

HOMELESS EMERGENCY AID PROGRAM (HEAP)

Frequently Asked Questions



Edmund G. Brown Jr., Governor
Secretary Alexis Podesta, Council Chair
Ginny Puddefoot, Executive Officer

Updated September 1, 2018



Homeless Emergency Aid Program (HEAP) Frequently Asked Questions

This document is a supplementary resource to the Homeless Emergency Aid Program (HEAP) Program Guidance document. Refer to the Homeless Coordinating and Financing Council (HCFC) website at [bcsb.ca.gov/hcfc](https://www.bcsb.ca.gov/hcfc) for more details or contact the Council for specific questions not answered here at hcfc@bcsb.ca.gov.

HEAP Applications

Q: Who is eligible to apply for HEAP funds?

A: The HEAP Program Guidance-Attachment B-Formula Funding Estimates identifies the 11 large cities and 43 Continuums of Care (CoC) that are eligible to apply for HEAP funds. Individual persons, cities (not identified as one of the 11 large cities), counties, and/or nonprofit organizations are not eligible to apply directly to HCFC for HEAP funds. Those interested in receiving HEAP funds will apply directly to their local CoC. HCFC encourages interested applicants to collaborate with their local CoC to determine the best use of funds and how funds will be disbursed.

Q: How do CoCs and large cities apply for HEAP funds?

A: There will be two separate applications. One for CoCs and another for the 11 large cities. The applications are scheduled to be released on September 5, 2018. All applications will be completed and submitted online. The application does not have a "save" feature to allow for partial completion of the application. Applications must be completed and submitted in one sitting. Once the application is successfully submitted, the applicant will receive a confirmation email that includes a copy of the application, a tracking number and a checklist of documents to be submitted to HCFC. The applicant **must** reply to the email and attach all items listed on the checklist for the application to be deemed complete.

An application map and instructions were released on August 17, 2018 and can be found on the HCFC website <https://www.bcsb.ca.gov/hcfc>. The application map is a tool designed to assist HEAP applicant entities collect the information necessary to complete the application ahead of the release of the official HEAP application. This should make completion of the actual application in one sitting easier.

- Q: As we are developing plans for use of HEAP funds, some of our jurisdictions will be ready to go sooner than others. Can we submit our application separately as the plans for each jurisdiction are completed up until the deadline?**
- A:** No. Only **one** application may be submitted by the CoC or large city per round. Upon approval of the application, there will be a single disbursement of the total distribution of funds allocated to each CoC or large city, as stated in HEAP Program Guidance Attachment B-Formula Funding Estimates.
- Q: Please define “local collaborative effort” and what type of supporting documentation is required.**
- A:** CoCs must demonstrate that a local collaborative effort has been conducted prior to application submission. A local collaborative process may include, but is not limited to, public meetings, regional homeless taskforce meetings, letters of support with signatures of endorsement and/or an adopted homelessness plan. Collaborative partners, at a minimum, should include representatives of local homeless service providers, homeless youth programs, law enforcement, behavioral health, and city and county public officials. Supporting documentation of collaboration may include, but is not limited to, sign-in sheets, agendas, meeting minutes and/or public comment logs.
- Q: Will we lose our allocation if we do not request it all in Round 1?**
- A:** Not completely, however, the allocations in Round 2 will be reduced to a proportional share of the HEAP funds remaining after Round 1. Funds not applied for in Round 1 will be redistributed between the 43 CoCs and 11 large cities in Round 2, using the same formula distribution methodology used in Round 1.
- Q: Will the 11 large cities share the \$150 million evenly?**
- A:** No. The 11 large cities’ funds are allocated in proportion to the percentage of homeless people in the large cities’ jurisdictions, based on the 2017 HUD PIT, as stated in the HEAP Program Guidance Attachment B-Formula Funding Estimates.
- Q: Are the 11 large cities also eligible to receive funds from the CoC?**
- A:** Yes. The 11 large cities may receive a share of HEAP funding through the CoC if they have declared a shelter crisis and the collaborative process results in an additional allocation for that city.
- Q: Will an AE be able to reprogram funds from one eligible activity and/or jurisdiction to another after the application is approved and funds are disbursed?**
- A:** Yes. There will be a change request document available to submit changes to the original application. These changes must be approved by HCFC prior to implementation. This document will be posted on the HCFC website at a later date. Please note that reprogrammed funds between jurisdictions can only be reallocated to jurisdictions that had a shelter crisis declaration in place at the time the funds were initially awarded.

