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# San Diego Region Permanent Supportive Housing Finance Guide

Prepared by the Corporation for Supportive Housing

## About the Corporation for Supportive Housing

The Corporation for Supportive Housing (CSH) is a national non-profit organization and Community Development Financial Institution that helps communities create permanent housing with services to prevent and end homelessness. Founded in 1991, CSH advances its mission by providing advocacy, expertise, leadership, and financial resources to make it easier to create and operate supportive housing. CSH seeks to help create an expanded supply of supportive housing for people, including single adults, families with children, and young adults, who have extremely low-incomes, who have disabling conditions, and/or face other significant challenges that place them at on-going risk of homelessness. For information regarding CSH's current office locations, please see [www.csh.org/contactus](http://www.csh.org/contactus).

## Acknowledgements

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## Inquiries

For more information regarding supportive housing, please see CSH's website at [www.csh.org](http://www.csh.org) for additional on-line resources and materials. If you have questions or comments regarding this document, please contact CSH's San Diego Program office at [sdca@cs.org](mailto:sdca@cs.org).

## Disclaimer

The information contained in this guide was gathered by conducting telephone and internet research and is based on information that was gathered at a particular point-in-time. Program information and available funding levels are determined at local, state, and federal levels and are subject to change; therefore users of this guide are strongly encouraged to refer to the appropriate program website for the most up-to-date information.

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## OVERVIEW

This San Diego Region Permanent Supportive Housing Finance Guide spotlights potential federal, state and local funding sources for the development and operation of quality supportive housing units. Creating permanent supportive housing relies heavily on multiple layers of public and private financing to make each deal work. Sponsors and developers of supportive housing units must address many challenges to achieve financial feasibility and demonstrate adequate funding in three key categories:

- Capital financing,
- Operating funds, and
- Supportive services funding.

Capital financing is the funding for the actual construction or acquisition/rehabilitation of the supportive housing development. Operating funds cover all of the costs of maintaining the development once it is ready for occupancy. Supportive services funds encompass the service needs of tenants, which increases their ability to retain their housing, increases their skills and income, and helps them to achieve greater self-determination.

### 1A. CAPITAL FINANCING

Capital (or development) financing sources are those sources that may be used to fund the costs associated with acquiring, creating, and/or rehabilitating housing units; costs sometimes referred to as “bricks and mortar” costs. Eligible uses of these sources generally fall into two broad categories:

- Hard costs, and
- Soft costs

Hard costs include such development activities as land acquisition, construction and rehabilitation work, and offsite improvements (such as sewers or utilities). Soft costs include such items as architectural services, appraisals, engineering, legal costs, fees and permits, rent-up costs, and other costs.

### 1B. SOURCES OF CAPITAL FINANCING

A significant portion of capital financing originates at the level of the federal government, including funding administered by the U.S. Department of Housing and Urban Development (HUD). HUD sources generally flow to project sponsors and developers in one of two ways:

- Through formula grants (including block grants such as the HOME Investment Partnerships Program and the Community Development Block Grant) providing funds that flow from HUD to a local government entity (usually a county or city, and sometimes a state) and from there to individual projects; or
- Through competitive grants, which are awarded directly by HUD to project sponsors.

Other significant sources of financing for housing development that originate at the federal level include the Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP), administered by FHLB District Banks, and Low Income Housing Tax Credits (LIHTC), administered by the California Tax Credit Allocation Committee. Both programs involve a competitive application process.

In addition to administering federal block grant funds for housing development, the State of California has developed its own locally generated housing sources. The dedicated revenue streams in California are used to fund housing programs, rather than necessitating the use of state general funds. These programs include the Multifamily Housing Program, administered by the California Department of Housing and Community Development, and the Mental Health Services Act Housing Program, jointly administered by the California Housing Finance Agency and the California Department of Mental Health on behalf of counties who make local housing funding recommendations. The majority of state programs for

housing development are accessed by developers for a specific project through competitive application processes, announced through Request for Proposals (RFPs) or Notices of Funding Availability (NOFAs).

At city and county levels, government agencies also administer a variety of capital financing programs, many of which use funding that originated at either the federal or state level. Local governments, such as the City of San Diego, have also created Housing Trust Funds or identified other funding streams such as Redevelopment Agency set-aside funds to support housing development activities.

## **2A. OPERATING SUBSIDIES**

Operating subsidies are those funding sources that may be used to pay for the costs of operating the physical components of affordable and supportive housing. Operating costs in a project owned by a housing sponsor include all costs of maintaining the project once it is ready for occupancy, such as property management, utilities, maintenance, insurance, security, debt service or other loan payments, and operating and replacement reserves. In projects leased by the sponsor (either single site or scattered site), operating costs generally include the cost of leasing the units and any maintenance that is not covered by the owner/landlord.

Operating subsidies generally take three forms:

- Project-based subsidies;
- Tenant-based subsidies; and,
- Sponsor-based subsidies.

Project-based subsidies are those that are "attached" to particular housing units. The project sponsor receives an amount of funds for each subsidized unit that is equal to the difference between the tenant portion and the contract rent. Project-based subsidies are generally not able to be moved – when a tenant moves the subsidy remains with the unit. Project-based subsidies generally tend to be used for single site affordable housing and supportive housing projects, with the subsidy attaching to some or all of the units in a building.

Tenant-based subsidies are attached to an individual or family. With this type of subsidy, the tenant receives the entitlement to a housing subsidy (sometimes called a voucher) that allows the household to rent a unit in the private market from either for-profit or non-profit owners. Similar to the project-based subsidies, the tenant is responsible for the tenant portion and the owner of the property is subsidized for the difference between the tenant portion and the contract rent. Unlike most project-based subsidies, however, tenant-based subsidies remain with the tenant when and if he or she chooses to move. When a tenant leaves a unit, the rental subsidy is provided to the landlord of the new unit he or she subsequently leases. Tenant-based vouchers are most often used in supportive housing programs in which housing is secured through scattered site leasing.

A third type of operating subsidy is Sponsor-based. In these types of projects, the subsidy is attached to a specific housing sponsor, typically a non-profit affordable housing or supportive housing developer. The sponsor may use the subsidy to subsidize any unit that the sponsor controls, either through ownership or leasing. As with the other forms of subsidy, the sponsor receives an amount of funds for each subsidized unit that is equal to the difference between the tenant portion and the fair market rent. When the tenant residing in a sponsor-based unit moves, the tenant does not retain the subsidy -- it remains with the sponsor. Sponsor-based subsidies are able to be moved in the sense that the sponsor may choose to move the subsidy from one unit to another.

## **2B. SOURCES OF OPERATING SUBSIDIES**

The most well-known and widely available source of operating subsidy is HUD's Housing Choice Voucher Program, commonly known as the Section 8 Program. Under this Program, tenants pay approximately 30% of their adjusted income for rent and utilities, while HUD pays the difference between the tenant's portion and the contract rent, which is based on actual market rents for the metropolitan area in which the project is located. The Section 8 Program provides

both project-based and tenant-based subsidies, described in greater detail in the Finance Guide entry for the Section 8 Housing Choice Voucher Program. (Most other operating subsidy programs are based on adaptations of the Section 8 Program model.)

HUD has also established other operating subsidy programs modeled on the Section 8 program, including the McKinney-Vento Continuum of Care Shelter Plus Care Program (the only program that offers sponsor-based subsidies). Some capital sources can also be used for operating subsidies, including the Supportive Housing Program (SHP) and HUD Section 811 Programs. In addition, the State of California has created operating subsidy programs, such as the Mental Health Services Act Housing Program's capitalized operating subsidy. Lastly, in some limited cases, private funders and foundations have established rent subsidy programs.

### **3A. SERVICES FUNDING**

Services funding programs typically pay for some of the comprehensive services and/or pay for many of the costs of providing services for a specific service-defined target population. The challenge for supportive housing sponsors is to secure resources that can successfully be blended together to provide ongoing support for the wide range of service activities offered to the diverse tenant populations housed in supportive housing.

Services funding programs generally provide funding for the following activities:

- Delivery of particular services; and/or
- Utilization of a particular service strategy; and/or
- Addressing the needs of a particular population, defined by its service needs.

### **3B. SOURCES OF SERVICES FUNDING**

A significant portion of funding for the services needed in supportive housing comes from the Federal government. Some of the relevant Federal agencies that provide mainstream and/or homeless specific services funding relevant for supportive housing sponsors are: Department of Health and Human Services (HHS) and key departments within the Department: the Substance Abuse and Mental Health Services Administration (SAMHSA), Centers for Medicare and Medicaid Services (CMS), Health Resources and Services Administration (HRSA) and Administration for Children and Families (ACF); Veterans Administration (VA); Department of Education (ED); Department of Labor (DOL) and, Social Security Administration (SSA). Each of these agencies are potential funders of supportive services in housing. However, this Finance Guide will spotlight specific funding sources for services in supportive housing.

Federal funding for services, like funding for development and operating costs, is generally distributed by:

- Formula grants (including block grants) or
- Competitive grants.

The majority of Federal service funding is allocated by formula grants - primarily block grants. Formula grant programs for services are generally allocated to states based on a distribution formula prescribed by law or administrative regulation, reflecting the demographic and/or service need factors in the specified geographic locality. In some instances, formula grants are allocated to other eligible service areas, e.g., Ryan White CARE Title I funds go to eligible metropolitan areas defined as areas with certain numbers of AIDS cases during the previous five years with a certain population. Many of the mainstream services funding programs (i.e., TANF, Medicaid, SAMHSA Block Grants) are formula or block grant programs.

Since the majority of services funding from the federal government is allocated by formula grants and the majority of these funds eventually "flow" to the local level, a portion of resources in community services systems at the local level are federal block grant resources. These federal resources, however, are often combined with local general funds, special taxes or bonds, or redevelopment funds and are administered as local programs. The Federal services block grant funds

oftentimes appear "invisible" to the supportive housing sponsor but are a significant share of the resources it receives when it applies for and receives city or county funding.

State or local departments that typically are the eligible applicants/primary recipients or sub-grantees of services formula or block grant funding include:

- Department of health and human services (or divisions within them such as public health, mental health, substance use, behavioral health);
- Department of social services;
- Department of education and training and/or vocational rehabilitation;
- Department of employment and/or economic development;
- Workforce investment boards; and,
- Board of education or superintendents of schools.

In addition to Federal and local funding programs, the State of California has begun to develop homeless-specific services funding programs, such as the Mental Health Services Act, or adjusting current programs to allow for the provision of services to homeless people and/or the provision of services in a housing-based setting. Like in the federal context, state programs are allocated both by formula grant and on a competitive basis.

With all services funding from federal, state, and local sources, demand tends to be very high and competition fierce. Successful applicants typically need to have a strong track record in service provision or expertise in providing services to a particular target population. In some instances, professional licensure and/or accreditation is required. Successful applicants generally demonstrate quality, capacity/experience, readiness, and generally have commitments from other funding sources or the ability to leverage existing funding. Even with these qualifications, high quality programs sometimes must apply multiple times for some sources, simply due to the lack of sufficient funding relative to the need.

