Homeless Housing, Assistance and Prevention (HHAP) Grant Program Round 6

Frequently Asked Questions (FAQ)

As of April 2, 2025



Are you a HHAP Eligible Applicant with additional questions about the HHAP 6 Application? Email <u>HPDHomelessnessGrants@hcd.ca.gov</u> and we will respond to your question and add it to this document.

How to Navigate the FAQ: This FAQ document's sections match the HHAP 6 NOFA Sections, so Eligible Applicants can find questions that pertain to each section of the NOFA in the same section of the FAQ, respectively.

Important Links:

- HHAP 6 NOFA
- HHAP Round 6 Regional Application Template
- HHAP 6 Application Portal
- HHAP Fiscal Dashboard
- HHAP Fiscal Snapshot
- HDIS Compliance Spreadsheet
- California Interagency Council on Homelessness (Cal ICH) <u>Guidance on</u> <u>Addressing Encampments</u>

Section I. OVERVIEW

B. Purpose and Program Objectives

Q: Are people experiencing sheltered homelessness and those at risk of homelessness eligible to be served under HHAP 6?

A: Yes.

C. Application Timeline

Q: After receiving a HHAP 6 award, what is the date back to which grantees may begin reimbursing themselves?

A: After receiving an award from HCD, HHAP 6 awardees will be allowed to reimburse themselves back to the NOFA publication date, February 24, 2025.

Section II. ELIGIBILITY REQUIREMENTS

Section III. ELIGIBLE USES

Q: Is Street Outreach still an eligible activity under HHAP 6?

A: Yes, Street Outreach is eligible under HHAP 6 and detailed in Section III. of the NOFA, Statute Category #4 (Non-housing Solutions), p. 9-10.

Eligible Applicants are still required to budget and spend at least 50 percent of their HHAP 6 allocation on housing solutions.

Q: Does New Interim Housing mean new to HHAP or new in the community? Would an existing interim housing funded by time-limited dollars be considered new?

A: For HHAP 6, New Interim Housing refers to all interim housing solutions that did not exist prior to being funded by HHAP 6. Eligible Applicants can find a list of New Interim Housing Eligible Uses in Section III of the NOFA, Statute Category #3, excluding Improvements to Existing Interim Housing.

Section IV. APPLICATION SUBMISSION, REVIEW, AND AWARD PROCESS

A: Application Required Components

2. Required Components - Documentation of Stakeholder Engagement

Q: What is the required timeframe for the public meeting dates?

A: At least three public meetings must be held in time to incorporate the input from groups engaged in the stakeholder process into the Regionally Coordinated Homelessness Action Plan.

If a region does not hold all three public meetings by the application due date, its application will not be reviewed by HCD until all public meeting requirements have been met and the appropriate documentation has been provided to HCD, ultimately resulting in a delay in the region's award.

3. Required Components - Regionally Coordinated Homelessness Action Plan

a. Sub-Component: Regional Partner's Roles and Responsibilities:

Q: The first four Roles and Responsibilities are similar to the HHAP 5 NOFA, can we reuse what we submitted from HHAP 5?

A: Yes, you can absolutely reuse content from your approved HHAP 5 plan where the HHAP 6 application is asking for the same information about your region's coordinated homelessness action plan, or you can start from that content and update it based on changes within your region since your HHAP 5 plan approval.

Q: How do Eligible Applicants check compliance with the housing law violations and surplus land requirements?

A: All Large City and county Eligible Applicants should first inquire with their respective housing departments to determine the responses to the Housing Law Violation (Section 3.a.9) and Surplus Lands (Section 3.a.10) sections of the application.

To check compliance with the housing law violations requirement, please submit a request for technical assistance to the Housing Accountability Unit Portal, available at www.hcd.ca.gov/planning-and-community-development/accountability-and-enforcement.

To check compliance with the surplus Land requirement, please submit a request for technical assistance to the Surplus Land Portal, available at www.hcd.ca.gov/planning-and-community-development.