Administrative Entity

Q: Who is the Administrative Entity (AE) for purposes of applying for HEAP funds?

A: For the allocations made to the 11 large cities pursuant to Health and Safety Code Section 50213(c), those cities are the AE.

For all other allocations made directly to a Continuum of Care (CoC) the AE means a unit of general purpose local government (city, county or a city that is also a county) or a nonprofit organization that has (1) **previously** administered federal Department of Housing and Urban Development (HUD) COC funds as the collaborative applicant pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations, and (2) been designated by the CoC to administer program funds. For this application, COC and AE are used interchangeably.

Point-in-Time Count

Q: Can the jurisdiction use a homeless count different from the HUD Point-in-Time (PIT) count to apply for HEAP funding?

A: No. The statute specifically recognizes the 2017 HUD PIT count as the basis for determining the allocation structure for the program. Health and Safety Code Section 50210(f) states the “Homeless point-in-time count” means the 2017 homeless point-in-time counts pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.” The PIT numbers are identified in the HEAP Program Guidance Attachment B-Formula Funding Estimates.

Shelter Crisis Declaration

Q: Who has the authority to declare a shelter crisis?

A: The only entities that may declare a shelter crisis are cities, counties, and cities that are also counties, through their governing bodies, as defined in Government Code Section 8698. A CoC, or a Joint Powers Authority that acts as the CoC, may not declare a shelter crisis.

Q: Who qualifies for a waiver and what is the process to file a waiver?

A: Based on the 2017 HUD PIT, if a CoC has fewer than 1,000 homeless people, the cities and counties that are part of the CoC are exempt from declaring a shelter crisis [Health and Safety Code Section 50212(b)]. Once the on-line application is submitted, CoCs that qualify for a waiver will be required to submit, by email, the waiver form along with all other documents indicated.

Q: Can the county declare a shelter crisis that covers all jurisdictions within the county?

A: No. A county may not declare a shelter crisis that covers all jurisdictions within the county. The county **may** declare a shelter crisis for the unincorporated areas of the county.

Q: Do all the counties or cities that the AE represents have to declare a shelter crisis in order for the AE to submit a HEAP application?

A: No. Not all jurisdictions must declare a shelter crisis for an application to be submitted or to be awarded funds. However, only the jurisdictions that have declared a shelter crisis are eligible to receive HEAP funds from their CoC. As stated in Health and Safety Code Section 50212(a), “In order to be eligible for program funds, an [AE] shall demonstrate that . . .the jurisdiction or jurisdictions that the [AE] represents for which funding is requested have, at the time of the award, declared a shelter crisis.” As stated previously, CoCs that are eligible for a waiver will submit the waiver(s) during the application process.

Q: Is the city or county, as the AE for the CoC, required to pass a Board or Council resolution for HEAP?

A: No. The only Board or Council resolutions required are the shelter crisis declarations, if a city or county wants to be a direct recipient of HEAP funds through their CoC (or directly, in the case of the 11 large cities). CoCs that are eligible for a waiver are exempt from declaring a shelter crisis.

Q: Will the CoC’s allocation be reduced by a percentage for every city that does not declare a shelter crisis?

A: No. The allocation is not based on the number of cities within a CoC that declare a shelter crisis. The allocations are based on the 2017 HUD PIT count for the CoC in its entirety and a formula distribution methodology was used to determine the allocation for each CoC and the 11 large cities.

