



State of California  
**BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY**



# **California Interagency Council on Homelessness**

**OCTOBER 18, 2023**

**NOFA WALKTHROUGH:**

**HOMELESS HOUSING, ASSISTANCE AND  
PREVENTION PROGRAM, ROUND 5  
(HHAP-5)**

# AGENDA

- NOFA Walkthrough
  - Appropriations and Allocations
  - Eligible Applicants
  - Program Purpose and Priorities
  - Eligible Uses and Eligible Use Categories
  - Application – Process
  - Application – Required Components
  - Statutory Deadlines
  - Reporting
  - Transition to HCD
  
- Q&A



# HHAP-5 APPROPRIATIONS

- \$1 billion to fund HHAP-5 through AB 129

Allocations	Amount	Eligibility and Application	Method
HHAP-5 planning allocation	\$9.5 million	Available via HHAP-5 Application,	Reimburse upon award
HHAP-5 Base Allocations Initial Disbursement: Remainder Disbursement:	\$760 million  \$380 million  \$380 million	Available via HHAP-5 Application (*1 <sup>st</sup> 50%). *For the 2 <sup>nd</sup> 50%, applicants must demonstrate sufficient spenddown of 1 <sup>st</sup> 50% <b>and</b> receive approval for their <i>Updated Regionally Coordinated Homelessness Action Plan</i> (exp. 1/2026)	2023 PIT
Tribal HHAP	\$20 million	*Available to federally recognized CA Tribes through a separate NOFA and application (exp. 4/2024)	Based on Need
Homekey Supplemental Allocation	\$161.5 million	*Available to eligible Cities and Counties through a separate NOFA and Application (exp. 7/2024)	TBD



# HHAP-5 APPROPRIATIONS

- AB 129 also reallocated \$360 million from prior HHAP funding appropriations (HHAP-3 and HHAP-4 bonus funding) towards supplemental funding under HHAP-5.

Allocations	Amount	Eligibility and Application	Method
Initial Supplemental Funding Allocation	\$100 million	Available via HHAP-5 Application.	2023 PIT
Remaining Supplemental Funding Allocation	\$260 million	<p>*Available to eligible Cities, Counties, and CoCs through a separate NOFA &amp; Application (exp. 11/2024)</p> <p>*A city, county or CoC must have an approved Regionally Coordinated Homelessness Action Plan and a city or county must demonstrate that it has a compliant housing element.</p>	2023 PIT

# HHAP-5 APPROPRIATIONS

- Detailed Break down of funds made available through this HHAP-5 application for Cities, Counties, and CoCs

<b>Eligible Applicant Type</b>	<b>Percentage</b>	<b>Estimated Allocation: HHAP Round 5 Planning Allocations (\$9.5 M)</b>	<b>Estimated allocation: HHAP Round 5 Base Allocations (\$760 M)</b>	<b>Estimated allocation: Initial Supplemental Funding Allocations (\$100 M)</b>
<b>Cities</b>	42%	\$3.99 M	\$319.2 M	\$42 M
<b>Counties</b>	28%	\$2.66 M	\$212.8 M	\$28 M
<b>CoC</b>	30%	\$2.85 M	\$228 M	\$30 M

# HHAP-5 ELIGIBLE APPLICANTS

- Eligible applicants include:
  - California's 14 Large Cities (300,000+ population as of January 1, 2022),
  - California's 58 Counties, and
  - California's 44 CoCs.

# HHAP-5 REGION – DEFINITION & REQUIREMENTS

- For HHAP-5 “region” refers to the geographic area served by a county, including all cities and the CoC or CoCs within it.
- For HHAP-5 Application: Regions **MUST** apply together and submit a single Regionally Coordinated Homelessness Action Plan
  - Multi-county regions that are served by the same CoC are encouraged to apply as one region.
- For HHAP-5 Disbursements: Each applicant (large city, county and CoC) shall have the discretion to receive their allocation directly **or** they may designate an eligible applicant in their region to serve as their Administrative Entity.

