units shall be given on the basis of greatest need as determined by the Management Agent in consultation with the Tenant Service Organization (TSO), CalHFA, DHCS, and DDS.

Exceptions to the prioritization of Target Populations set forth above may be granted by the State under this NOFA on a case-by case basis if necessary to meet Project occupancy deadlines.

Tenant selection practices for PRA-eligible households shall comply with state Housing First Requirements at Welfare and Institutions Code (WIC) 8255 (b), except as otherwise provided in Section VII of the NOFA related to the tenant referral process.

C. Support Services

Participation in supportive services by the PRA-eligible tenant is voluntary; however, eligibility for the services discussed below should continue for as long as the tenant receives Medi-Cal benefits. Project Sponsors are not required to provide supportive services to PRA tenants in addition to what the project is already obligated to provide; however, projects that can make other on-site or off-site supportive services available to tenants may be prioritized for available PRA funds.

DHCS

For persons leaving nursing facilities or other Medi-Cal funded institutions, support services are provided through the DHCS CCT Program or other services set forth under Section 3A above. Typical support services include a whole person care plan, case management, habilitation, skilled nursing, personal care, medical equipment, medical assistive technology, home accessibility modifications, furnishings, first month rent and deposits. Other Medi-Cal-eligible 811 PRA tenants who are not leaving institutional settings will also receive supportive services through Medi-Cal-funded service providers.

DDS/Regional Centers:

Services and supports provided for persons with Developmental Disabilities are provided by the DDS Regional Centers and are intended to be life-long. A widerange of services and supports may be available to assist the individual with the acquisition and retention of adaptive skills that will enable the individual to safely reside in their own home or apartment, as well as, socialize, recreate and fully integrate into their community. Services provided by the Regional Center may continue as long as the individual is eligible to receive Regional Center services, the needed services are specified in the individual's Individual Program Plan (IPP), and the services are not available through another community resource. Types of services and supports provided through the Regional Centers may include, but may not be limited to, Case Management; Supported Living or Independent Living; Health and Clinical Supports; Adaptive Equipment and Environmental Modifications; Day Activities, and Vocational Services and Supports. Transition set-up supports for individuals leaving an institution may be available to assist someone to transition from an institution into the community. These services may include such things as moving expenses and one-time setup fees, i.e. utilities, or security deposits required to obtain a lease or an apartment.

VII. TENANT REFERRAL PROCESS

PRA-eligible tenants will be referred to DHCS or DDS by TSOs (also known as Tenant Referral Organizations (TROs)), including but not limited to, CCT Providers, Regional Centers or their subcontracted service providers, Medi-Cal Waiver agencies, and other Medi-Cal subcontracted supportive services providers. Once the project's Management Agent is aware that a PRA unit will become available, the Management Agent or Sponsor must notify the affected TSOs, CalHFA, DHCS, and DDS. Upon notification of an anticipated vacancy, the TSOs will refer individuals to the project. Once a household's tenant application has been approved by the Management Agent's compliance Department, PRA-eligible households will be prioritized for move-in as set forth in Section VI. B above if multiple applicants are approved at the same time.

Tenant applications should be submitted to the project's Management Agent within 30-days of notification of an available PRA unit. Households referred to the project shall receive assistance in submitting a completed application for tenancy and in ensuring that all needed Medi-Cal-funded Long-term Services and Supports are approved or in place prior to move-in, including any Reasonable Accommodations or Reasonable Modifications based on disability.

If a PRA-eligible tenant cannot be placed in a unit within 60 days of notification of unit availability, the owner can elect to fill that unit with a non-PRA-eligible tenant. In these instances, the PRA rental assistance will be applied to another unit once a PRA-eligible tenant is ready to move in.

VIII. ELIGIBLE TENANT SERVICES ORGANIZATIONS

- 1. Eligible TSOs will have responsibility for identifying PRA-eligible tenants and assisting with their transition, stabilization, and retention in PRA-assisted housing.
- 2. Eligible TSOs must be one or more of the following entities: (a) a current CCT Program provider, (b) a Medi-Cal Waiver agency (c) a California Regional Center serving individuals with a Developmental Disability, (d) an entity that subcontracts with a Regional Center to provide tenant referrals and housing placements (e.g., supported living or independent living service provider providing tenant referrals and housing placements), or (e) a homeless Coordinated Entry System (CES) lead agency or other entity taking PRA referrals from the local CES.

- Eligible TSOs or their subcontracted service providers must document that the experience requirements for TSOs listed under Section XV.B of the NOFA are met
- 4. Eligible project Sponsors and their Management Agents must enter into a Memorandum of Understanding (MOU) with one or more eligible TSOs, including at least one CCT TSO, or Medi-Cal Waiver agency, <u>and</u> one Regional Center or Regional Center subcontracted TSO, where interested and available in an area. The MOU must use the fillable form template provided with the application.

A list of CCT Providers can be found at: http://www.dhcs.ca.gov/services/ltc/Pages/CCT.aspx.

A list of Regional Centers can be found at: https://www.dds.ca.gov/rc/listings/.

