Frequently Asked Questions

Eligible Applicants

1. Who is eligible to apply for funds?

Per Health and Safety Code (HSC) §§50216(b) and 50218(a)(1-3), eligible applicants for HHAP funding include the 44 Continuums of Care (CoCs), 58 counties, and 13 largest cities with populations greater than 300,000 (as of January 1, 2019) in the state. Individuals, cities not identified as one of the 13 large cities, and nonprofit organizations are not eligible to apply directly but are encouraged to reach out to eligible applicants in their jurisdiction to participate in the planning process.

2. Which cities are eligible to apply?

The following 13 large cities with populations greater than 300,000 (as of January 1, 2019) are eligible to apply for HHAP:

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6. Oakland

11. San Jose

2. Bakersfield

7. Riverside

12. Santa Ana

3. Fresno

8. Sacramento

13. Stockton

4. Long Beach

9. San Diego

5. Los Angeles

10. San Francisco

Applications

3. How do eligible applicants apply for funds?

The <u>HHAP Online Application Form</u> is now available. Applications must be submitted through this online form. To support applicants in completing the online application, please see the application instructions.

In addition to the online application form, applicants must submit required application documents that are outlined in the online form and further explained in the
HHAP Program Guidance">HHAP Program Guidance.

4. When are application due?

Per HSC §50220(a)(1), all required application materials must be submitted before midnight on February 15, 2020.

5. What is required for an application to be deemed complete by HHAP program staff?

In order for HHAP program staff to review and deem an application complete, applicants must complete the online application form and submit all required application documents listed below. Once the online application form is successfully submitted, the applicant will receive a confirmation email that includes a copy of the application, a tracking number, and a checklist of required documents to be submitted to HCFC. The applicant must reply to the email and attach all items listed on the checklist. The required attachments do not have to be submitted at the time the online application form is completed but they must be submitted before HHAP program staff can begin the review process.

The following application documents are required:

- HHAP Application Narrative
- Annual HHAP Budget
- Letters of Support
- Redirection of Funds Documents (if applicable)
- Authorized Signatory Form
- Government Tax Identification Number (GovTIN) OR Payee Data Record (STD 204)

Only once the required documents have been received will the application be reviewed by HHAP program staff. The eligible applicant will be notified by program staff that the application is deemed complete, along with next steps.

6. What do we do if we do not know the specific projects that HHAP will be funding at the time of the application deadline?

The purpose of the application is to provide a plan for how HHAP funding will be utilized throughout the 5-year grant period. In planning for HHAP funding, it is important that you have thoughtful, well-researched predictions for the amounts of funding that you will spend within each of the eligible use categories. Applications should be well-developed and completed in partnership with all entities receiving funding within your jurisdiction as well as service providers and other groups that serve people experiencing homelessness in your community. General plans for funding should be included in the narrative section of the application, including information on specific projects that may already have been determined.

HHAP funding is also intended to be a partnership with the state and we understand there will be unexpected events that occur within the 5-year grant period. More information will be provided about how those unexpected events should be communicated with HHAP program staff to

ensure that unexpected changes are in line with your regional coordination efforts and meet the eligible activities noted in statute.

7. Who is the "Administrative Entity" for the purposes of applying for funds? As stated in the HHAP Program Guidance (p. 2-3), the Administrative Entity has authority to receive and expend funding for the jurisdiction. The AE that should be signing off on the application should be an individual that has the authority to make decisions regarding HHAP funding on behalf of the entity that is applying for the funding.

Award Allocations

8. How much funding will grantees receive?

AB 101 (Committee on Budget, Chapter 159, Statutes of 2019) authorized \$650 million in one-time block grant funding for local jurisdictions; \$190 million will be made available for CoCs, \$275 million will be made available for cities or cities that are also counties with populations greater than 300,000 (as of January 1, 2019), and \$175 million will be made available for counties.

Per HSC §50218(a)(1-4), final allocations to jurisdictions will be calculated based on the official 2019 US Department of Housing and Urban Development (HUD) Point-In-Time (PIT) counts. Once the official 2019 PIT counts have been finalized and posted by HUD, HCFC will calculate each jurisdiction's final program allocation award amount and post this information on its website.

Per HSC §50216(j), a jurisdiction can request to use their 2017 PIT count instead of their 2019 PIT count if they can demonstrate that a significant methodology change occurred between the 2017 and 2019 PIT counts. A jurisdiction wishing to use the 2017 PIT count must submit their request to HCFC by midnight on the date of the release of the official 2019 HUD PIT count. HCFC will review and approve or deny a jurisdiction's request to use the 2017 PIT count. See HHAP Program Guidance (p. 4-5) for more information.

9. Can an eligible applicant redirect funds to another eligible applicant in the same region?

HCFC acknowledges that there may be jurisdictions that want to redirect their HHAP program allocations to their partnering CoC, large city (if applicable), or county. In lieu of directly applying for their program allocation, eligible applicants may redirect their HHAP program allocation

to another eligible applicant in their same region. Refer to HHAP Program Guidance (p. 5) for more information about requirements to redirect funds.

10. Will funds be disbursed in installments over the 5-year grant period?

HCFC will disburse all funding in one payment. The budget submitted by the applicant should indicate the funding that will be used in each year and the eligible use area on which it will be spent. HHAP program staff will monitor budgets for change throughout the 5-year grant period.

11. Can funds be spent prior to award disbursements?

Per the HHAP Program Guidance (p. 4), applicants requesting to expend program funds prior to disbursement must meet the following requirements:

- (1) Reimbursement is not permitted for activities occurring prior to July 1, 2019;
- (2) Reimbursement shall not supplant existing local funds for homeless housing, assistance, or prevention;
- (3) Approval from HCFC must be obtained prior to authorizing reimbursement; and
- (4) Capital improvement projects pertaining to emergency shelters and navigation centers are still required to demonstrate need.