# PURPOSE

- To organize and deploy the full array of homelessness programs and resources comprehensively and effectively.
  - Foster robust regional collaboration and strategic partnerships aimed at fortifying the homeless services and housing delivery system.
- To sustain existing federal, state, and local investments towards long-term sustainability of housing and supportive services.
  - Strategically pairing HHAP-5 funds with other local, state, and federal resources to effectively reduce and ultimately end homelessness.



# STATE PRIORITIES FOR HHAP-5 FUNDING

- Sustain existing federal, state, and local investments towards long-term sustainability of housing and supportive services; and
- Prioritize permanent housing solutions.

## HHAP-5 ELIGIBLE ACTIVITIES

- The overarching objective of HHAP funds remains unwavering – to effectively address and end people’s experiences of homelessness.
- HHAP-5 statute organizes Eligible Use Categories into three conceptual groups:
  - Permanent Housing
  - Interim Housing
  - Services and Systems Support
- Carried over Eligible Use Categories from HHAP-4 with a few changes.

# HHAP-5 ELIGIBLE ACTIVITIES – CHANGES

1. Splitting the “Operating subsidies” category into two categories (“Operating Subsidies-Permanent Housing” and “Operating Subsidies-Interim Housing”)
2. Authorizing up to an additional one percent of the HHAP-5 allocation to cover expenses associated with HMIS. Funds are transferred directly to the HMIS lead entity to support the functioning, maintenance, and operation of the local HMIS.
3. Prevention and Shelter Diversion – eligible population
4. Limitations on New Interim Housing Solutions – Before proposing to use HHAP-5 resources to fund new interim housing solutions, the region must demonstrate that they have dedicated sufficient resources (both financial resources and policy actions) from other sources to long-term permanent housing solutions, including capital and operating costs.

# HHAP-5: ELIGIBLE USE CATEGORIES

HHAP 5 Statute	HHAP Eligible Use Categories	Explanation of Eligible Uses of HHAP funds; HHAP 5 Changes
Costs that support Permanent Housing include the following	<b>Delivery of Permanent housing and Innovative Housing Solutions</b>	Eligible Uses should be categorized here when costs support the provision of permanent housing.
	<b>Rapid Rehousing</b>	Eligible Uses should be categorized here when the costs support operating a rapid rehousing type housing service. This means a tenant-based, time limited, permanent housing program, inclusive of wrap-around services.
	<b>Prevention and Shelter Diversion</b>	Eligible Uses should be categorized here when costs support eligible populations access safe alternatives to shelter and/or remain safely housed at their current residence.  <b>HHAP-5 changes:</b> <ul style="list-style-type: none"> <li>• Change of eligible population to include “at risk of homelessness.”</li> <li>• Requires prioritization of households with incomes at or below 30 percent of the area median income, who pay more than 50 percent of their income in housing costs, and who meet criteria for being at highest risk of homelessness through data-informed criteria. See <a href="#">“Eligible Use Changes under HHAP-5.”</a></li> </ul>
	<b>Operating Subsidies-Permanent Housing</b>	Eligible Uses should be categorized here when costs support operations in new and existing affordable or supportive housing units serving people experiencing homelessness. Operating subsidies may include operating reserves ( <i>funds held in reserve to cover large, unexpected operating expenses</i> ).  <b>HHAP-5 changes:</b> <ul style="list-style-type: none"> <li>• Previously combined with Operating Subsidies – Interim Housing. Now a standalone category.</li> </ul>