Q: May the Regional Partner Roles and Responsibilities section of the Regionally Coordinated Homelessness Action Plan, including Housing Element Compliance and Prohousing Designation, include roles and responsibilities for small cities and tribal governments located within (or next to) the region but do not receive a dedicated HHAP allocation?

A: Cities that do not receive a direct allocation of HHAP and tribal governments are encouraged to be considered and included in the Regionally Coordinate Homelessness Action Plan as detailed in NOFA Section IV.A.3.a., but their participation in the plan is optional.

They should also be consulted and invited to engage in public meetings held to gather input and develop the Regionally Coordinated Homelessness Action Plan, as required in NOFA Section IV.A.2.

Policies for Addressing Encampments

Q: If an Eligible Applicant does not have a current formal policy for addressing encampments, by when must the Eligible Applicant adopt a formal policy that complies with the Cal ICH Guidance on Addressing Encampments?

A: If there is no current formal policy for addressing encampments, prior to award, applicants need to describe existing efforts with regard to encampments and commit to follow the Cal ICH Guidance on Addressing Encampments, including either by adopting a compliant policy and including that with the application, or including a commitment to follow the <u>Cal ICH Guidance on</u> <u>Addressing Encampments</u> with the application that can serve as a compliant policy.

Q: Could an ERF grantee's successful application be used as its encampment policy?

A: No, an ERF application does not suffice as an encampment policy. An encampment policy must include a commitment to follow the practices described within the <u>Cal ICH Guidance on</u> <u>Addressing Encampments</u>.

Large City and County Regional Roles and Responsibilities

Housing Element Compliance

Q: If a Large City or county Applicant does not have a compliant housing element by the time they submit the application, what is the required date for achieving compliance?

A: All Large City and county Eligible Applicants that do not have a housing element that HCD has found to be substantially compliant at the time of application must provide a timeline with all relevant milestones to achieve compliance. Milestones include, but are not limited to, submitting revised drafts that address all outstanding findings for HCD's review, submitting required rezones for HCD's review, adopting the housing element, and final review and approval by HCD. You may also reference Application Section 3.a.6., "Housing Element Compliance," for an example timeline and milestones for the appropriate level of detail. The timeline and milestones must meet the satisfaction of HCD's Housing and Homelessness Accountability Results and Partnership (HHARP) Unit. If HCD approves the Large City or county Eligible Applicant's timeline to become housing element compliant, the Eligible Applicant will be eligible to receive the initial disbursement.

Subsequently, in order to be eligible for the second disbursement, Large City and county grantees within the region must have a compliant housing element. HCD will withhold the remaining 50 percent of funds from each grantee out of compliance until the grantee's housing element is found to be compliant by HCD. HCD is available to provide technical assistance to support the regions' efforts to become housing element compliant. Failure to meet all second disbursement requirements by December 31, 2028 will result in the second disbursement being reallocated to other grantees, as detailed in Section VI.C.2. of the NOFA.

Housing Element Implementation

Q: If a Large City or county Applicant has not implemented all programs in their adopted housing element and timelines, is there a required date for achieving implementation?

A: The Large City or county Eligible Applicant should make every effort to implement all programs in their adopted housing element on the timelines identified in their housing element before submitting the Regionally Coordinated Homelessness Action Plan. If that is not feasible, the Large City or county Eligible Applicant must submit a specific timeline to implement all housing element programs, as required in Section 3.a.7 of the application ("Housing Element Implementation"), to the satisfaction of HCD's Housing Accountability Unit. If HCD approves the

Large City or county Eligible Applicant's timeline to implement all housing element programs, the Eligible Applicant will be eligible to receive the initial disbursement.

Subsequently, in order to be eligible to receive the second disbursement, the Eligible Applicant must describe the progress made or report all housing element programs have been implemented in the update to the Regionally Coordinated Homelessness Action Plan (see Section V.B. of the NOFA), due by January 31, 2027. If HCD concludes that insufficient progress has been made to implement the jurisdiction's housing element programs, the Department may require the region's participating jurisdictions to provide a corrective action plan to the update to the Regionally Coordinated Homelessness Action Plan. HCD may withhold the remaining 50 percent of funds from the grantee until the Department has found the update or the corrective action plan satisfactory. HCD is available to provide technical assistance to support the regions' efforts to comply with the requirements. Failure to meet the second disbursement being reallocated to other Grantees, as detailed in Section VI.C.2. of the NOFA.

