Agenda Item VI: Department Updates

Homeless Coordinating and Financing Council Meeting
October 26, 2020

California Department of Education (CDE)

The CDE is still working on identifying a representative for this Council.

2021-24 Education for Homeless Children and Youth (EHCY) Request for Applications (RFAs) are available at https://www.cde.ca.gov/fg/fo/af/ 

- There are two RFAs; one for local educational agencies such as school districts and direct-funded charter schools, and one for county offices of education, only.

UCLA hosted a State-of-Crisis Webinar on October 20, 2020.

There are new Training Modules for various stakeholder posted on the California Department of Education’s Homeless Education Resource web site at https://www.cde.ca.gov/sp/hs/cy/. You can also find most recent information on COVID-19 resources.

California Department of Health Care Services (DHCS)

The focus of this update is DHCS’s response to the COVID-19 public health emergency and impacts to two DHCS programs that serve members experiencing homelessness.

The DHCS update in March described how the Health Home Program (HHP) and the Whole Person Care (WPC) Pilots coordinate health care, social services, and housing case management services for our most vulnerable Medi-Cal members. The federal Centers for Medicare and Medicaid Services (CMS) authorize these Medicaid programs through an 1115 waiver that expires at the end of 2020.

In 2019, DHCS launched the California Advancing and Innovating Medi-Cal (CalAIM) initiative to make significant delivery system reforms. As part of CalAIM, DHCS planned to end HHP and WPC, but also to transition, expand, and standardize successful strategies from HHP and WPC through a new Enhanced Care Management (ECM) benefit and In Lieu of Services (ILOS). The CalAIM initiative also included improvements for care coordination for jail reentry populations and reforms in the behavioral health delivery system relating to payment, medical necessity criteria, and administrative integration. For more detail on these programs, see our March Council update or the full proposal at the link above.

Due to the impact of the COVID-19 pandemic on our local partners, and the need to focus on management of the public health emergency, DHCS postponed the CalAIM implementation timelines. A new timeline is still under development. As a result, this September, DHCS
formally requested that CMS approve a one-year extension of the current 1115 waiver programs and funding - through 2021. This request includes continuation of HHP and WPC.

In the event CMS is not able to complete the review of the waiver extension request before December 31, 2020, DHCS expects CMS to grant a “temporary extension.” WPC and HHP would continue to operate while negotiations continue.

DHCS is confident that CMS will see the value of WPC and HHP and extend these programs until DHCS can fully implement CalAIM, ECM, and ILOS. DHCS is encouraging our partners to plan for the extension of WPC and HHP through 2021, and for a transition to ECM and ILOS thereafter.

**California Department of Housing and Community Development (HCD)**

**Homekey**

In July, HCD launched Homekey, an innovative program to purchase and rehabilitate housing - including hotels, motels, vacant apartment buildings and other properties - and convert them into permanent, long-term housing for people experiencing or at risk of homelessness. This program makes awards directly to local communities with properties ready for conversion.

- So far, we’ve announced 5 rounds of awards, providing a total of $627 million to 71 projects, creating 4,646 permanent housing units in communities throughout California.
- This funding is complemented by $45 million in philanthropic funding - $20 million from Blue Shield of California and $25 million from Kaiser Permanente - to support operating subsidies for Homekey projects. This funding will provide critical support to local jurisdictions to ensure that those housed through this initiative receive critical services like case management, job training, substance abuse counseling, and other services.
- Meeting an expedited deadline, set by federal law for Coronavirus Relief Funding (CRF) expenditures by the end of this calendar year, HCD has begun issuing Standard Agreements and payments this month, to equip awardees to implement Homekey projects.
- Additionally, on October 7, following the Governor’s request for additional funding to continue to provide Homekey support to communities with ready-for-conversion projects, the Joint Legislative Budget Committee approved an additional $200 million in CRF funding, enabling HCD to fund additional projects on the waitlist.

**California Emergency Solutions and Housing (CESH)**

The 2018-19 Budget allocates about 25% of the first year’s SB 2 revenues to CoCs through CESH.

- In March 2019, HCD released the second CESH NOFA for approximately $29M. Applications were due on June 28, 2019, and HCD announced the awards list on October 18, 2019.