# HHAP-5: ELIGIBLE USE CATEGORIES

HHAP 5 Statute	HHAP Eligible Use Categories	Explanation of Eligible Uses of HHAP funds; HHAP 5 Changes
<p>Costs that support interim housing include the following</p>	<p><b>Operating Subsidies- Interim Housing</b></p>	<p>Eligible Uses should be categorized here when costs support operations in interim housing serving people experiencing homelessness. Operating subsidies may include operating reserves (<i>funds held in reserve to cover large, unexpected operating expenses</i>).</p> <p><b>HHAP-5 changes:</b></p> <ul style="list-style-type: none"> <li>• Previously combined with Operating Subsidies – Permanent Housing. Now a standalone category.</li> </ul>
	<p><b>Interim Housing</b></p>	<p>Eligible Uses should be categorized here when costs support the provision of interim housing.</p> <p><b>HHAP-5 Changes:</b></p> <ul style="list-style-type: none"> <li>• <b>No</b> HHAP-5 resources may be used to fund <b>new</b> interim housing solutions, until both of the following occurs: (1) the <b>applicant has demonstrated</b> that the region has dedicated sufficient resources from other sources to long-term permanent housing solutions <b>and</b> (2) the applicant has <b>received written permission</b> from Cal ICH. (HSC §50236(c).)</li> <li>• This limitation does not apply to new interim housing solutions for youth under the ten percent youth set aside.</li> </ul> <p><i>For more, see Section III.C in the NOFA: "<a href="#">Eligible Use Changes under HHAP-5</a>"</i></p>
	<p><b>Improvements to Existing Interim Housing</b></p>	<p>Eligible Uses should be categorized here when costs support renovation of existing interim housing to improve the quality of the life for people experiencing homelessness who are residing in the interim housing.</p>

# HHAP-5: ELIGIBLE USE CATEGORIES

HHAP 5 Statute	HHAP Eligible Use Categories	Explanation of Eligible Uses of HHAP funds; HHAP 5 Changes
<b>Costs that support service provision and systems support.</b>	<b>Street Outreach</b>	Eligible Uses should be categorized here when costs support Outreach programs.
	<b>Services Coordination</b>	Eligible Uses should be categorized here when costs support wrap-around services not directly provided through another project.
	<b>Systems Support</b>	Eligible Uses should be categorized here when the cost supports homelessness services system infrastructure, regional coordination, and/or improves accessibility and outcomes generally, as opposed to specific client(s).

# HHAP-5: ELIGIBLE USE CATEGORIES

HHAP 5 Statute	HHAP Eligible Use Categories	Explanation of Eligible Uses of HHAP funds; HHAP 5 Changes
Youth Set Aside	Youth Set-Aside	<p>Consistent with Rounds 3 and 4, HHAP-5 grantees <b>must use at least 10 percent of their allocation</b> for services for homeless youth. (HSC § 50234(e).) Homeless youth is defined as unaccompanied youth between ages 12- and 24-years old experiencing homelessness, including pregnant and parenting youth. (HSC § 50216(l).)</p> <p>Dollars spent under the Youth Set Aside have the same eligible uses as those described in this tables above. Therefore, eligible uses follow the same logic described above and should be categorized as part of the youth set aside <b>when costs support services and housing interventions for homeless youth populations.</b></p> <p>Given the continued focus and priority in allocating resources in support of Homeless Youth, the restriction on new interim housing solutions does not apply to the ten percent youth set aside. Funding utilized <u>in excess</u> of the ten percent set aside <u>will be</u> subject to the restriction on new interim housing solutions provided in HSC section 50236(c) and further described in paragraph III.C.4 in the NOFA: HHAP-5 Eligible Use Changes – <u>Limitations on New Interim Housing Solutions.</u></p>