A list of Medi-Cal Waiver agencies can be found at: Home and Community Based (HCB) Alternatives Waiver

IX. ELIGIBLE PROJECT SPONSORS

- 1. The entity submitting the PRA application to the State pursuant to Section II of the NOFA must be the project Sponsor. For the purpose of application submission and evaluation for projects under development, the project Sponsor is the developer of the project(s) proposed for PRA assistance or the project owner. The project owner can be either: (1) the single-asset ownership entity of the development or (2) the direct project owner if the project is not owned by a single-asset entity.
- 2. The project Sponsor must have the minimum experience set forth in Section XV.A of the NOFA. The State reserves the right to deny or delay approval of applications for PRA funds if the State determines that the project Sponsor, project owner, or its affiliated entities, may not have the requisite experience or current or future capacity to fulfill its obligations under the program.
- 3. Eligible project Sponsors and their Management Agents must enter into a Memorandum of Understanding (MOU) with one or more eligible TSO, including at least one CCT TSO, or Medi-Cal Waiver agency, <u>and</u> one Regional Center or Regional Center subcontracted TSO, where interested and available in an area. The MOU must use the fillable form template provided with the application.

- 4. Once a project is selected to receive PRA assistance, the project owner must enter into a RAC with CalHFA.
- 5. Prior to execution of a PRA RAC with CalHFA, funded projects must agree to take PRA-eligible tenant referrals as set forth in Section VII.

X. ELIGIBLE USES OF FUNDS

PRA funds are for rental assistance only within eligible projects as set forth below. PRA rental assistance will pay the difference between the monthly Total Tenant Payment of the assisted household required by HUD, and the Fair Market Rent (FMR) applicable to a particular unit as published by HUD for the Section 8 program, or an exception rent as approved by CalHFA in accordance with HUD requirements.

XI. ELIGIBLE PROJECTS AND UNITS

Projects requesting PRA funds shall meet the following minimum requirements:

- Eligible projects must be multifamily rental properties of five or more units with existing or anticipated capital financing from TCAC, HCD, or CalHFA. These projects may be located in any county of the State as long as the other requirements of the program can be met. Eligible projects must have received or been awarded development funds from TCAC, HCD, or CalHFA by the time the PRA RAC is executed.
- 2. Eligible projects must be located in areas where DHCS and DDS have determined that there are sufficient supportive services available to meet the needs of PRA-eligible tenants. In selecting projects, the State will also make good faith efforts to select sites that: (a) do not perpetuate patterns of segregation; (b) avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons and persons of color; and (c) remove barriers to affordable housing for persons with disabilities by being located in well-resourced neighborhoods of opportunity.
- Funded projects must follow tenant selection, property management, and service
 delivery practices for PRA units in accordance with the core components of
 Housing First set forth in WIC Section 8255 (b), except as otherwise provided in
 Section VII of the NOFA related to the tenant referral process.

- 4. Eligible projects must sufficiently document that they will be able to meet the occupancy deadlines outlined in Section XIII.
- 5. At the time of application for PRA funds, individual projects may be either:
 - a. Existing projects for which construction or rehabilitation is complete;
 - b. Projects under development for which planned construction or rehabilitation has not yet begun or is not yet complete, except as noted below:
 - i. <u>Davis-Bacon Compliance</u>: (A) Projects under development may not propose 12 or more PRA units unless there is another source of federal funding triggering Davis-Bacon that can assume responsibility for Davis-Bacon compliance monitoring, (e.g. HOME Investment Partnerships Program funds), or unless the locality otherwise agrees to assume responsibility for Davis-Bacon compliance monitoring. (B) Projects proposing 12 or more PRA units for which construction or rehabilitation activity is underway at the time of PRA application submission that have not already received their Davis-Bacon Wage Determination cannot apply for PRA funds until construction or rehabilitation is complete. See Section XIV.F for more information regarding Davis-Bacon requirements.
 - ii. Environmental Compliance: Projects for which construction or rehabilitation activity is underway at the time of PRA application submission that have not already received their federal environmental clearance through other HUD funding sources cannot apply for PRA funds until construction or rehabilitation is complete. See Section XIV.H. for more information regarding Environmental requirements.
 - iii. Floodplain: New construction projects in a mapped 100-year floodplain cannot apply for PRA funds until the project is complete. New construction activities are also prohibited in the mapped 500-year floodplain unless the project Sponsor determines that there are no alternatives outside of the 500-year floodplain within the metropolitan area, with access to transportation and services. See Section XV.H.6 for more information regarding floodplain requirements.

For new construction projects, evidence of construction completion shall be a recorded Notice of Completion. For rehabilitation projects, evidence of

completion shall be a recorded Notice of Completion or other similar documentation from the local building or planning department that evidences completion of the rehabilitation.

- 6. No more than 25% of the total project units can: (a) be provided PRA payments; (b) be restricted to supportive housing for persons with disabilities; or (c) have any occupancy preference for persons with disabilities, regardless of the source of this restriction. This is hereinafter referred to as the "25% Rule".
- 7. Units already receiving any form of federal or state housing operating assistance (such as project-based Section 8) are ineligible to receive Section 811 PRA assistance, unless the Section 811 PRA funds are being used to support other units in the building without such subsidy. Existing units receiving PRA funding must not have received any form of long-term operating subsidy within a sixmonth period prior to receiving PRA funds; however, in certain circumstances, if the operating subsidy on the unit has expired or is otherwise no longer available, PRA assistance may be available without a six-month waiting period. Contact CalHFA to discuss the specific circumstances related to your project.
- 8. Eligible projects must be able to comply with the terms of this NOFA, and other federal and state requirements in the required timeframes.
- 9. The state reserves the right to prioritize projects for funding that are located in cities or counties where there are no 811 PRA-funded properties if those areas will also have sufficient supportive services available for the PRA target population. A list of current PRA properties and their locations is located here.

XII. MINIMUM AND MAXIMUM AWARD AMOUNTS

An eligible applicant may submit more than one application for PRA funds.