## CAPITAL FINANCING

### Community Development Block Grant (CDBG) Program

<i>Program Description</i>	<p>Established in 1974, the Community Development Block Grant (CDBG) Program provides funding to "entitlement communities" (cities and urban counties) and states. Cities, urban counties and states receive an annual allocation of funds from HUD, and they can expend these funds to address a wide range of community development needs including construction and redevelopment projects and public services.</p> <p>Each entitlement community and state establishes its own competitive process for awarding CDBG funds to sub-grantees. Many agencies currently receive CDBG funding, but tapping CDBG for capital or public service dollars for permanent supportive housing may be difficult as many entitlement communities and states have already established priorities for this source of funding.</p> <p>To ensure that the use of CDBG funds adequately reflects the needs in the community, supportive housing sponsors should be involved in the Consolidated Plan and Annual Action Plan process which identifies local priorities for funding.</p>
<i>Eligible Use</i>	Capital and Services funding (Housing is among the eligible community development activities, and capital financing to create supportive housing is a potential use. In addition to construction and redevelopment projects, HUD allows grantees to expend 15% of their annual CDBG allocation on public services, such as support services in permanent supportive housing.)
<i>Source of Funds</i>	Federal funds available through cities and urban counties and states.
<i>Administering Agency / Timeframe for Funding</i>	Local housing and community development agencies; each agency has its own local priority setting process and application deadlines (see local contact information below)
<i>Maximum Allowable Income</i>	At least 70% of CDBG funds must be used for activities that benefit low- and moderate-income persons or, in general households, earning less than 80% of the area median income.
<i>Rent restrictions</i>	Rents in CDBG-assisted rental projects must be set at levels which are affordable to low- and moderate-income persons.
<i>Homeless restrictions / Disability restrictions</i>	Not applicable.
<i>Additional information</i>	<a href="http://www.hud.gov/offices/cpd/communitydevelopment/programs/">http://www.hud.gov/offices/cpd/communitydevelopment/programs/</a>

#### Local contacts:

**San Diego County Dept. of Housing & Community Development** (serving unincorporated area of San Diego County, and Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach)  
 3989 Ruffin Road, MS-0231  
 San Diego CA 92123-1890  
 858.694.4801  
<http://www.sdcounty.ca.gov/sdhcd/index.html>

**City of Carlsbad Housing and Redevelopment Department**  
2965 Roosevelt St, Suite B  
Carlsbad, CA 92008  
760.434.2810  
<http://www.carlsbadca.gov>

**City of Chula Vista Community Development Department**  
430 Davidson St.  
Chula Vista, CA 91910  
619.585.5722  
[www.ci.chula-vista.ca.us/](http://www.ci.chula-vista.ca.us/)

**City of El Cajon Redevelopment and Housing**  
200 E. Main Street  
El Cajon, CA 92020  
619.441.1710  
[www.ci.el-cajon.ca.us](http://www.ci.el-cajon.ca.us)

**City of Encinitas Community Development Department**  
505 S. Vulcan Ave.  
Encinitas, CA 92024  
760.633.2723  
[www.ci.encinitas.ca.us](http://www.ci.encinitas.ca.us)

**City of Escondido Housing Division**  
201 North Broadway  
Escondido, CA 92025  
760.839.4841  
[www.ci.escondido.ca.us/](http://www.ci.escondido.ca.us/)

**City of La Mesa**  
8130 Allison Ave.  
La Mesa, CA 91941  
619.667.1192  
[www.cityoflamesa.com](http://www.cityoflamesa.com)

**City of National City Community Development Commission**  
401 Mile of Cars Way, Ste. 380  
National City, CA 91950  
619.336.4254  
[www.ci.national-city.ca.us](http://www.ci.national-city.ca.us)

**City of Oceanside Housing and Neighborhood Services Department**  
321 N. Nevada St.  
Oceanside, CA 92054  
760.435.3360  
[www.ci.oceanside.ca.us/](http://www.ci.oceanside.ca.us/)

**San Diego Housing Commission**  
1122 Broadway, Ste. 300  
San Diego, CA 92101  
619.231.9400  
[www.sdhc.org](http://www.sdhc.org)

**City of San Marcos**  
1 Civic Center Dr.  
San Marcos, CA 92069  
760.744.1050 ext. 3108  
[www.ci.san-marcos.ca.us](http://www.ci.san-marcos.ca.us)

**City of Santee**  
10601 Magnolia Ave.  
Santee, CA 92071  
619.258.4100 ext. 133  
[www.ci.santee.ca.us](http://www.ci.santee.ca.us)

**City of Vista**  
600 Eucalyptus Ave.  
Vista, CA 92084  
760.639.6191  
[www.ci.vista.ca.us](http://www.ci.vista.ca.us)

### Federal Home Loan Bank (FHLB) of San Francisco Affordable Housing Program (AHP)

<p><i>Program Description</i></p>	<p>The Affordable Housing Program (AHP) is operated by the Federal Home Loan Bank system. The FHLB District Banks are located across the United States, and each District Bank contributes at least 10% of its annual net earnings to AHP funding, which provides capital financing to subsidize the cost of owner-occupied housing and rental housing for very low-income and low- or moderate-income households.</p> <p>The majority of the AHP subsidy is made available through a competitive application process at each of the FHLB District Banks. AHP funds are offered through two funding cycles per year – usually in April and October. Each District Bank manages its own AHP application process, and each assigns its own local priorities. So, it is important for developers to obtain an application package from the relevant district bank and review its priorities.</p> <p>Developers of eligible affordable and supportive housing projects must partner with a FHLB member institution that will sponsor the developer’s application for funding. Member institutions include commercial banks, savings institutions, credit unions, and insurance companies that meet eligibility criteria. While the developer typically prepares the application, it is the FHLB member institution that actually applies for the AHP funds.</p>
<p><i>Eligible Use</i></p>	<p>Capital financing to acquire, construct or rehabilitate rental housing</p>
<p><i>Source of Funds</i></p>	<p>Federal funds</p>
<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>One of twelve Federal Home Loan Bank District Banks.</p> <p>Federal Home Loan Bank of San Francisco (serving Arizona, California and Nevada) Community Investment Department 600 California Street San Francisco, CA 94108 415.616.2542</p> <p>The 2009 Round A application deadline passed on April 1, 2009. The 2009 Round B application deadline was October 1, 2009. Only Bank member institutions are eligible to apply. For FHLB of San Francisco AHP Application materials, please see: <a href="http://www.fhlbsf.com/ci/applications/default.asp">http://www.fhlbsf.com/ci/applications/default.asp</a></p> <p>For a complete list of FHLB District Banks, please see: <a href="http://www.fhfa.gov/Default.aspx?Page=24">http://www.fhfa.gov/Default.aspx?Page=24</a></p>
<p><i>Maximum Allowable Income</i></p>	<p>At least 20% of the rental housing units must be for households earning 50% or below of the area median income (AMI). The 2009 application provides a competitive advantage to projects with at least 60% of units targeted to households earning less than 50% of AMI (up to 20 pts. in the Targeting category).</p>
<p><i>Homeless restrictions / Disability restrictions</i></p>	<p>None; however, rental housing developments serving homeless and/or special needs populations receive additional points in the Homeless Housing (up to 6 pts.) and Special Needs (up to 5 pts.) categories of the application scoring process.</p>
<p><i>Other restrictions / requirements</i></p>	<p>Ability of the project to begin using FHLB assistance within 12 months.</p>

## Governor's Homeless Initiative

<p><i>Program Description</i></p>	<p>The California Housing Finance Agency (CalHFA), the California Department of Housing and Community Development (HCD), and the California Department of Mental Health (DMH) are collaborating to provide an integrated package of funding for the development of permanent supportive housing for persons with severe mental illness who are chronically homeless. A single review panel that includes CalHFA, HCD and DMH will approve the loan request.</p> <p>When the Governor's Homeless Initiative NOFA was first released, approximately \$40 million in permanent capital financing was available under HCD's Multifamily Housing Program for units set aside for persons with severe mental illness who are chronically homeless. Currently, approximately \$17 million in capital financing is available from HCD.</p> <p>Construction, bridge and permanent financing is available from CalHFA, based on CalHFA's loan underwriting criteria for supportive housing projects.</p> <p>Approximately \$2 million in Mental Health Services Act (MHSA) funding is available for rent subsidies.</p> <p>To be eligible under this NOFA, county mental health departments must make a long-term commitment of MHSA funds to the project.</p>
<p><i>Eligible Use</i></p>	<p>Capital financing and Operating subsidy</p>
<p><i>Source of Funds</i></p>	<p>State funds</p>
<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>Applications for funding are accepted on an "over-the-counter" basis. Permanent capital funding is available through HCD.</p> <p>California Department of Housing and Community Development (HCD) MHP Program Staff 916.323.3178</p> <p>California Housing Finance Agency Carol Goodman 916.322.0385</p> <p>California Department of Mental Health Mike Oprendeck 916.653.3693</p>
<p><i>Maximum Allowable Income</i></p>	<p>Households earning below 30% of area median income.</p>
<p><i>Rent restrictions</i></p>	<p>Shall not exceed 30% of the applicable income eligibility level. The maximum rent limit shall be 30% of 60% of area median income for the appropriate unit size.</p>
<p><i>Homeless restrictions / Disability restrictions</i></p>	<p>Target population includes adults or older adults with a serious mental illness (eligible for services under MHSA) who are chronically homeless.</p>
<p><i>Additional program information</i></p>	<p><a href="http://www.hcd.ca.gov/fa/ghi/">http://www.hcd.ca.gov/fa/ghi/</a></p>

## HOME Investment Partnerships (HOME) Program

<i>Program Description</i>	<p>The HOME Program is the largest federal block grant to local and state governments designed exclusively to create affordable housing for low-income households. Each year, communities use HOME funds to construct, acquire, and/or rehabilitate affordable rental or owner-occupied housing; or provide direct rental assistance to low-income persons.</p> <p>Priorities for the use of HOME funds are determined by the Consolidated Plan and Annual Action Plan. The Plan includes an assessment of the need for affordable housing and economic development, and a five-year Comprehensive Plan (updated annually through a one-year Action Plan) which describes the activities that will be undertaken each year to address these needs.</p> <p>In many jurisdictions, there is great demand for HOME funds. As each jurisdiction determines the use of allocated HOME funds, it is important that developers consult with the local housing and community development agency administering the funds.</p>
<i>Eligible Use</i>	Capital funding. HOME funds can be an important source to acquire, rehabilitate, or construct affordable and supportive housing, and HOME funds may also be used as a tenant-based rental subsidy.
<i>Source of Funds</i>	Federal funds available through cities and urban counties and states
<i>Administering Agency / Timeframe for Funding</i>	Local housing and community development agencies; each agency has its own local priority setting process and application deadline (see local contact information below).
<i>Maximum Allowable Income</i>	At least 20% of the rental units must be restricted for persons earning below 50% of area median income, and the balance of the units must be restricted for persons earning less than 80% of area median income.
<i>Rent restrictions</i>	HOME-assisted units are subject to rent limits designed to make rents affordable to low-income households. These HOME rents are calculated using HUD published Fair Market Rents, 50% Rent Limits and 65% Rent Limits.
<i>Homeless restrictions</i>	Not applicable
<i>Disability restrictions</i>	Not applicable
<i>Other restrictions / requirements</i>	Each jurisdiction must reserve at least 15% of its allocation to fund housing to be owned, developed or sponsored by nonprofit organizations designated as Community Housing Development Organizations.
<i>Additional information</i>	<a href="http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm">http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm</a>