# HHAP-5: ELIGIBLE USE CATEGORIES

HHAP 5 Statute	HHAP Eligible Use Categories	Explanation of Eligible Uses of HHAP funds; HHAP 5 Changes
Administrative Costs	<p><b>Administrative Costs</b></p>	<p>Eligible Uses should be categorized here when costs are incurred by the city, county, or CoC to administer its HHAP program allocation.</p> <p>Administrative costs <b>do not</b> include staff or other costs directly related to implementing activities funded by the program allocation.</p> <p>Consistent with all prior rounds of HHAP, Round 5 Administrative costs are capped at 7 percent of each allocation.</p> <p><b>HHAP-5 Changes:</b></p> <ul style="list-style-type: none"> <li>The Council may authorize applicants to allocate an additional one percent of funds to cover expenses associated with the HMIS. See below for more information.</li> </ul>
	<p><b>Additional 1% for HMIS</b></p>	<p>Eligible Uses should be categorized here when the eligible applicant elects to allocate (up to) 1% of the HHAP-5 allocation to cover expenses associated with the administration of HMIS. This funding shall be transferred directly to the HMIS lead entity and is intended to support the functioning, maintenance, and operation of the local HMIS.</p> <p><i>For more, see Section III.C in the NOFA: "<u>Eligible Use Changes under HHAP-5</u>"</i></p>



# HHAP-5 APPLICATION PROCESS

- Eligible applicants **must**:

1. Apply as part of a region\*.
2. Be signatory to a Regionally Coordinated Homelessness Action Plan.
3. Engage Key Stakeholders during the development of the Regionally Coordinated Homelessness Action Plan.
4. Become Part of a Regional Memorandum of Understanding (MOU).
5. Submit a complete HHAP-5 Application and work with Cal ICH through any subsequent amendment requests.
6. Post the Regionally Coordinated Homelessness Action Plan to their website.



# HHAP-5 TIMELINE

HHAP-5 Application and Award Process	
Action	Timeframe
Application Available	September 29, 2023
Stakeholder webinar (NOFA walkthrough)	October 18, 2023
Final Allocation Amounts Available	January 31, 2024
Final Applications Due	March 27, 2024
Cal ICH approves application or requests and reviews amendments*	April - June 2024 <i>*Per HSC section 50235(e)(2), if an amended application does not address Cal ICH's concerns, Cal ICH will provide additional guidance and a deadline for further amending to fully address the Council's concerns.</i>



# **HHAP-5 APPLICATION REQUIRED COMPONENTS**

## **Regional Administrative and Contracting Information:**

- Identifies applicants participating in the application
- Which entity/ies will contract with the state for HHAP-5 Allocation(s)

## **Funding Plan(s):**

- Outline the intended uses of all HHAP-5 funds
- Explain how these uses are aligned with the State's priorities for HHAP-5 Funds.
- One Funding Plan is required per Administrative Entity; it must account for 100% of all HHAP-5 Allocation(s) being administered.

- Detailed Break down for Cities, Counties, and CoCs of the allocations included in the HHAP-5 application funding plan

<b>Eligible Applicant Type</b>	<b>Percentage</b>	<b>Estimated Allocation: HHAP Round 5 Planning Allocations (\$9.5 M)</b>	<b>Estimated allocation: HHAP Round 5 Base Allocations (\$760 M)</b>	<b>Estimated allocation: Initial Supplemental Funding Allocations (\$100 M)</b>
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\*Individual allocations will be provided after HUD publishes the annual AHAR

# HHAP-5 APPLICATION REQUIRED COMPONENTS

## **Regionally Coordinated Homelessness Action Plan:**

1. Must identify and describe the specific roles and responsibilities of each participating applicant within the region as they pertain to:

- Outreach and site coordination.
- Siting and use of available land.
- The development of interim and permanent housing options.
- Coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness, within the region.

# HHAP-5 APPLICATION REQUIRED COMPONENTS

## **Regionally Coordinated Homelessness Action Plan:**

2. Must include the system performance measure (SPM) data for the CoC region and must describe key actions the region intends to take to improve each of the system performance measures. For each Key Action, applicants must identify:

- The sources of federal, state, and local funding the region intends to use to achieve the action steps and objectives.
- The lead entity and collaborating entities responsible for achieving each key action.
- Timeframes for implementing the key actions.
- Methods to measure the success of the key actions and related system performance measures.

# HHAP-5 APPLICATION REQUIRED COMPONENTS

## Regionally Coordinated Homelessness Action Plan:

3. Must describe key actions the region will take to ensure racial and gender equity in:

- Service delivery
- Housing placements
- Housing retention
- Identify any changes to procurement or other means to affirm equitable access to housing and services for groups overrepresented among residents experiencing homelessness.

