



July 20, 2022

City Mayors
County Supervisors
Continuums of Care Executive Directors
Public Housing Authority Directors

Subject: New State and Federal Funding Opportunities to Assist and House
Californians Experiencing Unsheltered Homelessness

Dear Colleagues:

As we collectively work to achieve a California for All that is grounded in principles of equity and person-centered, evidence-based practices, we are grateful for your steadfast leadership and partnership. Since January 2022, we have served as the co-chairs of the [California Interagency Council on Homelessness](#) (Cal ICH), which aims to forge collaborations and leverage resources across state agencies and departments – as well as between the State and local entities – and ultimately better serve people at risk of or experiencing homelessness. To that end, we would like to share information on new State and Federal resources to assist and house people experiencing unsheltered homelessness. We encourage you to initiate planning conversations that result in thoughtful and intentional leveraging of resources, particularly cross-sector collaborations between housing and health and human services systems.

State Resources

Last month, Governor Newsom signed California's state budget which included \$700 million in Encampment Resolution Funds (ERF) – with \$300 million allocated in 2022-23 and \$400 million in 2023-24 – to provide local governments with dedicated funds to assist individuals living in unsheltered situations and help them transition to permanent housing with supportive services. The State plans to issue the Notice of Funding Announcement for new ERF proposals in early November 2022.

The State will also fund two additional five-year grant cycles of Homeless Housing, Assistance and Prevention (HHAP) grants – with \$1 billion allocated in 2022-23 and another \$1 billion in 2023-24 – continuing to invest in flexible funds while requiring that local entities engage in goal-setting and regional collaboration to reduce homelessness.



Additionally, the budget includes \$1.5 billion in funding for Behavioral Health Bridge Housing, which will support clinically enhanced interim housing settings to meet the unique needs of people experiencing homelessness who have complex behavioral health conditions.

Later this summer, the State will also begin the CalAIM PATH application process, providing over \$1 billion to community-based organizations, county agencies, tribes, and others to maintain, build, and scale the capacity necessary to ensure successful implementation of CalAIM. This includes the development of capacity for housing transition navigation services, housing deposits, and housing tenancy and sustaining services. (CalAIM is a multi-year initiative to transform Medi-Cal into a coordinated, equitable, person-centered system.)

Finally, pertinent to this HUD funding opportunity, local government entities should be aware of recently launched Housing and Homelessness Incentive Program (HHIP) which is designed to support Medi-Cal managed care plans develop the necessary capacity and partnerships to connect their members to needed housing services and to take an active role in reducing and preventing homelessness. Now is a good time to connect with the Medi-Cal managed care plans in your community as the HUD funding opportunity outlined below will require applicants to demonstrate partnerships with healthcare organizations.

To learn more about these and other State funding opportunities, we encourage you to sign up for Cal ICH news alerts: [BCSH-Cal ICH \(list-manage.com\)](https://list-manage.com).

Federal Resources

Our federal partners at the Department of Housing and Urban Development (HUD) have issued a Special One-Time Notice of Funding Opportunity (NOFO), which will provide \$322 million (including \$54.5 million for rural areas) over a three-year grant cycle to assist people living in unsheltered settings and connect them to housing, healthcare and supportive services. These new federal resources will require strong partnerships between healthcare organizations, public housing authorities, mainstream housing providers and people with lived expertise of homelessness. To ensure geographic diversity across the nation, HUD will fund a maximum of 10 CoCs from any single state, so we encourage early planning and coordination. **The application deadline is October 20, 2022.**

Detailed information about the Special NOFO can be found on this HUD webpage: https://www.hud.gov/program_offices/comm_planning/coc/specialCoCNOFO and email inquiries can be sent to HUD here: SpecialCoCNOFO@hud.gov.

Later this summer, there will be a separate \$43 million available through Public Housing Authorities to fund 4,000 new Housing Choice Vouchers for people experiencing or at risk of homelessness, including families with dependent children and veterans. These federal



resources will be allocated via a separate notice to Public Housing Authorities, prioritizing those that are actively partnering with the relevant Continuum of Care entities.

In addition, recent HUD guidance allows the use of Housing Choice Voucher and Mainstream Voucher program administrative fees for expenses relating to leasing units, including the costs of security deposit assistance and landlord incentive and retention payments, which will expedite efforts to secure housing placements. More information can be found here: [PIH-2022-18 HCV Admin Fees for Eligible Uses - corrected \(hud.gov\)](https://www.hud.gov/sites/dfiles/pih-2022-18-HCV-Admin-Fees-for-Eligible-Uses-corrected.pdf)

The federal and State resources outlined above will require strong planning and collaboration to work across your community's housing, homelessness response, healthcare, and outreach systems to propose solutions that integrate person-centered and trauma informed approaches. Let's continue to work together to ensure that one day in California, homelessness will be rare, brief, and nonrecurring.

If you have any questions or need additional information, please contact Julie Lo, Executive Director, California Interagency Council on Homelessness at Julie.Lo@bcsh.ca.gov.

With hope,

Lourdes Castro Ramírez, MA
Secretary, BCSH
Co-chair, CallCH

Mark Ghaly, MD, MPH
Secretary, CHHS
Co-chair, CallCH

cc: Julie Lo, Executive Director, CallCH