



CALIFORNIA HOMELESS COORDINATING AND FINANCING COUNCIL

Business, Consumer Services and Housing Agency
Edmund G. Brown Jr., Governor | Alexis Podesta, Chair

MEMORANDUM FOR: ALL POTENTIAL APPLICANTS

FROM: Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency

**SUBJECT: NOTICE OF FUNDING AVAILABILITY
HOMELESS EMERGENCY AID PROGRAM**

The Homeless Coordinating and Financing Council (HCFC) is pleased to announce the availability of Homeless Emergency Aid Program (HEAP) grant funding. HEAP is a \$500 million block grant program designed to provide direct assistance to cities, counties and Continuums of Care (CoCs) to address the homelessness crisis throughout California. HEAP is authorized by SB 850, which was signed into law by Governor Edmund G. Brown, Jr. on June 27, 2018.

Available Funding

The HEAP funding is divided into three categories for distribution.

| Category for Distribution | Funded Amount | Eligible Applicants |
|--|------------------|---|
| Continuum of Care – (a) Based on Point in Time Count Ranges | \$250,000,000.00 | Continuum of Care (CoC) |
| Continuum of Care – (b) Based on Percent of Homeless Population | \$100,000,000.00 | Continuum of Care (CoC) |
| City / City that is also a County – (c) Based on Population | \$150,000,000.00 | Large Cities with a population over 330,000 |

Eligible amounts for each jurisdiction can be found in the HEAP Program Guidance document located on the HCFC website:

https://www.bcsb.ca.gov/hcfc/aid_program.html

Application Timeline

The HEAP grant application process will be conducted through an online portal. The portal is accessible September 5, 2018 through December 31, 2018.

| | |
|---------------------------------------|-------------------|
| NOFA Release | September 5, 2018 |
| Early Applications Review Starts | September 5, 2018 |
| Early Applications Awarded | September 2018 |
| Early Distribution of Funds Begins | October 2018 |
| | |
| Round 1 Application Cut-off Date | December 31, 2018 |
| Standard Applications Awarded | January 2019 |
| Standard Distribution of Funds Begins | March 2019 |

The HEAP team, recognizing the urgent need for funding to address homelessness in California communities, will begin the review of grant applications immediately upon receipt of those applications.

Application Submission Process

There will be one application format for CoCs and a separate application format for the 11 large cities. A link to the application portal can be found here:

https://www.bcsb.ca.gov/hcfc/aid_program.html.

All applications will be completed and submitted online. The application does not have a save feature to allow partial completion with completion at a later time. Once the application is successfully submitted, the applicant will receive a confirmation email that includes a copy of the application, a tracking number, and a checklist of documents to be submitted. The applicant must then reply to the email and attach all items listed on the checklist for the application to be deemed complete.

Application maps and instructions for both the large cities and CoC applications were released on August 17, 2018 and have been updated to provide clarification on the eligible uses section of the applications. All documents can be found on the HCFC website <https://www.bcsb.ca.gov/hcfc/>. The application map is a tool designed to assist HEAP applicant entities collect the information necessary to complete the application ahead of time. This should make completion of the actual application in one sitting easier.

Award Process

Once applications have been reviewed and deemed complete, an award letter and standard agreement will be prepared and sent to the applicant. When the standard agreement is signed and returned by the applicant, the applicant will simultaneously submit a request for funds which will initiate the distribution process. The request for funds should be dated after the date in which the standard agreement was signed. One hundred percent of funds will be disbursed in a one-time allocation upon execution of the standard agreement and receipt of request for funds. HCFC anticipates that funds will be distributed within 60 days of receipt of a complete application. Funds will be issued directly to the Administrative Entity.

Definitions

- (a) “Administrative Entity” means a unit of general purpose local government (city, county or a city that is also a county) or a nonprofit organization that has (1) previously administered federal Department of Housing and Urban Development (HUD) Continuum of Care funds as the collaborative applicant pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations, and (2) been designated by the CoC to administer program funds. For this application, Continuum of Care (CoC) and administrative entity are used interchangeably.
- (b) “Agency” means the Business, Consumer Services and Housing Agency.
- (c) “Council” means the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.
- (d) “County” includes a county and a city that is also a county.
- (e) “General service area” is the geographically defined area where a service entity provides outreach and direct services to homeless people.
- (f) “Governing body” means the entity that may declare the shelter crisis. This includes the following:
 - 1. The legislative body for a city or city and county.
 - 2. The board of supervisors for a county.
 - 3. The governing board or board of trustees for a district or other public agency.
 - 4. An official designated by ordinance or resolution adopted by a governing body, as defined in item (1), (2), or (3).
- (g) “Homeless” has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on May 1, 2018.
- (h) “Homeless youth” means an unaccompanied homeless individual who is not older than 24. Homeless individuals not older than 24 who are parents are included in this definition.
- (i) “Instance of service” means each encounter with a member of the target population where services are provided for each of the eligible grant activities. For example, one individual checks into a warming center operated by Provider X on Tuesday. The same individual checks into the same warming center the next night. This counts at two instances of service for this activity.
- (j) “Homeless point-in-time count” means the 2017 homeless point-in-time counts pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.
- (k) “Large City” means a city with a population over 330,000 people on January 1, 2018, as published on the Department of Finance [website](#).
- (l) “Program” means the Homeless Emergency Aid Program established pursuant to Chapter 5 of Part 1 of Division 31 of the Health and Safety Code.
- (m) “Shelter crisis” means a situation in which a significant number of persons are without the ability to obtain shelter, resulting in a threat to their health and safety.
- (n) “Target population” means any person who is homeless as defined for this grant. See (g) above.