**Housing for Healthy California (HHC)**

- Amended program guidelines were released February 2019.
- Round 1: Awards March 2020
Standard Agreements are under Development for Article I; and Article II Std. Agreement is pending boilerplate approval


Multifamily Housing Program (MHP)

In 2018, voters approved Proposition 1, authorizing the Veterans and Affordable Housing Bond Act. MHP consists of bonds for new construction, acquisition/rehabilitation of permanent or transitional rental housing, and conversion of nonresidential structures to rental housing.

To date, two rounds of MHP funding have been completed and Round Three applications are under review.

- Round One awards were announced in December 2019. 18 out of 24 projects awarded included supportive housing and/or special needs units.
- Round Two awards were announced in June 2020. 16 out of 24 projects awarded included supportive housing and/or special needs units.
- Round Three NOFA was released in July 2020 along with a streamlined MHP pilot application. This application is to be a template for other programs.
- Round Three applications were due on September 15, 2020; 79 applications were received and are currently under review.
- Round Three awards to be announced in December 2020
- MHP 2020 Draft Guidelines currently routing for DO approval. Guideline revisions based on substantial stakeholder recommendations and with goal of expanding funding opportunities for Tribal Entities and special needs populations, specifically, Intellectually/Developmentally disabled populations, which are not competitive under current scoring criteria.
- MHP Final Guidelines to be published in December 2020.
- Round Four NOFA and application to be released in January 2021, with awards to be announced in June 2021.

Technical Assistance (TA) to Improve Delivery of Homelessness Programs

Since January 2019, HCD has provided three types of technical assistance to help counties and CoCs enhance, develop, and/or improve the delivery of homelessness programs and services.

- 83% of eligible jurisdictions have received some form of TA by either working directly with the county or working with the CoC that includes the county.
- Housing First and Housing Stability TA are still receiving requests and the contracts have been extended from April 2020 to December 2021.
- Building Capacity TA is no longer receiving requests and will be completed by the end of 2020.
- Earlier in the year, HCD provided communities the opportunity to adapt their work plans to include COVID-19 related assistance. Several recipients of the TA program have modified their workplans to focus on COVID-19 response with HCD’s TA providers.
HCD is working on potential modification of the TA program in 2021.

California Housing Finance Agency (CalHFA)

MHSA Program

Passed by California voters in 2004, the Mental Health Services Act (MHSA) was designed to expand and transform California’s behavioral health system to better serve individuals with, and at risk of, serious mental health issues, and their families, including those who are homeless or at risk of homelessness.

Under the MHSA, CalHFA administered a program to finance permanent supportive housing with funds derived from a one percent tax on personal income in excess of $1 million per year. From inception of the CalHFA’s MHSA loan program in 2008 to its conclusion in 2016, CalHFA provided over $400 million in project financing representing more than 2,600 units of permanent supportive housing and leveraged the creation of an additional 7,500 units, ultimately creating some 10,000 units of affordable housing.

Special Needs Housing Program

In 2016, the MHSA Program was essentially replaced by the passage of legislation authorizing $2 billion for HCD’s No Place Like Home (NPLH) Program. However, prior to deployment of NPLH funds, CalHFA stood up the Special Needs Housing Program (SNHP) to serve as a transition between the two aforementioned housing finance programs.

SNHP allowed local governments to use MHSA and other local funds to provide financing for the development of permanent supportive rental housing, including units dedicated for individuals with serious mental illness, and their families, who are homeless or at risk of homelessness. Accordingly, the application deadline for viable SNHP projects ended on January 3, 2020 with construction loan closings required to occur no later than June 30, 2022.

Of the original 16 participating SNHP counties, CalHFA still has active agreements with the following 8 counties and is closing out their respective pipeline projects:

<table>
<thead>
<tr>
<th>County</th>
<th>Number of Projects</th>
<th>Total Number of SNHP Restricted Units</th>
<th>Total Number of Affordable Housing Units</th>
<th>Total SNHP Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOS ANGELES</td>
<td>20</td>
<td>348</td>
<td>1,464</td>
<td>$ 33,543,153</td>
</tr>
<tr>
<td>ORANGE</td>
<td>17</td>
<td>278</td>
<td>1,033</td>
<td>$ 54,581,855</td>
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<td>SAN DIEGO</td>
<td>9</td>
<td>136</td>
<td>618</td>
<td>$ 18,724,266</td>
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<td>FRESNO</td>
<td>3</td>
<td>48</td>
<td>96</td>
<td>$  6,168,706</td>
</tr>
<tr>
<td>SAN BERNARDINO</td>
<td>3</td>
<td>34</td>
<td>210</td>
<td>$  4,798,479</td>
</tr>
<tr>
<td>SACRAMENTO</td>
<td>1</td>
<td>15</td>
<td>92</td>
<td>$  2,000,000</td>
</tr>
<tr>
<td>SHASTA</td>
<td>1</td>
<td>5</td>
<td>20</td>
<td>$  601,608</td>
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</table>
Breakdown of Project Loan Status:

<table>
<thead>
<tr>
<th>Project Loan Status</th>
<th>Number of Projects</th>
<th>Total Number of SNHP Restricted Units</th>
<th>Total Number of Affordable Housing Units</th>
<th>Total SNHP Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active (Application/Initial Commitment)</td>
<td>26</td>
<td>346</td>
<td>1,602</td>
<td>$ 51,097,567</td>
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<tr>
<td>Closed (Construction Period)</td>
<td>25</td>
<td>460</td>
<td>1,658</td>
<td>$ 62,258,273</td>
</tr>
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<td>Closed and transferred to Asset Management</td>
<td>4</td>
<td>73</td>
<td>305</td>
<td>$ 7,940,000</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>55</strong></td>
<td><strong>879</strong></td>
<td><strong>3,565</strong></td>
<td><strong>$ 121,295,840</strong></td>
</tr>
</tbody>
</table>

The SNHP program target conversion date is December 15, 2023 for projects in the pipeline.

**Governor’s Office of Emergency Services (Cal OES)**

*Major activities since last meeting*

Cal OES COVID Disaster Responses (available on Cal OES website):

- Trailers – 1,305 delivered to Counties
- Project Roomkey – 15,564 rooms acquired for Homeless Population
- Hotel Rooms for Healthcare Workers – 1,141,404 room nights
- Critical Supplies Distributed – total of 795 million units distributed
- Meal Support – 113 million meals distributed and served

2020 Pandemic (CO19) Program – Emergency Response to Interpersonal Violence

Status data collected from most current quarterly Performance Measurement Tool (PMT) reports:

- The Grant Program was created to respond to the increase of domestic and sexual violence, and child abuse/neglect due to the COVID-19 stay-at-home orders.
- Approximately $5.3M was distributed to three coalitions – the California Coalition Against Sexual Assault (CALCASA), Child Abuse, Listening, Interviewing and Coordination Center (CALICO) and the California Partnership to End Domestic Violence (CPEDV) - that specialize in these victimizations as the Subrecipients.
- The coalitions manage the distribution of funds to local victim service providers to cover additional costs associated with providing services to victims while adhering to social distancing requirements, including but not limited to:
Emergency housing (e.g., hotels to meet the increased need and to create distance between victim family units)
- Procurement of equipment for providing services remotely
- Administrative time off for staff unable to work – only with appropriate policies in place
- Hazard pay for staff working in high risk environments (e.g., communal living shelters or prisons) – only with appropriate policies in place
- Emergency assistance to victims (e.g., food, clothing, utilities, etc.)
- 57 victim service provider agencies for the purposes of emergency housing under the CO19 program.
  - 6174 victims served
  - 1531 received shelter/housing assistance
  - 3217 received crisis intervention
  - 910 received assistance completing Victim Compensation claims
  - 1745 received personal advocacy

**Funding and/or program deadlines**

Specialized and Transitional Housing programs are in third year and target homelessness specifically with the subrecipient establishing the target population served.

**Specialized Emergency (KE) Housing Program**
- The purpose of the KE Program is to maintain and expand emergency shelter and emergency housing assistance resources in California, providing specialized services for victims of crime.

**Transitional Housing (XH) Program**
- The purpose of the XH Program is to create and/or enhance transitional housing for crime victims. The Program will support transitional housing, short-term housing assistance, and supportive services, including follow-up services that move victims of crime into permanent housing. Successful transitional housing programs provide a range of optional supportive services and let victims choose the course that best fits their needs.

There are 20 other ongoing Programs that offer sheltering and/or housing assistance as one of the services available in addition to other services. The programs are trauma-informed and victim-centered and designed to provide timely assistance to victims of crime. The programs range includes Domestic Violence, Children’s, Human Trafficking, Sexual Assault, Underserved Victims, and Victim Witness.