Distribution of HEAP Funds

Q: Can a jurisdiction that has not declared a shelter crisis be a direct recipient of HEAP funds from the CoC?

A: No. CoCs cannot disburse HEAP funds directly to a jurisdiction that has not declared a shelter crisis. Each jurisdiction (city, county, or city that is also a county) within the area represented by an AE must declare a shelter crisis if the jurisdiction wishes to be a recipient of HEAP funding. Further clarity regarding the specific requirements surrounding declaration of a shelter crisis is available in Chapter 7.8 (commencing with Section 8698) of Division 1 of Title 2 of the Government Code.

Q: How quickly will HEAP funds be disbursed?

A: At this time, HCFC expects to disburse the HEAP funds within 60 days of the date the application is submitted and deemed complete. A completed application includes the supporting documentation requested in the application. The approval process may extend beyond 60 days if the supporting documentation is incomplete and/or if there is a delay in the AE returning the signed standard agreement.

Q: Will we receive our HEAP fund allocation all at once?

A: Yes. One hundred percent of the allocation will be disbursed once the standard agreement is executed. Funds will be issued directly to the AE.

Q: What happens if we do not spend all of the program funds?

A: As stated in Health and Safety Code Section 50215(b)(2), “One hundred percent of program funds shall be contractually obligated by June 30, 2021. Any funds not expended by that date shall be returned to the agency and revert to the General Fund.”

Eligible Uses of HEAP Funds

Q: Do the programs I administer using HEAP funds need to comply with California’s Housing First policy?

A: Yes. In compliance with the requirements established under SB 1380 (Chapter 6.5 of Division 8 of the Welfare and Institutions Code), HCFC will require in all standard agreements that any program paid for with HEAP funds shall align and comply with the core components of Housing First as defined in Welfare and Institutions Code Section 8255(b).

Q: What are some examples of allowable uses for the HEAP funds?

A: The parameters of the program are intentionally broad, and the examples provided are not exhaustive. CoCs and the 11 large cities are encouraged to be creative and craft programs that meet specific needs that have been identified in their communities. Applicants must include in the application how the proposed activity is directly related to providing immediate emergency assistance to people experiencing homelessness or at imminent risk of homelessness, and that those uses are aligned with California’s Housing First policy. Eligible uses include, but are not limited to:

Services: Street outreach, health and safety education, criminal justice diversion programs, prevention services, navigation services, and operating support for short-term or comprehensive homeless services.

Rental assistance or subsidies: Housing vouchers, rapid re-housing programs, and eviction prevention strategies.

Capital improvements: Emergency shelter, transitional housing, drop-in centers, permanent supportive housing, small/tiny houses, and improvements to current structures that serve homeless individuals and families. Some communities are discussing solutions to address homelessness and the public health crisis by using funds for handwashing stations or public toilet and shower facilities.

Q: Can HEAP funds be used for capital projects such as construction of interim shelters or permanent supportive housing?

A: In general, HEAP funds can be used for capital projects. However, the HEAP funds are intended to provide immediate emergency assistance to people experiencing homelessness or at imminent risk of homelessness. In addition, there are expenditure deadlines and other requirements such as:

1. Fifty percent of funds must be contractually obligated by January 1, 2020 and one hundred percent of funds must be expended by June 30, 2021 [Health and Safety Code Section 50215(b)(1-2)].
2. HEAP funds cannot be used for capital projects in jurisdictions that **have not** declared a shelter crisis.

3. Shelter or housing projects must follow Housing First policies as stated in SB 1380 (Chapter 6.5 of Division 8 of the Welfare and Institutions Code).

Q: Are building projects, including new or renovation construction, paid for with HEAP funds subject to state prevailing wage?

A: HCFC considers HEAP funds to be “public funds” as that term is used in Labor Code § 1720. Nevertheless, there are a variety of factors that may affect whether a project will be required to pay state prevailing wage. It is recommended that applicants consult with an attorney and/or the Department of Industrial Relations to determine whether a planned building project will be required to pay state prevailing wage.