- 1. A PRA application must request assistance for a minimum of five units.
- 2. The maximum number of units per project that can be requested in an application will be determined by application of the 25% Rule.
- The state may reduce the number of PRA units requested in order to fund additional projects or achieve greater geographic diversity among funded projects.
- 4. Awards may be increased, and units added to RACs, in the event that additional program funds become available

XIII. OCCUPANCY DEADLINES

The project's RAC with CalHFA must be executed no later than December 31, 2029. All 811 PRA units under that RAC must be initially occupied no later than December 31, 2029. These dates may be subject to change by the State.

To help ensure the State can meet this deadline:

- New construction and rehabilitation projects must demonstrate that they can complete their initial lease up of PRA units within 6 months of execution of their RAC.
- 2. Existing properties must have a minimum of 50 percent of the requested number and type of PRA units vacant and available for lease-up at time of execution of the RAC.
- 5. The State may disencumber any of the awarded funds for PRA units that remain unoccupied by PRA-eligible tenants if sufficient cause exists to believe that the occupancy deadline cannot be met. Before the decision is made to disencumber awarded funds, the State will contact the project Sponsor to discuss the progress made in PRA unit lease-up, and ways to try to avoid disencumbrance. The State reserves the right to make disencumbered funds available to supplement existing PRA awards, or to make additional new awards. The State may also take other actions consistent with current program requirements to ensure occupancy of the PRA units.

XIV. FEDERAL OVERLAY REQUIREMENTS

A. Housing Standards

For each project for which Section 811 PRA funds are requested, PRA applications must include a signed certification from the project architect or other qualified third-party inspector which certifies that all PRA-funded units meet local and state housing codes, ordinances, zoning requirements, and minimum requirements set forth in the National Standards for the Physical Inspection of Real Estate: Inspection Standards. For more information, visit REAC's NSPIRE website.

B. <u>Barrier Free/Accessibility Requirement for Units, Buildings, and Facilities, Including</u> Public and Common Use Areas

Eligible projects may consist of a mix of accessible and non-accessible units. The following accessibility standards must be met as applicable: (a) the Uniform Federal

Accessibility Standards at 24 CFR Section 40.7, (b) Section 504 of the Rehabilitation Act of 1973 as implemented by 24 CFR Part 8 (Section 504), (c) the Americans with Disabilities Act and implementing regulations at 28 CFR parts 36 as applicable. (d) the design and construction requirements of the Fair Housing Act and HUD's implementing regulations at 24 CFR Part 100, and (e) State of California accessibility standards for publicly funded projects (Chapter 11).

<u>New Construction and Rehabilitation Projects:</u> PRA applications must include a signed certification from the project architect or other qualified third-party inspector that certifies that the project will meet the above standards at the time of completion of the construction or rehab activity.

<u>Existing Properties</u>: PRA applications must include a signed certification from either the project architect, other qualified third-party inspector, or property owner certifying that the applicable standards were met at the time of construction completion, or last rehabilitation completion, whichever is the most recent:

Project Sponsors must ensure that the eligible project(s) is readily accessible to and usable by individuals with disabilities and must grant Reasonable Accommodation requests in accordance with Section 504, the Fair Housing Act, and the Americans with Disabilities Act, and applicable program requirements.

In addition, all communications must be provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 and, as applicable, the Americans with Disabilities Act. This includes providing information in accessible electronic formats, information in alternative formats, and auxiliary aides and services. See 24 CFR 8.6.

C. Affirmatively Furthering Fair Housing Affirmative Marketing:

1. <u>Affirmative Marketing</u>: Pursuant to Section 808 (e) (5) of the Fair Housing Act, PRA TSOs must take actions to provide information and otherwise attract eligible-PRA tenants regardless of race, color, national origin, religion, sex, disability, familial status, sexual orientation, or gender identity, who are not likely to apply to the program without special outreach.

TSOs shall not begin accepting applications for PRA-assistance or otherwise making PRA referrals until after conducting the Affirmative Marketing outreach required pursuant to their approved Affirmative Marking form. This form, along with detailed instructions, is included with the PRA application materials. DDS and DHCS will assist TSOs in completing this form, if needed.

Existing properties with vacancies must submit this form with their PRA Application. Other properties must submit this form to CalHFA no later than 150 days prior to the anticipated start of lease up of the 811 PRA units. Existing properties should start working on their Affirmative Marketing form as soon as starting to prepare their application. If data is needed from DDS, please contact the Department of Developmental Services HUD 811 PRA Coordinator in the Office of Community Development at (916) 654-1956 for assistance.

- 2. All methods of outreach and referral must be consistent with fair housing and civil rights laws and regulations, and Affirmative Marketing requirements. Project Sponsors and their agents must conduct all other such activities in compliance with HUD Handbook 4350.3 REV-1 Chapters 2 (Civil Rights and Nondiscrimination) and Chapter 4 (Waiting List and Tenant Selection). See below for more information on waiting lists.
- 3. <u>Tenant Selection Plan</u>: A PRA Tenant Selection Plan must be submitted to the State for approval using the template form provided with the application materials. The Project's Tenant Selection Plan must comply with the terms of this NOFA. Sponsors of TCAC, HCD, or CalHFA-financed projects have permission to deviate from the Tenant Selection Plan approved in connection with this financing in order to meet PRA requirements.

