



State of California
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY



**California
Interagency Council
on Homelessness**

Encampment Resolution Funding Program,
Round 2,
Second Disbursement
(ERF-2-R)

Notice of Funding Availability (NOFA)

December 01, 2022

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California Interagency Council on Homelessness (Cal ICH)
Encampment Resolution Funding Program, Round 2, Second
Disbursement (ERF-2-R)
Notice of Funding Availability (NOFA)

I. GRANT OVERVIEW

A. ERF-2-R Objective

The Encampment Resolution Funding (ERF) Program will fund actionable, person-centered local proposals that resolve the experience of unsheltered homelessness for people residing in encampments. Resolving these experiences of homelessness will necessarily address the safety and wellness of people within encampments, resolve critical encampment concerns, and transition individuals into interim shelter with clear pathways to permanent housing or directly into permanent housing, using data-informed, non-punitive, low-barrier, person-centered, Housing First, and coordinated approaches.

Proposals may bolster existing, successful models and/or support new approaches that provide safe stable, and ultimately permanent housing for people experiencing homelessness in encampments.

B. Authority

Under the authority of Chapter 7 of Part 1 of Division 31 of the California Health and Safety Code (HSC) (sections 50250 et seq.), the Encampment Resolution Funding Program (Program) was established to increase collaboration between the California Interagency Council on Homelessness (Cal ICH), Local Jurisdictions, and Continuums of Care for the following purposes:

- Assist Local Jurisdictions in ensuring the safety and wellness of people experiencing homelessness in encampments.
- Provide grants to Local Jurisdictions and continuums of care to resolve critical encampment concerns and transition individuals into safe and stable housing.
- Encourage a data-informed, coordinated approach to address encampment concerns.

The ERF Program was initially authorized in 2021 through Assembly Bill (AB) 140 (Chapter 111, Statutes of 2021), which allocated \$50 million for what would become the first round of funding. SB 197 (Chapter 70, Statutes of 2022) amended the program and AB 178 (Chapter 45, Statutes of 2022) allocated an additional \$300 million for Round 2 of ERF funding.

C. Background

Cal ICH was created in 2017 to oversee the implementation of Housing First policies, guidelines, and regulations to reduce the prevalence and duration of homelessness in California. Cal ICH's mission is to develop policies and to identify and coordinate resources, benefits, and services to prevent and work toward ending homelessness in California.

The ERF Program is a 4-year grant program that includes two rounds of funding: \$50 million in Fiscal Year (FY) 2021-22 (ERF-1) and \$300 million in FY 2022-23 (ERF-2) to provide grants to Local Jurisdictions and continuums of care to resolve critical encampment concerns and transition individuals into safe and stable housing.

The first disbursement from the \$300 million of ERF-2 funds was provided to applicants from ERF-1 that satisfactorily met all program requirements but had not been awarded grants due to lack of available funds.

This NOFA is for the remaining \$237,301,738 of ERF-2 funds. Applications will be accepted on a rolling basis until June 30, 2023, or until all funds are exhausted, whichever comes first. Up to \$150 million will be prioritized for proposals that serve people living in encampments on state right-of-ways.

D. Eligible Applicants

- Local Jurisdiction – means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.
- Continuum of Care (CoC) – as defined in Section 578.3 of Title 24 of the Code of Federal Regulations.
 - Per statute (AB 178, Budget Act of 2022), Local Jurisdictions have priority to apply for ERF programs on state right-of-ways, over CoC applicants, until a date specified by Cal ICH. If a CoC applies for an ERF proposal located on a state right-of-way before May 1, 2023, the CoC must provide a Letter of Local Acknowledgment from each overlapping Local Jurisdiction that identifies the prioritized encampment and confirms that the CoC has communicated with each Local Jurisdiction and that no Local Jurisdiction intends to apply for ERF-2-R funds for the prioritized encampment.

E. Eligible Population to Serve

ERF-2-R funds may only be used for proposals that connect people experiencing homelessness in encampments to interim shelter with clear pathways to permanent housing or place people directly into permanent housing.

F. Rounds of Funding

- ERF-1 is Round 1 of the Encampment Resolution Funding Program. It featured one disbursement totaling \$48 million to 19 jurisdictions.
- ERF-2 is Round 2 of the Program. It features at least two disbursements.

- ERF-2’s first disbursement (ERF-2-L) was made available to jurisdictions that applied for ERF-1, satisfactorily met all applicable program requirements, but did not receive awards due to lack of available funds. \$47.7 M was awarded to eight jurisdictions (ERF-2-L indicates a *lookback* to unfunded ERF-1 applicants).
- ERF-2’s second disbursement (ERF-2-R) is made available through this NOFA (ERF-2-R indicates a *rolling* application process).

G. Available Funds

- Up to \$237,301,738 are available for award through ERF-2-R.
 - Applications will be accepted on a rolling basis until June 30, 2023, or until funds are exhausted, whichever is sooner.
 - Pursuant to the Budget Act of 2022 (Section 20 of AB 178), up to 50 percent of the \$300 million authorized for ERF-2 shall be prioritized for Local Jurisdictions with proposals that address encampments on state right-of-ways and that meet priority criteria established by Cal ICH in consultation with the Department of Transportation.

H. Key Dates

The rolling Application Window will open upon the release of this NOFA and the accompanying ERF-2-R application on December 1, 2022, and will remain open until June 30, 2023, or until all program funds have been exhausted, whichever comes first. Applications will be reviewed in batches as illustrated in the table and diagram below. Applications for projects on state right-of-ways will be prioritized in this review process.

If a CoC applies for an ERF proposal located on a state right-of-way (SROW) before May 1, 2023 (during Application Window #1 or #2), the CoC must provide a Letter of Local Acknowledgment from each overlapping Local Jurisdiction that identifies the prioritized encampment and confirms that no Local Jurisdiction intends to apply for funding for the prioritized encampment.