Eligible Uses

12. What can funds be used on?

Per HSC §50219(c), program allocations are eligible to be used to fund the following:

- Rental assistance and rapid rehousing;
- Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves;
- Incentives to landlords, including, but not limited to, security deposits and holding fees;
- Outreach and coordination, which may include access to job programs, to assist vulnerable populations in accessing permanent housing and to promote housing stability in supportive housing;
- Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system particularly for vulnerable populations including families and homeless youth;
- Delivery of permanent housing and innovative housing solutions such as hotel and motel conversions;
- Prevention and shelter diversion to permanent housing; and

 New navigation centers and emergency shelters based on demonstrated need.

Additional requirements around spending of HHAP funds include:

- Per HSC §50218(b), at least 8 percent of program allocations must be used for services that meet the specific needs of homeless youth populations;
- Per HSC §50219(d), up to 5 percent of allocations may be used for a strategic homelessness plan¹ and/or for infrastructure development to support coordinated entry systems and Homeless Management Information Systems (HMIS); and
- Per HSC §50219(e), up to 7 percent of allocations may be used for administrative costs incurred by the city, county, or CoC to administer its program allocation. This does not include staff costs or other costs directly related to implementing or carrying out activities funded by the program allocation.

13. Can HHAP funds be used to replace existing local funds?

Per HSC §50218(a)(5), program allocations are not eligible to be used to replace existing local funds for homeless housing, assistance, or prevention. Refer to HHAP Program Guidance (p.4) for more information.

14. What are the criteria for establishing new navigation centers and emergency shelters?

Per HSC §50219(c)(8), establishing new navigation centers and emergency shelter is based on demonstrated need and will be approved for funding based on the following:

- (a) The number of available shelter beds in the jurisdiction;
- (b) The shelter vacancy rate in the summer and winter months;
- (c) The percentage of exits from the emergency shelters to permanent housing solutions;
- (d) A plan to connect residents to permanent housing

15. Can eligible applicants allocate more than 8 percent to address youth homelessness?

Yes, eligible applicants can spend more than 8 percent of their allocations on programs addressing youth homelessness. Spending must be informed by a best-practices framework focused on moving youth, including pregnant and parenting youth, experiencing homelessness to stable housing and opportunities for self-sufficiency.

¹ As defined in <u>Section 578.7(c)</u> of <u>Title 24</u> of the <u>Code of Federal Regulations</u>.

Expenditure Deadlines

16. How long does a grantee have to spend their program allocation?

Per HSC §50220(a), obligation and expenditure deadlines for grantees are as follows:

Counties

Counties must contractually obligate their full program allocation on or before May 31, 2023. Any funds that are not contractually obligated by this date will be reverted to the CoC that serves the county. Specific to Los Angeles County, funds that are not contractually obligated by this date will be divided proportionally using the HHAP allocation funding formula among the four CoCs that serve Los Angeles County.

Counties not obligating their full program allocation by this date are required to notify HCFC on or before May 31, 2023, of the name of the CoC(s) in which the county is served by, and the amount of program funds that will be reverted to the CoC(s). By June 30, 2023, the county must provide HCFC with evidence that the funds were transferred and submit an updated budget that clearly identifies the funds that were transferred.

Continuums of Care and Large Cities

CoCs and large cities must contractually obligate no less than 50 percent of program allocations on or before May 31, 2023. If less than 50 percent of program funds have been contractually obligated after May 31, 2023, the grantee must not obligate or expend the difference of remaining funds within the 50 percent required obligation amount unless and until the following occurs:

- On or before June 30, 2023, the grantee must submit an alternative disbursement plan that includes an explanation for the delay and a plan to fully expend these funds by December 31, 2023. The grantee must submit an updated budget; and
- HCFC must approve or deny this alternative disbursement plan by July 31, 2023.

If the funds identified in the approved alternative disbursement plan are not fully expended by December 31, 2023, the funds will be returned to HCFC.

HHAP program funds must be fully expended by June 30, 2025. Funds not fully expended by this date must revert to, and deposited in, the General Fund.

Program Reporting and Monitoring

17. What are the program reporting requirements?

Additional information on reporting requirements is forthcoming. However, per HSC §50221 (a), at minimum grantees will need to report on the following annually:

- An ongoing tracking of the specific uses and expenditures of any program funds broken out by the eligible uses listed, including the current status of those funds;
- The number of homeless individuals served by the program funds in that year and a total number served in all years of the program, as well as the homeless population served;
- The type of housing assistance provided, broken out by the number of individuals; and
- Outcome data for an individual served through program funds, including the type of housing that an individual exited to, the percent of successful housing exists, and exit types for unsuccessful housing exits.

Additionally, per HSC §50221(b), grantees must submit a final report to HCFC detailing the uses of all program funds by January 1, 2026.

HCFC will include reporting requirements in the standard agreement executed prior to distribution of HHAP program funds to each CoC, large city, and county. In addition to the annual reports, grantees will be required to submit a list of sub-recipient awards, which will include the name of the sub-recipient, the amount awarded, and the project type. The reporting template, including instructions and definitions will be provided by HCFC at a later date.

18. How will HCFC monitor the program?

More detailed information on monitoring efforts is forthcoming. However, at minimum, HCFC will use site visits, ongoing technical assistance, and annual reports to ensure that grantees are on track to expend 100 percent of program funds by June 30, 2025 and to ensure compliance with program requirements. If at any time HCFC determines that HHAP funding is being expended on ineligible uses, HCFC, at its sole and reasonable discretion, may demand the repayment of funds from an applicant for failure to comply with program requirements.