In preparing the Tenant Selection Plan, note the following:

- a. <u>PRA Set-Aside</u>: Once a project Sponsor receives an award of PRA funds, they must set-aside the projected number of units for PRA tenants, in the property identified in their application. The units may be "floating" units, in that a specific unit does not need to be identified until an eligible tenant is ready to move in.
- b. When the project owner has a vacancy among the PRA-units, the project owner, or their Management Agent, must inform the TSOs and the State in accordance with the requirements of Section VII. Tenant applications should be submitted to the project's Management Agent within 30-days of notification of the TSO of an available PRA unit. If a PRA-eligible tenant cannot be placed in a unit within 60 days of notification of unit availability, the owner can elect to fill that unit with a non-PRA-eligible tenant; however, this household is not entitled to the benefit of the PRA rental assistance, and the next available suitable unit shall be made available for occupancy by an eligible PRA tenant.

- c. An eligible PRA tenant with a legitimate reason for rejecting a particular unit can do so. The unit can then be offered to the next eligible tenant referred by a TSO with the other eligible tenant retaining his/her same position on the applicable waiting list, subject to the prioritization of persons Institutionalized over persons Noninstitutionalized.
- d. Rejection of a particular unit for an eligible tenant due to lack of physical accessibility can only be done if a Reasonable Accommodation cannot be made. Some accessibility modifications on individual units may be paid for by DHCS for Institutionalized individuals or by the Regional Center for Regional Center consumers.
- e. To prevent over-or under-utilization of project units, project owners must develop and abide by occupancy standards which meet the requirements of Section 3-14 of HUD Handbook 4350.3 REV-1 as well as the minimum and maximum occupancy standards required by code requirements and the project's other funding sources.
- 4. To the maximum extent feasible, PRA units must be dispersed and integrated within eligible projects.

D. Full Disclosure of Available Housing

Management Agents and TSOs must ensure when selecting eligible tenants for placement in individual units within eligible projects that tenants can exercise housing choice among suitable projects within a community where they want to live.

To this end, Management Agents must provide TSOs with property information, including basic information about available sites (e.g., location, number and size of accessible units, access to transportation and commercial facilities) and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types (e.g., regular or accessible), at each site.

E. Limited-English Proficiency

Pursuant to Executive Order 13166, PRA-funded properties shall take reasonable steps to ensure meaningful access to their programs and activities by persons with Limited-English Proficiency (LEP). As requested in the application, information must be provided regarding the types of LEP assistance provided to persons residing or seeking to reside in the proposed PRA project(s). For additional LEP guidance, see: <u>Limited English Proficiency (LEP) - HUD</u>.

F. Davis-Bacon Labor Standards

- Projects proposing 12 or more PRA-assisted units where planned construction or rehabilitation activity has not started before an application is submitted to the State to receive PRA assistance are subject to Davis- Bacon and federal Contract Work Hours and Safety Standards Act (CWHSSA) requirements.
- These projects may not propose 12 or more PRA units unless there is another source
 of federal funding triggering Davis-Bacon that can assume responsibility for DavisBacon compliance monitoring (e.g. HOME Investment Partnerships Program funds), or
 unless the locality otherwise agrees to assume responsibility for Davis-Bacon
 compliance monitoring.
- 3. Projects proposing 12 or more PRA units for which construction or rehabilitation activity is underway at the time of PRA application submission that have not already received their Davis-Bacon Wage Determination cannot apply for PRA funds until construction or rehabilitation is complete. For new construction projects, evidence of construction completion shall be a recorded Notice of Completion. For rehabilitation projects, evidence of completion shall be a recorded Notice of Completion or other similar documentation from the local building or planning department which evidences completion of the rehabilitation.

In projects subject to Davis-Bacon Labor Standards, the State may ask for additional documentation to ensure that prevailing wage costs are included in the project budget, and that the requirements of Davis-Bacon and CWHSSA can be met. The State may require that the developer hire a third-party to act as a Labor Standards Coordinator.

For projects subject to Davis-Bacon, all laborers and mechanics, (other than volunteers under the conditions set out in 24 CFR Part 70), employed by contractors and subcontractors in the construction (including rehabilitation) of housing assisted under this NOFA shall be paid wages at rates not less than those prevailing in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

Contracts involving employment of laborers and mechanics shall be subject to the provisions of the CWHSSA. Project owners and owners' contractors and subcontractors must comply with all related rules, regulations, and requirements. In accordance with U.S. Department of Labor regulations at 29 CFR Section 1.6(g), if a project is approved to receive PRA funds after a contract for construction of the project has been awarded (or after the beginning of construction where there is no contract award), but before completion of construction, the State shall require that the wage determination be effective on September 18, 2024, (the State's Round IV PRA award date), or the

beginning of construction, and be incorporated into the construction contract retroactively to that date or to the beginning of construction.

The State may request the HUD Office of Labor Relations seek approval from the U.S. Department of Labor for the incorporation of a wage determination to be effective instead on the date of the State's approval of PRA assistance for the project. Such approval may be granted only where there is no evidence of intent to apply for the federal assistance for the project prior to contract award or start of construction.

G. Energy and Water Conservation

New Construction and Substantial Rehabilitation Projects must document compliance with the following when such projects apply for PRA funding.

- 1. Energy Efficiency Low-rise (up to three stories): PRA funded properties must meet the requirements of EPAs ENERGY STAR Qualified Homes. Mid-Rise & High-Rise developments (4 or more stories) must meet the requirements of the ENERGY STAR Qualified Multifamily High-Rise Buildings. Any state energy code requirements will take precedence over ENERGY STAR specifications when the state code approximates or exceeds that standard. For more information, see Resources for Residential New Construction Partners | ENERGY STAR | Specific questions can be emailed to energystarhomes@energystar.gov.
- 2. Water Conservation Fixtures Installation of water-conserving fixtures is required (e.g. resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets). The materials used should be the most current WaterSense or a greater water efficiency product. More information is available at https://www.epa.gov/watersense/using-water-efficiently.