Table, ERF-2-R Events	Responsible Party	Date(s)
NOFA Release Date	Cal ICH	12/01/2022
Application Release Date	Cal ICH	12/01/2022
Application Window #1	Applicant	12/1/2022 - 2/28/2023
Application Window #2	Applicant	3/1/2023 - 4/30/2023
Review and Award Window #1 Applications	Cal ICH	
Letter of Local Acknowledgement No Longer Required for CoC Applications on SROW	Applicant	5/1/2023
Application Window #3	Applicant	5/1/2023 - 6/30/2023
Review and Award Window #2 Applications	Cal ICH	
Review and Award Window #3 Applications	Cal ICH	7/1/23 - 8/31/23
Deadline to Expend 50 Percent of Allocation	Applicant	6/30/2024
Deadline to Obligate 100 Percent of Allocation	Applicant	6/30/2024
Deadline to Expend 100 Percent of Allocation	Applicant	6/30/2026

Diagram, Application Window and Review									
	2022	2023							
	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
Application Window 1									
Review of Window 1 Applications									
Application Window 2									
Review of Window 2 Applications									
Application Window 3									
Review of Window 3 Applications									

I. Applicant Conference:

General questions may be submitted by email to calichgrants@bcsh.ca.gov, with a heading “ERF-2-R” for the duration of the rolling application period. Please know that Cal ICH will likely respond to any inquiries through **official channels that are directed to the entire eligible applicant pool** (i.e., Applicant Conference, FAQ, or if necessary, an addendum to this NOFA). A non-mandatory Applicant Conference is a space for Cal ICH to walk through the application and submitted questions and answer live questions, as time permits. This conference will last an hour and is for informational purposes only. Attendance is voluntary and the conference will be recorded and posted on Cal ICH’s website for viewing as your schedule permits.

To have your question answered in the Applicant Conference, please email questions to calichgrants@bcsh.ca.gov with subject line: ERF-2-R by 5pm 12/21/2022.

Conference date and time: 1/05/2023 @ 10:00 – 11:00 AM Pacific Time

Register in advance for this webinar:
https://us06web.zoom.us/webinar/register/WN_vHuyirljTgKzNwIC170QzQ.

Applicant Conference Agenda:

- Welcome and Introduction
- NOFA Overview
- Answer Questions Submitted to Cal ICH
- Live Questions (as time permits)

II. **REQUIRED APPLICATION ELEMENTS, EVALUATION CRITERIA, AND PRIORITIZED FACTORS**

A. Required Application Elements

Eligible applicants must submit an Application in a form and manner specified by Cal ICH; the Application must include minimum elements as described in HSC Section 50252.1(c)(4). The Application made available through the Cognito Submission Portal includes all the minimum elements.

B. Evaluation Criteria

In determining which Applications to fund, Cal ICH shall evaluate and score proposals based on specific criteria as described in HSC Section 50251(c)(2). These specific criteria are operationalized through and located in the ERF-2-R Scoring Matrix at Section VI.A and B of this NOFA.

C. Prioritized Factors

In accordance with HSC Section 50252.1(c)(5), in awarding grants, funding shall be prioritized for both of the following:

- Applications that demonstrate cross-systems collaboration, including collaborations with state and federal entities, and innovative efforts to resolve encampment issues, while focusing on protecting the health and well-being of the individuals living in those encampments.
- Applications that represent the diversity of communities across the state, including, but not limited to, rural, urban, and suburban communities.

III. **ELIGIBLE USES**

A. Eligible Uses

Applicant’s program design and objective and their proposed eligible uses must advance ERF-2-R’s objective, which is set forth at Section I.A of this NOFA.

Proposal design may include any combination of the following ten Eligible Use categories:

Eligible Use Category	Non-Exhaustive List of Eligible Activities Applied to the Eligible Population
Rapid Rehousing	Rapid rehousing, including housing identification services, rental subsidies, security deposits, incentives to landlords, and holding fees for eligible persons, housing search assistance, case management and facilitate access to other community-based services.
Operating Subsidies	Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.
Street Outreach	Street outreach to assist eligible persons to access crisis services, interim housing options, and permanent housing and services.
Services Coordination	Services coordination, which may include access to workforce, education, and training programs, or other services needed to improve and promote housing stability for eligible persons, as well as direct case management services being provided to persons.

Systems Support	Systems support for activities that improve, strengthen, augment, complement, and/or are necessary to create regional partnerships and a homeless services and housing delivery system that resolves persons' experiences of unsheltered homelessness.
Delivery of Permanent Housing	Delivery of permanent housing and innovative housing solutions, such as unit conversions that are well suited for eligible persons.
Prevention and Shelter Diversion	Prevention and shelter diversion to permanent housing, including flexible forms of financial assistance, problem solving assistance, and other services to prevent people that have been placed into permanent housing from losing their housing and falling back into unsheltered homelessness. This category is only available to serve people who were formerly residing in the prioritized ERF encampment site.
Interim Sheltering	Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need that are well suited for eligible persons.
Improvements to Existing Emergency Shelters	Improvements to existing emergency shelters to lower barriers, increase privacy, better address the needs of eligible persons, and improve outcomes and exits to permanent housing.
Administrative Costs	Administrative costs incurred by the city, county, continuum of care, to administer its program allocation. Up to 5% of grant funds may be applied to administrative costs.

Site restoration is not a permitted Eligible Use for ERF-2-R funds.

B. Budgets

Applicants must use the standardized budget template available at Box.com: (<https://dca.app.box.com/s/3hil5rn8zp4g4q91r619fjlt2lrc6qv/>) Where necessary, applicants may modify the budget template.

These budgets will be submitted through the Cognito submission portal: (<https://www.cognitofrms.com/CaliforniaInteragencyCouncilOnHomelessness/ERF2RApplication>).

Applicants must demonstrate a reasonable effort to correctly categorize their budgets into the appropriate Eligible Uses. Additionally, if one larger proposal may fall within two or more Eligible Use categories, applicants should split up the line item so that Cal ICH staff can track and better understand proposal components.

IV. APPLICATION

A. ERF-2-R Application

The ERF-2-R Application is a questionnaire style survey and has three required parts. A submitted Application that deviates from the following requirements may be considered nonresponsive and may be disqualified from the evaluation.

