

Appendix C - Funding Resources

Appendix C focuses on governmental funding programs that support housing development. While this Appendix does not attempt to identify funding available from private organizations, the City is interested in supporting housing projects seeking funding through other channels. There are numerous active federal and state funding programs. Each program has administrative regulations that specify who may be eligible to apply for program funding. Some programs allow housing developers to apply directly, and only allow governmental agencies, i.e., a city or a housing authority, to apply for funding. Many of the programs stipulate only “shovel ready” projects are eligible. State and federal funding that may be used to off-set acquisition and pre-development costs are limited. Almost unilaterally programs are highly competitive and oversubscribed. Almost all programs for housing construction are income qualified and require enforceable covenants to assure affordability.

Some of the programs that are administered by the California Department of Housing and Community Development (HCD) are noted as being currently archived. An archived program means the program does not currently have funding allocated by the Legislature. Archived programs may have projects that are in asset management and compliance phases. Archived may become active if the Legislature allocates funding to the program.

The following funding programs may be able to assist the City in meeting its affordable housing goals:

Program Name	Description	Eligible Activities
Federal Programs		
Community Development Block Grant (CDBG) Program	The Department of Housing and Urban Development (HUD) awards Community Development Block Grants annually to entitlement jurisdictions and states for general activities, including housing, and economic development activities. HUD also offers various other programs that can be utilized by the City and nonprofit and for-profit agencies for the preservation of low-income housing units such as Section 202 and Section 108 loan guarantees. The annual appropriation for CDBG is split between states and local jurisdictions called "entitlement communities."	Acquisition Rehabilitation Homebuyer Assistance Economic Development Assistance Homeless Assistance Public Services Infrastructure Replacement
HOME Investment Partnerships Program	The Home Investment Partnerships Program (HOME) was created under the Cranston Gonzalez National Affordable Housing Act enacted in November 1990. HOME funds are awarded annually as formula grants to participating jurisdictions. HUD establishes Home Investment Trust Funds for each grantee, providing a line of credit that the jurisdiction may draw upon as needed. The program's flexibility allows states and local governments to use HOME funds for grants, direct loans, loan guarantees, or other forms of credit enhancement or rental assistance or security deposits.	Acquisition Rehabilitation Homebuyer Assistance Rental Assistance
Housing Choice Voucher (HCV) Rental Assistance (Section 8)	Provides rental assistance payments to owners of market-rate properties on behalf of very-low-income tenants.	Rental Assistance. Public housing agencies (PHA) administer HCVs. While the City cannot directly administer HCVs, the City can continue to work with local the PHAs, e.g., Shasta County Housing Authority and the Karuk Tribe Housing Authority, on the HCV administration and support their efforts. Further, the City can partner with

Program Name	Description	Eligible Activities
		these agencies to ensure there are adequate units available, and facilitate housing developments that will utilize project-based rental assistance.
Section 811	Provides grants to nonprofit developers of supportive housing for disabled persons. The grants may be used to construct or rehabilitate group homes, independent living facilities, and intermediate care facilities. The grants may also have a rental assistance component.	Acquisition Rehabilitation New Construction Rental Assistance
Section 203(k)	Provides fixed-rate, low-interest loans to organizations wishing to acquire and rehabilitate property.	Land Acquisition Rehabilitation Refinancing of Existing Debt
Section 202	Grants to private nonprofit developers of supportive housing for very low-income seniors.	New Construction
Low Income Housing Tax Credits (LIHTC)	In 1986, Congress created the federal Low Income Housing Tax Credits to encourage private investment in the acquisition, rehabilitation, and construction of low-income rental housing. Because high housing costs in California make it difficult, even with federal credits, to produce affordable rental housing, the California legislature created a state low-income housing tax credit program to supplement the federal credit. The state credit is essentially identical to the federal credit, the Tax Credit Allocation Committee allocates both, and state credits are only available to projects receiving federal credits. Twenty percent of federal credits are reserved for rural areas and 10 percent for nonprofit sponsors. To compete for the credit, rental housing developments have to reserve units at affordable rents to households at or below 46 percent of area median income. The targeted units must be reserved for the target population for 55 years.	New Construction
Mortgage Credit Certificate Program	Offers income tax credits to first-time homebuyers. The County distributes the credits.	Homebuyer Assistance

