

Homeless Emergency Aid Program (HEAP) – Orange County

Overview

Orange County has been allocated \$15,568,716.65 for the Homeless Emergency Aid Program (HEAP) grant from the State of California for emergency services, rental assistance or subsidies and capital improvements.

Total Amount	\$15,568,715.65
5% Administrative Cost	\$778,435.78
5% Youth Set Aside	\$778,435.78
Available for Allocation	\$14,011,844.09
	Proportional shared by 2017 Point In Time Count unsheltered count – 2,584
	<ul style="list-style-type: none">• North (936, 36%) – \$5,044,263.87• Central (1,362, 53%) – \$7,426,277.37• South (286, 11%) – \$1,541,302.85

Eligible Activities

- **Emergency Services:** Street outreach, homelessness prevention/diversion activities
- **Rental Assistance or Subsidies:** Housing vouchers, rapid re-housing programs, flexible housing subsidy funds and eviction prevention strategies
- **Capital Improvements:** Emergency shelter, navigation centers, transitional housing, permanent supportive housing and improvements to current structures that service homeless individuals and families
- **Youth Specific Programming:** Minimum of 5% *

**Note: Youth Specific Program will have a separate local application process.*

Ineligible Activities & Restrictions

- Jurisdictions that have not declared a shelter crisis may not be the direct recipient of HEAP funding.
- Continuum of Cares, cities, counties and nonprofit organizations may not use HEAP funds for capital projects, such as building or expanding a shelter or navigation center, or for rental assistance, within a jurisdiction that has not declared a shelter crisis.
- HEAP funds cannot be used to fund Homeless Management Information System infrastructure or improvements.
- HEAP funds cannot be used to create a strategic plan for addressing homelessness.
- HEAP funds cannot be expended after June 30, 2021. Any long-term projects that would require payment after that date are not appropriate uses of HEAP funds.
- Expenditures not intended for the purposes of providing aid for persons who are homeless or at imminent risk of homelessness are not appropriate uses of HEAP funds.

Local Process

- Eligible entities that can submit applications:
 - Cities who have declared a shelter crisis are eligible to apply for capital improvement projects.
 - Service providers are eligible to apply for countywide or service planning area specific emergency services and rental assistance or subsidies.
- Entities (city or service provider) that would like to receive HEAP funds will need to complete the project information form on page 2 and include a copy of the jurisdiction's shelter crisis declaration at the time of submission.
- **Completed project information forms with needed attachments must be submitted to the Office of Care Coordination by October 5, 2018, at 1:00 p.m. via email to CareCoordination@ocgov.com.**

SB 2 Overview

Year 1 – Estimate \$250 million

- \$125 million Funding to Target Homelessness
 - \$5 million each – Bridges at Kraemer Place and Merced Navigation Center
 - \$53 million – California Homeless Emergency Solutions and Housing Program (CESH)
 - \$57.5 million Housing for a Healthy California Program
- \$125 million Planning & Technical Assistance Funds – Additional information TBD
 - \$500,000 – Large Localities (Greater than 200,000 people)
 - \$250,000 – Medium Localities (60,000 to 200,000 people)
 - \$125,000 – Small Localities (Less than 60,000 people)
 - \$50,000 – Minimum amount awarded

Year 1— California Emergency Solutions and Housing Program (CESH)

CESH Round 1

- **Orange County is eligible to apply for up to \$1,948,684** to assist persons experiencing or at risk of homelessness
 - 5% Administrative Cost – \$97,434.20
 - Remaining – \$1,851,249.80
- **State Timeline for Round 1**
 - State Notice of Funding Availability (NOFA) Round 1 was released August 15, 2018 - <http://www.hcd.ca.gov/grants-funding/active-funding/cesh.shtml>
 - Early Applications are due by 5:00 p.m. on September 27, 2018 for November 2018 award
 - Final applications are due by 5:00 p.m. on October 15, 2018
 - Final Awards to be announced in November & December 2018

CESH Round 2

- California Department of Housing and Community Development (HCD) announced the availability of approximately \$29 million in additional funding to CESH program. Any funds not distributed after the second round of awards shall revert to HCD to be used for the Multifamily Housing Program.
- **Orange County is eligible to apply for up to \$1,116,463** to assist persons experiencing or at risk of homelessness
 - 5% Administrative Cost – \$55,823
 - Remaining – \$1,060,640
- **State Timelines for Round 2**
 - State Notice of Funding Availability (NOFA) Round 2 was released March 18, 2019 - <http://www.hcd.ca.gov/grants-funding/active-funding/cesh/docs/2019-California-Emergency-Solutions-Housing-Program-NOFA.pdf>
 - Applications are due by 5:00 p.m. on June 28, 2019
 - Awards announcement expected July 2019
 - Standard Agreements to be mailed in September 2019

CESH Minimum Application Requirements

1. Orange County Continuum of Care (CoC) to designate the County of Orange as the Administrative Entity.
2. Provide documentation that Orange County CoC has an established Coordinated Entry System and Homeless Management Information System (HMIS) that meets HUD requirements
3. Provide documentation of local CoC project selection process to allocate available funds to carry out eligible activities.
4. Detail anticipated amounts allocated for eligible activities, as described in the application.