1. *Part 1: Administrative Information*

Requires the applicant to provide information pertaining to jurisdiction type, implementing organization, and contacts.

2. *Part 2: Proposal Overview*

Requires the applicant to provide information on three main areas:

- a) People Served: including metrics on how many people are living in the prioritized encampment and how many people are proposed to be served.
- b) Encampment Information: including a description of the people living in the prioritized encampment, the physical characteristics of the encampment, why the site and the people residing there are being prioritized, and whether the encampment is located entirely or partially on a state right-of-way. This includes:
 - **Attachment, Map**: Applicants must submit a map of the encampment site proposed to be served with ERF-2-R funds.
 - **If applicable, Attachment, Caltrans Letter of Support**: Projects entirely or partially on a state right-of-way must include a Letter of Support from Caltrans.
 - This letter must include confirmation from Caltrans that they are aware of and in support of the ERF project, including the projected timeline, and that they will only take action on that encampment site in collaboration with and with at least two weeks-notice to the ERF grantee, unless critical circumstances exist when an encampment poses an imminent threat to life, health, safety, or infrastructure and must be immediately addressed.
 - This letter should be signed by the local Caltrans Deputy District Director of Maintenance (DDDM) or their designee.
 - This letter may also include Caltrans role in the proposal and what Caltrans resources are being leveraged.
- c) Proposal's Outcomes: including a description of the proposal's planned outcomes, activities to support meeting these outcomes, and how the applicant will measure their progress.

3. Part 3: Implementation

Requires the applicant to provide details around proposal implementation around five key areas:

- a) Centering People: includes data, evidence, etc. that informed the proposal's design, how input from people with lived expertise was meaningfully incorporated into the proposal, the proposal's adherence to Housing First, the proposal's delivery of trauma informed housing services and supports, as well as how the proposal will prioritize the dignity, health and safety of people experiencing homelessness in the encampment.
- b) Core Service Delivery and Housing Strategies: including the proposed outreach strategies and/or service coordination for the persons experiencing homelessness while they continue to reside in the encampment, the proposed living situations immediately following the encampment, displacement mitigation strategies, commitment and ability to deliver permanent housing, service pathways to permanent housing, and strategies to mitigate returns to unsheltered homelessness.
- c) Budget and Resource Plan: including the total amount of ERF-2-R funds requested, the amount and description of non-ERF resources that will support the proposal, and an explanation for how the requested amount was determined based on the number of people served and the housing options provided. This includes:
 - **Attachment, Standardized Budget**: Applicants must use the standardized budget template available at Box.com: (<https://dca.box.com/s/3hil5rn8zp4g4q91r619fjlt2lrc6qvl>). Where necessary, applicants may modify the budget template. For guidance on Eligible Uses and categorization, see Eligible Uses in Section III.A.
- d) Key Entities and Staff: including the experience and qualifications for the implementing organization and key partners, evidence of collaboration between Local Jurisdiction(s) and the CoC, as well as identification of the primary parties with rights to and/or control of the property upon which the encampment resides (Caltrans, Union Pacific, private landowner, etc.) and their shared understanding of and commitment to the implementation of the proposal. For proposals on state right-of-ways, applicants must describe how they collaborated with Caltrans on their program design, implementation plans, and projected timeline.
 - **If applicable, Attachment, Letter of Local Acknowledgement**: Local Jurisdictions have priority to apply for ERF programs on state right-of-ways. If a CoC is applying for an ERF project for an encampment that is entirely or partially on a state right-of-way before May 1, 2023, the CoC must include a Letter of Local Acknowledgment from each overlapping jurisdiction. This letter must confirm that the applicant has communicated with each overlapping Local Jurisdiction and that no overlapping jurisdiction intends to apply for ERF-2-R funds for this particular encampment.

e) Accelerated Timeline: including how your community will act urgently and efficiently while prioritizing the dignity, safety and wellness of people experiencing homelessness within the encampment site and proposal milestones. This includes:

- **Attachment, Timeline**: Applicants must use the standardized timeline template for the appropriate application window available at Box.com:
 - Timeline for Application Window 1 (through February 28, 2023) (<https://dca.box.com/s/44esrb8roe0pc3lmm3y7h1v4qkja8gbk>)
 - Timeline for Application Window 2 (through April 30, 2023) (<https://dca.box.com/s/mn0oepvjshisp6asdg32g0duxfhy0phy>)
 - Timeline for Application Window 3 (through June 30, 2023) (<https://dca.box.com/s/kl1r5ndssno0uyqi66sz7b4zooweolts>)

V. APPLICATION SUBMISSION

A. Submission Portal Requirements

Applicants will utilize the Cognito submission portal:

(<https://www.cognitoforms.com/CaliforniaInteragencyCouncilOnHomelessness/ERF2RAapplication>).

Applications will be accepted on a rolling basis beginning on December 1, 2022, until June 30, 2023, or until all funds have been exhausted, whichever occurs first. As detailed above in the Key Dates table, this rolling application period will span three possible application submission windows. Complete applications submitted and received by 5:00 p.m. on the last day of the corresponding application window, will be reviewed and evaluated as a batch for that window. Applications received after 5:00 p.m. on the last day of the application window will be reviewed and evaluated during the following application window. Because Cal ICH does not have control over the platform's timing apparatus and uploading speed, and to mitigate for unforeseen occurrences, applicants are strongly encouraged to submit by noon on the last day of the corresponding application window. For example, applications submitted during application window #1 for the period of December 1, 2022 through February 28, 2023, must be submitted no later than 5:00 p.m. on February 28, 2023, and applicants are encouraged to submit by noon on that day to mitigate any unforeseen occurrences in the Cognito application portal. Applicants are permitted to submit a "test" submission at a time of their choosing to familiarize themselves with the Application and the Cognito platform. The Cognito platform will instruct applicants how to navigate this process.

