



## TRIBAL HHAP BUDGET GUIDANCE

This document provides examples of types of costs that tend to be categorized in each eligible category of funding supported by Tribal HHAP, per Health & Safety Code Section [50220.8\(e\)-\(f\)](#). **This is not a comprehensive list of approved activities for each category** but can serve as a useful tool in the completion of the Tribal HHAP Budget. Please note, that if you receive specific guidance to categorize a particular cost in a particular category from Cal ICH staff, please follow that guidance.

### ELIGIBLE USE CATEGORIES

#### Rapid rehousing

- Rapid re-housing rapidly connects families and individuals experiencing homelessness to permanent housing through a tailored package of assistance that may include the use of time-limited financial assistance and targeted supportive services such as intensive case management.
- Landlord incentives may also fall under this category, depending on the context of their usage. Landlord incentives allow for creatively partnering with landlords who might otherwise not rent to individuals perceived as high risk. This includes staffing to support landlord engagement and incentives such as offering a damage mitigation fund to cover any unforeseen damages to the property by the client and other types of incentives.
- Short-term rental assistance may fall under this category and is described as time-limited rental assistance which can last anywhere from three to 24 months, can be structured to decline or vary over that time, and is usually coupled with housing search, case management, tenancy supports, and connections to other services including employment support.
- Longer-term and permanent rental subsidies: Longer-term rental assistance can last for more than two years, and in some cases indefinitely. These programs are intended for households who need ongoing financial assistance to afford rent and are sometimes partnered with ongoing supportive services.
- Move in costs, including first and last month's rent, deposits, utilities arrears and deposits, furnishings, household supplies, and hygiene products. Cal ICH encourages grantees to create a local policy that sets reasonable move-in cost limits to ensure they can serve as many people experiencing homelessness in the community as possible.
- Staff whose primary job duties are to support a rapid rehousing project.
- Activities directly related to the implementation of a rapid rehousing project.

*Rapid rehousing: youth set-aside*

*This category includes all that would be included in the category above; however, this funding is specifically going to those who meet the definition of*

*homeless youth. "Homeless youth" means an unaccompanied homeless individual who is not older than 24. Homeless youth who are members of homeless households do not meet this definition.*

**Operating Reserves**

- Recommended uses include funding regular essential operations of permanent housing (particularly permanent supportive housing), navigation centers, emergency shelters, and funding operating reserves for permanent housing projects.
- Supplementing Homekey operations, including maintenance and capital improvements.
- Office space for staff to run a shelter or affordable housing project.
- Direct costs incurred by a program to rent or lease a building or units for shelter or affordable housing. This does not include rent payments for people experiencing homelessness.
- Utility costs needed to operate a shelter or affordable housing project.
- Security expenses, such as fencing or security staff, necessary to operate a shelter or affordable housing project.
- Maintenance, landscaping, and repairs needed to operate a shelter or affordable housing project.
- Necessities for operating a shelter, including meals, laundry, hygiene, bedding, cleaning materials, insurance, staff to run the shelter, indirect administrative overhead, etc.
- A capitalized operating reserve, defined as an upfront investment in a project which is held in a reserve account for later use to pay for anticipated operating shortfalls. The amount of subsidy must be sized and capitalized over an appropriate period.

*Operating subsidies: youth set-aside*

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**Street outreach**

- Street outreach identifies and engages people living in unsheltered locations, such as in cars, parks, abandoned buildings, encampments, and on the streets, and plays critical roles within systems for ending homelessness. Effective street outreach reaches people who might not otherwise seek assistance or come to the attention of the homelessness service system and ensures that people's basic needs are met while supporting them along pathways toward housing stability.
- Costs to recruit street outreach staff and fund street outreach staff positions.
- Meals, hygiene kits, and other essential needs.

- Mobile showers, toilets, and laundry are eligible in this category only if coupled with outreach services.

*Street outreach: youth set-aside*

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**Services coordination**

- Services including housing navigation, case management, multidisciplinary teams, and connecting individuals to services such as employment development programs, mainstream benefits, disability benefits, food and other basic needs, and other supportive services.
- Services that are components of interim shelters and permanent supportive housing projects.
- Staff providing case management and connecting clients to other types of assistance.
- Costs related to access to jobs programs, such as transportation, childcare, equipment necessary for job and educational programs, and subsidies to attend job and educational programs. Cal ICH encourages grantees to exercise judgement on the reasonableness of the costs associated with accessing job programs, and to have policies in place to that effect.
- Outreach that is not street outreach is generally categorized here.