### Local contacts:

**San Diego County Dept. of Housing & Community Development** (serving unincorporated area of San Diego County, and Carlsbad, Encinitas, La Mesa, San Marcos, Santee, and Vista)  
 3989 Ruffin Road, MS-0231  
 San Diego CA 92123-1890  
 858.694.4801  
<http://www.sdcounty.ca.gov/sdhcd/index.html>

**City of Chula Vista Community Development Department**

430 Davidson St.  
Chula Vista, CA 91910  
619.585.5722

[www.ci.chula-vista.ca.us/](http://www.ci.chula-vista.ca.us/)

**City of El Cajon Redevelopment and Housing**

200 E. Main Street  
El Cajon, CA 92020  
619.441.1710

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**City of Escondido Housing Division**

201 North Broadway  
Escondido, CA 92025  
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**City of National City Community Development Commission**

401 Mile of Cars Way, Ste. 380  
National City, CA 91950  
619.336.4254

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**City of Oceanside Housing and Neighborhood Services Department**

321 N. Nevada St.  
Oceanside, CA 92054  
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**San Diego Housing Commission**

1122 Broadway, Ste. 300  
San Diego, CA 92101  
619.231.9400

[www.sdhc.org](http://www.sdhc.org)

## Housing Opportunities for Persons with AIDS (HOPWA) Program

<p><i>Program Description</i></p>	<p>Established in 1992, the HOPWA Program was designed to provide States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing and housing-related support service needs of low-income persons living with human immunodeficiency virus (HIV) and acquired immunodeficiency syndrome (AIDS) or related diseases and their families. HOPWA is the leading federal source of capital, operating, and services funding for the development and operation of housing programs that serve persons with HIV/AIDS.</p> <p>The HOPWA Program includes a <b>Formula Grant</b> and a <b>Competitive Grant</b> component. Approximately 90 percent of the funding is distributed to states and cities in formula grants, while the remaining 10 percent is competitively available on an annual basis for model projects or programs. HUD decides which states and municipalities receive a Formula Grant based upon the rate of incidence of HIV/AIDS diagnoses as recorded by the Center for Disease Control and Prevention. The states or localities that have the highest incidences of HIV/AIDS receive Formula Grants, and these communities can establish their own processes for awarding HOPWA funds to sub-grantees. States, localities, and individual nonprofit organizations can also apply directly to HUD for HOPWA funding under the Competitive Grant Program.</p>
<p><i>Eligible Use</i></p>	<p>Both permanent and transitional housing projects are eligible for HOPWA funding. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs.</p>
<p><i>Source of Funds</i></p>	<p>Federal funds available through localities (Formula Grant) and directly from HUD (Competitive Grant).</p>
<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>The County of San Diego Department of Housing and Community Development (HCD) administers the <b>HOPWA Formula Grant Program</b>.</p> <p>Housing and service providers compete for HOPWA Formula Grant funds through a Notice of Funding Availability (NOFA) application process. The NOFA is made available contingent on the availability of funds from HUD. For more information on the NOFA process, please contact:</p> <p>San Diego County Dept. of Housing &amp; Community          Patricia Picazo, HOPWA Analyst          3989 Ruffin Road, MS-O231          San Diego CA 92123-1890          858.694.8712  <a href="mailto:Patricia.picazo@sdcounty.ca.gov">Patricia.picazo@sdcounty.ca.gov</a></p> <p>The planning process for the HOPWA Formula Grant Program encourages community participation and input through consumer and provider surveys, focus groups, and one-to-one interviews. Additionally, the community has the opportunity to participate through the <a href="#">HIV Housing Committee</a>, which serves as an advisory body to HCD.</p> <p>Programs funded through the HOPWA Formula Grant Program must be housing related and funding is prioritized as follows:</p> <ul style="list-style-type: none"> <li>• Activities which provide affordable housing for low-income persons living with HIV/AIDS and their families;</li> </ul>

	<ul style="list-style-type: none"> <li>• Activities which enable low-income persons living with HIV/AIDS and their families to become housed;</li> <li>• Services needed to enable low-income HIV/AIDS clients to remain housed, locate housing, and prevent homelessness.</li> </ul> <p>HUD administers the HOPWA <i>Competitive Grant Program</i> and it is a national competition to select model projects or programs that address the specific needs of persons living with HIV/AIDS and their families in innovative ways. Since 2001, Appropriations Acts have required that priority be given to the renewal of expiring Competitive Grants that have successfully undertaken permanent supportive housing projects. Funds remaining after renewals are distributed under the annual Super Notice of Funding Availability (SuperNOFA) competition. Typically, funding is available for two types of projects:</p> <ul style="list-style-type: none"> <li>• <b>Special Projects of National Significance (SPNS):</b> SPNS projects are likely to serve as effective models in addressing the needs of eligible persons. These projects included grants that target assistance to underserved populations, including racial and ethnic minorities, women, and persons in rural areas.</li> <li>• <b>New Long-Term Projects:</b> These projects provide housing and services for eligible persons in areas of the nation that did not qualify for HOPWA Formula Program allocations.</li> </ul> <p>Application requirements for HOPWA Competitive Grants appear annually in the HUD SuperNOFA, typically published in the Federal Register each spring. Requirements may vary from year to year, so applicants are encouraged to read the NOFA each year.</p>
<i>Maximum Allowable Income</i>	To be eligible for the HOPWA Program, individuals must be at or below 80 percent of area median income.
<i>Rent restrictions</i>	According to the HOPWA regulations, tenants must pay the higher of: (1) 30 percent of the family's monthly adjusted income; (2) 10 percent of the family's monthly gross income; or (3) The portion of any welfare assistance payments specifically designated for housing costs.
<i>Homeless restrictions</i>	Not applicable
<i>Disability restrictions</i>	To receive assistance under the HOPWA program, a client's HIV status must be documented. The HIV/AIDS diagnosis must be made by a health professional competent to make such a determination; case manager statement is not sufficient.
<i>Other restrictions / requirements</i>	Not applicable
<i>Additional information</i>	<p><a href="http://www.hud.gov/offices/cpd/aidshousing/programs/">http://www.hud.gov/offices/cpd/aidshousing/programs/</a></p> <p>HOPWA Formula Grant Program:  <a href="http://www.sdcounty.ca.gov/sdhcd/organizations/about_hopwa.html">http://www.sdcounty.ca.gov/sdhcd/organizations/about_hopwa.html</a></p> <p>HOPWA Competitive Grant Program:  <a href="http://www.hud.gov/offices/cpd/aidshousing/programs/competitive/">http://www.hud.gov/offices/cpd/aidshousing/programs/competitive/</a></p>

### Low Income Housing Tax Credits (LIHTCs)

<i>Program Description</i>	<p>Low Income Housing Tax Credits are an important source of capital financing for the development of affordable and supportive housing. LIHTCs are incentives for corporations and private individuals to invest in the creation of low income housing.</p> <p>Created by the Tax Reform Act of 1986, the program provides a credit against income taxes. Developers of low income housing can sell the tax credits to investors and use the proceeds as equity in the project. The program often provides between 30% to 50% of the project's total development costs.</p> <p>Only permanent rental housing projects are eligible for tax credits, with some minor exceptions for transitional housing when used in conjunction with specific federal programs (e.g. McKinney-Vento Continuum of Care funding). Homeownership projects are not eligible.</p>
<i>Eligible Use</i>	Capital costs, including both hard and soft costs. Operating costs may be subsidized through equity investments into capitalized operating reserves and other reserves.
<i>Source of Funds</i>	Federal and State tax credits are available
<i>Administering Agency / Timeframe for Funding</i>	<p>California Tax Credit Allocation Committee (TCAC)            915 Capitol Mall, Suite 485            Sacramento, CA 95814            916.654.6340            916.654.6033</p> <p>The Single 2009 Application Round deadline was June 9, 2009. TCAC expects to conduct two funding rounds in 2010.</p>
<i>Maximum Allowable Income / Rent restrictions</i>	At least 20% of the rental units must be affordable (defined as housing costs not in excess of 30% of income) to households earning below 50% of area median income; or alternatively, 40% of the units must be affordable to households earning below 60% of the area median income.
<i>Homeless / Disability restrictions</i>	TCAC prioritizes awards to homeless assistance, special needs and SRO projects.
<i>Other restrictions/ requirements</i>	<p>Due to provisions included in the American Recovery and Reinvestment Act, 2007, 2008, and 2009 awardees of tax credits are eligible for two special kinds of assistance:</p> <ul style="list-style-type: none"> <li>• <b>Equity Gap Filler:</b> LIHTC applicants may request gap financing from TCAC to fill a financing gap in the proposed development. Special needs and SRO projects will likely be well-positioned to earn the most points to secure gap financing as they should score high for project type and affordability.</li> <li>• <b>Tax Credit Exchange:</b> The sponsor may return the tax credit award and apply to exchange the tax credits for a cash award from TCAC.</li> </ul>
<i>Additional information</i>	<a href="http://www.treasurer.ca.gov/ctcac/tax.asp">http://www.treasurer.ca.gov/ctcac/tax.asp</a>

### McKinney-Vento Continuum of Care Supportive Housing Program (SHP)

<p><i>Program Description</i></p>	<p>The Supportive Housing Program (SHP) is one of three federal grant programs collectively known as McKinney-Vento Continuum of Care funding. SHP can be used to support five approaches to helping homeless people achieve independence: (1) Transitional Housing; (2) Permanent Supportive Housing for People with Disabilities; (3) Supportive Services Only; (4) Safe Havens; and (5) Innovative Supportive Housing.</p> <p>SHP has three goals under which providers must produce results. These goals are: (1) achieving residential stability; (2) improving skill levels and/or incomes; (3) obtaining greater self determination. In their applications for SHP, providers must set performance measures under these goals by which HUD will evaluate each provider’s accomplishments.</p> <p>HUD makes the McKinney-Vento Continuum of Care funding available under the annual NOFA process, and applications for this competitive grant program are administered through the Regional Continuum of Care Council, which is a large cooperative community group consisting of representatives of the 18 cities within San Diego County, nonprofit service providers and other interested parties. The Regional Continuum of Care Council determines priorities and application evaluation processes, in compliance with HUD regulations and policies.</p>
<p><i>Eligible Use</i></p>	<p>Capital funding; SHP grants cover acquisition, rehabilitation and construction costs, and are limited to between \$200,000 and \$400,000 per structure, depending on whether the project is located in a high cost area. Due to the per structure funding limits described above, SHP grants are not a significant source of capital financing in most housing markets</p>
<p><i>Source of Funds</i></p>	<p>Federal</p>
<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>Regional Continuum of Care Council / Continuum of Care Contacts:</p> <p>City of San Diego Continuum of Care          Patricia Leslie          Point Loma Nazarene University, Culbertson #106          3900 Lomaland          San Diego, CA 92106          619.849.2676  <a href="mailto:patricialeslie@pointloma.edu">patricialeslie@pointloma.edu</a></p> <p>San Diego County Department of Housing and Community Development          Dolores Diaz, Continuum of Care Coordinator          3989 Ruffin Road          San Diego, CA 92123          858.694.4804  <a href="mailto:dolores.diaz@sdcounty.cs.gov">dolores.diaz@sdcounty.cs.gov</a></p> <p>Almost all of HUD’s competitive grant programs, including the Continuum of Care funding programs, are announced through an annual Notice of Funding (NOFA) process.</p> <p>In general, the San Diego Regional Continuum of Care Council screens and selects new and renewal projects during the winter, and it prioritizes applications for CoC funding during the spring. The Continuum of Care Council submits a consolidated, jurisdiction-wide application for new and renewal funding through the CoC funding program.</p>