Program Name	Description	Eligible Activities
Supportive Housing Program (SHP)	Offers grants to agencies who offer supportive housing and services to the homeless.	Transitional Housing, housing for persons with disabilities, supportive housing, and support services
Community Reinvestment Act	The Community Reinvestment Act (CRA), enacted by Congress in 1977, is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations. The CRA requires that each insured depository institution's record in helping meet the credit needs of its entire community be evaluated periodically. That record is taken into account in considering an institution's application for deposit facilities, including mergers and acquisitions.	New Construction Rehabilitation Acquisition Support Services Supportive Housing Homebuyer Assistance
State Programs: Administered by the California Department of Housing and Community Development (HCD)		
Emergency Solutions Grant	Awards grants to nonprofits for the provision of shelter support services.	Support Services
Multi-Family Housing Program (MHP)	Provides loans for new construction, rehabilitation, and preservation of affordable rental housing. Payments on the loans are deferred for a specified period of time.	New Construction Rehabilitation Preservation
CalHOME	Provides grants to local governments and nonprofit agencies for homebuyer assistance, rehabilitation, and new construction. The agency also finances acquisition, rehabilitation, and replacement of manufactured homes.	Homebuyer Assistance Rehabilitation New Construction
California Self-Help Housing Program	Provides grants for the administration of mutual self-help housing projects.	Homebuyer Assistance New Construction Administrative Costs. This program is currently archived.
Emergency Housing and Assistance Program	Provides grants to support emergency housing.	Shelters and transitional housing. This program is currently archived
Affordable Housing and Sustainable Communities Program	Provides funding to support infill development projects with the goal of reducing greenhouse gas emissions.	New Construction Rehabilitation

Program Name	Description	Eligible Activities
Veterans Housing and Homeless Prevention Program	Provides funding to buy, construct, rehabilitate or preserve affordable multi-family housing for veterans and their families.	Acquisition Construction Rehabilitation Preservation
SB 2 – Building Jobs and Homes Act	Provides planning grant funding to jurisdictions for plans and process improvements that will help to accelerate housing production.	Technical Assistance Planning Document Updates
Local Early Action Planning (LEAP) Grants	The Local Action Planning Grants (LEAP), provides over-the-counter grants complemented with technical assistance to local governments for the preparation and adoption of planning documents, and process improvements that: 1) Accelerate housing production Facilitate compliance to implement the sixth-cycle Regional Housing Needs Assessment.	Housing element updates Updates to zoning, plans or procedures to increase/accelerate housing production Pre-approved architectural and site plans Establishing State-defined Pro-housing policies See complete list in program materials
No Place Like Home	Through a County application process, provides loans to acquire, develop, preserve, or rehabilitate permanent supportive housing facilities.	Permanent Supportive Housing
Infrastructure Infill Grant	Provides gap financing for infrastructure improvements necessary to support the development of affordable infill housing.	Infrastructure Improvements. Developers of qualifying housing projects and local governments may both apply for this funding program.
Local Housing Trust Fund Program	Provides matching grants to funds provided by Local Housing Trust Funds.	Site Acquisition Site Development Homebuyer Assistance Transitional Housing Emergency Shelter Multi-Family Housing Local Housing Trust Fund program funds may be used to leverage a funding of local or regional housing trust fund.
Transit Oriented Development Program	Supports the development of affordable multi-family rental housing near transit stations through low-interest loans.	New construction rehabilitation and infrastructure improvements. This program is currently archived.