H. Environmental Requirements and Assurances

PRA funds cannot be awarded until all necessary environmental clearances have been obtained; therefore, projects for which construction or rehabilitation activity is <u>underway at the time of PRA application submission</u> that have not already received their required federal environmental clearance through other federal funding sources <u>cannot apply for PRA funds until construction is complete.</u>

No additional environmental review is necessary if a project meets one of the following conditions below and can provide the necessary documentation noted below.

- 1. The project is an Existing project that is currently HUD-assisted or HUD-insured that will not engage in activities with physical impacts or changes beyond routine maintenance activities or minimal repairs; or
- 2. The project already has environmental clearance under 24 CFR Part 50 or Part 58. Projects that include funding from other HUD programs (such as HOME), or that have mortgage insurance through FHA can use the environmental clearance under those programs in lieu of PRA requirements as long as the environmental reviews were completed within 5 years and the project description covers the units proposed to be assisted by PRA.

<u>Projects Not Meeting the Above Requirements:</u> PRA is subject to 24 CFR Part 50. To maintain the eligibility of a project to receive an award of PRA funds, the PRA-assisted project must receive the required environmental clearance pursuant to the requirements below. Citations to authorities in the following paragraphs are for reference only. To the extent that property standards or restrictions on the use of properties stated in the following paragraphs are more stringent than provisions of the authorities cited, the requirements stated in the following paragraphs shall control:

- 1. <u>Site Contamination (24 CFR 50.3(i))</u>. It is HUD policy that all properties for use in HUD assisted housing be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property (24 CFR 50.3(i)(1)). Eligible PRA projects subject to further environmental review shall assess whether the site: (i) is listed on an EPA Superfund National Priorities or CERCLA list or equivalent state list; (ii) is located within 3,000 feet of a toxic or solid waste landfill site; (iii) has an underground storage tank other than a residential fuel tank; or (iv) is known or suspected to be contaminated by toxic chemicals or radioactive materials.
- a. If none of these conditions exist, submit a letter of finding signed by the project owner or Phase I preparer certifying to the above. This letter must be maintained in the site's environmental record. Additional information may be requested by the State if necessary to substantiate these findings.
- b. If any of these conditions exist, provide an ASTM Phase I Environmental Site Assessment (ESA) in accordance with ASTM E 1527-13 (or the most recent edition);

<u>Note</u>: A Phase I ESA which complies with these standards and was prepared within the Phase I ESA continuing viability timeframe for the acquisition of the property or a real estate transaction (construction, rehabilitation, or refinancing) for the property, will be deemed acceptable.

If a Phase I ESA is conducted and the Phase I ESA identifies Recognized Environmental Conditions (RECs), a Phase II ESA in accordance with ASTM E 1903-11 (or the most recent edition) shall be performed. Any hazardous substances and/or petroleum products that are identified at levels that would require remediation under state or local law shall be addressed in accordance with these requirements for the applicable REC. Risk-Based Corrective Actions are permitted if permitted under state or local requirements.

- 2. <u>Historic Preservation</u>: (16 U.S.C.470 et seq.)
 - a. All work on properties identified as historic by the State of California, must comply with all applicable state, territorial, tribal historic preservation law and requirements and, for properties affecting locally designated historic landmarks or districts, local historic preservation ordinance and permit conditions.
 - b. In addition, all work on properties listed on the National Register of Historic Places, or which the state knows are eligible for such listing, must comply with "The Secretary of the Interiors Standards for Rehabilitation." Complete demolition of such properties would not meet the Standards and is prohibited.
 - c. If archaeological resources and/or human remains are discovered on the activity or project sites during construction or rehabilitation, the project Sponsor must comply with applicable state, tribal, or territory law, and/or local ordinance (e.g., state unmarked burial law).
- 3. Noise (24 CFR Part 51, subpart B Noise Abatement and Control). All new construction projects shall be developed to ensure an interior noise level of 45 decibels (dB) or less. In this regard and using the day-night average sound level (Ldn), sites not exceeding 65 dB of environmental noise are deemed to be acceptable; sites above 65 dB require sound attenuation in the building shell to 45 dB; and sites above 75 dB shall not have noise sensitive outdoor uses (e.g. picnic areas, tot lots, balconies or patios) situated in areas exposed to such noise levels.

<u>Note:</u> With appropriate mitigation measures in noise sensitive areas, balconies are allowed as per Notice CPD-16-19: Balcony Policy Under 24 CFR 51, Subpart B as it applies to Parts 50 and 58 Regarding Building Facades Exposed to Noise.

- 4. <u>Airport Clear Zones (24 CFR Part 51, subpart D Siting of HUD Assisted Projects in Runway Clear Zones at Civil Airports and Clear Zones and Accident Potential Zones at Military Airfields)</u>. No activities or projects shall be permitted within the "clear zones" or the "accident potential zones" of military airfields or the "runway protection zones" of civilian airports.
- 5. <u>Coastal Zone Management Act (16 USC 1451 et seq.)</u> Activities and projects shall be consistent with the appropriate state coastal zone management plan. Plans are available from the local coastal zone management agency
- 6. <u>Floodplain (Executive Order 11988; Flood Disaster Protection Act (Public Law 93-234); National Flood Insurance Reform Act (P.L. 108-264))</u>
 - a. No new construction activities or projects shall be located in the mapped 100year floodplain according to FEMA's best available data, which may be Advisory Base Flood Elevations (ABFEs), Preliminary Flood Insurance Rate Maps (P-FIRMs), or Flood Insurance Rate Maps (FIRM).
 - b. New construction activities are also prohibited in the mapped 500-year floodplain unless the project Sponsor determines that there are no alternatives outside of the 500-year floodplain within the metropolitan area, with access to transportation and services.
 - c. Existing structures in the 100-year or 500-year floodplains and new structures in the 500-year floodplains where there are no alternatives outside the flood plain in accordance with the analysis above, may be assisted, except for sites located in coastal high hazard areas (V Zones) or regulatory flood-ways, but must meet the following requirements:
 - i. The existing structures must be flood-proofed or must have the lowest habitable floor and utilities elevated above both the 500-year floodplain and the 100-year floodplain according to FEMA's best available data.
 - ii. The project must have an early warning system and evacuation plan that includes evacuation routing to areas outside of the applicable floodplains.
 - d. <u>Existing structures in the 100-year floodplain</u> according to FEMA's best available data must obtain flood insurance under the National Flood Insurance Program. No activities or projects located within the 100-year floodplain may be

