

# New Housing and Homelessness Resources

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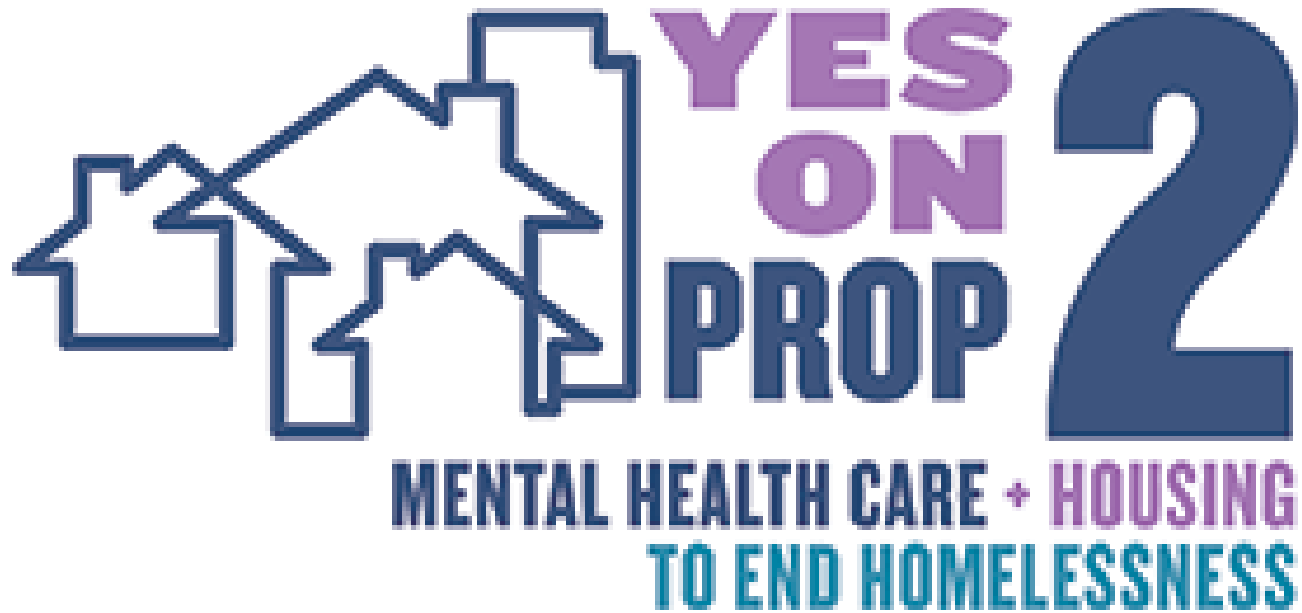
# Agenda

- No Place Like Home Program (NPLH)
  - Program
  - Fiscal impacts
- Homeless Mentally Ill Outreach and Treatment Program (HMIOT)
- Housing for a Healthy California (HHC)
- California Emergency Solutions and Housing Program (CESH)
- Homeless Emergency Aid Program (HEAP)

# Proposition 2, No Place Like Home Act of 2018

- 2016: Governor Brown signed AB 1618 to enact the No Place Like Home (NPLH) program
  - Dedicated \$2 billion in bonds to develop permanent supportive housing for Californians in need of mental health services and also experiencing homelessness or at risk of homelessness. MHSAs funds were to be used to repay the bonds
- 2017-18: NPLH held in the courts, delaying implementation.
- 2018: Brown Administration used budget process to place NPLH on the November 6 General Election Ballot for ratification

# Proposition 2 Passed!!



# NPLH Program

- NPLH is divided into Noncompetitive and Competitive Allocations
- The Department of Housing and Community Development (HCD) issued Notices of Funding Availability (NOFAs):
  - Noncompetitive- August 15, 2018- \$190 million available
  - Competitive- October 15, 2018- \$400 million available

# Noncompetitive Allocation

- All counties eligible for NPLH Noncompetitive Allocation
  - Allocation based upon County's proportional share of Homeless population, using 2017 PIT count
  - Each county guaranteed minimum \$500,000
- Counties must accept Noncompetitive Allocation by August 15, 2019
  - Submit application of projects of five or more units prior to February 15, 2021
  - Expend funds by August 15, 2023

## **Step I: Accept Noncompetitive Allocation**

**ALL COUNTIES** Must accept Noncompetitive Allocation

Counties submit complete Noncompetitive Allocation Acceptance form to HCD no later than August 15, 2019.

## **Step II: Submit Project Applications**

### **HCD PROJECTS**

- Project Size: 5+ Units located in Counties not designated as Alternative Process Counties (APC)
- Administered by: HCD
- Applicant: County or County with Development Sponsor
- Forms: Universal Application and Project Supplemental Application
- Submit to: HCD
- Due: February 15, 2021

### **APC COUNTIES**

- Project size: Any size and located in APC
- Administered by: Counties designated by HCD as APC
- Applicant: Developer
- Forms: County-provided
- Submit to: County
- Due: TBD by the County but no later than February 15, 2021

### **SHARED HOUSING PROJECTS**

- Project size: 1-4 Units
- Administered by: Counties designated by HCD to use NPLH funds for SH
- Applicant: Development Sponsor
- Forms: County-provided
- Submit to: County
- Due: TBD by the County but no later than February 15, 2021

