

The Homeless Housing, Assistance, and Prevention Program Round 3

Primary Points:

1. \$1 Billion for round 3 with funding appropriated during the fiscal year beginning on July 1, 2021;
2. 80% of the amount available for each fiscal year to cities, counties, and continuums of care.
 - a. Thirty percent, or two hundred forty million dollars (\$240,000,000), of the funds available to continuums of care
 - b. Forty-two percent, or three hundred thirty-six million dollars (\$336,000,000), of the funds available to each city, or city that is also a county, that has a population of 300,000 or more, as of January 1, 2020
 - c. Twenty-eight percent, or two hundred twenty-four million dollars (\$224,000,000), of the funds available to each county
3. Not more than 18 percent, or one hundred eighty million dollars (\$180,000,000), of the \$1 billion in funding each year is set aside for awarding bonus funds.
 - a. If, by July 1, 2024, a recipient has met its outcome goals, as approved by the Council in the recipient's application that recipient shall be eligible for bonus funding.
4. No later than September 15, 2021, the council shall issue a standard agreement for applicants to apply for round 3 program funds, which shall include, at minimum, a requirement for applicants to submit an application that includes a local homelessness action plan and specific outcome goals based on the Homeless Management Information System performance metrics.
5. A standard agreement from an applicant shall be due to the council no later than 30 days from the date the council issues the standard agreement.
6. Upon receipt of a standard agreement, and except as otherwise provided in clause (ii), the council shall allocate 20 percent of an eligible city's, county's, or continuum of care's total allocation.
 - a. A recipient may use initial funds awarded pursuant to this paragraph to complete the local homeless action plan, required as provided pursuant to paragraph (1) and in accordance with the requirements of subparagraph (A) of paragraph (3) of subdivision (b), including paying for any technical assistance or contracted entities to support the completion of the homeless action plan.
 - b. Priority for initial funds, above the costs of completing the application, shall be for systems improvement, including, but not limited to, all of the following:
 - Capacity building and workforce development for the jurisdiction's administering staff and providers, including technical assistance to culturally specific providers.
 - Funding existing evidence-based programs serving people experiencing homelessness.
 - Investing in data systems to meet reporting requirements or strengthen the recipient's Homeless Management Information System.
 - Improving homeless point-in-time counts.
 - Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.

7. To receive the remaining balance of its round 3 program allocation, an applicant shall submit an application to the council by June 30, 2022, that includes a local homelessness action plan and specific outcome goals.
 - a. Initial outcome goals should be met no later than June 30, 2024, and outcome goals shall be updated regularly, as funding continues.
8. Within 30 days of receiving the final applications the council shall either approve the application and issue the notice of award to allocate the remaining percent of an applicant's funding or return it to the applicant with written, detailed comments and request specific amendments to the application.
9. An applicant whose application has been returned shall respond to the council's requested amendments and submit a revised application within 30 days of receipt of the council's detailed comments and request for specific amendments.
10. The council shall have 30 days to approve a revised application if, as amended, it addresses the council's concerns or to provide the grantee with additional guidance and a deadline extension in the case of documented extenuating circumstance for further amending to fully address the council's concerns.
11. A recipient of a round 3 program allocation, including tribal recipients, shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations, including any of the following:
 - a. Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.
 - b. Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.
 - c. Street outreach to assist persons experiencing homelessness to access permanent housing and services.
 - d. Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.
 - e. Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations, including families and homeless youth.
 - f. Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.
 - g. Prevention and shelter diversion to permanent housing, including rental subsidies.
 - h. Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:
 - The number of available shelter beds in the city, county, or region served by a continuum of care.
 - The number of people experiencing unsheltered homelessness in the homeless point-in-time count.
 - Shelter vacancy rate in the summer and winter months.

- Percentage of exits from emergency shelters to permanent housing solutions.
- A plan to connect residents to permanent housing.
- Any new interim sheltering funded by round 3 funds must be low barrier, comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code, and prioritize interventions other than congregate shelters.

12. Improvements to existing emergency shelters to lower barriers and increase privacy.

13. An applicant shall not use more than 7 percent of a round 3 program allocation for administrative costs incurred by the city, county, continuum of care, or tribe to administer its program allocation. For purposes of this subdivision, “administrative costs” does not include staff or other costs directly related to implementing activities funded by the program allocation.

14. A recipient of a round 3 program allocation shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

15. A program recipient shall use at least 10 percent of the funds allocated under this section for services for homeless youth populations.

16. No later than October 1, 2026, each recipient that receives a round 3 program allocation shall submit to the council a final report in a format provided by the council, as well as detailed uses of all program funds.

17. A program recipient shall not use funding from the program allocated under this section to supplant existing local funds for homelessness services under penalty of disallowance or reduction, or both, of future program funds, as determined by the council.