<i>Homeless / Disability restrictions</i>	Only homeless persons with a qualifying disability may receive assistance under the SHP-funded Permanent Supportive Housing component. The definition of homelessness that HUD uses for the SHP program may be found here: <a href="http://hudhre.info/index.cfm?do=viewShpDeskguide">http://hudhre.info/index.cfm?do=viewShpDeskguide</a>
<i>Other restrictions/ requirements</i>	SHP funds must be matched by the recipient with an equal amount of funds from other sources. The cash source may be the recipient, the Federal Government, State and local governments, or private resources.
<i>Additional Information</i>	<a href="http://www.hud.gov/offices/cpd/homeless/programs/shp/">http://www.hud.gov/offices/cpd/homeless/programs/shp/</a>

### Mental Health Services Act (MHSA) Housing Program

<i>Program Description</i>	<p>Authorized by the Governor's Executive Order S-07-06, the Mental Health Services Act Housing Program offers capital financing to cover the costs associated with development, acquisition, construction and/or rehabilitation of permanent supportive housing for persons with serious mental illness who are homeless or at risk of homelessness. The MHSA Housing Program also offers funding for capitalized operating subsidies.</p> <p>San Diego County has been allocated approximately \$33 million in MHSA Housing Program funds to support the development and operations of permanent supportive housing for individuals with mental illness.</p> <p>Applications shall be submitted by county mental health departments, which shall apply for funding in conjunction with and on behalf of a qualified developer/borrower.</p> <p>The county must commit to provide funding for supportive services for the residents of the development who are MHSA eligible residents for the term of the MHSA Housing Program loan.</p>
<i>Eligible Use</i>	Capital financing and capitalized operating subsidy
<i>Source of Funds</i>	State (note: Projects are recommended for funding by counties)
<i>Administering Agency / Timeframe for Funding</i>	<p>Jointly administered by the California Housing Finance Agency (CalHFA) and the State of California Department of Mental Health (DMH) on behalf of counties.</p> <p>California Housing Finance Agency Kathy Weremiuk, Multifamily Programs 310.342.1256 <a href="mailto:kweremiuk@calhfa.ca.gov">kweremiuk@calhfa.ca.gov</a></p> <p>California Department of Mental Health Jane Laciste, Chief, Special Projects 916.654.3529 <a href="mailto:Jane.laciste@dmh.ca.gov">Jane.laciste@dmh.ca.gov</a></p> <p>Counties determine which projects they want to support and review the Supportive Services Plan for the project. Applications for funding are accepted on an "over-the-counter" basis. To discuss a potential MHSA Housing Program project in San Diego County, please contact:</p> <p>San Diego Mental Health Services (SDMHS) Piedad Garcia, Assistant Deputy Director, Adult and Older Adult Mental Health Services 3255 Camino del Rio South San Diego, CA 92108 619.563.2757 <a href="mailto:Piedad.garcia@sdcountry.ca.gov">Piedad.garcia@sdcountry.ca.gov</a></p>
<i>Maximum Allowable Income</i>	50% or less of the area median income (as adjusted by household size)
<i>Rent restrictions</i>	Rents must be restricted to 30% of 50% or less of the area median income (as adjusted by household size). For units with capitalized operating subsidy reserves, the rent must be set at 30% of the current SSI/SSP grant amount for a single individual living independently, or 30% of total household income, whichever is higher (up to 50% of area median income).

<i>Homeless restrictions</i>	Shall be homeless, meaning living on the streets or lacking a fixed and regular night-time residence, or at risk of being homeless. Detailed description of homeless restriction is available in the MHSAs Housing Program application: <a href="http://www.calhfa.ca.gov/multifamily/mhsa/MHSAApplication.pdf">http://www.calhfa.ca.gov/multifamily/mhsa/MHSAApplication.pdf</a>
<i>Disability restrictions</i>	MHSA Housing Program target population consists of adults, older adults and transition age youth with serious mental illness. For definition of severe mental illness, see Welfare and Institutions Code section 5600.3.
<i>Other restrictions/ requirements</i>	The County Mental Health Department must certify the eligibility of individuals applying for tenancy in an MHSA unit. The County also makes a commitment for services funding to the MHSA Housing Program project.
<i>Additional program information</i>	For more information on the MHSA Housing Program Initiative in San Diego County, see: <a href="http://sandiego.networkofcare.org/mh/home/prop63.cfm">http://sandiego.networkofcare.org/mh/home/prop63.cfm</a>

### Multifamily Housing Program (MHP) – General, Supportive Housing, and Homeless Youth

<i>Program Description</i>	<p>Prop. 1C authorized the State of California to sell general obligation bonds to fund new and existing housing and community development programs. The Multifamily Housing Program is a source of permanent financing for new construction, preservation, acquisition and rehabilitation of rental housing for lower income households.</p> <p>Under Prop. 1C, \$345 million has been made available through the <i>General Pool</i>, \$195 million has been made available through the <i>Supportive Housing Program</i>, and \$50 million has been made available through the <i>Homeless Youth Program</i>.</p> <p>The Notices of Funding Availability (NOFAs) for the MHP General Pool, Supportive Housing and Homeless Youth Programs preference the creation of affordable housing developments with set-aside units for supportive housing populations, such as homeless or at-risk of homeless adults with a disability.</p>
<i>Eligible Use</i>	Capital financing
<i>Source of Funds</i>	State
<i>Administering Agency / Timeframe for Funding</i>	<p>California Department of Housing and Community Development (HCD)          Division of Financial Assistance          1800 Third Street, Suite 390          P.O. Box 952054          Sacramento, CA 94252-2054          916.322.1560          916.445.0117 fax</p> <p>HCD is projected to have approximately \$20 million available through the MHP General Pool and approximately \$26 million through the MHP Homeless Youth Program. However, HCD is currently unable to issue NOFAs to distribute these funds due to the state budget crisis and the lack of state bond proceeds.</p>
<i>Maximum Allowable Income</i>	Households earning below 60% of area median income. Projects serving households at the lowest income levels will receive additional points in the application scoring process.
<i>Rent restrictions</i>	Shall not exceed 30% of the applicable income eligibility level. The maximum rent limit shall be 30% of 60% of area median income for the appropriate unit size.
<i>Homeless restrictions</i>	In order to receive bonus points in the MHP application scoring process, projects must contain supportive housing units at least equal to the greater of 5 units or 35 percent of the total number of units in the project. Supportive housing units are restricted to households who are homeless or at risk of homelessness and that include a disabled adult.
<i>Disability restrictions</i>	Disability required for supportive housing eligibility. A disabled adult is a person 18 years of age or older, or an emancipated minor, with one of the following disabilities: mental illness, HIV or AIDS, substance abuse, developmental disability, or long-term chronic health condition. Homeless youth are exempt from the disability requirement.
<i>Additional program information</i>	<a href="http://www.hcd.ca.gov/fa/mhp/">http://www.hcd.ca.gov/fa/mhp/</a>

## Neighborhood Stabilization Program (NSP)

<p><i>Program Description</i></p>	<p><b>Round 1</b> of the Neighborhood Stabilization Program was authorized under Title III of the Housing and Economic Recovery Act of 2008, and it provides emergency assistance to state and local governments to acquire and redevelop properties to stabilize declining neighborhoods. As a whole, California communities received approximately \$145 million in Round 1 NSP funds.</p> <p>In San Diego County, three jurisdictions have received direct allocations under Round 1 of NSP:</p> <ul style="list-style-type: none"> <li>• County of San Diego - \$5,144,151</li> <li>• City of San Diego - \$9,442,370</li> <li>• City of Chula Vista - \$2,830,072</li> </ul> <p>The 2008 legislation requires that 25% of the NSP funds be used to serve residents earning up to 50% of area median income (AMI).</p> <p><b>San Diego County</b> has released a Notice of Funding Availability for the acquisition, rehabilitation and development of abandoned or foreclosed homes or residential properties for permanent rental housing. A minimum of \$2 million is available under this NOFA to create rental housing for low income individuals or families whose incomes do not exceed 50% of AMI.</p> <p><b>The City of San Diego Housing Commission</b> has released a NOFA soliciting applications from qualified for-profit and nonprofit developers, rehabilitators, and other targeted organizations to accomplish the acquisition and rehabilitation of homes or residential properties in targeted neighborhoods that have been abandoned, vacant, or foreclosed upon, in order to rent to families earning 50% or less of AMI. \$2,124,533 is available for rental activities.</p> <p><b>The City of Chula Vista</b> issued a Request for Qualifications (RFQ) to select development partners to assist in the identification of permanent rental housing for residents earning below 50% of AMI. \$1 million will be targeted to partner with an affordable housing developer to acquire and rehabilitate foreclosed properties.</p> <p><b>Round 2</b> of the NSP was authorized by the American Recovery and Reinvestment Act of 2009, and it provided approximately \$2 billion in NSP funds that will be awarded by a competitive application process issued by HUD. As with Round 1, Round 2 of NSP may be used for similar activities. However, applicants may now include nonprofit entities and consortia of nonprofit entities.</p>
<p><i>Eligible Use</i></p>	<p>Capital financing to acquire and redevelop properties that have been foreclosed or otherwise might become sources of abandonment and blight.</p>
<p><i>Source of Funds</i></p>	<p>Federal</p>
<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>To discuss potential <b>Round 1</b> NSP rental housing projects, please contact the following:</p> <p>County of San Diego Department of Housing and Community Development  Tom D'Lugo  3989 Ruffin Rd.  San Diego, CA 92123  858.694.8741</p> <p>San Diego County Submission deadline is November 30, 2009 (check website as submission deadline may change)  <a href="http://www.sdcounty.ca.gov/sdhcd/docs/nsp_nofa_030609.pdf">http://www.sdcounty.ca.gov/sdhcd/docs/nsp_nofa_030609.pdf</a></p>

	<p>San Diego Housing Commission  Attn: Bill Luksic  1122 Broadway Ave.  San Diego, CA 92101  619.578.7593  <a href="mailto:bill@sdhc.org">bill@sdhc.org</a></p> <p>SDHC NOFA deadline was August 21, 2009  <a href="http://www.sdhc.net/ContractingOpportunities/NOFA-NSP.pdf">http://www.sdhc.net/ContractingOpportunities/NOFA-NSP.pdf</a></p> <p>City of Chula Vista  Attn: Jose Dorado  276 Fourth Avenue  Chula Vista, CA 91910  619.691.5047</p> <p>The deadline for the City of Chula Vista's RFQ has passed.</p> <p>HUD is administering the competitive process for <b>Round 2</b> of NSP.</p> <p>U.S. Department of Housing and Urban Development  Stanley Gimont, Director, Office of Block Grant Assistance  451 Seventh Street, SW, Room 7286  Washington, DC 20410  202.708.3587</p> <p>HUD deadline was July 17, 2009  <a href="http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/pdf/nsp2_nofa.pdf">http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/pdf/nsp2_nofa.pdf</a></p>
<i>Maximum Allowable Income/Rent restrictions</i>	<p><b>Round 1:</b> The 2008 legislation requires that 25% of the NSP funds be used to serve residents earning up to 50% of area median income.</p> <p><b>Round 2:</b> The regulations for the second round of NSP also requires that 25% of each grant be used to house individuals or families earning up to 50% of area median income.</p>
<i>Homeless restrictions</i>	Not applicable.
<i>Disability restrictions</i>	Not applicable.