Housing Law Violations

Q: If a Large City or county Applicant has identified a potential or actual housing law violation, is there a required date by which the applicant must resolve the violation?

A: If Large City or county Eligible Applicant has received a technical assistance or enforcement letter from HCD's Housing Accountability Unit or the California Office of the Attorney General's Housing Justice Team, or is the subject of a legal challenge regarding a potential or actual housing law violation, it should make every effort to resolve the Housing Law Violation before submitting the Regionally Coordinated Homelessness Action Plan. If that is not feasible, the Large City or county Eligible Applicant must submit a specific timeline to resolve the issue, as required in Section 3.a.9 ("Housing Law Violations") of the application, to the satisfaction of HCD's Housing Accountability Unit. If HCD approves the Large City or county Eligible Applicant's timeline to resolve the issue, the Eligible Applicant will be eligible to receive the initial disbursement.

Subsequently, in order to be eligible to receive the second disbursement, the Eligible Applicant must describe the progress made or report that the issue was resolved in the update to the update to the Regionally Coordinated Homelessness Action Plan (see Section V.B. of the NOFA), due by January 31, 2027. If HCD concludes that insufficient progress has been made to resolve the housing law violation, it may require the region's participating jurisdictions to provide a corrective action plan to the update to the Regionally Coordinated Homelessness Action Plan. HCD may withhold the remaining 50 percent of funds from the grantee until the Department has found the update or the corrective action plan satisfactory. HCD is available to provide technical assistance to support the regions' efforts to comply with the requirements. Failure to meet the second disbursement requirements by December 31, 2028 will result in the second disbursement being reallocated to other Grantees, as detailed in Section VI.C.2. of the NOFA.

Surplus Land

Q: If a Large City or county Applicant has not created a central inventory of surplus land, is there a required date by which the applicant must create the inventory?

A: State law requires that every county and city create a central inventory of all surplus land and all lands in excess of its foreseeable needs located in urbanized areas and urban clusters by December 31 of each year and must report this information to HCD by April 1 of each year as part of its annual progress report. (See Government Code section 54230.) As such, the Large City or county Eligible Applicant should make every effort to create this central inventory before submitting the Regionally Coordinated Homelessness Action Plan. If that is not feasible, the Large City or county Eligible Applicant must submit a specific timeline to create such an inventory, as required in Section 3.a.10 of the application ("Surplus Land"), to the satisfaction of HCD's Housing Accountability Unit. If HCD approves the Large City or county Eligible Applicant's timeline to create the inventory, the Eligible Applicant will be eligible to receive the initial disbursement.

Subsequently, in order to be eligible to receive the second disbursement, the Eligible Applicant must describe the progress made or report that the inventory has been created in the update to the update to the Regionally Coordinated Homelessness Action Plan (see Section V.B. of the NOFA), due by January 31, 2027. If HCD concludes that insufficient progress has been made to create the inventory, it may require the region's participating jurisdictions to provide a corrective action plan to the update to the Regionally Coordinated Homelessness Action Plan. HCD may withhold the remaining 50 percent of funds from the grantee until the Department has found the update or the corrective action plan satisfactory. HCD is available to provide technical assistance to support the regions' efforts to comply with the requirements. Failure to meet the second disbursement requirements by December 31, 2028 will result in the second disbursement being reallocated to other Grantees, as detailed in Section VI.C.2. of the NOFA.

b. Sub-Component: System Performance Measures Improvement Plan

Q: The application template notes that all items currently being funded through HHAP rounds 1 through 5, as well as all activities proposed to be funded through HHAP 6, must be included as Key Actions in the System Performance Measures Improvement Plan. Do we need to include all completed activities from previous funding rounds as key actions in the improvement plan?