VI. REVIEW, SCORING, AND AWARD

A. Review

Phase 1 – Administrative Review: Applications will be reviewed and evaluated for completeness of NOFA specifications, including checking that the application was submitted on behalf of an eligible applicant. In this review stage, reviewers will compare the contents of each application to ensure that all required items are populated and / or received. Applications that are not complete or do not contain all the required items and attachments will be considered non-responsive and may be disqualified from the evaluation.

Phase 2 – Scoring Review: Cal ICH and/or its designee will convene an evaluation panel of three qualified individuals who have knowledge and experience of the state grantmaking process and subject matter of the Program (Evaluation Panel). The Evaluation Panel will review and score applications in accordance with the ERF Scoring Matrix below. This panel will produce an application’s average score. Applications eligible for funding must score an average of at least 70 of the possible 100 points. In addition to receiving an average total score of at least 70, all applicant scores must average no less than the minimum scoring threshold for each of the following sections:

- 1) People Served and Encampment Information (must receive 3 out of the 5 possible points)
- 2) Proposal’s Outcomes (must receive 10 out of the 15 possible points)
- 3) Centering People (must receive 16 out of the 20 possible points)
- 4) Core Service Delivery and Housing Strategies (must receive 11 out of the 15 possible points)
- 5) Budget and Resource Plan (must receive 10 out of the 15 possible points)
- 6) Key Entities and Staff (must receive 10 out of the 15 possible points)
- 7) Accelerated Timeline (must receive 10 out of the 15 possible points)

B. Scoring

The Evaluation Panel will review and consider the totality of the information in the Application when determining whether the Application satisfies the minimum scoring threshold. However, applicants should respond to each Application criteria in the proper Application section to ensure all requirements are met.

ERF-2-R Scoring Matrix	
Proposal Overview	Factors that satisfy minimum scoring threshold:
<p>People Served and Encampment Information <i>(Must receive 3 out of the 5 possible points)</i></p>	<ul style="list-style-type: none"> • Clearly describes the characteristics and demographics of the people living in the prioritized encampment and the physical aspects of the encampment including location, size of area, types of structures onsite, and vehicles present. • Makes a logical and compelling case for why the identified encampment site is being prioritized.
<p>Proposal’s Outcomes <i>(Must receive 10 out of the 15 possible points)</i></p>	<ul style="list-style-type: none"> • Proposal’s outcomes meaningfully align with ERF-2-R’s objective (set forth at Section I.A of this NOFA). • Outcomes are specific, measurable, realistic, and time-based. • Logically describes how progress will be measured and outcomes achieved. • Applicant demonstrates an above average likelihood of achieving the Proposal’s Outcomes.

Implementation	Factors that satisfy minimum scoring threshold:
<p>Centering People <i>(Must receive 16 out of the possible 20 points)</i></p>	<ul style="list-style-type: none"> • Uses well-informed analyses or the perspectives of people with lived experience of homelessness to inform the proposal's decisions, processes, and actions which should advance the wellbeing of people experiencing unsheltered homelessness in the identified encampment. • Aligns with and exemplifies Housing First approaches. • Provides trauma informed services and supports, operationalizes harm reduction, and centers an individual's choice and preferences. • Prioritizes the dignity, health, and safety of people experiencing homelessness in the encampment. • Details the controls in place to not "penalize homelessness."
<p>Core Service Delivery and Housing Strategies <i>(Must receive 11 out of the possible 15 points)</i></p>	<ul style="list-style-type: none"> • Includes a comprehensive outreach and engagement strategy including case management and service coordination for people currently residing in the encampment. • Details identified interim shelter and permanent housing options and includes a description of how many individuals are projected to be served with each interim and permanent housing solution. • Includes compelling evidence of an applicant's demonstrated ability and commitment to deliver permanent housing for people residing in the prioritized encampment. Compelling evidence may include identification, availability, and prioritization of permanent housing resources. • Describes how the proposed service delivery model is tailored to meet the needs and preferences of the people residing in the encampment site. • Uses data and input from people with lived experience of homelessness to inform housing and service needs, preferences, and the availability of resources to meet those needs and preferences. • Details strategies likely to prevent displacement from the prioritized encampment to another unsheltered location and prevent returns to unsheltered homelessness. • Details operable plans to support individuals with the storage of their property and care of their pets.
<p>Budget and Resource Plan <i>(Must receive 10 out of the possible 15 points)</i></p>	<ul style="list-style-type: none"> • Demonstrates a sustainable, prudent, and effective use of requested funding. • Budget aligns with achieving the proposal's outcomes, services and housing options, and number of people served. • Identifies non-ERF-2-R resources that will be leveraged to

	<p>support proposal implementation including coordination of resources from other systems that would increase services and housing options.</p>
<p>Key Entities and Staff <i>(Must receive 10 out of the possible 15 points)</i></p>	<ul style="list-style-type: none"> • Includes a detailed description of the lead entity that will oversee the implementation of activities in the proposal. Describe lead entity’s mission, goals, values, geographic service area and existing efforts related to serving persons living in encampments. • Demonstrates the ability to recruit and deploy personnel with experience and expertise needed to support the success of the proposal. • Demonstrates commitment to cross-systems collaboration with descriptions of key contributions of each organization and local community partners including their experience and expertise in serving persons experiencing unsheltered homelessness with a range of service needs. • Demonstrates collaboration between Local Jurisdiction(s) and the CoC for this proposal. • Demonstrates capacity to carry out the proposal. • Identifies the primary parties with rights to and / or control of the property upon which the encampment resides and their shared understanding of and commitment to the implementation of the proposal. • If the encampment is on a state right-of-way, the proposal describes how the applicant collaborated with Caltrans on their program design, implementation plan, and projected timeline.
<p>Accelerated Timeline <i>(Must receive 10 out of the possible 15 points)</i></p>	<ul style="list-style-type: none"> • Demonstrates how the community will act urgently and efficiently while prioritizing the dignity, safety and wellness of people experiencing homelessness within the encampment site. • Demonstrates likelihood of meeting proposal milestones and objectives.