## Redevelopment Agency (RDA) Low and Moderate Income Housing Set-Aside Funds

<p><i>Program Description</i></p>	<p>State redevelopment law requires that a minimum 20% of redevelopment agency tax increment revenues be allocated for affordable housing. Developers meeting affordability requirements set forth under State Code could be eligible for loans or grants from Redevelopment Agency Low and Moderate Income Housing Set-Aside Funds. Funding priority would be for developments located within redevelopment project areas. However, state law allows Redevelopment Agency Set-Aside funds to be used outside of a Redevelopment Project Area if a benefit to the Project Area can be demonstrated.</p> <p>RDA housing funds may be used in a variety of ways to support and assist the development, improvement and preservation of affordable housing.</p> <p><b><i>Centre City Development Corporation (CCDC)</i></b> serves as the redevelopment agency for the Centre City (Core/Columbia, Cortez, East Village, Gaslamp Quarter, Little Italy, Marina) and Horton Plaza project areas in downtown San Diego. As of FY 2007/2008, CCDC has allocated approximately \$23.4 million and \$1.7 million in RDA housing funds to the Centre City and Horton Plaza project areas respectively.</p> <p>In order to maximize redevelopment efforts, CCDC provides gap financing for the creation of new low- and moderate-income housing projects. CCDC has set aside \$10 million for the development of new permanent supportive housing with plans to allocate the funds toward several downtown projects in the pipeline. CCDC is encouraging developers to include 15% supportive housing units in their affordable housing developments whenever they request Agency subsidy.</p> <p><b><i>The City of San Diego Redevelopment Agency</i></b> administers 11 of the City's project areas. As of FY 2007/2008, the Redevelopment Agency has allocated approximately \$9.1 million in RDA housing funds in the following project areas: Barrio Logan (\$135,834), City Heights (\$2.9 million), College Community (\$231,925), College Grove (\$143,699), Crossroads (\$854,682), Grantville (\$0), Linda Vista (\$18,716), Naval Training Center (\$800,176), North Bay (\$1.6 million), North Park (\$1.6 million) and San Ysidro (\$787,371).</p> <p><b><i>Southeastern Development Corporation (SEDC)</i></b> covers four redevelopment projects areas – Central Imperial, Gateway Center West, Mount Hope and Southcrest – and the Dells Imperial Study Area in the City of San Diego. As of FY 2007/2008, SEDC has allocated approximately \$1.3 million in the following project areas: Central Imperial (\$449,734), Gateway Center West (\$66,665), Mount Hope (\$319,548) and Southcrest (\$490,720).</p> <p>In addition, <b><i>San Diego County</i></b> and the <b><i>Cities of Carlsbad, Chula Vista, Coronado, El Cajon, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Marcos, Santee, and Vista</i></b> have redevelopment agencies with access to low-mod set-aside funds.</p>
<p><i>Eligible Use</i></p>	<p>Capital financing to acquire, develop or rehabilitate housing.</p>
<p><i>Source of Funds</i></p>	<p>Local</p>

<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>Local redevelopment agencies; each agency has its own funding process (see local contact information below)</p> <p>Centre City Development Corporation 401 B Street, 4<sup>th</sup> Floor San Diego, CA 92101 619.235.2200 <a href="http://www.ccdc.com/">http://www.ccdc.com/</a></p> <p>City of San Diego Redevelopment Agency City Planning &amp; Community Investment Department Michele St. Bernard, Project Manager 1200 Third Avenue, 14th Floor San Diego, CA 92101 619.236.6531 <a href="mailto:mstbernard@sanidiego.gov">mstbernard@sanidiego.gov</a> <a href="http://www.sandiego.gov/redevelopment-agency/index.shtml">http://www.sandiego.gov/redevelopment-agency/index.shtml</a></p> <p>Southeastern Development Corporation 4393 Imperial Avenue, Suite 200 San Diego, CA 92113 619.527.7345 <a href="http://www.sedcinc.com/">http://www.sedcinc.com/</a></p>
<p><i>Maximum Allowable Income / Rent restrictions</i></p>	<p>15% of all new housing in redevelopment project areas must be affordable to very low-, low- and moderate-income households. Of these, 40% must be affordable to very low-income households earning below 50% of area median income.</p>
<p><i>Homeless restrictions</i></p>	<p>Not applicable.</p>
<p><i>Disability restrictions</i></p>	<p>Not applicable.</p>

**Additional Local Contacts:**

**San Diego County Dept. of Housing & Community Development**

Attn: Hugo Mora  
3989 Ruffin Road  
San Diego, CA 92123-1890  
858.694.4877  
[http://www.sdcounty.ca.gov/sdhcd/organizations/redevelopment\\_agency.html](http://www.sdcounty.ca.gov/sdhcd/organizations/redevelopment_agency.html)

**City of Carlsbad Housing and Redevelopment Department**

2965 Roosevelt St, Suite B  
Carlsbad, CA 92008  
760.434.2810  
<http://www.carlsbadca.gov>

**City of Chula Vista Community Development Department**

430 Davidson St.  
Chula Vista, CA 91910  
619.585.5722  
[www.ci.chula-vista.ca.us/](http://www.ci.chula-vista.ca.us/)

**City of Coronado**

Rachel Hurst, Director of Redevelopment & Housing Services  
1825 Strand Way  
Coronado, CA 92118  
619.522.7335  
<http://www.coronado.ca.us/department/division.php?fDD=4-8>

**City of El Cajon Redevelopment and Housing**

200 E. Main Street  
El Cajon, CA 92020  
619.441.1710  
[www.ci.el-cajon.ca.us](http://www.ci.el-cajon.ca.us)

**City of Escondido**

201 North Broadway  
Escondido, CA 92025  
760.839.4841  
[www.ci.escondido.ca.us](http://www.ci.escondido.ca.us)

**City of Imperial Beach Redevelopment Agency**

Jerry Selby, Redevelopment Coordinator  
825 Imperial Beach Blvd.  
Imperial Beach, CA 91932  
619.424.2226  
[http://www.cityofib.com/index.asp?Type=B\\_BASIC&SEC=%7B10DB246A-4AC4-4641-BC08-42153C145826%7D](http://www.cityofib.com/index.asp?Type=B_BASIC&SEC=%7B10DB246A-4AC4-4641-BC08-42153C145826%7D)

**City of La Mesa Community Redevelopment Agency**

P.O. Box 937  
La Mesa, CA 91944  
619.667.1103  
<http://www.cityoflamesa.com/index.aspx?NID=118>

**City of Lemon Grove Community Development Agency**

3232 Main Street  
Lemon Grove, CA 91945  
619.825.3800  
<http://www.ci.lemon-grove.ca.us/index.aspx?NID=104>

**City of National City Community Development Commission**

Redevelopment Division  
1243 National City Boulevard  
National City, CA 91950-4301  
619.336.4250  
<http://www.ci.national-city.ca.us/index.aspx?page=136>

**City of Oceanside Housing and Neighborhood Services Department**

321 N. Nevada St.  
Oceanside, CA 92054  
760.435.3360  
[www.ci.oceanside.ca.us/](http://www.ci.oceanside.ca.us/)

**City of Poway Redevelopment Agency**

Ingrid Alverde, Housing Program Manager

13325 Civic Center Drive

Poway, CA 92064

858.668.4562

<http://www.ci.poway.ca.us/Index.aspx?page=33>

**City of San Marcos Redevelopment Agency**

1 Civic Center Drive

San Marcos, CA 92069

760.744.1050 ext. 3116

<http://www.ci.san-marcos.ca.us/index.aspx?page=50>

**City of Santee**

10601 Magnolia Ave.

Santee, CA 92071

619.258.4100 ext. 133

[www.ci.santee.ca.us](http://www.ci.santee.ca.us)

**City of Vista**

600 Eucalyptus Ave.

Vista, CA 92084

760.639.6191

[www.ci.vista.ca.us](http://www.ci.vista.ca.us)

## San Diego Affordable Housing Trust Fund

<p><i>Program Description</i></p>	<p>The San Diego Affordable Housing Trust Fund has two primary sources: the <i>Housing Trust Fund</i> and the <i>Inclusionary Housing Fund's</i> in-lieu fees.</p> <p>Created by the San Diego City Council in 1990, the <i>San Diego Housing Trust Fund</i> was one of the first programs of its kind and has become a model for other cities. The Housing Trust Fund is funded by a City Commercial Linkage Fee that is levied on a square foot basis on commercial and industrial buildings. The nexus is that such new buildings or expansions typically generate new jobs, and therefore, the need for housing for individuals who fill those positions.</p> <p>The <i>Inclusionary Housing Fund's</i> in-lieu fees are another source of revenues for the Affordable Housing Fund. In 2003, the City of San Diego enacted a city-wide Inclusionary Housing Ordinance, one which allows developers the option of paying fees in lieu of providing ten percent of the homes in any development at affordable rates for modest income families. These fees are collected by the City and released to leverage against other funds to help build affordable housing, preferably in the community plan area from which the funds came.</p>
<p><i>Eligible Use</i></p>	<p>Capital financing for special purpose rental housing; loan or grants may be used for the development, acquisition or long-term leasing of housing facilities.</p>
<p><i>Source of Funds</i></p>	<p>Local</p>
<p><i>Administering Agency / Timeframe for Funding</i></p>	<p>San Diego Housing Commission (SDHC) Housing Finance &amp; Development Department 1122 Broadway, Suite 300 San Diego, CA 92101 619.578.7583</p> <p>Developers are able to learn about SDHC funding opportunities through Notices of Funding Availability (NOFAs) listed on the Housing Commission's website:</p> <p><a href="http://www.sdhc.org/qiaboutus7.shtml">http://www.sdhc.org/qiaboutus7.shtml</a>.</p> <p>Housing Commission staff reviews the application, determines the project's feasibility, performs due diligence, and negotiates terms with the developer. Proposals are then submitted for approval to the Loan Committee, Housing Commission, and Housing Authority boards. This process averages three months.</p>
<p><i>Maximum Allowable Income / Rent restrictions</i></p>	<p><b><i>Housing Trust Fund:</i></b> At least 60% of funds for the production and maintenance of assisted units to households earning below 50% of area median income.</p> <p><b><i>Inclusionary Housing Fund:</i></b> rental housing shall be affordable to households earning at/below 65% of AMI.</p>
<p><i>Homeless / Disability restrictions</i></p>	<p>Advantageous financing is available to developers of special purpose housing for very low- and low-income populations identified as needing permanent housing in a service-enhanced environment.</p>