# NPLH Competitive Allocation

- Multiple funding rounds until \$1.8 billion exhausted
- First Round NOFA released October 15, 2018
  - \*Revised October 30.
- Counties will compete for available funds with Counties of a similar size population
  - Small County Allocation - minimum of 8 percent
- Application due January 30, 2019



# NPLH Competitive Allocation Amounts

- Alternate Process Counties (Los Angeles, San Diego, San Francisco, Santa Clara)
  - \$222,028,512
- Large Counties (population greater than 750,000)
  - \$93,525,977
- Medium Counties (population between 200,000 to 750,000)
  - \$52,445,511
- Small Counties (population less than 200,000)
  - \$32,000,000

# Estimated Impacts to MHSA Funding

- Bond process will produce a slow “ramp up”, with up to \$140 million total per year taken “off the top” of MHSA funding
  - Total amount of MHSA available to divide among counties reduced
- Legislature may appropriate up to \$140 million MHSA funds annually for transfer to the Supportive Housing Program Subaccount prior to the issuance of any bonds
  - Any amount appropriated shall reduce the authorized but unissued amount of bonds

# Estimated Impacts to MHSA Funding

- \$62 million skimmed of top in FY 19-20 to a maximum of \$140 million when fully implemented in FY 22-23
- Counties can estimate their reduction in MHSA funding by multiplying the county allocation percentage by \$130 million for 30 years
  - Source: Mike Geiss Consulting

# Homeless Mentally Ill Outreach and Treatment Program (HMIOT)

- SB 840, Budget Bill of 2018, allocated \$50 million to Counties to provide funding for local activities involving individuals with serious mental illness and who are homeless or at risk of becoming homeless
  - Counties must have provided DHCS a letter of interest and a Board of Supervisors Resolution by September 25, 2018
  - Funds must be encumbered or expended by June 30, 2020
- Counties allocated minimum of \$100,000
  - Allocation methodology was derived from 2017 HUD PIT counts, NPLH Noncompetitive Allocation and Department of Finance Demographic Research Unit data

# Housing for a Healthy California (HHC)

- Established through AB 74 in 2017.
- The new program provides funds for acquisition, new construction or rehabilitation, administrative costs, capitalized operating subsidy reserves (COSR), and rental subsidies for existing and new Supportive Housing.
- Target Population:
  - Chronically homeless or homeless person, high-cost health user, Medi-Cal beneficiary, eligible for SSI, and is likely to improve their health conditions with Supportive Housing.
- Eligible Applicants:
  - An organization, agency or other entity (including a public housing agency, a for-profit entity, or a nonprofit entity) that is an Owner or Developer as defined as 24 CFR 93.2

# Housing for a Healthy California (HHC)

- Approximately \$36 million available in first NOFA
- Draft guidelines posted on HCD's website. Comment period is open until December 8<sup>th</sup>.

## Tentative Program Timeline

Draft Guidelines Publish	Fall 2018
Public Comments Period for Draft Guidelines	Fall 2018
Final Guidelines Publish	Winter 2018
Competitive HHC NOFA and SB2 NOFA	Spring 2019

# California Emergency Solutions and Housing (CESH)

- SB 850 (Chapter 48, Statutes of 2018) authorizes HCD to administer five year grants to eligible applicants utilizing funds generated from the Building Homes and Jobs Act Trust Fund (SB 2, Chapter 364, Statutes of 2017)
- CESH funds can be utilized for:
  - Housing Relocation and stabilization services
  - Operating subsidies for permanent housing
  - Flexible housing subsidy funds
  - Operating support for emergency housing interventions
  - Systems support for homelessness services and housing delivery systems

# California Emergency Solutions and Housing (CESH)

- Approximately \$53 million available
- Eligible Applicants:
  - Administrative Entities (AEs) — local governments, non-profit organizations, or unified funding agencies — designated by the Continuum of Care (CoC) to administer CESH funds in their service area.
- Allocation methodology:
  - 2017 HUD PIT Count
  - Percentage of extremely low-income households that pay more than 50 percent of income on rent
  - Percentage of households below FPL



# California Emergency Solutions and Housing (CESH)

## B. Tentative program timeline

NOFA release	August 15, 2018
Webinars	August 22 & 23, 2018
Workshops	Sacramento, August 24, 2018 Oakland, August 30, 2018 Visalia, September 7, 2018 Riverside, September 10, 2018 Los Angeles, TBD
Application due date for November 2018 award	September 27, 2018
Final application due date	October 15, 2018
Award announcements	November – December 2018
Standard agreements mailed	December 2018 – January 2019

# Homeless Emergency Aid Grants (HEAP)

- Established through the 2018-19 Budget
- Block grants to address immediate homelessness challenges
- \$500 million in one-time funding:
  - \$250 million to CoCs based on 2017 HUD PIT
  - \$150 million to city or city and county with population of 330,000 or more as of January 1, 2018
  - \$100 million to CoCs based on percentage of statewide 2017 homeless population

# Homeless Emergency Aid Grants (HEAP)

- Requirements:
  - City, county or joint power must declare emergency shelter crisis
  - CoC must collaborate with other city, county, or non profit partners
- Eligible Activities:
  - Emergency housing vouchers
  - Rapid rehousing
  - Emergency shelter construction, and
  - Use of armories to provide temporary shelters, among other activities

# Homeless Emergency Aid Grants (HEAP)

- Application Timeline:

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.

# Questions?

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