C. Award

After each application window has closed and all applications received during the window have been reviewed and scored, a Notice of Intent to Award shall be posted on the Cal ICH website and shall be sent by email to the proposed awardees.

Once awards have been determined by Cal ICH, a contract packet including the Standard Agreement and Request for Funds Form (RFF) form will be prepared and sent to the grantee. The grantee will return the signed Standard Agreement and RFF. Funds will be disbursed to the grantee upon receipt, review and approval of the completed Standard Agreement and RFF by Cal ICH, the Department of General Services (DGS) and the State Controller’s Office (SCO). The RFF must include the total amount of funds

proposed for expenditure. Grant funds will be disbursed via mailed check once the RFF has been received by the SCO. Checks will be mailed to the address and contact name listed on the RFF.

Applications that are denied funding will be provided Evaluation Panel feedback. Applicants are encouraged to incorporate this feedback and reapply in the next Application Window. Projects on state right-of-ways will be prioritized in this feedback process.

D. Appeals

Pursuant to HSC Section 50251(c)(1), Cal ICH's decision to approve or deny an application and the determination of the amount of funding to be provided shall be final and is not subject to appeal.

VII. PERFORMANCE AND REPORTING

A. Performance

Performance shall start no later than 30 days, or on the express date set by Cal ICH and the grantees, after all approvals have been obtained and the Standard Agreement is fully executed. Should the grantee fail to commence work at the agreed upon time, Cal ICH, upon five (5) days written notice to the grantee, reserves the right to terminate the Agreement. All performance under the Agreement shall be completed on or before the termination date of the Agreement.

ERF-2-R funds not expended by the 6/30/26 deadline shall be returned to Cal ICH and will revert to the fund of origin.

B. Reporting

The grantee shall submit quarterly reports to Cal ICH with fiscal and programmatic data reflecting the progress of their ERF program in a format provided by Cal ICH. These quarterly reports will include an anonymized person served list illustrating the housing outcomes of each person served by the grantee's ERF program. Grantees may also receive ad hoc requests for information from Cal ICH or its contractors in support of program monitoring, research, and evaluation. Grantees with projects on state right-of-ways may also be required to provide programmatic data to Caltrans.

At the end of the grant period, or upon request by Cal ICH, all grantees shall provide information and products developed with grant funds on service delivery models including any materials that may be necessary to study the program or replicate it for implementation across the state.

VIII. ADDENDUM 1: Q&A

STATE OF CALIFORNIA – BUSINESS CONSUMER SERVICES AND HOUSING AGENCY
GAVIN NEWSOM, *Governor*

CALIFORNIA INTERAGENCY COUNCIL ON HOMELESSNESS Encampment Resolution Funding Program, Round 2 (ERF-2-R)

801 Capitol Mall
Suite 601
Sacramento, CA 95814
(916) 651-2895
<https://bcsh.ca.gov/calich>

January 18, 2023

Encampment Resolution Funding Program, Round 2 (ERF-2-R) Questions and Answers

ADDENDUM #1

To all Prospective Applicants:

The following questions were submitted by email or asked during the Applicant's Conference on January 5, 2023. The answers that follow are part of the Notice of Funding Availability (NOFA) referenced above and serve as an addendum to the information originally published on Thursday, December 1, 2022.

The answers below provide general direction in direct response to questions submitted for this NOFA and are given without consideration for impact to an applicant's score. Please reference the NOFA for the potential impact on scoring of the applications.

Questions

Application Eligibility and Requirements

1. Can Local Jurisdictions or CoCs that already received ERF awards apply for ERF-2-R? Does prior award affect the likelihood of award of ERF-2-R funds?

Answer: Yes, ERF-1 and ERF-2-L Grantees are eligible to apply for ERF-2-R funding. Prior awards do not affect the likelihood of receiving an award for ERF-2-R funding.

2. If we can't begin implementation of our proposed ERF project until late summer or early fall of 2023, which window should we apply in?

Answer: Generally, the award process (including contract execution) takes approximately three to five months from the close of the application period. While grantees are expected to begin implementing their ERF project within 30 days after receiving funding, they will have the opportunity to explain their project timeline in their application and request an extension if necessary.

3. What is the definition of encampment for this Program?

Answer: Generally, it is up to an eligible jurisdiction to describe the prioritized encampment. While no explicit definition is provided in statute, available HUD resources (see resources and guidance below) frequently refer to people staying in temporary structures that are not intended for long-term, continuous occupancy on an ongoing basis. Furthermore, you'll find the

NOFA focuses on the people experiencing unsheltered homelessness in encampments (See Section I.A. “ERF-2-R Objective” and Section I.E “Eligible Population to Serve”).

HUD Resources: [Understanding Encampments of People Experiencing Homelessness and Community Responses, Emerging Evidence as of Late 2018 \(huduser.gov\)](#)

An encampment typically includes the following:

- A group of people sleeping outside in the same location for a sustained period.
- The presence of some type of physical structures (e.g., tents, tarps, lean-tos).
- The presence of personal belongings (e.g., coolers, bicycles, mattresses, clothes).
- The existence of social support or a sense of community for residents.

[Unsheltered Homelessness and Homeless Encampments in 2019 \(huduser.gov\)](#)

4. Is there a minimum size requirement for how many people must currently reside within an encampment?

Answer: No, there is no minimum size requirement in this round of funding.

5. How many applications should a jurisdiction submit when considering a project which serves multiple encampments?

Answer: If multiple encampments are connected by way of the same needs, resources, services, housing strategies, etc., we encourage a single application which provides clear, strategic, and compelling evidence that supports serving the identified encampments as a larger local project. On the other hand, if the sites are too dissimilar in scope, need, geography, and/or services and housing strategies, it may be more appropriate to submit separate applications.

6. Is there a limit on how many applications an eligible jurisdiction can submit?

Answer: There is no limit on the number of applications an eligible jurisdiction may submit. Please see the response to the previous question #5 for considerations of when jurisdictions may want to complete separate applications. Additionally, each funded ERF project will have separate reporting requirements and contracts with Cal ICH. Applicants that are denied may also improve their program design and reapply during a subsequent application window.