## Section 811 Supportive Housing for Persons with Disabilities Program

<i>Program Description</i>	<p>The purpose of the Section 811 Program is to enable persons with disabilities to live with dignity and independence within their communities by expanding the supply of housing with supportive services to address the individual health, mental health and other needs of the residents.</p> <p>The Section 811 Program provides financing for the acquisition, rehabilitation or construction, as well as an operating subsidy, for supportive housing for persons with disabilities, defined as persons with physical disabilities, developmental disabilities, chronic mental illness, or any combination of the three.</p>
<i>Eligible Use</i>	<p>HUD provides interest-free capital advances to nonprofit sponsors to help finance the development of rental housing such as independent living facilities, intermediate care facilities, cooperative/condominium projects, and small group homes with the availability of supportive services for persons with disabilities. The capital advance can finance the construction, rehabilitation, or acquisition with or without rehabilitation of supportive housing. The advance does not have to be repaid as long as the housing remains available for very low-income persons with disabilities for at least 40 years.</p> <p>HUD also provides project rental assistance; this covers the difference between the HUD-approved operating cost of the project and the amount the residents pay – usually 30 percent of adjusted income. The initial term of the project rental assistance contract is 3 years and can be renewed if funds are available.</p>
<i>Source of Funds</i>	Federal
<i>Administering Agency / Timeframe for Funding</i>	<p>HUD issues a Notice of Funding Availability (NOFA) for the Section 811 program on an annual basis. On September 1, 2009, HUD issued a NOFA for \$90.6 million in capital advance funds plus associated project rental assistance contract funds and any carryover funds available.</p> <p>Project sponsors apply directly to their local HUD field office to compete for funds that have been allocated to their local field office on a formula basis. Prospective applicants should contact the local HUD Multifamily HUB with jurisdiction for the project. For San Diego County projects, the HUD contact information is as follows:</p> <p>Los Angeles Multifamily HUB          Kelly Boyer, Director          611 W. Sixth Street, Suite 800          Los Angeles, CA 90017          213.534.2704</p> <p>For FY 2009, the Los Angeles Multifamily HUB has been allocated capital advance funds in the amount of \$4.29 million for 29 units.</p> <p>HUD 811 projects selected for funding must meet basic program requirements, including nonprofit status, financial commitment, and a certification from the appropriate State or local agency that the supportive services are well designed to meet the needs of the intended residents.</p>
<i>Maximum Allowable Income / Rent restrictions</i>	Very low-income persons with incomes at or below 50% of area median income. With the project rental assistance contract, residents usually pay 30 percent of adjusted income.

<i>Disability restrictions</i>	Persons with physical disabilities, developmental disabilities, chronic mental illness or any combination of the three. Person with disability must be at least 18 years of age or older.
<i>Additional information</i>	<a href="http://www.hud.gov/offices/hsg/mfh/progdesc/disab811.cfm">http://www.hud.gov/offices/hsg/mfh/progdesc/disab811.cfm</a>

## OPERATING FUNDS

### McKinney-Vento Continuum of Care Shelter Plus Care Program (S+C)

<p>Program Description</p>	<p>The Shelter Plus Care Program is an operating subsidy or rental subsidy intended for homeless persons with chronic disabilities. The subsidy, which can be essential for projects that do not have local or state subsidy programs, is offered in several forms – tenant-based, project-based or sponsor-based.</p> <p>HUD makes the Continuum of Care S+C subsidies funding available under an annual NOFA process, and applications for this competitive grant program are administered through the Regional Continuum of Care Council, which is a large cooperative community group consisting of representatives of the 18 cities within San Diego County, nonprofit service providers and other interested parties. The Regional Continuum of Care Council City determines priorities and application evaluation processes, in compliance with HUD regulations and policies.</p> <p>For the S+C Program, non-profit sponsors can only apply through eligible public agencies (state or local government or PHA). Funds from the S+C must be matched by an equal amount of services dollars. S+C is widely used for permanent supportive housing projects, particularly when Section 8 Housing Choice Vouchers are in short supply. S+C rental assistance is modeled on the Section 8 program, with tenants paying 30% of their adjusted income for rent. The program is somewhat more flexible than Section 8, making it a highly desirable operating source for supportive housing sponsors.</p> <p>For example, S+C allows grantees to exceed the HUD-established Fair Market Rent for a unit, so long as the rent is reasonable (i.e. comparable to similar units) and the grantee has sufficient grant funds to pay the higher rent. Also, tenants do not have to be selected from the local Housing Authority's Section 8 waiting list.</p>
<p>Eligible Use</p>	<p>The only eligible use of S+C funding is rental assistance (project-based, tenant-based, or sponsor-based).</p>
<p>Source of Funds</p>	<p>Federal funds</p>
<p>Administering Agency / Timeframe for Funding</p>	<p>Regional Continuum of Care Council / Continuum of Care Contacts:</p> <p>City of San Diego Continuum of Care          Patricia Leslie          Point Loma Nazarene University, Culbertson #106          3900 Lomaland          San Diego, CA 92106          619.849.2676  <a href="mailto:patricialeslie@pointloma.edu">patricialeslie@pointloma.edu</a></p> <p>San Diego County Department of Housing and Community Development          Dolores Diaz, Continuum of Care Coordinator          3989 Ruffin Road          San Diego, CA 92123          858.694.4804  <a href="mailto:dolores.diaz@sdcounty.cs.gov">dolores.diaz@sdcounty.cs.gov</a></p> <p>In general, the San Diego Regional Continuum of Care Council screens and selects new and renewal projects during the winter, and it prioritizes applications for CoC funding during the spring. The Continuum of Care Council submits a consolidated, jurisdiction-wide application for</p>

	new and renewal funding through the CoC funding program.
Maximum Allowable Income	50% of area median income AMI
Rent restrictions	Maximum tenant portion of rent is 30% of adjusted gross monthly income. HUD uses an elaborate formula to calculate adjusted income. Not all sources are included and certain deductions are allowed for having a disability, medical and child care expenses, as well as deductions for a utility allowance if the tenant is required to pay for utilities.
Homeless restrictions	Eligible participants must be homeless with a disability. More information is available at: <a href="http://www.hudhre.info/index.cfm?do=viewSpcResourceManSec2-2">http://www.hudhre.info/index.cfm?do=viewSpcResourceManSec2-2</a>
Disability restrictions	Eligible participants must have one of the following targeted disabilities: serious mental illness, chronic substance abuse, both serious mental illness and chronic substance abuse, AIDS or related diseases, or other disabilities. The definition of disability that applies to S+C may be found at: <a href="http://www.hudhre.info/index.cfm?do=viewSpcResourceManSec2-2">http://www.hudhre.info/index.cfm?do=viewSpcResourceManSec2-2</a>

### McKinney-Vento Continuum of Care Supportive Housing Program (SHP)

Program Description	<p>The Supportive Housing Program (SHP) is one of three federal grant programs collectively known as McKinney-Vento Continuum of Care funding. SHP can be used to support five approaches to helping homeless people achieve independence: 1) Transitional Housing; 2) Permanent Supportive Housing for People with Disabilities; 3) Supportive Services Only; 4) Safe Havens; and 5) Innovative Supportive Housing.</p> <p>HUD makes the Continuum of Care funding available under an annual NOFA process, and applications for this competitive grant program are administered through the Regional Continuum of Care Council, which is a large cooperative community group consisting of representatives of the 18 cities within San Diego County, nonprofit service providers and other interested parties. The Regional Continuum of Care Council City determines priorities and application evaluation processes, in compliance with HUD regulations and policies.</p>
Eligible Use	<p>Operating funds (project-based) are an eligible activity for SHP, including costs associated with the physical, day-to-day operations of a supportive housing facility and requiring cash payments are eligible, such as maintenance and repair, operations staff, utilities, equipment, supplies, insurance, food, relocation, and furnishings. HUD caps its subsidy for operating costs at 75% of total costs.</p>
Source of Funds	Federal funds
Administering Agency / Timeframe for Funding	<p>Regional Continuum of Care Council / Continuum of Care Contacts:</p> <p>City of San Diego Continuum of Care          Patricia Leslie          Point Loma Nazarene University, Culbertson #106          3900 Lomaland          San Diego, CA 92106          619.849.2676  <a href="mailto:patricialeslie@pointloma.edu">patricialeslie@pointloma.edu</a></p> <p>San Diego County Department of Housing and Community Development          Dolores Diaz, Continuum of Care Coordinator          3989 Ruffin Road          San Diego, CA 92123          858.694.4804  <a href="mailto:dolores.diaz@sdcounty.cs.gov">dolores.diaz@sdcounty.cs.gov</a></p> <p>In general, the San Diego Regional Continuum of Care Council screens and selects new and renewal projects during the winter, and it prioritizes applications for CoC funding during the spring. The Continuum of Care Council submits a consolidated, jurisdiction-wide application for new and renewal funding through the CoC funding program.</p>
Homeless restrictions	<p>Only homeless persons with a qualifying disability and their families may receive assistance under the SHP Permanent Housing Component. The definition of homelessness that HUD uses for the SHP program may be found here: <a href="http://hudhre.info/index.cfm?do=viewShpDeskguide">http://hudhre.info/index.cfm?do=viewShpDeskguide</a></p>
Disability restrictions	<p>Eligible participants must have one of the following targeted disabilities: serious mental illness, chronic substance abuse, both serious mental illness and chronic substance abuse, AIDS or related diseases, or other disabilities. The definition of disability that applies to the SHP program may be found here: <a href="http://hudhre.info/index.cfm?do=viewShpDeskguide">http://hudhre.info/index.cfm?do=viewShpDeskguide</a>.</p>

## Section 8 Housing Choice Voucher Program

<p><i>Program Description</i></p>	<p>Established in 1974, the Section 8 Program is the single largest source of rental assistance in the country. The program is designed to bridge the gap between the cost of operating and maintaining housing units and the amount low-income individuals and families can afford to pay in rent. The Section 8 Program is administered at the local level by Public Housing Agencies (PHAs) who receive Section 8 funding through an Annual Contributions Contract with HUD. Subsidies are available as <i>tenant-based vouchers</i> or as <i>project-based vouchers</i>, and developers should be aware that PHAs are increasingly willing to convert tenant-based to project-based assistance (which is easier to underwrite for supportive housing).</p> <p><b><i>San Diego County Dept. of Housing &amp; Community Development</i></b>  The Housing Authority of the County of San Diego serves the unincorporated area of San Diego County, and the Cities of Chula Vista, Coronado, Del Mar, El Cajon, Escondido, Imperial Beach, La Mesa, Lemon Grove, Poway, San Marcos, Santee, Solana Beach and Vista.</p> <p>The agency has approximately 10,400 Section 8 vouchers and they currently administer 105 Veterans Assistance Supportive Housing (VASH) vouchers for homeless veterans in conjunction with the local Veteran's Affairs office. The agency does not currently have a project-based Section 8 program. However, the agency's current Administrative Plan provides the County with the authorization to implement the program at any time. The County has the authority to project-based up to 250 vouchers in projects in the County's jurisdiction.</p> <p><b><i>San Diego Housing Commission</i></b>  The Housing Commission operates the Section 8 Program for the City of San Diego (13,748 Section 8 vouchers) and they currently administer 210 VASH vouchers for homeless veterans in conjunction with the local Veteran's Affairs office. The Housing Commission currently has approximately 39 project-based Section 8 vouchers under contract and another approximate 54 in the process for a total of 93 project-based vouchers. In its <i>Moving to Work Plan</i>, the Commission states its plan to expand the program by designating an additional 400 project-based vouchers in FY 2009-2010. Of those, 200 will be designated for projects that will provide services and assistance to the chronically homeless. The remaining 200 are expected to be designated to projects that will develop new affordable units in San Diego or preserve currently affordable units. The projects will be identified through a competitive process.</p> <p><b><i>Other Cities:</i></b></p> <p>The <b><i>City of Oceanside</i></b> currently has 1,313 Section 8 vouchers. It currently has 25 project-based vouchers at two Community Housing Works developments. The units are designated for persons with disabilities.</p> <p>The <b><i>City of Carlsbad</i></b> has approximately 700 Section 8 vouchers; however, they do not currently project-base.</p> <p>The <b><i>City of Encinitas</i></b> has approximately 136 Section 8 vouchers; however, they do not currently project-base.</p> <p><b><i>National City</i></b> has approximately 1,044 Section 8 vouchers; 135 vouchers are currently project-based in a City-owned property called Kimball Towers.</p>
<p><i>Eligible Use</i></p>	<p>Operating subsidy (project-based or tenant-based)</p>