- assisted in a community that is not participating in or has been suspended from the National Flood Insurance Program.
- 7. Wetlands (Executive Order 11990). No new construction shall be performed in wetlands. No rehabilitation of existing properties shall be allowed that expands the footprint such that additional wetlands are destroyed. New construction includes draining, dredging, channelizing, filling, diking, impounding, and related grading activities. The term "wetlands" is intended to be consistent with the definition used by the U.S. Fish and Wildlife Service in Classification of Wetlands and Deep Water Habitats of the United States (Cowardin, et al., 1977). This definition includes those wetland areas separated from their natural supply of water as a result of activities such as the construction of structural flood protection methods or solid-fill road beds and activities such as mineral extraction and navigation improvements.
- 8. Siting of Project Activities Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature (24 CFR Part 51, Subpart C). Un-shielded or unprotected new construction sites shall be allowed only if they meet the standards of blast over-pressure (0.5psi buildings and outdoor unprotected facilities) and thermal radiation (450 BTU/ft2 -hr people, 10,000 BTU/ft2 -hr buildings) from facilities that store, handle, or process substances of explosive or fire prone nature in stationary, above ground tanks/containers. Containers used to hold liquefied petroleum gas with a volumetric capacity not to exceed 1,000 gallons water capacity are acceptable if they comply with the National Fire Protection Association (NFPA) Code 58 (Liquefied Petroleum Gas Code) (2017) (incorporated by reference, see § 51.200(b)).
- 9. Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.). New construction shall not be permitted that would result in a taking of endangered plant or animal species as listed under the Endangered Species Act of 1973. Taking includes not only direct harm and killing but also modification of habitat. Maps for listed species and geographic habitat by state can be found at https://ecos.fws.gov/ecp/
- 10. <u>Farmland Protection (7 USC 4201 et seq.)</u> New construction shall not result in the conversion of unique, prime, or otherwise productive agricultural properties to urban uses.
- 11. Sole Source Aquifers (Section 1424(e) of the Safe Drinking Water Act of 1974 (42 U.S.C. 201, 300 et seq., and 21 U.S.C. 349)). Any new construction activities and projects located in federally designated sole source aquifer areas (SSAs) shall require consultation and review with the U.S. Environmental Protection Agency

(USEPA). Information regarding location and geographic coverage of the 73 federally designated SSAs can be found at: http://water.epa.gov/infrastructure/drinkingwater/sourcewater/protection/solesource aquifer.cfm.

12. Radon Gas Submit with the PRA application project test results or other geologic data for the project area which shows radon levels. Test results must be dated within two years of the date the project's PRA application is submitted. For levels above 4 pCi/L, a mitigation and Operation and Maintenance plan must be provided prior to award of PRA funds. For new construction projects, where testing is planned, the above information may be provided prior to execution of the RAC. See HUD CPD Notice 23-103 for more information.

<u>Choice-Limiting Actions</u>: At the time of execution of the PRA Rental Assistance Contract, if a project has not yet received any required federal environmental clearance, <u>all activity that constitutes a "Choice-Limiting Action" must cease, until the required clearance has been issued</u>. If a Choice-Limiting Action has occurred, PRA funds cannot be used for that project.

"Choice-Limiting Actions" are actions on the project site, or on behalf of the project, taken by the project Sponsor or any participant in the development process. "Choice-Limiting Actions" include the execution of any agreements (such as loan documents) for ANY Project funds (not just PRA funds), the purchase of the site, any construction loan closing, any payment of local fees, or any site work (other than annual weed control) done by anyone.

Note however, certain activities are not considered Choice-Limiting Actions regardless of when they are carried out. These activities include, but are not limited to, such things as: environmental and other studies; resource identification and the development of plans and strategies; submitting funding applications; inspections and testing for hazards or defects; purchase of insurance; payment of principal and interest on loans made or obligations guaranteed by HUD; and assistance for improvements that do not alter environmental conditions and are necessary only to control the effects from disasters or imminent threats to public safety.

If there are any questions regarding Choice Limiting Actions, or the level of environmental clearance required of your project, contact Christina DiFrancesco at Christina.DiFrancesco@hcd.ca.gov prior to taking any action concerning your proposed PRA Project.

I. Lead-Based Paint

For eligible projects that do not trigger the requirements below, a self-certification will be required.

Federal Lead-Based Paint requirements apply to PRA funded units and common areas in properties: (1) constructed prior to January 1, 1978 (2) when a child of less than 6 years of age resides or is expected to reside, and (3) in which such units will receive an annual average of more than \$5,000 of project-based rental assistance per-unit in any year. For these projects, a copy of the project's lead risk assessment, and remediation report will be required before PRA funds will be awarded.