7. Can an eligible applicant apply more than once for two different encampments?

Answer: Yes; however, if multiple encampments are connected by way of the same needs, resources, services, housing strategies, etc., we encourage a single application which provides clear, strategic, and compelling evidence that supports serving the identified encampments as a larger local project. On the other hand, if the sites are too dissimilar in scope, need, geography, and/or services and housing strategies, it may be more appropriate to submit separate applications.

8. Can an eligible applicant submit a new application in each application window?

Answer: Yes.

9. Can one application cover two or more non-contiguous areas?

Answer: Yes, if multiple encampments are connected by way of the same needs, resources,

services, housing strategies, etc., we encourage a single application which provides clear, strategic, and compelling evidence that supports serving the identified encampments as a larger local project. On the other hand, if the sites are too dissimilar in scope, need, geography, and/or services and housing strategies, it may be more appropriate to submit separate applications.

10. Will ERF-2-R fund “scatter site” encampments or smaller, scattered, unhoused populations?

Answer: Generally, it is up to an eligible jurisdiction to describe the prioritized encampment. Please see question #3 above for HUD guidance on what constitutes an encampment.

If multiple encampments are connected by way of the same needs, resources, services, housing strategies, etc., we encourage a single application which provides clear, strategic, and compelling evidence that supports serving the identified encampments as a larger local project. On the other hand, if the sites are too dissimilar in scope, need, geography, and/or services and housing strategies, it may be more appropriate to submit separate applications.

Finally, Cal ICH expects an applicant to describe a current, existing encampment site and to describe the people residing there, their needs, and the proposal to serve, shelter, and house those people. Furthermore, it takes approximately two months for Cal ICH to review applications and make award determinations and another three months to execute a contract and disburse funds. Therefore, sites that are regularly disbanded may not be well-suited to this grant and its timeline. The one exception is for “high return probable” sites on State right-of-ways. CalTrans has identified “high return probable” sites as designated by the local Caltrans Districts are considered the highest priority for the Department to support.

11. Is there a maximum amount of funding jurisdictions can apply for?

Answer: No, there is no limit on the amount of funding that a Jurisdiction can request; however, Cal ICH encourages eligible Jurisdictions to provide compelling justification for a large ask. We intend to award a variety of projects as directed by Statute and in alignment with the Program’s objectives.

12. Would a single application for funding submitted by Jurisdiction A to serve a project that crosses over into Jurisdiction B but is not part of Jurisdiction B’s own application be viable?

Answer: Yes, Cal ICH would consider such an application viable, provided the applicant provides evidence of communication and collaboration with their neighboring and/or overlapping jurisdiction(s). Cal ICH will not accept multiple applications for the same encampment, so if an encampment crosses over multiple jurisdictions, these jurisdictions must collaborate and determine who will apply as lead agency over the proposed ERF project.

13. Would Cal ICH support ERF projects dedicated towards encampment management only (e.g., ensuring safety and habitability) to assist those within the encampment?

Answer: Cal ICH will fund projects that create pathways to or directly connect people to permanent housing. While encampment management services are eligible activities under ERF, in order to be fundable, the project must also include both interim and permanent housing solutions.

14. Can tribes apply independently for ERF-2-R funding?

Answer: No. Per statute, ERF-2-R eligible applicants include Local Jurisdictions (Counties and Cities of any size) and Continuums of Care; however, tribes and local jurisdictions are encouraged to collaborate and partner whenever possible. Federally Recognized Tribes are encouraged to apply for Tribal HHAP funding, which is flexible in nature and may be used to address unsheltered homelessness in tribal communities.

15. Are other types of crisis intervention programs allowed, such as slope paving to bridge abutment and fencing to deter encampments in close proximity to traffic?

Answer: Cal ICH authorizes crisis intervention programs under the condition that all associated activities engaged in improve the safety of people residing in encampments as they are being served and navigated towards placement in permanent housing. We encourage eligible applicants looking to deter encamping in close proximity to traffic or dangerous conditions to work with Caltrans to fund these efforts. You may reach out to your local [Caltrans Encampment Coordinator](#) for more information on available resources.

16. When will Cal ICH begin reviewing applications?

Answer: Cal ICH will officially begin ERF-2-R application reviews March 1, 2023, after the Window 1 application deadline, February 28, 2023. Please see the Diagram illustrating the Application Window and Review timelines on page 5 of this NOFA.

17. Is the Program reimbursement-based?

Answer: No, the ERF-2-R Program is not reimbursement-based. All awardees will receive a check accounting for their total allocation amount upfront.

18. Can several jurisdictions submit a joint application for funding to fund a singular emergency shelter/navigation center?

Answer: Yes; however, proposals should demonstrate how expenditures will directly support a service and housing pathway for the people proposed to be served. Wherever possible, applicants should leverage funds from other Local, State, Federal, and/or Private sources and demonstrate sustainability.

19. Do character limits within the application include spaces?

Answer: Yes.

20. Does Cal ICH award partial funding, or decline funding a proposal in its entirety?

Answer: For the purposes of this Program, Cal ICH will not award partial funding for an application which partially meets the minimum scoring thresholds.

21. To what level of depth should an applicant identify leveraged funding? For example, should the applicant describe services, or should they list all leveraged dollar amounts for permanent supportive housing that clients will transition into?

Answer: In Part 3 of the application (*Core Service Delivery and Housing Strategies*), eligible applicants should identify and describe the interim shelter and permanent housing resources proposed to support the proposal. In Part 3 (*Budget and Resource Plan*) applicants are encouraged to provide enough detail around their Budget and Resource plan to convey an effective and sufficient amount of information within the confines of the respective 1000-character limit to describe the non-ERF-2-R resources supporting the proposal and explain how their proposal is an effective use of ERF-2-R funds. The required standardized budget will provide a space for eligible applicants to list key funding sources (and associated dollar amounts, ERF and leveraged) which will be used to support implementation of their proposed ERF-2-R projects.