A: Only activities currently being funded by HHAP rounds 1 through 5 need to be included as Key Actions in the System Performance Measures Improvement Plan. Activities funded by HHAP from rounds 1 through 5 that are 1) complete, and 2) fully expended do not need to be included as Key Actions.

4. Required Components - HHAP 6 Funding Plan(s)

a. HHAP 6 Proposed Funding Activities

Q: Does HHAP 6 have a 50% threshold requirement for funds budgeted towards permanent housing and sustaining existing interim housing solutions as HHAP 5 did, or will this threshold change for HHAP 6?

A: Generally, Eligible Applicants are expected to budget <u>all</u> HHAP 6 funding towards Permanent Housing Solutions and sustaining existing Interim Housing Solutions. If an Eligible Applicant demonstrates they can sustain their existing and proposed Interim Housing and Permanent Housing portfolios within the region, they may be permitted to use up to 50% of HHAP 6 funds on New Interim Housing (beyond New Interim Housing for youth) and/or Non-Housing Solutions. **Note:** Spending on **Administrative Costs** (up to 7% of a grantee's total HHAP 6 allocation) and on **HMIS** (up to 1% of the allocation) **does not count** toward Non-Housing Solutions in determining compliance with the 50% threshold. These costs are treated separately for budgeting purposes and do **not** reduce the amount available for housing-focused activities.

<u>b. Funding Priority Considerations – Document Sustainability of the Region's Interim</u> <u>Housing Portfolio</u>

Q: As regions are documenting the sustainability of Interim Housing portfolio through 2029, should they factor in future HHAP or other future state homelessness funding?

A: As regions determine the sustainability of their existing Interim Housing portfolio, they should consider all <u>currently</u> available local, state, and federal funds, including, but not limited to the sources identified in NOFA Section IV.A.3.b.ii, as a means to sustain existing interim housing funding needs within their region. If a gap remains, the region must identify other sources to address the gap. These other sources may include, but are not limited to, proposing new local or regional dedicated funding, directing Behavioral Health Services Act, Permanent Local Housing Allocation (ongoing source), or any other local, state, or federal funding sources that have not yet been dedicated to sustaining the existing portfolio. Regional applicants may also signal intention to apply for appropriated funds that have not yet been made available. Additionally, the Fiscal Year 2025-2026 State Budget is expected to be signed by the Governor by June 30, 2025, and if additional funds are identified there, they may be part of the region's considerations.

<u>c. Funding Priority Considerations – Document Sustainability of the Region's Permanent</u> Housing Portfolio (as applicable)

Q: As regions are documenting the sustainability of their Permanent Housing portfolio through 2029, should they factor in future HHAP or other future state homelessness funding?

A: If regions determine they can sustain their existing Interim Housing with available resources at least through 2029, and they wish to create an additional interim housing shelter or spend HHAP 6 funds on non-housing solutions, they must also demonstrate that those funds are not first needed to close gaps in their Permanent Housing Portfolio. As regions determine the sustainability of their Permanent Housing portfolio, they should consider all currently available local, state, and federal funds, including, but not limited to the sources identified in NOFA Section IV.A.3.b.ii, as a means to address the Permanent housing funding needs within their region. If a gap remains, the region must identify other sources to address the gap. These other sources may include, but are not limited to, proposing new local or regional dedicated funding, directing Behavioral Health Services Act, Permanent Local Housing Allocation (ongoing source), or any other local, state, or federal funding sources that have not yet been dedicated to addressing the region's Permanent Housing needs. Regional applicants may also signal intention to apply for appropriated funds that have not yet been made available. Additionally, the Fiscal Year 2025-2026 State Budget is expected to be signed by the Governor by June 30, 2025, and if additional funds are identified there, they may be part of the region's considerations.

Note: Spending on **Administrative Costs** (up to 7% of a grantee's total HHAP 6 allocation) and on **HMIS** (up to 1% of the allocation) **does not count** toward Non-Housing Solutions in

determining compliance with the 50% threshold. These costs are treated separately for budgeting purposes and do **not** reduce the amount available for housing-focused activities.