Q: Can HEAP funds be used to provide services in jurisdictions that do not declare a shelter crisis?

A: Yes. CoCs, cities, counties, and nonprofit organizations **may** expend HEAP funds for services that serve homeless individuals and families across jurisdictional lines. Counties **may** use HEAP funds allocated by the CoC to fund county activities that serve all county residents. HEAP funds **cannot** be used for rental assistance, rental subsidies or capital projects in jurisdictions that have not declared a shelter crisis.

Ineligible uses of HEAP Funds

Q: What are the restrictions or ineligible uses of HEAP funds?

A: Generally, if HEAP funds are used to pay for activities that serve homeless individuals or families or those at imminent risk of homelessness, the uses are allowed, with the following restrictions:

1. Jurisdictions that have not declared a shelter crisis **may not** be the direct recipient of HEAP funding.
2. CoCs, cities, counties, and nonprofit organizations **may not** use HEAP funds for capital projects, such as building or expanding a shelter or navigation center, or for rental assistance, within a jurisdiction that has not declared a shelter crisis.
3. HEAP funds **cannot** be used to fund HMIS infrastructure or improvements.
4. At least five percent of HEAP funds must be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness [Health and Safety Code Section 50214(c)].
5. Administrative costs are capped at five percent of program funds. This does not include staff costs directly related to carrying out program activities [Health and Safety Code 50214(b)].
6. HEAP funds **cannot** be used to create a strategic plan for addressing homelessness.
7. HEAP funds **cannot** be expended after June 30, 2021. Any long-term projects that would require payment after that date are not appropriate uses of HEAP funds.
8. Expenditures not intended for the purposes of providing aid for persons who are homeless or at imminent risk of homelessness are not appropriate uses of HEAP funds.

This is not an exhaustive list of examples of ineligible uses. Contact the Homeless Coordinating and Financing Council with any questions about use eligibility for HEAP funds: hcfc@bcsh.ca.gov.

Homeless Youth Set-Aside

Q: What is the definition of “Homeless Youth”?

A: Consistent with other state and federal definitions, HCFC considers “homeless youth” to mean an unaccompanied homeless individual who is not older than 24, for purposes of HEAP. Homeless individuals not older than 24 who are parents are included in this definition.

Q: Can we use more than five percent of our allocation for homeless youth?

A: Yes. The five percent set-aside is a minimum amount. The CoCs and 11 large cities may choose to spend additional funds for this target population. It will be important for CoCs and the 11 large cities to collaborate with youth advocates and service providers to determine the most appropriate activities to address youth homelessness.

Q: Are we required to use the homeless youth set-aside for separate programs for homeless youth or can we incorporate it into other homelessness programs?

A: No, it does not have to be used for separate programs. However, the services provided for adults who are homeless may not be appropriate interventions or services for youth. HCFC strongly encourages the CoCs and 11 large cities to collaborate with those who work directly with this population, such as schools and educators, youth program providers, after school programs, and community centers to determine the best use of funds.

Reporting Requirements

Q: What are the program reporting requirements?

A: As stated in Health and Safety Code Section 50215(a)(1), “No later than January 1, 2020, each recipient of program funds shall submit to the agency a report.” HCFC will include reporting requirements in the standard agreement executed prior to distribution of HEAP funds to each large city or CoC. At this time, the reporting requirements include contract expenditures, the number of homeless individuals served by program funds, and the progress toward state and local homelessness goals. An additional report will be due no later than January 1, 2021, with a final report due shortly after June 30, 2021. AEs will need to submit confirmation that no less than 50 percent of program funds have been contractually obligated by January 1, 2020.

Q: How will the State monitor the program?

A: HCFC will use the report submitted on or before January 1, 2020 to ensure that AEs are on track to expend 100 percent of program funds by June 30, 2021. In addition to the reporting requirements above, it is expected that CoCs and large cities will provide direct oversight to recipients of HEAP funds.