Eligible Uses

The parameters of the program are intentionally broad, and the examples provided are not exhaustive. CoCs and the 11 large cities are encouraged to be creative and craft programs that meet specific needs that have been identified in their communities.

Applicants must include in the application how the proposed activity is directly related to providing immediate emergency assistance to people experiencing homelessness or at imminent risk of homelessness, and that those uses are aligned with California's Housing First policy. Eligible uses include, but are not limited to:

Services: Street outreach, health and safety education, criminal justice diversion programs, prevention services, navigation services, and operating support for short-term or comprehensive homeless services.

Rental assistance or subsidies: Housing vouchers, rapid re-housing programs, and eviction prevention strategies.

Capital improvements: Emergency shelter, transitional housing, drop-in centers, permanent supportive housing, small/tiny houses, and improvements to current structures that serve homeless individuals and families. Some communities are discussing solutions to address homelessness and the public health crisis by using funds for handwashing stations or public toilet and shower facilities.

At least five percent of HEAP funds must be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness. Administrative costs are capped at five percent of program funds. This does not include staff costs directly related to carrying out program activities.

Eligible Applicants

CoCs are the only eligible applicants for HEAP categories (a) and (b) funding. The 11 large cities with populations over 330,000 on January 1, 2018 are the only eligible applicants for category (c) funding. Counties and cities with populations less than 330,000 cannot directly apply for HEAP funds and must participate in the collaborative process with the CoC whose service area includes the city or county if they wish to receive HEAP funds. Large cities may receive a share of funding from HEAP categories (a) and (b) through the CoC if the collaborative process results in an additional allocation for that city.

Shelter Crisis Declaration

The shelter crisis declaration pursuant to Chapter 7.8 (commencing with Section 8698) of Division 1 of Title 2 of the Government Code is required for all cities and counties that wish to receive HEAP funds, except for cities and counties located in a CoC that has fewer than 1,000 homeless people within its service area based on its 2017 homeless point-in-time count. Each incorporated city must declare a shelter crisis to receive HEAP funds. Counties may declare a shelter crisis only for the unincorporated areas of the county. If a CoC has fewer than 1,000 homeless people, it may request a waiver exempting all cities and the counties that are part of the CoC from declaring a shelter crisis. The shelter crisis declaration is a resolution that should be adopted by the governing body of the city or county (e.g. City Council or Board of Supervisors). A

sample resolution has been provided in the HEAP guidance documents:
https://www.bcsb.ca.gov/hcfc/documents/heap_overview.pdf.

Documentation and Reporting Requirements

Administrative Entities must be able to demonstrate that HEAP funds were expended for eligible uses to benefit members of the target population. HCFC will include reporting requirements in the standard agreement executed prior to distribution of HEAP funds to each large city or CoC. At this time, the reporting requirements include contract expenditures, the number of homeless individuals served by program funds, and the progress toward state and local homelessness goals. The first report will be due on January 1, 2020. An additional report will be due no later than January 1, 2021, with a final report due shortly after June 30, 2021.

AEs will need to submit confirmation that no less than 50 percent of program funds have been contractually obligated by January 1, 2020. By June 30, 2021, 100 percent of HEAP funds must be fully exhausted.

Monitoring

HCFC will use the report submitted on or before January 1, 2020 to ensure that AEs are on track to expend 100 percent of program funds by June 30, 2021. In addition to the reporting requirements above, it is expected that CoCs and large cities will provide direct oversight to recipients of HEAP funds.

Further Information

Additional information and updates such as the HEAP Program Guidance document, Frequently Asked Questions, Application Instructions, and a list of upcoming workshops can be found on the HEAP website: https://www.bcsb.ca.gov/hcfc/aid_program.html.