**California Department of Social Services (CDSS)**

*CDSS Housing and Homelessness COVID Response Guidance*
The CDSS is working closely with communities to understand the changing landscape of housing and homelessness in California in light of the COVID-19 pandemic and the state’s economy. The CDSS will continue providing monthly, program-specific technical assistance calls with all CDSS-funded housing program grantees and looks forward to learning from communities, sharing promising practices and problem-solving ways to overcome challenges.

Subscribe to the CDSS Housing and Homelessness Branch newsletter here

Project Roomkey Non-Congregate Sheltering

Project Roomkey is a state-supported, locally administered effort to provide non-congregate shelter for people experiencing homelessness in response to COVID-19. The goal of Project Roomkey is to provide hotels, motels, and trailers to people experiencing homelessness to protect human life and minimize strain on health care system capacity.

FEMA reimbursement approval has been extended through October 30, 2020, allowing for up to 75% reimbursement of local eligible expenses, such as room costs and core operating services.

To-date, more than 16,000 rooms have been secured and 1,338 trailers have been deployed to local governments, representing a 50% increase in the number of emergency shelter beds in California, exceeding the goal of 15,000.

Project Roomkey/COVID Response Resources Webpage

CalWORKs Housing Support Program (HSP)

The CalWORKs Housing Support Program (HSP) assists CalWORKs families experiencing homelessness in quickly obtaining permanent housing while providing flexible wrap-around supports to foster housing retention. Local HSPs utilize a Rapid Rehousing model and provide flexible assistance and services tailored to the unique needs of each family, which may include: rental assistance, security deposits, utility payments, moving costs, hotel and motel vouchers, landlord recruitment, case management, housing navigation and stabilization supports, legal services, and credit repair.

The FY 2020-21 allocations for $95 million annual funding will be released via County Fiscal Letter (CFL) imminently.

On July 14, 2020, CDSS released the All County Welfare Directors Letter (ACWDL): CalWORKs Housing Support Program (HSP) Request for Proposals

On July 13, 2020, CDSS released the County Fiscal Letter (CFL): Fiscal Year 2020-21 CalWORKs Housing Support Program (HSP) Planning Allocation

Since the program’s inception in 2014, more than 20,000 families have been permanently housed through HSP.

CalWORKs Homeless Assistance (HA) Program

The CalWORKs Homeless Assistance program serves eligible CalWORKs applicant and recipients with up to 16 days of temporary shelter payments, as well as payments to
secure or maintain housing, including a security deposit and last month’s rent, or up to two months of rent arrearages.

• Senate Bill (SB) 1065 Homeless Assistance was signed September 2020) which initiates ten unique changes to the CalWORKs Homeless Assistance (HA) Program. These changes will be formalized and released via an All County Letter. Most notably, this bill removes the $100 asset limit for families receiving or apparently eligible for CalWORKs to be eligible for HA.

• On July 28, 2020, CDSS released All County Information Notice (ACIN) I-57-20: Issuance of CalWORKs HA Benefits During COVID-19

• On June 30, 2020, CDSS released All County Information Notice (ACIN) I-52-20: CalWORKs HA Shared Housing Q&A

• In FY 2018-19, 57,971 families received temporary HA and 6,123 received permanent HA – for a total of 64,094 families served through CalWORKs Homeless Assistance.

Bringing Families Home (BFH) Program

• The Bringing Families Home (BFH) Program serves families experiencing or at-risk of homelessness in the child welfare system with the goals of reducing the number of families experiencing homelessness, increasing family reunification, and preventing foster care placement. Local BFH Programs utilize Rapid Rehousing and Permanent Supportive Housing models and provide flexible assistance and services tailored to the unique needs of each family, which may include: rental assistance, security deposits, utility payments, moving costs, hotel and motel vouchers, landlord recruitment, case management, housing navigation and stabilization supports, legal services, and credit repair.

• 22 counties and one tribe are operating the program statewide in second round of the program pilot from July 1, 2019 to June 30, 2022 (10 new grantees, in addition to the 12 continuing from the first three-year round of funding).

• From 2017 – January 2020, 950 families were permanently housed and 48 families transitioned out of BFH into another community-based housing program.

Housing and Disability Advocacy Program (HDAP)

• The Housing and Disability Advocacy Program (HDAP) assists people with a disability and who are experiencing homelessness apply for disability benefit programs while also providing housing assistance. Local HDAPs utilize Rapid Rehousing and Permanent Supportive Housing models and provide four core components: outreach, case management, disability benefits advocacy, and housing assistance, tailored to the needs of the individuals served.