4. Must describe how the CoC collaborates with cities and counties to address how people served through place-based encampment resolution projects have or will be included in prioritization for permanent housing within CES.

# HHAP-5 APPLICATION REQUIRED COMPONENTS

## Regionally Coordinated Homelessness Action Plan:

5. Must describe actions **each participating applicant** will take to reduce homelessness among individuals exiting institutional settings, including but not limited to:

- Jails
- Prisons
- Hospitals
- Any other institutions such as foster care, behavioral health facilities, etc. as applicable in the region.



# HHAP-5 APPLICATION REQUIRED COMPONENTS

## Regionally Coordinated Homelessness Action Plan:

6. Must include the total amount of available funding, the amount prioritized for permanent housing solutions, and an explanation of how **each participating applicant** is utilizing local, state, and federal funding programs to end homelessness. These programs must include, but are not limited to:

- The Homekey Program,
  - The No Place Like Home Program,
  - The Multifamily Housing Program
  - The Housing for a Healthy California Program
  - The Homeless Housing, Assistance, and Prevention Program
  - The Building Homes and Jobs Act.
- The California Emergency Solutions Grants Program
  - The National Housing Trust Fund The HOME Investment Partnerships Act (Chapter 16 (commencing with Section 50896)) and
  - Parolee or probation programs that are intended to prevent homelessness upon release.

# HHAP-5 APPLICATION REQUIRED COMPONENTS

## **Regionally Coordinated Homelessness Action Plan:**

7. Must explain how the region is connecting, or will connect, individuals to wrap-around services from all eligible federal, state, and local benefit programs. This includes but is not limited to:

- CalWORKs
- CalFresh
- Medi-Cal and benefits through Managed Care Plans
- Supplemental Security Income/State Supplemental Program and disability benefits advocacy
- In-home supportive services
- Adult protective services
- Child welfare,
- Behavioral health services, and
- Child care.

# HHAP-5 APPLICATION REQUIRED COMPONENTS

## Memorandum of Understanding (MOU):

1. Must be submitted along with the application.
2. Must be signed by each participating applicant committing to participate in and comply with the Regionally Coordinated Homelessness Action Plan.
3. Must reflect the finalized Regionally Coordinated Homelessness Action Plan.

\* Regions are encouraged to update these MOUs to reflect any subsequent updates or revisions in their Action Plans.

# STATUTORY DEADLINES



Requirement	Deadline
Release of HHAP-5 NOFA and application for “initial” (1 <sup>st</sup> 50% of base) allocations	9/29/2023
Deadline for Eligible Applicants to apply	3/27/2024
90 Day Review Period	6/25/2024
Cal ICH approves final applications or requests additional amendments	6/26/2024
Deadline to obligate at least 75% of grant funds; Deadline to expend at least 50% of “initial” disbursement	06/30/26
Final deadline to spend all grant funds	06/30/28

# HHAP-5 REPORTING

- Consistent with prior rounds of HHAP

## Reporting

- Quarterly Fiscal Reporting
- Annual Reports due in December
- Final report at the end of the grant period.
- Other reports, updates, and information deemed necessary by Cal ICH to monitor compliance and/or perform program evaluation.

# CAL ICH GRANTS TRANSITION TO HCD

- Grant administration work of the Council will be transferred to HCD by the end of FY 23-24
- As entities both under BCSH, the Council and HCD will continue to coordinate closely to achieve a seamless transition for HHAP grantees.
- Ultimately, transferring the administration of the grant programs to HCD will allow for greater support and technical assistance to grantees, ensuring greater homelessness reduction outcomes.

# Q & A





# THANK YOU

Cal ICH Website:

<https://www.bcsh.ca.gov/calich/documents/hhapround5funding.pdf>

Questions: [calichgrants@bcsh.ca.gov](mailto:calichgrants@bcsh.ca.gov) with subject line: “HHAP-5 Application”