22. Given the 6/30/2026 deadline to expend funds, are Grantees allowed to continue their ERF projects through 6/30/2026 as long as funds are obligated by 6/30/2024?

Answer: Yes, Grantees are expected to obligate 100% of ERF-2-R funds by 6/30/2024 and expend all funds by 6/30/2026.

23. If a jurisdiction intends to subcontract with non-profits to provide services, does the admin cost maximum apply to the admin cost of the applicant with whom the ERF contract is entered into, or does it extend to the subcontractors as well?

Answer: For the purposes of this Program, “administrative costs” do not include staff or other costs directly related to implementing activities funded by the Program allocation. It is permissible to include indirect costs in subrecipient budgets, but we recommend that they align with the limit set for Grant Administration of 5%. However, Indirect/Administrative Costs will not be counted toward the 5% cap for grant administration outlined in statute because their purpose is still to support the program rather than administer the grant.

24. Is there any guidance on how a jurisdiction can obligate funds if the jurisdictions that administer the services do so internally rather than contracting with a provider?

Answer: “Obligate” means that the Grantee has placed orders, awarded contracts, received services, or entered into similar transactions that require payment using ERF-2-R funding. A “similar transaction” as mentioned would include any internal budgets, MOU’s, or estimates for planned purchases/ services. These documents should convey internal costs and budgets, which meet the definition of “obligated”. Grantees, and the subrecipients who receive awards from those Grantees, must obligate 100% of the funds by the statutory deadline of 6/30/2024.

25. How can eligible jurisdictions ensure that individuals being served are offered housing given the long wait for others who are already in the queue?

Answer: Grantees are encouraged to tap into all available housing, including Homekey projects, vouchers, and any units available through the Coordinated Entry System. Additionally, we encourage jurisdictions to consider costs associated with creating additional units needed to address and prioritize this most vulnerable population.

26. How are obligated and expended defined? If funds are committed, are they considered expended?

Answer: “Obligate” means that the Grantee has placed orders, awarded contracts, received

services, or entered into similar transactions that require payment using ERF-2-R funding. Grantees, and the subrecipients who receive awards from those Grantees, must obligate 100% of the funds by the statutory deadline of 6/30/2024.

“Expend” means all ERF-2-R funds obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.

27. Are all applications submitted within a singular application window prior to the deadline on equal footing, or are applications reviewed and scored in the order they were submitted?

Answer: Yes, all applications submitted within a singular application window prior to the deadline are on equal footing and are reviewed together, with the exception of projects on State right-of-ways, which will be prioritized.

28. If an ERF-1 or ERF-2-L Grantee’s ERF project continues to expand in size due to inflow into the encampment, can the Grantee apply for additional funds to serve individuals at the same ERF site?

Answer: Yes, in addition to being eligible to apply for ERF-2-R funding, an ERF-1 or ERF-2-L Grantee may apply for additional funds to serve individuals at their ERF encampment site under the circumstances described above.

29. Does an eligible applicant’s local governing board need to enact a resolution as part of their application for ERF-2-R?

Answer: Cal ICH does not require a resolution by a local governing board in order to apply for or accept ERF-2-R funding. If awarded, the ERF-2-R contract must be signed by an official authorized to contract on behalf of the eligible applicant (authorized official).

30. Who should the Authorized Representative be?

Answer: The Authorized Representative should be the individual with authority to contract on behalf of the awardee.

State Right-of-Way Projects

31. How do I collaborate with Caltrans if I would like to apply to serve an encampment on a State right-of-way?

Answer: Caltrans has a new division of Homelessness and Encampments Department under the Maintenance Division of Caltrans. The Department’s main goal is to keep people experiencing homelessness from sheltering on the State right-of-way.

Applicants should reach out to the local Caltrans District [Encampment Coordinator](#). This coordinator is responsible for engaging partners to help connect people experiencing homelessness with available shelter and other services and will serve as the primary point of contact.

32. The ERF NOFA indicates that projects entirely or partially on a state right-of-way should have a letter of support signed by the Deputy District Director of Maintenance for the local Caltrans District. How do I get this support letter?

Answer: For proposals on state right-of-way, applicants must describe how they collaborated with Caltrans on their program design, implementation plans, and projected timeline. Applicants should be working with the local Caltrans District Encampment Coordinator to develop proposals. The Encampment Coordinator can facilitate getting a letter of support from the Deputy Director of Maintenance.

33. How does an eligible jurisdiction determine if an encampment is part of a State right-of-way?

Answer: Pursuant to Health and Safety Code Section 50250(I), "State right-of-way" means any real property, or interests therein, used for rights of way of any highway in California including all traversable highways which have been adopted or designated as state highways and includes all, or any part, of the entire width of the right-of-way of a state highway, whether or not the entire area is actually used for highway purposes.

If an applicant needs assistance determining whether a site is on a State right-of-way, they should contact their local Encampment Coordinator.

34. Caltrans has a number of sites where they have removed encampments but that are quickly repopulated by people experiencing homelessness who did not move to more suitable shelter following their displacement from the encampment on the state right-of-way. The area may or may not have people currently occupying the site, but they are likely to return. Can our proposal include areas like this for consideration of an ERF grant?

Answer: Yes, ERF-2-R prioritizes proposals from local jurisdictions that address encampments on state right-of-way and that meet priority criteria established by Cal ICH in consultation with the Department of Transportation. These sites include areas that may not currently have individuals sheltering there at the time of the application, but that are located on "high return probable sites" as designated by the local Caltrans Deputy District Director of Maintenance or their designee.

35. What types of projects is Caltrans most interested in supporting?

Answer: Caltrans is interested in helping people experiencing homelessness who frequently shelter on the state right-of-way connect with service providers and transition to safer and more stable shelter and ultimately permanent housing. The department's main goal is to keep people experiencing homelessness from sheltering on the state right-of-way. Projects that target "high return probable sites" as designated by the local Caltrans District are considered the highest priority for the Department to support. Other proposals that will help deliver immediate emergency shelter capacity and a path to permanent housing, and that result in fewer encampments on our highways will likely be supported by the Department. These projects could include safe camping/safe parking proposals, tiny home projects, navigation centers and other emergency capacity building projects. Funding for street outreach and marketing materials to support these efforts are also considered positive proposal attributes by the Department.