• The FY 2020-21 allocations for $25 million in annual state funding will be released via County Fiscal Letter (CFL) imminently. Grantees are required to match state funds on a dollar-for-dollar basis and funds must be used by June 30, 2021. CARES Act funds are an eligible match source and strongly recommended. Funds are flexible and may be matched with federal or local dollars. Refer to strategic funding guide for more information.

• On August 10, 2020, CDSS released All County Welfare Directors and All Federally Recognized Tribal Governments Letter: HDAP Request for Program Applications for Fiscal Year 2020–21.
Since HDAP’s inception in FY 2017-18, 1,102 people have been permanently housed, 2,972 disability applications have been submitted and 645 have been approved.

Home Safe Program

The Home Safe Program supports the safety and housing stability of people involved in Adult Protective Services (APS) by providing evidence-based homeless assistance and prevention. Local Home Safe Programs utilize a range of strategies to support homelessness prevention and housing stability for APS clients, including short-term financial assistance, legal services, eviction prevention, heavy cleaning, and landlord mediation, among other services.

Since Home Safe’s inception in FY 2018-19, 1,488 people have received assistance through the program.

As a result of the pilot program, counties have reported forging new or stronger collaborations between APS and the local housing and homelessness network. Counties have also reported that more clients than expected require intensive case management. The ability to provide financial support for arrearages, repairs and ADA upgrades have assisted with retaining housing for clients. Some clients have reached housing stability through the intensive case management provided by the social workers alone.

California Department of Transportation (Caltrans)

Interim Guidance on Unsheltered Encampments along California’s Transportation Network

Since March 2020, Caltrans has stopped moving encampments regularly from Caltrans property to help prevent the spread of COVID-19 among people experiencing homelessness. Caltrans is developing a preliminary risk-based system for prioritizing encampments allowing Caltrans to balance competing public health and safety demands. This will allow Caltrans to focus on encampments that are posing critical safety concerns with a sustained focus on encouraging local governments to connect people to housing, programs and services.

- From March – October 2019, Caltrans removed over 4,000 encampments. From March – October 2020, Caltrans removed approximately 40 encampments.
- Tens of thousands of people are living on Caltrans property (exact counts have not been conducted) with an increase in people moving to state property as more local governments enforce anti-camping ordinances.
- Caltrans is focused on threats to people and critical infrastructure as a result of encampments becoming more prevalent and established than ever before.
- Caltrans is working with HCFC, local governments, Continuums of Care, Health and Human Services, CHP, CAL FIRE, and others to develop and expand this guidance. This guidance will continue to be refined to implement best practices and to meet the public health and safety needs of the state.
- We’re in transition regarding what our collective roles and responsibilities are and require the leadership of local governments to help prioritize the people living on state property in hazardous conditions.
• Caltrans continues to receive thousands of customer service requests each month asking Caltrans to remove encampments. Caltrans is focused on addressing encampments through a focused safety lens, not based on the number of customer complaints generated or the appearance of an encampment.
  
  o To help with community concerns about trash and the appearance of some encampments, Caltrans is conducting trash cleanups at as many encampments as possible to improve conditions for communities. The one-time cleanup cost of one encampment can be several thousand dollars or upwards of $100,000 in extreme cases. Thus, Caltrans cannot address all trash currently on the state transportation system or at encampments.
  
  o Caltrans is working to identify more mitigation opportunities that may be less costly and will report back on these efforts at the next council meeting.
  
  o Water quality concerns from trash and hazardous waste from encampments are increasing. There are 200,000 drainage systems statewide with many adjacent to encampments. It would cost $1-$2 billion to treat 1% of those systems.

• In partnership with local governments and experts on homelessness, Caltrans will be working to address more encampments in the coming months with the hope of relocating as many people as possible to shelter spaces. The department remains focused on social services engagement and relocation, opposed to removal, wherever possible.

**Emergency Shelters on Caltrans Property (Executive Order N-23-20)**

In January 2020, Governor Newsom released an Executive Order allowing local governments to lease state land for $1 per month for the purposes of temporary emergency shelters.

• Caltrans is working with the Federal Highway Administration and US Department of Transportation regarding shelter leases on State right of way. Caltrans recently requested Federal approval of 5 shelters and has paused review of any additional sites while conversations with the Federal government continue.