Homelessness Initiatives Updates

California Department of Housing and Community Development

June 3, 2019
Homelessness Initiatives Updates

- Business, Consumer Services and Housing (BCSH) Agency Updates
  - Homeless Emergency Aid Program
  - California Homeless Data Integration System
- Department of Housing and Community Development Updates
  - New programs developed with permanent funding
  - Existing programs
  - Technical Assistance
- Governor’s Budget Proposals
BCSH Updates

• Homeless Emergency Aid Program (HEAP)
  - $500 million one-time flexible block grant program
  - Designed to provide direct assistance to cities, counties and Continuums of Care (CoCs) to address the homelessness crisis throughout California
  - Notice of Funding Availability (NOFA) was released on September 5, 2018

<table>
<thead>
<tr>
<th>Category for Distribution</th>
<th>Funded Amount</th>
<th>Eligible Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuum of Care – (a)</td>
<td>$250,000,000.00</td>
<td>Continuum of Care (CoC)</td>
</tr>
<tr>
<td>Based on Point in Time Count Ranges</td>
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<td></td>
</tr>
<tr>
<td>Continuum of Care – (b)</td>
<td>$100,000,000.00</td>
<td>Continuum of Care (CoC)</td>
</tr>
<tr>
<td>Based on Percent of Homeless Population</td>
<td></td>
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</tr>
<tr>
<td>City / City that is also a County – (c)</td>
<td>$150,000,000.00</td>
<td>Large Cities with a population over 330,000</td>
</tr>
</tbody>
</table>
California Homeless Data Integration System

- A State-level data warehouse that collects client-level data from all of California’s existing local Homeless Management Information Systems (HMIS)
  - Request for information released in the fall of 2018
  - HMIS working group, end user interviews, and surveys
- CoCs would be able to participate in the state HMIS

- Allow for better understanding of the scope and characteristics of homelessness throughout California
- Begin to align state resources more effectively and efficiently with the needs of local communities
- Data analytics reporting tools
Department Updates

• California Emergency Solutions and Housing (CESH) Program
• Housing for a Healthy California (HHC) Program
• Permanent Local Housing Allocation (PLHA) Program
• Emergency Solutions Grant Program
• Multifamily Housing Program
• Veterans Housing and Homelessness Prevention (VHHP) Program
• No Place Like Home (NPLH) Program
• Technical Assistance on Homelessness Programs
Permanent Funds

• SB 2 – Building Jobs and Homes Act
  – Year 1: 50% of 2018 revenue to address homelessness
    • 25% (approximately $60 million) through the California Emergency Solutions and Housing (CESH) program
    • 25% (approximately $60 million) through the Housing for a Healthy California (HHC) program
CESH Program

• This is a non-competitive program.
• The grant amounts are set by formula based on:
  – the 2017 Point-In-Time Count of homeless persons;
  – the number of extremely low-income households in rental housing that pay more than 50 percent of household income on rent; and
  – the percentage of households below the federal poverty line.
• CESH funds may be used for five primary activities:

1. housing relocation and stabilization services (including rental assistance),
2. operating subsidies for permanent housing,
3. flexible housing subsidy funds,
4. operating support for emergency housing interventions, and
5. systems support for homelessness services and housing delivery systems.
Notices of Funding Availability (NOFA):

• Round 1 released on August 15, 2018
  – Approximately $28 million in SB 2 funds and $25 million in unallocated California Emergency Solutions Grant (ESG) funds.
  – All 43 Continuums of Care covering the entire state applied and were awarded funds in January 2019.

• Round 2 released on March 22, 2019
  – Approximately $29 million in SB 2 funds (no California ESG funds remain).
  – Applications are due June 28.
Housing for a Healthy California (HHC) Program

• Created in 2017 through AB 74
• Competitive program designed to reduce the financial burden on local and state resources due to the overutilization of emergency departments, inpatient care, and nursing home stays for people who are chronically homeless or homeless and a high-cost health user
• Twos NOFAs released in May 2019
  o $33 million in National Housing Trust Fund dollars
    • Loans and grants to developers for new rental construction and capital operating reserves
  o $60 million in SB 2 funds
    • Grants to jurisdictions for capital, rental subsidies and administrative costs
Permanent Local Housing Allocation (PLHA) Program

PLHA Program (70% of SB 2 year 2 funds and on-going) to assist in addressing the unmet housing needs of local communities including but not limited to:

- Assisting persons who are experiencing or at-risk of homelessness, including continued assistance to households assisted with CESH.
- Capitalized reserves for services connected to the creation of new permanent supportive housing.
- The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low, very low, low-, and moderate-income households, including necessary operating subsidies.
PLHA Program Updates

• Threshold requirements:
  – Housing Element compliance
  – Submission of the Housing Element Annual Progress Report
  – Submission of a plan detailing how the proposed use of funds will address the unmet share of the regional housing needs allocation

• Draft Guidelines released May 3, 2019
• Public comment period through June 5, 2019
Emergency Solutions Grants (ESG) Program

ESG program provides federal funds to:

1. engage homeless individuals and families living on the street;
2. rapidly re-house-homeless individuals and families
3. help operate shelters and provide essential services to shelter residents; and
4. prevent families/individuals from becoming homeless
ESG Program Updates

March 2019:

- Awarded approximately $11 million in 2018 ESG funds
- NOFAs released for approximately $6 million for the CoC Allocation and approximately $5 million for the Balance of State Allocation
Multifamily Housing Program (MHP)

• Senate Bill 3 passed by voters in November 2018 makes $1.5 billion available in Bond funds for MHP and allows HCD to develop guidelines.