For properties meeting the requirements of (1) and (2) above in which such annual assistance per unit is <u>less than or equal to</u> \$5,000 per unit, <u>documentation of the project's visual assessment for deteriorated paint and paint stabilization actions will be required before PRA funds will be awarded.</u>

The Environmental Protection Agency's <u>Renovation</u>, <u>Repair and Painting (RRP) Rule</u> also applies when renovation, repair or painting work is conducted on properties subject to Lead-Based Paint Requirements. Among other requirements, the work, using lead-safe work practices, must be conducted or supervised by certified lead renovator working for a certified lead renovation firm when the amount of work exceeds the RRP Rule's minor repair and maintenance area threshold.

See the Lead Safe Housing Rule at 24 CFR 35, subparts B, H and R; http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr, and the RRP Rule at 40 CFR 745, Lead Renovation, Repair and Painting Program Rules | US EPA

XV. ADDITIONAL APPLICATION EVALUATION

Additional application evaluation factors are described below.

A. Sponsor and Management Agent Experience and Capacity

The HUD 811 PRA subsidy will be administered through a contract similar to project-based Section 8 contracts. Eligible project Sponsors and their management agents must have experience with project-based Section 8 subsidy processing, including the use of the Tenant Rental Assistance Certification System (TRACS) and Enterprise Income Verification (EIV). HUD requires eligible project Sponsors to have the capability to transmit tenant information using HUD 50059 (certification and recertification form) and HUD 52670 (voucher data). Eligible project Sponsors must

also have experience calculating tenant rents in accordance with HUD occupancy guidelines (HUD Handbook 4350.3 REV-1).

Eligible Applicants **and** their proposed PRA Project property manager(s) must demonstrate that they have the following:

- 1. A minimum of <u>three permanent housing multifamily rental projects</u> that include services to a special needs population, including at least two projects serving Persons with Disabilities.
- 2. A minimum of <u>three permanent housing multifamily rental projects</u> utilizing projectbased Section 8 subsidy processing, including the use of the TRACS and Enterprise Income Verification (EIV).
- 3. A minimum of <u>three permanent housing multifamily rental projects</u> calculating tenant rents in accordance with HUD occupancy guidelines (HUD Handbook 4350.3 REV-1).
- 4. Developer and management agent must provide evidence of receiving a Management and Occupancy Review (MOR) with an overall rating of Satisfactory or above for the last 3-5 years for their Project Based Section 8 portfolio conducted by a Performance-Based Contract Administrator (PBCA) or HUD.
- 5. Properties associated with the project Sponsor must have no significant outstanding findings of non-compliance with HUD Section 8 requirements and state agency requirements, including but not limited to noncompliance on PRA contracts; for example, failing to recertify tenants or failure to respond to or submit required documentation to a state agency.
- Project Sponsors and management agents must certify that they will be able to meet
 the Minimum Standards for Communication located in the PRA Application. These
 standards are intended to make the lease-up process for 811 PRA units operate
 more smoothly and efficiently.
- 7. The State reserves the right to deny or delay approval of applications for PRA funds if the State determines that the property owner, or its affiliated entities, may not have the requisite experience or current or future capacity to fulfill its obligations under the program.

B. Tenant Service Organization Experience and Capacity

- TSOs or their subcontracted service agency partners must have specific experience in assisting households with the Section 8 application process, or other similar process of applying for housing assistance.
- 2. TSOs or their subcontracted service agency partners must also be able to document sufficient ongoing staffing to be able to manage a PRA caseload. The State recommends a staffing ratio of no more than 10 transitions for each staff person at any one time. This includes providing each tenant with support with application preparation, move-in assistance, and stabilization assistance for at least 12 months following move-in.
- 3. The State reserves the right to deny or delay approval of applications for PRA funds if the State determines that a TSO or its affiliated entities may not have the requisite experience or current or future capacity to fulfill its obligations under the program.

C. Project Suitability

For this criterion, TSOs and project Sponsors or owners must meet with the State PRA team prior to the award of funds to discuss project location and anticipated PRA resident supportive service needs. The State reserves the right to reject projects whose locations will make it difficult for PRA tenants to access needed supportive services.

- Eligible project Sponsors must select projects for PRA funds that facilitate easy access
 to appropriate supportive services, community amenities, commercial facilities, and
 accessible transportation to assure appropriate integration of persons with disabilities
 into the community.
- 2. Building and unit configuration must support ease of access for people with mobility impairments, as well as adaptability to support individual tenant needs.
- 3. The proposed PRA unit mix must meet anticipated needs of the PRA Target Population and promote integration of the PRA units with other units in the property.
- 4. The following features may also be considered when prioritizing projects for available 811 PRA funding:
 - a. On-site case management services to supplement what may not be available through Medi-Cal;

- b. On-site peer support services;
- c. Community space which supports tenant engagement with others;
- d. Ways to engage tenants in events at the property or surrounding community; and
- e. Accessibility features beyond what may be required.
- 5. The state reserves the right to prioritize projects for funding that are located in cities or counties where there are no 811 PRA-funded properties if those areas will also have sufficient supportive services available for the PRA target population. A list of current PRA properties and their locations is hyperlinked <a href="https://example.com/here-new-mail-right-new-mail

D. Application Tiebreaker

In any given month where the PRA Program is oversubscribed, priority for award of funds will be given to eligible projects meeting program requirements and other terms of this NOFA in the following order: (1) new construction or rehabilitation projects with all development funds committed at the time of PRA application submission, and (2) all other projects.