<i>Source of Funds</i>	Federal funds
<i>Administering Agency / Timeframe for Funding</i>	Local Public Housing Agencies (see local contact information below)
<i>Maximum Allowable Income</i>	PHAs use income limits developed by HUD. HUD sets the <i>lower income</i> limits at 80% of the area median income and <i>very low income</i> limits at 50% of the area median income for the tenant household.  <b><i>San Diego County:</i></b> At least 75% must be extremely low income (30% of AMI); applicants must have income of no more than 50% of AMI.  <b><i>San Diego Housing Commission:</i></b> Seventy five per cent (75%) of new admissions shall not exceed 30% of AMI. The remaining 25% may be between 31-80% of the AMI.
<i>Rent restrictions</i>	Maximum tenant portion of initial rent is 30% to 40% of adjusted monthly income
<i>Homeless restrictions</i>	None; however, homeless status may be given preference on the Section 8 waiting list. Each PHA sets its own local preferences and these can be found in the PHA's Agency Plan that is updated each year.
<i>Disability restrictions</i>	None; however, disability status may be given preference on the Section 8 waiting list. Each PHA sets its own local preferences and these can be found in the PHA's Agency Plan that is updated each year.
<i>Other restrictions/ requirements</i>	Applicants not eligible due to a range of issues including criminal convictions or bad standing with the Housing Authority

**Local contacts:**

**San Diego County Dept. of Housing & Community Development** (serving unincorporated area of San Diego County, and Chula Vista, Coronado, Del Mar, El Cajon, Escondido, Imperial Beach, La Mesa, Lemon Grove, Poway, San Marcos, Santee, Solana Beach and Vista)  
3989 Ruffin Road, MS-0231  
San Diego CA, 92123-1890  
858.694.4801  
[http://www.sdcounty.ca.gov/sdhcd/renters/section\\_eight.html](http://www.sdcounty.ca.gov/sdhcd/renters/section_eight.html)

**San Diego Housing Commission** (City of San Diego)  
1122 Broadway, Suite 300  
San Diego, CA 92101  
619.231.9400  
<http://www.sdhc.org/harentassist1.shtml>

**Carlsbad Housing Authority**  
2965 Roosevelt St, Suite B  
Carlsbad, CA 92008  
760.434.2810  
<http://www.carlsbadca.gov/housing/eligible.html>

**Encinitas Housing Authority**

505 S. Vulcan Ave.  
Encinitas, CA 92024  
760.633.2723

<http://www.ci.encinitas.ca.us/Government/CityD/PlanningABSDL/Assistance/>

**National City Community Development Department**

41 E 12th St, Suite D  
National City, CA 91950  
619.336.4250

<http://www.ci.national-city.ca.us/index.aspx?page=141>

**City of Oceanside - Housing & Neighborhood Services Dept.**

300 N. Coast Hwy.  
Oceanside, CA 92054  
760.435.3360

<http://www.ci.oceanside.ca.us/Datarelation.aspx?Content=186>

## SUPPORTIVE SERVICES FUNDING

### Community Development Block Grant (CDBG) Program

<i>Program Description</i>	<p>Established in 1974, the Community Development Block Grant (CDBG) Program provides funding to "entitlement communities" (cities and urban counties) and states. Cities, urban counties and states receive an annual allocation of funds from HUD, and they can expend these funds to address a wide range of community development needs including public services.</p> <p>Each entitlement community and state establishes its own competitive process for awarding CDBG funds to sub-grantees. Many agencies currently receive CDBG funding, but tapping CDBG for capital or public service dollars for permanent supportive housing may be difficult as many entitlement communities and states have already established priorities for this source of funding.</p> <p>To ensure that the use of CDBG funds adequately reflects the needs in the community, supportive housing sponsors should be involved in the Consolidated Plan and Annual Action Plan process which identifies local priorities for funding.</p>
<i>Eligible Use</i>	Services funding and Capital funding (HUD allows grantees to expend 15% of their annual CDBG allocation on public services, such as support services in permanent supportive housing.)
<i>Source of Funds</i>	Federal funds available through cities and urban counties and states
<i>Administering Agency</i>	Local housing and community development agencies, each agency has its own local priority setting process (see local contact information below)
<i>Maximum Allowable Income</i>	At least 70% of CDBG funds must be used for activities that benefit low- and moderate-income persons, or in general households earning less than 80% of the area median income
<i>Homeless restrictions / Disability restrictions</i>	Not applicable
<i>Additional information</i>	<a href="http://www.hud.gov/offices/cpd/communitydevelopment/programs/">http://www.hud.gov/offices/cpd/communitydevelopment/programs/</a>

#### Local contacts:

**San Diego County Dept. of Housing & Community Development** (serving unincorporated area of San Diego County, and Chula Vista, Coronado, Del Mar, El Cajon, Escondido, Imperial Beach, La Mesa, Lemon Grove, Poway, San Marcos, Santee, Solana Beach and Vista)

3989 Ruffin Road, MS-O231

San Diego, CA 92123-1890

858.694.4801

[http://www.sdcounty.ca.gov/sdhcd/organizations/cdbg\\_program.html](http://www.sdcounty.ca.gov/sdhcd/organizations/cdbg_program.html)

#### City of Carlsbad Housing and Redevelopment Department

2965 Roosevelt St, Suite B

Carlsbad, CA 92008

760.434.2810

<http://www.carlsbadca.gov>

**City of Chula Vista Community Development Department**

430 Davidson St.  
Chula Vista, CA 91910  
619.585.5722  
[www.ci.chula-vista.ca.us/](http://www.ci.chula-vista.ca.us/)

**City of El Cajon Redevelopment and Housing**

200 E. Main Street  
El Cajon, CA 92020  
619.441.1710  
[www.ci.el-cajon.ca.us](http://www.ci.el-cajon.ca.us)

**City of Encinitas Community Development Department**

505 S. Vulcan Ave.  
Encinitas, CA 92024  
760.633.2723  
[www.ci.encinitas.ca.us](http://www.ci.encinitas.ca.us)

**City of Escondido Housing Division**

201 North Broadway  
Escondido, CA 92025  
760.839.4841  
[www.ci.escondido.ca.us](http://www.ci.escondido.ca.us)

**City of La Mesa**

8130 Allison Ave.  
La Mesa, CA 91941  
619.667.1192  
[www.cityoflamesa.com](http://www.cityoflamesa.com)

**City of National City Community Development Commission**

401 Mile of Cars Way, Ste. 380  
National City, CA 91950  
619.336.4254  
[www.ci.national-city.ca.us](http://www.ci.national-city.ca.us)

**City of Oceanside Housing and Neighborhood Services Department**

321 N. Nevada St.  
Oceanside, CA 92054  
760.435.3360  
[www.ci.oceanside.ca.us/](http://www.ci.oceanside.ca.us/)

**San Diego Housing Commission**

1122 Broadway, Ste. 300  
San Diego, CA 92101  
619.231.9400  
[www.sdhc.org](http://www.sdhc.org)

**City of San Marcos**

1 Civic Center Dr.  
San Marcos, CA 92069  
760.744.1050 ext. 3108  
[www.ci.san-marcos.ca.us](http://www.ci.san-marcos.ca.us)

**City of Santee**  
10601 Magnolia Ave.  
Santee, CA 92071  
619.258.4100 ext. 133  
[www.ci.santee.ca.us](http://www.ci.santee.ca.us)

**City of Vista**  
600 Eucalyptus Ave.  
Vista, CA 92084  
760.639.6191  
[www.ci.vista.ca.us](http://www.ci.vista.ca.us)

### McKinney-Vento Continuum of Care Supportive Housing Program (SHP)

<p><i>Program Description</i></p>	<p>The Supportive Housing Program (SHP) is one of three federal grant programs collectively known as McKinney-Vento Continuum of Care funding.</p> <p>HUD makes the Continuum of Care funding available under the annual NOFA process, and applications for this competitive grant program are administered through the Regional Continuum of Care Council, which is a large cooperative community group consisting of representatives of the 18 cities within San Diego County, nonprofit service providers and other interested parties. The Regional Continuum of Care Council City determines priorities and application evaluation processes, in compliance with HUD regulations and policies.</p> <p>SHP features six components—or approaches—to help homeless people achieve independence, including Supportive Services Only (SSO) projects. SHP grantees must share in the costs of supportive services, including a 20 percent cash match of the total services budget. Grantees are encouraged to augment the support received in this activity via mainstream resources like Medicaid or Supplemental Security Income (SSI).</p>
<p><i>Eligible Use</i></p>	<p>Supportive services costs are the only eligible cost for Supportive Services Only grants. Services directly facilitating the movement of homeless participants to independent living are eligible for SHP support, such as outreach, case management, childcare, job training/placement, health care, and transportation.</p>
<p><i>Eligible Population</i></p>	<p>Only homeless persons may receive assistance from SHP-funded projects. The definition of homelessness that HUD uses for the SHP program may be found here:  <a href="http://www.hudhre.info/index.cfm?do=viewSpcResourceManSec2-2">http://www.hudhre.info/index.cfm?do=viewSpcResourceManSec2-2</a></p>
<p><i>Source of Funds</i></p>	<p>Federal</p>
<p><i>Administering Agency</i></p>	<p>Regional Continuum of Care Council / Continuum of Care Contacts:</p> <p>City of San Diego Continuum of Care          Patricia Leslie          Point Loma Nazarene University, Culbertson #106          3900 Lomaland          San Diego, CA 92106          619.849.2676  <a href="mailto:patricialeslie@pointloma.edu">patricialeslie@pointloma.edu</a></p> <p>San Diego County Department of Housing and Community Development          Dolores Diaz, Continuum of Care Coordinator          3989 Ruffin Road          San Diego, CA 92123          858.694.4804  <a href="mailto:dolores.diaz@sdcounty.cs.gov">dolores.diaz@sdcounty.cs.gov</a></p> <p>In general, the San Diego Regional Continuum of Care Council screens and selects new and renewal projects during the winter, and it prioritizes applications for CoC funding during the spring. The Continuum of Care Council submits a consolidated, jurisdiction-wide application for new and renewal funding through the CoC funding program.</p>
<p><i>Other restrictions/ requirements</i></p>	<p>Once a sponsor applies for an initial amount of service dollars, that amount cannot increase in subsequent applications, unless the sponsor is proposing to expand its activities to serve additional clients, in which case the expanded activities would be treated as a new proposal.</p>

	HUD will award no less than 30 percent of McKinney-Vento Continuum of Care grants for permanent housing projects. In order to meet this permanent housing funding requirement and stay within the total funding amount available, initially selected Supportive Services Only (SSO) and non-permanent housing projects will be deselected, if necessary, to add an adequate number of permanent housing projects.
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## Mental Health Services Act (MHSA)