Program Name	Description	Eligible Activities
CA Covid-19 Rent Relief Program	Provides local governments in California with emergency rental assistance funds.	For local governments and tribes within California seeking Emergency Rental Assistance Funds.
Excess Sites Local Government Matching Grants Program	Provides grant funding to support and accelerate selected affordable housing projects on excess state sites.	This program is specifically earmarked for State lands designated as excess pursuant to Executive Order (EO) N-06-19 for Affordable Housing Development. At this time there are no excess State sites designated in the City of Yreka or sites under consideration, therefore the City would not be eligible for funding.
Foreclosure Intervention Housing Preservation Program	Provides funds to preserve affordable housing and promote resident or nonprofit organization ownership of residential real property at risk for foreclosure or in the process of foreclosure.	The purpose of this program is to preserve affordable housing and promote resident or nonprofit organization ownership of residential real property. Funds are to be made available as loans or grants to eligible borrowers to acquire and rehabilitate properties at risk of foreclosure or in the foreclosure process.
Golden State Acquisition Fund	Provides developers with loans for acquisition or preservation of affordable housing.	<ul style="list-style-type: none"> • Vacant Land • Existing Properties for Rental or homeownership
HOME American Rescue Plan	Provides assistance to individuals or households that may be at risk for or experiencing homelessness, and other vulnerable populations.	<ul style="list-style-type: none"> • Production or Preservation of Affordable Rental Housing • Purchase and Development of Non-Congregate Shelter • Tenant-Based Rental Assistance • Supportive Services, Homelessness Prevention Services, and Housing Counseling • Nonprofit Operating and Capacity Building Assistance

Program Name	Description	Eligible Activities
Homekey	Provides grants for acquiring and rehabilitating a variety of housing types to help rapidly expand housing for persons experiencing or at risk of homelessness.	<ul style="list-style-type: none"> • Buildings that could be converted to permanent or interim housing • Master leasing of properties for non-congregate housing • Conversion of units from nonresidential to residential • New construction of dwelling units • The purchase of affordability covenants and restrictions for units • Relocation costs for individuals who are being displaced as a result of the Homekey Project • Capitalized operating subsidies for units funded under the Homekey Round 2 NOFA for FY 21-22
Housing for Healthy California	Provides funds for the creation and support of new and existing permanent supportive housing for people experiencing chronic homelessness or are homeless and high-cost health users.	Acquisition and/or new construction
Housing Navigators Program	Provides funds to counties for the support of housing navigators meant to help young adults aged 18-21 years secure and maintain housing, prioritizing young adults in the foster care system.	<ul style="list-style-type: none"> • Assist young adults to secure/maintain housing • Provide housing case management • Prevent young adults from homelessness • Improve coordination of services and linkages to key resources in the community
Joe Serna, Jr. Farmworker Housing Grant Program	Provides funds for new construction, rehabilitation, and acquisition of owner-occupied and rental units for agricultural workers, prioritizing lower income households.	<ul style="list-style-type: none"> • Land acquisition, site development, construction, rehabilitation, design services • Operating and replacement reserves, repayment of predevelopment loans

Program Name	Description	Eligible Activities
		<ul style="list-style-type: none"> • Provision of access for the elderly or disabled • Relocation, homeowner counseling
Mobilehome Park Rehabilitation and Resident ownership Program	Provides low-interest loans for financing the preservation of affordable mobilehome parks for ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies.	<ul style="list-style-type: none"> • Purchase/conversion of mobilehome park • Rehabilitation or relocation of a purchased park • Purchase by a low-income resident of a share or space in a converted park • Pay for the cost to repair low-income residents' mobilehomes
Permanent Local Housing Allocation	Provides grant funding to local governments for housing-related projects and programs that assist in addressing the unmet housing needs of their local communities.	<ul style="list-style-type: none"> • Increase supply of housing • Increase assistance to affordable housing • Assist persons at risk for homelessness • Facilitate housing affordability • Promote projects and programs related to regional housing needs allocation • Ensure geographic equity in the distribution of funds
Pet Assistance and Support Program	Provides grant funding for homeless shelters for pet shelter, food, and basic veterinary services for pets owned by persons experiencing homelessness.	<ul style="list-style-type: none"> • Provision of shelter • Pet food and supplies • Basic veterinary services
Portfolio Reinvestment Program	Provides funds to rehabilitate and extend the long-term affordability of HCD-funded housing projects.	<ul style="list-style-type: none"> • Permanent loans for rehabilitation • Forgivable loans for capitalized operating subsidy reserves
Regional Early Action Planning Grants	Provides support for transformative planning and implementation of activities meant to accelerate infill and affordable developments.	<ul style="list-style-type: none"> • Acceleration of infill housing development • Realizing multimodal communities • Shifting travel behavior by reducing driving • Increasing transit ridership