36. What about projects that propose utilizing Caltrans property to locate temporary emergency facilities for providing shelter to people experiencing homelessness?
Answer: Yes! Governor Newsom issued Executive Order N-23-20 to immediately and urgently provide state government assets to provide shelter and housing for those who are homeless, including state excess land. Please reach out to your local Caltrans Encampment Coordinator to identify any parcels of state land that jurisdictions could use to help provide emergency shelter.
37. If an encampment is located on a state right-of-way, do applicants have to wait until the third application window to apply?
Answer: No. Local jurisdictions may apply during any application window. CoCs may also apply to serve an encampment on a State right-of-way but must submit a Letter of Local Acknowledgement if applying before May 1, 2023.
Please note, if an encampment is **not on** a state-right-of way, **any** eligible applicant may apply to serve that encampment during **any** application window.
38. In order to address state right-of-way encampments and city-wide encampments, can an eligible applicant apply for a city-wide program?
Answer: Generally, and for the purposes of this Program, no. However, if a small City provides justification for serving multiple encampments, including a clear demonstration that they are connected by way of the same needs, resources, services, housing strategies, etc., such an application may be eligible for ERF-2-R funding.
39. Is an encampment located next to a highway, but on a city-owned property (e.g., rest area, bathroom) eligible to be served by ERF-2-R Program funds?
Answer: Yes, this encampment is eligible to be served by ERF-2-R funds. We recommend reaching out to your local Caltrans Encampment Coordinator to determine whether this encampment is on a State right-of-way, as this will determine required application attachments and influence prioritization.
40. Do encampments need to be contiguous, or could it focus on Caltrans corridors?
Answer: If multiple encampments located on Caltrans State right-of-way are connected by way of the same needs, resources, services, housing strategies, etc., we encourage a single application which provides clear, strategic, and compelling evidence that supports serving the identified encampments as a larger local project. On the other hand, if the sites are too dissimilar in scope, need, geography, and/or services and housing strategies, it may be more appropriate to submit separate applications.
41. If an eligible jurisdiction does not currently have an encampment outreach coordinator, who should they reach out to?
Answer: Please reach out to Caltrans Statewide Homelessness and Encampment Coordinator, Warren Alford, at Warren.Alford@dot.ca.gov for further assistance.
42. Is there a Caltrans map that outlines Caltrans service areas?
Answer: This [Caltrans District Map](#) will help you identify which Caltrans District covers your community. This information will help you identify which local Caltrans Encampment

Coordinator to reach out to. We encourage you to reach out to your local Caltrans Encampment Coordinator for help determining whether an encampment is partially or fully located on a State right-of-way.

43. Are buffer areas and vacant parcels owned by Union Pacific Railroad considered State right-of-way sites?

Answer: We recommend contacting your local Caltrans District Coordinator for help determining whether the described sites are considered to be partially or fully located on a State right-of-way.

Eligible Uses

44. Are capital development costs, improvements to existing shelters, and operating subsidies for Homekey Programs eligible uses of Program dollars?

Answer: Yes, Cal ICH considers these costs eligible uses of ERF-2-R funds. However, we encourage eligible applicants to consider the brevity of the ERF Program when developing proposals for the use of these funds. Furthermore, proposals should demonstrate how expenditures will directly support a service and housing pathway for the people proposed to be served. Wherever possible, applicants should leverage funds from other Local, State, Federal, and/or Private sources and demonstrate sustainability.

45. When are operating reserves considered expended? Is there any other guidance around operating reserves that an applicant should know?

Answer: Operating reserves are considered expended upon deposit in the reserve account. . Proposals should demonstrate how expenditures will directly support a service and housing pathway for the people proposed to be served (See question #43).

Operating reserves should follow local policies and procedures. Funds may remain in the operating reserves account past the ERF-2-R expenditure date as the purpose of operating reserves is to provide a long-term (usually 10, 15, 20 years) reserve.

Additionally, Cal ICH recommends that funding set aside for operating reserves be kept in an interest-bearing account. Money accrued from those accounts must be used for ERF-2-R eligible activities and reported on as required by Agency.

46. Does funding allow for multi-year projects like leasing a motel for a couple of years to focus on Caltrans properties first, then continuing to use funding for other encampments as clients transition into permanent housing?

Answer: Yes, provided all people served were experiencing unsheltered homelessness in encampments. We also encourage you to braid other leveraged resources when considering these proposals and any associated costs.

47. Are preventative services an eligible use of ERF dollars?

Answer: Yes, preventative services may be an eligible use of Program dollars when serving people who have been housed through the ERF Program so that they can maintain housing

stability.

Best Practices

48. Do ERF projects have to work through the local Coordinated Entry System?

Answer: Communities should plan their ERF Program as an enhancement and expansion to the local homelessness crisis response system, not as a stand-alone program. Communities should work with their local Continuum of Care to identify how encampment residents can be best prioritized and served through their coordinated entry system.

49. Are there any resources around best practices for addressing unsheltered homelessness that my community can review as we design our ERF program?

Answer: The United States Interagency Council on Homelessness (USICH) has outlined [Seven Principles For Addressing Encampments](#) that can act as a roadmap for communities as they plan their program design. Communities can also refer to USICH's [Planning Checklist](#) to shape the design of their interventions.

50. What is the relationship between harm reduction and Housing First? Are there specific harm reduction practices that my community must include in their ERF project, such as needle exchange programs?

Answer: Harm reduction is an important part of the Housing First model as it is based on principles of self-determination and individual choice. Harm reduction can include a wide array of services to protect people from harm while using substances, such as needle exchanges, OD prevention services, safe injection sites, vaccine outreach and education, and mental wellness and healing support programs. While all communities are required to follow the Housing First modal, and harm reduction services can play an important role in saving lives, no specific harm reduction services are required under the ERF program.