• Eligible project types include:
  – Supportive Housing
  – Special Needs
  – Large Family
  – Senior

• Supportive service plan updated to include best practices, Housing First, and Coordinated Entry
MHP Program Updates

• HCD released draft guidelines for public comment in January 2019.
• HCD anticipates releasing final guidelines and a NOFA for approximately $178 million in June.
Veterans Housing and Homelessness Prevention (VHHP) Program

• VHHP finances the development of affordable rental and Transitional Housing for Veterans, with an emphasis on housing for Homeless and Extremely Low Income Veterans

• VHHP is administered by HCD, in collaboration with the California Department of Veterans Affairs (CalVet) and the California Housing Finance Agency (CalHFA)
VHHP Program Updates

• $304.5 million awarded in Rounds 1 – 4
• Round 5 Draft Amended Guidelines Released on May 29, 2019
• Public Comment Period Ends June 29, 2019
# No Place Like Home (NPLH) Program

| Investment: | Authorization of up to $2 billion in funding  
|---|---|
| | • $1.8 billion Competitive/Alternative Program  
| | • $190 million Noncompetitive/Over-the-Counter  
| | • $6.2 Million in Technical Assistance Grants  
| Applicants: | Counties (alone or may partner w/housing development sponsor)  
| Beneficiaries: | Adults with serious mental illness, children with severe emotional disorders and their families, and persons who, among other things, require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention who are:  
| | • Homelessness  
| | • Chronically Homeless  
| | • At-risk of Chronic Homelessness  
| Program Goals: | Addressing the Need  
| | • Deep Targeting of Hardest to House  
| | • Expanding Pool of Developers serving these populations  
| | • De-concentration and Integration |
NPLH Funding

- Technical Assistance
- APCs
- Noncompetitive
- Competitive
**NPLH Program Updates**

- Awarded approximately $6 million in NPLH Technical Assistance funds
- Awarded over $300 million in development funds to 3 of the 4 Alternative Process Counties (APCs) for award to local projects they select
  - San Diego, LA, and Santa Clara NOFAs released
  - SF to be awarded in the Summer of 2019

- Currently evaluating housing development applications for 45 projects located in the non-APC counties
  - Awards for selected projects expected in June 2019
Technical Assistance Opportunities at HCD

<table>
<thead>
<tr>
<th>Available Assistance</th>
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<tbody>
<tr>
<td><strong>Capacity Building</strong></td>
<td>Create or update Homeless plans</td>
<td>Setting basic and uniform expectations for Coordinated Entry Systems</td>
</tr>
<tr>
<td></td>
<td>Conversion of emergency shelters to a low barrier or a Housing First Shelter</td>
<td>Adopting and incorporating Housing First for all homelessness programs</td>
</tr>
<tr>
<td><strong>Housing First</strong></td>
<td>Establishing or improving rates of exits from homelessness into permanent housing</td>
<td>Assist RRH to move individuals and families into permanent housing</td>
</tr>
<tr>
<td><strong>Housing Stability</strong></td>
<td>Eligible recipients include CoCs and Counties that administer or receive a direct allocation from HCD</td>
<td></td>
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# HCD Technical Assistance

| Program Overview: | • Derives its funds from Emergency Solutions Grant (ESG) and No Place Like Home (NPLH) TA set-asides.  
• Up to $2.175 Million → **approx. 13,000 hours of TA** |
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<tbody>
<tr>
<td>Recipients:</td>
<td>CA Counties and Continuums of Care eligible for either or both ESG and NPLH Programs</td>
</tr>
</tbody>
</table>
| Program Goals:   | • Complement the jurisdictions’ TA efforts  
• Streamline TA opportunity where feasible  
• At least 50% of eligible recipients should receive TA within 12 months |
| Selected Consultants: | • Technical Assistance Collaborative, Inc. (TAC) → **Building Capacity**  
• Corporation for Supportive Housing (CSH) → **Housing Stability**  
• The Center for Common Concerns (Home Base) → **Housing First** |
## HCD Technical Assistance

### Year to Date

<table>
<thead>
<tr>
<th>Submitted Requests</th>
<th>35 Requests for Technical Assistance</th>
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<tbody>
<tr>
<td></td>
<td>➢ 18 – Capacity Building</td>
</tr>
<tr>
<td></td>
<td>➢ 11 – Housing First</td>
</tr>
<tr>
<td></td>
<td>➢ 6 – Housing Stability</td>
</tr>
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</table>

| Hours Committed    | 4,945 hours                           |
Governor’s Budget Proposals

• Additional funding for Homeless Emergency Aid
  - Increases grants to communities to address homelessness by $150 Million to $650 million.
  - The state’s 13 most populous cities would receive $275 million, counties would receive $275 million, and Continuums of Care (CoC) would receive $100 million.
  - To continue to encourage regional collaboration, funds are contingent on cities and counties submitting regional plans to their CoCs. These plans must then be approved by the state.
  - Expands Eligible Uses of Grants.
Governor’s Budget Proposals

• $750 million one-time General Fund to increase housing production
  – $250 million for technical assistance to develop plans to reach higher statewide housing goals
  – $500 million repurposed from general-purpose incentive payments to the Infill Infrastructure Grant Program
Governor’s Budget Proposals

• In January 2019, Executive Order N-06-19 directed state departments to identify the excess state-owned parcels where housing development would be economically feasible and address regional underproduction.

• The May Revision includes $2.5 million one-time General Fund for real estate consultants and 4 positions and $780,000 ongoing General Fund for HCD to assist with developing request for proposals, conducting site investigations, evaluating housing developments, and monitoring projects.
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