Q: Does budgeting HHAP 6 dollars under Administrative Costs and/or HMIS trigger the Sustainability of the Region's Permanent Housing Portfolio?

A: No, Eligible Applicants can dedicate up to 7% of their budget to Administrative Costs and up to 1% of their budget to HMIS without being required to complete the Sustainability of the Region's Permanent Housing Portfolio section of the application.

Q: Does documenting the Sustainability of the Region's Permanent Housing Portfolio include sustainability of Rapid Rehousing programs?

A: No. Regions can fund Rapid Rehousing with HHAP funds without documenting the sustainability of those programs through the grant term. NOFA Section IV.A.4.c. outlines the requirements to Document Sustainability of the Region's Permanent Housing Portfolio (if applicable), which include:

- 1. The total permanent affordable housing developments and units in the region.
- 2. The total developments at risk of expiring affordability restrictions during the grant term (FY 24/25-28/29) in the region.
- 3. The total developments proposed, such as those currently seeking permanent housing funding or operations support in the region, which still have a financing or supportive services and operations funding gap.
- 4. For 2 and 3, identify and describe the funding sources (and amounts) that will realize the estimated capital and operating costs to address the funding gaps or preserve the at-risk developments in the region.

If the region is seeking to use funds for non-housing solutions and/or to open new interim housing, then this information will need be submitted for the region as a whole in Section 4, "HHAP Funding Plan," of the application.

<u>d. Funding Priority Considerations – Document Youth Set Aside Requirement has been</u> <u>met</u>

Q: If an Eligible Applicant proposes to budget part of its HHAP 6 Funding Plan on New Interim Housing or Non-housing Solutions for youth, would the Eligible Applicant be required to complete the Sustainability of the Region's Permanent Housing Portfolio requirement?

A: No. New Interim Housing or Non-housing Solutions that meet the Youth Set Aside requirement do not require the Eligible Applicant to complete the Sustainability of the Region's Permanent Housing Portfolio requirement. As a reminder, all funding activities that meet the Youth Set Aside requirement must be listed as separate activities in the Budget Plan to clearly denote which activities are intended to support youth.

5. Required Components – Regional Memorandum of Understanding

Q: Can regions revise and submit their HHAP 5 MOUs in place of a completely new MOU?

A: Yes, regions may revise and submit their HHAP 5 MOUs provided that the MOUs are updated to reflect the HHAP 6 Regionally Coordinated Homelessness Action Plans. If the region anticipates adjusting the MOU throughout their application development and review, they can submit the draft MOU with their application unsigned, as long as they submit a signed final copy prior to award.

Section V. FUNDS DISBURSEMENT

A. Initial Disbursement

Q: If an Eligible Applicant has not met all Initial Disbursement requirements outlined in NOFA Section V.A., can they still receive a HHAP 6 award?

A: If the region meets the criteria necessary for their regional award, they can receive their regional award, but any regional partners that have not met the conditions for initial disbursement will not receive an initial disbursement until:

- They have contractually obligated 100 percent of HHAP rounds 1 through 3.
- They have expended 100 percent of HHAP Round 1 or returned any funds remaining after the 6/30/2025 expenditure deadline.
- They have expended at least 50 percent of their funding and contractually obligated at least 75 percent of their funding from the first disbursement of HHAP Round 4.
- They must be in good standing on reporting for HHAP rounds 1 through 5, including fiscal reporting and reporting into HMIS.

Grantees can check their fiscal progress on the <u>HHAP Fiscal Dashboard</u> and their HMIS compliance <u>here</u>.

B. Remainder Disbursement

Q: Which CA SPMs will be evaluated to determine sufficient progress in order for Eligible Applicants to receive remainder disbursements?

A: In order to be eligible to receive the second disbursement of HHAP 6, grantees must meet all requirements listed in Section V.B. of the NOFA.

One of the requirements is that grantees demonstrate progress on key actions and adequately improved on at least one-half of the region's CA SPMs, based on the most recent CA SPM data available. If those criteria are not met, HCD can require a corrective action plan, as described in Section V.B. of the NOFA, before releasing the remainder disbursement.