Program Name	Description	Eligible Activities
Accelerator	Provides gap funding for the replacement of tax credit equity in shovel-ready projects in order to reduce the backlog of projects in the CDLAC funding pipeline and accelerate the development of housing to those in need	Multifamily Housing
State Programs: Administered by California Housing Finance Agency (CalHFA)		
Affordable Housing Partnership Program (AHPP)	Provides lower interest rate CalHFA loans to homebuyers who receive local secondary financing.	Homebuyer Assistance
Self-Help Builder Assistance Program	Provides lower interest rate CalHFA loans to owner-builders who participate in mutual self-help housing projects. Also provides site acquisition, development financing, and construction financing for self-help projects.	<ul style="list-style-type: none"> • Homebuyer Assistance Site Acquisition • Site Development • Home Construction
California Housing Assistance Program	Provides 3% silent second loans in conjunction with 97% CalHFA first loans to give eligible homebuyers 100% financing.	Homebuyer Assistance
Extra Credit Teacher Program	Provides \$7,500 silent second loan with forgivable interest in conjunction with lower-interest-rate CalHFA first loans to assist eligible teachers in buying homes.	Homebuyer Assistance
Housing Enabled by Local Partnerships	Provides 3% interest rate loans, with repayment terms up to 10 years, to local government entities for locally determined affordable housing priorities.	Wide Range of Eligible Activities
Predevelopment Loan Program	The California Department of Housing and Community Development (HCD) administers the program, which provides funds to pay the initial costs of developing affordable housing developments. Priority is given to applications with matching financing from local redevelopment agencies or federal programs.	Pre-development
Multifamily Housing Program	HCD conducts the acquisition and rehabilitation component of the Multifamily Housing Program to acquire and rehabilitate existing affordable rental housing. Priority is given to projects currently subject to regulatory restrictions that may be terminated. Assistance is provided through low interest construction and permanent loans.	Rental Acquisition Rental Rehabilitation

Program Name	Description	Eligible Activities
	Eligible applicants include local government agencies, private nonprofit organizations, and for-profit organizations.	
Transitional Housing Program for Emancipated Foster/Probation Youth (THP-Plus)	This program provides funds for housing and services for persons who need support services for transition-age youth.	Supportive Housing Foster Care
Special Needs Housing Program	Allows local governments to use Mental Health Services Act (MHSA) funds to finance the development of permanent supportive rental housing.	New Construction Supportive Housing
Home Mortgage Purchase Program	CalHFA sells bonds to raise funds for providing below-market-rate loans to qualifying first-time homebuyers.	Homebuyer Assistance
ADU Grant Program	Provides funding to reimburse pre-development and non-recurring closing costs associated with the construction of the ADU for income-qualified applicants. Predevelopment costs include site prep, architectural designs, permits, soil tests, impact fees, property survey, and energy reports.	New construction of an Accessory Dwelling Unit, or conversion of an existing accessory structure to an Accessory Dwelling Unit.
Local Program and Private Sources		
Federal Home Loan Bank System	Facilitates affordable housing programs (AHP), which subsidize the interest rates for affordable housing. The San Francisco Federal Home Loan Bank District provides local service in California. Interest rate subsidies under the AHP can be used to finance the purchase, construction, and/or rehabilitation of rental housing. Very-low- income households must occupy at least 20% of the units for the useful life of the housing or the mortgage term.	Acquisition New Construction Rehabilitation
Tax Exempt Housing Revenue Bond	Housing mortgage revenue bonds can be provided, which require the developer to lease a fixed percentage of the units to low-income families at specific rental rates.	New Construction Rehabilitation Acquisition
Federal National Mortgage Association (Fannie Mae)	Fannie Mae offers a variety of mortgages, including traditional fixed-rate, low down-payment for underserved low-income areas,	Homebuyer Assistance Rehabilitation

Program Name	Description	Eligible Activities
	and mortgages that fund the purchase and rehabilitation of a home.	
California Community Reinvestment Corporation	<p>A Nonprofit mortgage banking consortium designed to provide long- term debt financing for affordable multi-family rental housing.</p> <p>Nonprofit and for-profit developers contact member banks.</p>	<p>New Construction</p> <p>Rehabilitation Acquisition</p>
Freddie Mac HomeOne and Renovation Mortgages	Provides down-payment assistance to first-time homebuyers and second mortgages that include a rehabilitation loan.	Homebuyer Assistance Rehabilitation