<p><i>Program Description</i></p>	<p>California voters passed Prop. 63, Mental Health Services Act, to expand mental health service funding for a comprehensive, community-based mental health system for the most vulnerable members of the community.</p> <p>The Mental Health Services Act has six components, including:</p> <ul style="list-style-type: none"> <li>○ Community Program Planning</li> <li>○ Community Services &amp; Supports</li> <li>○ Prevention/Early Intervention</li> <li>○ Innovations</li> <li>○ Capital Facilities &amp; Technology</li> <li>○ Education &amp; Training</li> </ul> <p>The Community Services &amp; Supports Plan describes how San Diego Mental Health Services proposes to invest approximately \$25.4 million annually for new community services and supports for children and youth with serious emotional disturbance (SED) and transition age youth, adults, and older adults with serious mental illness (SMI).</p> <p>Funding provided by MHSA will be used to “transform the current mental health system from one that focuses on clinical services into one in which county mental health programs can enter into partnerships with clients, their families and their communities to provide, under client and family direction, whatever it takes to enable people to achieve their goals.”</p>
<p><i>Eligible Use</i></p>	<p>The plan involves three types of funding:</p> <ul style="list-style-type: none"> <li>○ Full Service Partnership Funds</li> <li>○ General System Development Funds</li> <li>○ Outreach and Engagement Funds</li> </ul>
<p><i>Eligible Population</i></p>	<p>MHSA eligible population consists of children and youth with serious emotional disturbance (SED) and transition age youth, adults, and older adults with serious mental illness (SMI).</p>
<p><i>Source of Funds</i></p>	<p>State</p>
<p><i>Administering Agency</i></p>	<p>San Diego Mental Health Services (SDMHS)  Piedad Garcia, Assistant Deputy Director, Adult and Older Adult Mental Health Services  3255 Camino del Rio South  San Diego, CA 92108  619.563.2757  <a href="mailto:Piedad.garcia@sdcounty.ca.gov">Piedad.garcia@sdcounty.ca.gov</a></p>

**Substance Abuse and Mental Health Services Administration (SAMHSA) Center for Mental Health Services (CMHS)**

<i>Program Description</i>	<p>SAMHSA's Center for Mental Health Services released a Request for Applications (RFA) for FY 2009 <i>Services in Supportive Housing</i> grants. The purposed of the program is to help prevent or reduce chronic homelessness by funding services for individuals and families experiencing chronic homelessness in coordination with existing permanent supportive housing programs and resources. This program provides individuals and families with appropriate services and treatment needed to stay housed in a permanent setting.</p> <p>SAMHSA's services grants are intended to fund services or practices that have a demonstrated evidence base and that are appropriate for the population of focus. An evidence-based practice, also called EBP, refers to approaches to prevention or treatment that are validated by some form of documented research evidence. Additional information on evidence-based practices is available in SAMHSA's <i>Guide to Evidence-Based Practices on the Web</i> at <a href="http://www.samhsa.gov/ebpWebGuide/index.asp">http://www.samhsa.gov/ebpWebGuide/index.asp</a>.</p>
<i>Eligible Use</i>	<p>Supportive services funding for a range of services including outreach, case management, independent living skills, assistance in obtaining income support and entitlements, direct treatment, including screening, assessment, and active treatment for substance use and mental disorders, and other wrap-around and recovery support services. Grantees are encouraged to assure that clients have access to a comprehensive array of integrated services, including primary care services, which may be provided directly or through collaborative arrangements. SAMHSA grant funds may not be used to fund housing costs.</p>
<i>Eligible Applicants</i>	<p>Eligibility is limited to applicants that operate HUD permanent supportive housing programs (Shelter Plus Care, SRO, SHP Permanent Housing, or SHP Safe Haven programs) or permanent supportive housing programs funded by non-HUD sources.</p>
<i>Eligible Population</i>	<p>Program targets individuals and families experiencing chronic homelessness.</p>
<i>Source of Funds</i>	<p>Federal</p>
<i>Administering Agency</i>	<p>SAMHSA Center for Mental Health Services          Center for Mental Health Services          Mattie Curry Cheek, PhD (Acting Branch Chief) – Program-related questions contact          1 Choke Cherry Road, Room 6-1025          Rockville, MD 20857          240.276.1745          Mattie.cheek@samhsa.hhs.gov</p>
<i>Timeframe</i>	<p>Applications for approximately \$16.34 million in CMHS Services in Supportive Housing funding were due April 17, 2009. SAMHSA anticipates that up to 41 grants will be awarded. Each anticipated grant award will be up to \$400,000 per year for up to 5 years.</p>

**Substance Abuse and Mental Health Services Administration (SAMHSA) Center for Substance Abuse Treatment (CSAT)**

<i>Program Description</i>	<p>SAMHSA's Center for Substance Abuse Treatment released a Request for Applications (RFA) for FY 2009 grants for the <i>Development of Comprehensive Drug/Alcohol and Mental Health Treatment Systems for Persons Who are Homeless</i>. The purpose of this program is to expand and strengthen treatment services for persons who are homeless (including those who are chronically homeless), who also have substance use disorders, mental disorders, or co-occurring substance use and mental disorders.</p> <p>To address the broad needs of this population, CSAT seeks to increase the number of homeless persons placed in stable housing and who receive treatment services for alcohol, substance use, and co-occurring disorders. Funds are available for grants in two categories:</p> <ul style="list-style-type: none"> <li>o "General" Treatment for Homeless, \$6.8 million; and</li> <li>o "Services in Supportive Housing," \$4.5 million per year.</li> </ul>
<i>Eligible Use</i>	<p>Under a "General" grant, funds may be used for services and populations of focus selected by the applicant based on local needs and resources.</p> <p>"Services in Supportive Housing" grant funds must be used to implement an approach that combines housing assistance and intensive individualized support services to chronically homeless individuals with substance use disorders, mental disorders, or co-occurring substance use and mental disorders.</p>
<i>Eligible Applicants</i>	<p>Eligibility is restricted by statute to domestic community-based public and private nonprofit entities, such as county governments, city or township governments, federally recognized American Indian/Alaska Native tribes and tribal organizations, urban Indian organizations, public or private universities and colleges, and community- and faith-based organizations. Applicants for "Services in Supportive Housing" grants must demonstrate the ability to place clients in supportive housing.</p>
<i>Eligible Population</i>	<p>Program targets individuals and families who are homeless (including those who are chronically homeless) who also have substance use disorders, mental disorders, or co-occurring substance use and mental disorders.</p>
<i>Source of Funds</i>	<p>Federal</p>
<i>Administering Agency</i>	<p>SAMHSA Center for Mental Health Services          Center for Substance Abuse Treatment          Bryant Goodine, MM/HRM – Program-related questions contact          1 Choke Cherry Road          Room 5-1054          Rockville, Maryland 20857          240.276.2828  <a href="mailto:bryant.goodine@samhsa.hhs.gov">bryant.goodine@samhsa.hhs.gov</a></p>
<i>Timeframe</i>	<p>Applications for approximately \$11.3 million in CSAT Treatment for Homeless funding were due April 30, 2009. SAMHSA anticipates that up to 20 Treatment for Homeless-General and up to 13 Treatment for Homeless-Services in Supportive Housing will be awarded. Each anticipated award will be up to \$350,000 per year for up to 5 years.</p>

### Transitional Housing Program for Emancipated Foster/Probation Youth (THP-Plus)

<i>Program Description</i>	<p>THP-Plus is a transitional housing placement opportunity for emancipated foster youth who emancipated from the child welfare system. The goal of the program is to provide a safe living environment while helping youth achieve self sufficiency so that they can learn life skills upon leaving the foster care support system.</p> <p>Counties electing to participate in the program provide supervised independent living housing and support services. Participants may live alone, with departmental approval, or with roommates in apartments and single-family dwellings with regular support provided by THP-Plus agency staff, county social workers and Independent Living Program (ILP) coordinators.</p>
<i>Eligible Use</i>	<p>Supportive services funding for regular visits to THP-Plus participant's residences, educational guidance, employment counseling and assistance reaching emancipation goals outlined in participants' Transitional Independent Living Plan (TILP), the case plan emancipation readiness document.</p>
<i>Eligible Applicants</i>	<p>Counties must pre-approve all providers prior to submission of the THP-Plus proposal to the State of California Department of Social Services</p>
<i>Eligible Population</i>	<p>THP-Plus eligible youth are young adults who have emancipated from foster/probation care and are 18 to 24 years of age, and are pursuing the county-approved goals they have developed in the STEP/STHP-Plus TILP.</p>
<i>Source of Funds</i>	<p>State</p>
<i>Administering Agency</i>	<p>San Diego Health and Human Services Agency          Children's Services          Jessie Furrer, Chief          1700 Pacific Highway          San Diego, CA 92101-2417          619.338.2605          619.338.2424 fax</p>
<i>Timeframe</i>	<p>Contact San Diego Health and Human Services Agency to discuss availability of funds.</p>

## APPENDIX: FY 2009 HUD ALLOCATIONS

The Fiscal Year (FY) 2009 budget for the Department of Housing and Urban Development has been enacted. The following chart provides full-year allocations for three of the Office of Community Planning and Development's (CPD) formula programs: Community Development Block Grants (CDBG); HOME Investment Partnerships (HOME), and Housing Opportunities for Persons with AIDS (HOPWA). In addition, the chart highlights Round 1 direct allocations of Neighborhood Stabilization Program (NSP) funding.

### FY 2009 Allocations for the San Diego Region

JURISDICTION	CDBG*	HOME**	HOPWA ***	NSP
San Diego County	\$4,705,349*	\$4,298,507**	\$2,731,528***	\$5,144,151
Carlsbad	\$508,679	**		
Chula Vista	\$2,003,602	\$1,007,225		\$2,830,072
Coronado	*			
Del Mar	*			
El Cajon	\$1,249,182	\$849,703		
Encinitas	\$401,614	**		
Escondido	\$1,732,912	\$916,594		
Imperial Beach	*			
La Mesa	\$439,429	**		
Lemon Grove	*			
National City	\$1,099,735	\$642,423		
Oceanside	\$1,812,839	\$918,458		
Poway	*			
San Diego	\$15,027,728	\$9,154,816		\$9,442,370
San Marcos	\$701,072	**		
Santee	\$315,805	**		
Solana Beach	*			
Vista	\$1,185,620	**		

Source: <http://www.hud.gov/offices/cpd/about/budget/budget09/states/ca.xls>

\*The County of San Diego administers the CDBG program on behalf of the unincorporated areas of San Diego County and the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway and Solana Beach. Smaller cities that do not receive a direct allocation can apply to the State of California Department of Housing and Community Development for CDBG funding.

\*\*The County of San Diego administers the HOME program on behalf of the unincorporated areas of San Diego County and the cities of Carlsbad, Encinitas, La Mesa, San Marcos, Santee, and Vista. Smaller cities that do not receive a direct allocation can apply to the State of California Department of Housing and Community Development for HOME funding.

\*\*\*Since 1998, San Diego County has administered the HOPWA Program for the City of San Diego since these funds are used countywide and require coordination with housing and services providers. The funds are available to projects countywide including the City of San Diego and smaller cities throughout the County.