*Services coordination: youth set-aside*

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**Systems support**

- Recommended uses include system level activities not related to federal funding requirements, such as needs or gaps assessments, additional data collection, analysis of data, trainings on best practices for service delivery, systems performance improvements, capacity building activities, improving coordinated or intentional case conferencing processes, and improving staff wellness to improve their ability to provide quality services.
- Fiscal software to track fiscal usage of all homeless programs and improve real time communication about funding.
- Coordinated assessment and referral system management.

- Strategic planning activities not related to federal requirements, including development and implementation of a regional plan to address homelessness.
- HMIS oversight and management.
- Stipends for individuals with lived experience to participate in a Lived Experience Board or other system support initiative.

*Systems support: youth set-aside*

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**Delivery of permanent housing & innovative solutions**

- Community based housing that includes designated length of stay in which formerly homeless individuals and families live as independently as possible.
- A program participant must be the tenant on a lease (or sublease) for an initial term of at least one year that is renewable and is terminable only for cause. Further, leases (or subleases) must be renewable for a minimum term of one month.
- Capital and improvement costs, including new construction, expansion, renovation, or replacement of infrastructure, for permanent supportive housing.
- Hotel and motel conversions to permanent housing.
- Fifth wheel trailer with a lease agreement and utilities hook-ups.
- Purchase of a tiny home with in-unit kitchen and bath which would be located in a mobile home or special occupancy park with hookups. The client could have full ownership of the home or be a tenant.
- Re-zoning costs necessary to build permanent housing.
- Innovative solutions may include any number of other innovative solutions not included in other eligible use categories when there is a clear pathway to permanent housing.

*Delivery of permanent housing & innovative solutions: youth set-aside*

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**Prevention and shelter diversion**

- Homelessness prevention strategies represent a wide array of efforts to prevent housing crises from occurring and to prevent people who face such crises from experiencing homelessness.

- Diversion strategies and practices to assist people to resolve their immediate housing crisis by accessing alternatives to entering emergency shelter or the experience of unsheltered living. This often occurs at the point people request emergency services, such as entry into emergency shelter, or could take place in a day center or through outreach before a person spends a night unsheltered.
- Landlord incentive payments targeted towards those who are at imminent risk of experiencing homelessness may be appropriate in this category.
- Case management, conflict resolution, rental assistance, rental arrears, and utilities may be utilized in this section when used for purposes of preventing homelessness.
- Mortgage payment support.

*Prevention and shelter diversion: youth set-aside*

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**Interim sheltering**

- Maintaining existing emergency shelter beds or extending the time these shelter beds are available.
- Navigation centers and emergency shelters funded by Tribal HHAP may shelter people experiencing homelessness for more than 6 months.
- Motel vouchers.
- New non-congregate shelters, including hotels/motels.
- Pallet homes with shared kitchens and bathrooms.
- Structures such as tiny homes, when used for purposes of interim housing.

*Interim sheltering: youth set-aside*

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**Shelter improvements**

- Costs associated with lowering barriers and increasing privacy in existing emergency shelters.

*Shelter improvements: youth set-aside*

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### **Administrative Costs**

- Salaries and fringe benefits of staff directly related to Tribal HHAP grant administration activities, such as reporting to Cal ICH, executing and monitoring contracts, etc. (Not to be confused with the implementation of programs and services described in the contract).
- Examples include, central administration, general accounting, human resources, payroll, accounting, departmental administration, mailing costs, selected publications or subscriptions, building depreciation, environmental health and safety, grant and contract accounting, interest expense related to buildings, maintenance and operations of facilities, purchasing and procurement cost, utilities, and custodial services.
- Indirect administrative costs for subrecipients do not count towards the administrative cap and should instead be placed in the appropriate eligible use category.

### **Additional considerations**

- If you were requested to place a particular cost in an eligible category by Tribal HHAP/Cal ICH staff, please follow that guidance.
- Costs associated with hotel and motel stays may be considered as a variety of intervention types by different grantees, depending on project design, including rapid rehousing, operating subsidies, interim sheltering, or delivery of permanent housing. Hotel and motel stays are typically budgeted as interim shelter.
- Staff-related costs are typically budgeted in the same eligible use category as the project the staff support, with some exceptions. Staff providing direct services to people experiencing homelessness that are not part of a rapid rehousing, street outreach, or prevention and diversion project should be budgeted under services coordination. Note that staff costs related to meeting HHAP grant program requirements, such as reporting, should be budgeted under administrative costs.