Subject to the order of priority set forth above, in the event that the total amount requested in eligible applications that are ready to be funded exceeds the total amount of PRA funds remaining to be allocated, the State may award the remaining funds to the application that best meets the Project Suitability requirements above, for an amount not to exceed the amount requested in the application, until all remaining funds have been allocated.

Unfunded applications may also be placed on a waiting list in the event that additional program funds become available.

XVI. PROGRAM EVALUATION AND REPORTING

Recipients of PRA funds shall participate in program evaluation and reporting as required by HUD and/or the state.

APPENDIX A: DEFINITIONS

Please note that the list of definitions in this Appendix is not exhaustive. Certain capitalized terms within the NOFA are defined with the sections of the NOFA where they are first used, or by other state or federal authorities associated with the 811 PRA program.

"25% Rule" means: No more than 25% of the total project units in a Section 811 PRA-assisted Project can: (a) be provided PRA Rental Assistance Payments; (b) be restricted to supportive housing for persons with disabilities; or (c) have any occupancy preference for persons with disabilities, regardless of the source of that restriction.

"CalHFA" means the California Housing Finance Agency.

"Coordinated Entry System" or "CES" means the centralized or coordinated process developed pursuant to 24 CFR Section 578.7(a)(8), designed to coordinate program participant intake, assessment, and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.

"DDS" means the California Department of Developmental Services.

"DHCS" means the California Department of Health Care Services

"HCD" means the California Department of Housing and Community Development.

"TCAC" means the California Tax Credit Allocation Committee

"TSO" means "Tenant Services Organization", the organization providing Long-Term Services and Supports to PRA-eligible tenants pursuant to the requirements of Section VIII. of the NOFA.

"Homeless" an individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
- (iii) An individual who is exiting an institution where he or she resided for less than 60 days and who resided in an emergency shelter or other temporary housing set forth in (ii) above, or place not meant for human habitation immediately before entering that institution.

"Institutionalized" Non-elderly Persons with Disabilities, including individuals with Developmental Disabilities (1) residing in an inpatient facility for at least 60 consecutive days, for which Medi-Cal has paid for at least one of those days, who are enrolled in the California Community Transitions (CCT) Program or a Medi-Cal Waiver, or (2) who are enrolled in other Medi-Cal funded supportive services, regardless of length of stay in the institutional setting, and who are in need of housing upon exit.

A qualifying inpatient facility includes facilities directly billed to Medi-Cal, including but not limited to, Nursing Facilities, Developmental Centers, Hospitals, Institutions for Mental Disease (IMDs), ICF-DD habilitation facilities, and other types of Intermediate Care Facilities.

"Long-term Services and Supports" Services paid for by Medi-Cal including but not limited to: supportive services funded under one or more of the following: California's 1915 (i) State Plan Benefit,1915 (c) Home and Community-Based Services (HCBS) Waiver, including the DDS Self Determination Program Waiver, the 1915(b) Specialty Mental Health Waiver for services covered under Medi-Cal's Rehabilitation Option or other State Plan services, including but not limited to, In-Home Supportive Services (IHSS). Eligibility for these services will continue for as long as the tenant remains on Medi-Cal.

"Noninstitutionalized" means non-elderly Persons with Disabilities including but not limited to the following groups listed below. Persons with Developmental Disabilities who qualify under any one of these Noninstitutionalized populations listed below will be given priority over other Noninstitutionalized persons within these priority groups:

- Persons at risk of moving into an inpatient facility, or into a more restrictive living arrangement (e.g. residential facility, group home) due to the need for rental assistance
- b. Persons experiencing Homelessness
- c. Persons at-risk of homelessness

Noninstitutionalized individuals must be receiving or eligible to receive Long-term Services and Supports paid for by Medi-Cal.

"Persons with Disabilities" means a household composed of one or more persons at least one of whom is an adult who has a disability. A person shall be considered to have a disability if such person is determined, pursuant to federal regulations to have a physical, mental, or emotional impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his or her ability to live independently,

and (C) is of such a nature that such ability could be improved by more suitable housing conditions.

The term "Persons with Disabilities" shall also include persons with a Developmental Disability defined as follows:

"Developmental disability" means a disability that originates before an individual attains 18 years of age; continues, or can be expected to continue, indefinitely; and constitutes a substantial disability for that individual. As defined by the Director of Developmental Services, in consultation with the Superintendent of Public Instruction, this term shall include intellectual disability, cerebral palsy, epilepsy, and autism. This term shall also include disabiling conditions found to be closely related to intellectual disability or to require treatment similar to that required for individuals with an intellectual disability, but shall not include other handicapping conditions that are solely physical in nature.

Notwithstanding the preceding provisions, the term "Person with Disabilities" includes two or more Persons with Disabilities living together, one or more such persons living with another person who is determined to be important to their care or well-being, and the surviving member or members of any household who were living, in a unit assisted under this section, with the deceased member of the household at the time of his or her death.

- "Reasonable Accommodation" means a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a Person with Disabilities to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces, or to fulfill their program obligations.
- "Reasonable Modification" means a structural change made to existing premises, occupied or to be occupied by a Person with a Disability, in order to afford such person full enjoyment of the premises. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. Examples include the installation of a ramp into a building, lowering the entry threshold of a unit, or the installation of grab bars in a bathroom.
- "Sponsor" means the developer of the project(s) proposed for PRA assistance or the project owner. The project owner can be either: (1) the single-asset ownership entity of the development or (2) the direct project owner if the project is not owned by a single-asset entity.
- "Target Population" means the Persons with Disabilities who are eligible for Section 811 PRA-assistance based on the requirements set forth under Section VI of this NOFA.