5. Establish goals and performance measures to evaluate success of eligible activities implementation for the 5-year term agreement with California Department of Housing and Community Development (HCD).
6. Utilize HMIS data from the Orange County CoC to evaluate project and system performance.
7. Includes plan developed by the Orange County CoC jurisdiction to address homelessness

Eligible Activities

- Rental assistance, housing relocation and stabilization services
- Flexible housing subsidy funds
- Operating support for emergency housing interventions (limit: 40% cap)

Additional Requirements

- Eligible activities must incorporate the core components of Housing First
- Eligible activities shall utilize the Coordinated Entry System to prioritize individuals for services
- County of Orange as the administrative entity, to monitor the activities and expenditures of sub-recipients annually and may be monitored by HCD to ensure compliance with program requirements

Year 1 – Housing for a Healthy California Program – \$57.5 million Statewide

Eligible Activities

- Supportive housing, which is affordable housing with intensive services
- Acquire, construct, or rehabilitate housing and for project-based operating assistance such as rental assistance for up to five years or a capitalized operating reserve for at least 15 years to pay for operating costs
- Housing may also be created through operating reserve grants and capital loans to developers
- Competitive grant process—Guidelines and requirements for this program will be released at end of 2018

Year 1 – Planning & Technical Assistance Funds to Streamline Development – \$125 million

Eligible Activities

- Updates to general plans, community plans, specific plans, local planning related to implementation of sustainable communities strategies, or local coastal plans
- Updates to zoning ordinances
- Environmental analyses that eliminate the need for project-specific review
- Local process improvements that improve and expedite local planning
- A smaller geography with a significant impact on housing production including an overlay district, project level specific plan, or development standards modifications proposed for significant areas of a locality, such as corridors, downtown or priority growth areas
- The creation or enhancement of a housing sustainability district pursuant to Assembly Bill 73 – Planning and Zoning: housing sustainability districts
- Workforce housing opportunity zone pursuant to Senate Bill 540 – Workforce Housing Opportunity Zone
- Zoning for by-right supportive housing
- Zoning incentives for housing for persons with special needs, including persons with developmental disabilities
- Rezoning to meet requirements
- Rezoning for multifamily housing in high resource areas
- Pre-approved architectural and site plans
- Regional housing trust fund plans
- Senate Bill 2 funding plans
- Infrastructure financing plans
- Environmental hazard assessments
- data collection on permit tracking
- feasibility studies
- Other planning activities demonstrating a nexus to accelerating housing production

Funding Available

- HCD determined maximum award amounts for large, medium and small localities based on population estimates from the Department of Finance. The table below shows the minimum and maximum awards available - http://www.hcd.ca.gov/grants-funding/active-funding/docs/SB2_Grant_Amounts_Per_Jurisdiction_2019_NOFA.pdf
- Applicants seeking partnerships with other local governments will be additive. All applicants, including those who are forming partnerships must submit separate, complete and signed application packages.

All Localities	Large Localities Defined as more than 200,000 people	Medium Localities Defined as 60,000 to 200,000 people	Small Localities Defined as less than 60,000 people
Minimum Award Amount: \$25,000	Maximum Award Amount: \$625,000	Maximum Award Amount: \$310,000	Maximum Award Amount: \$160,000
Orange County Localities	Anaheim Huntington Beach Irvine Santa Ana	Buena Park Costa Mesa Fullerton Garden Grove La Habra Laguna Niguel Lake Forest Mission Viejo Newport Beach Orange Orange County San Clemente Tustin Westminster Yorba Linda	Aliso Viejo Brea Cypress Dana Point Fountain Valley La Palma Laguna Beach Laguna Hills Laguna Woods Los Alamitos Placentia Rancho Santa Margarita San Juan Capistrano Seal Beach Stanton Villa Park

Requirements

- Jurisdictions must have a compliant housing element
- Jurisdictions must submit a current Annual Progress Report (APR) for 2017, which was due April 2018

State Timeline

- Technical Assistance – Beginning early 2019
- State Notice of Funding Availability (NOFA) released March 28, 2019 – http://www.hcd.ca.gov/grants-funding/active-funding/docs/2019_SB_2_Planning_Grants_NOFA.pdf
- Applications are due 8 months from NOFA release date and ending on November 30, 2019
- Awards announcement expected at beginning Summer 2019 and ongoing with potential for supplemental round

Year 2 and Ongoing – Estimate \$250 million

- 70% of funding to Local Governments
 - 83% allocation to entitlement jurisdictions – 22 Cities in Orange County receive Community Development Block Grant (CDBG) / 11 Cities are with Urban County formula

Eligible Activities

- Low-income housing such as low-income multifamily housing development; capitalized reserves for permanent supportive housing; acquisition and rehabilitation of foreclosed or vacant homes; accessibility modifications.
- Moderate-income housing
- Homelessness Programs such as rapid rehousing, rental assistance, navigation centers, emergency shelters, and permanent and transitional housing
- Local matching funds-local or regional housing trust funds

- Incentives or matching funds for permitting new housing

State Timeline

- Funds must be appropriated by Legislature to HCD before they can be awarded— expected to be available after June 15, 2019