The NOFA lists all current CA SPMs in Section IV.A.3.b.i. They are:

1a: Number of people accessing services who are experiencing homelessness.

1b: Number of people experiencing unsheltered homelessness on a single night (unsheltered PIT count).

2: Number of people experiencing homelessness who are accessing services for the first time in the past two years.

3: Number of people exiting homelessness into Permanent Housing.

4: Average length of time that people experienced homelessness while accessing services.

5: Percentage of people who return to homelessness within six months of exiting the homelessness response system to Permanent Housing.

6: Number of people with successful placements from street outreach projects.

The regional CA SPM data is currently updated quarterly by Cal ICH and made available through the CA Open Data Portal. Upon each release HCD creates a summary document with the information showing areas of progress for each region, compared to the relevant baseline. See below for update schedule.

| HHAP 4 Baseline | SPM Data for Comparison Point | Expected Release Month (subject to change) |
|-----------------|-------------------------------|---|
| CY 22 | October 2023-Sept 2024 | Available Now |
| | CY24 (January 2024-December | |
| CY 22 | 2024) | July 2025 |
| CY 22 | April 2024-March 2025 | October 2025 |
| CY 22 | FY24-25 (July 2024-June 2025) | January 2025 |
| CY 22 | October 2025-Sept 2026 | Spring 2026 |
| | CY25 (January 2025-December | |
| CY 22 | 2025) | Summer 2026 |
| CY 22 | April 2025-March 2026 | Fall 2026 |

| HHAP 5 Baseline | SPM Data for Comparison Point | Expected Release Month (subject to change) |
|-----------------|-------------------------------|---|
| CY 23 | October 2023-Sept 2024 | Available Now |
| | CY24 (January 2024-December | |
| CY 23 | 2024) | July 2025 |
| CY 23 | April 2024-March 2025 | October 2025 |
| CY 23 | FY24-25 (July 2024-June 2025) | January 2025 |
| CY 23 | October 2025-Sept 2026 | Spring 2026 |
| | CY25 (January 2025-December | |
| CY 23 | 2025) | Summer 2026 |
| CY 23 | April 2025-March 2026 | Fall 2026 |

| HHAP 6 Baseline | SPM Data for Comparison Point | Expected Release Month (subject to change) |
|-----------------|-------------------------------|--|
| CY 24 | April 2024-March 2025 | October 2025 |
| CY 24 | FY24-25 (July 2024-June 2025) | January 2025 |
| CY 24 | October 2025-Sept 2026 | Spring 2026 |
| | CY25 (January 2025-December | |
| CY 24 | 2025) | Summer 2026 |
| CY 24 | April 2025-March 2026 | Fall 2026 |

Q: Will HCD approve a remainder disbursement for:

- 1. <u>Certain regional partners who have compliant housing elements and meet the other</u> requirements outlined in NOFA Section V.B., but who are regional partners with a county or Large City that does not have a compliant housing element?
- 2. <u>OR will HCD hold the remainder disbursement for the entire region until all grantees</u> within the region are housing element compliant?

A: #1. HCD will disburse the second half of each regional partner's award once they become housing element compliant and meet the other requirements outlined in NOFA Section V.B. As a reminder, the housing element requirement applies only to Large City and county grantees, not to CoC grantees.

The county or Large City regional partner should make every effort to come into housing element compliance following the timeline they provided in Section 3.a.6. of the application. If the county Large City does not come into compliance, then HCD will hold that county or Large City's remainder disbursement. Failure to meet the second disbursement requirements by December 31, 2028 will result in the second disbursement being reallocated to other grantees.

Section VI. MONITORING DOCUMENTATION, AND REPORTING

C. Fiscal Deadlines

Q: Since the application was released after January 31 and the application period extended, will the expenditure and obligation deadlines be adjusted to be later?

A: No, all HHAP 6 obligation and expenditure deadlines set in statute and detailed in the NOFA remain the same.