

CALIFORNIA EMERGENCY SOLUTIONS AND HOUSING PROGRAM SUMMARY

Background

Senate Bill (SB) 850, approved on June 27, 2018, establishes the **California Emergency Solutions and Housing (CESH) Program** and designates the **Department of Housing and Community Development (HCD)** to administer the program.

Purpose

Implement activities that address the needs of homeless individuals and families and assist them to regain stability in permanent housing as quickly as possible.

Target Population

Individuals living homeless or at risk of homelessness. Assistance should be prioritized to homeless households over households at risk of homelessness.

Eligible Applicants

Applicant must be an Administrative Entity (AE) designated by the Continuum of Care (CoC) to administer Program funds. The administrative entity will then transfer funds to qualified sub-recipients. The sub-recipient project selection process must be documented and must avoid conflicts of interest.

An Administrative Entity must be one of the following:

- A local government entity;
- A nonprofit organization that has previously administered Continuum of Care funds as the collaborative applicant; or
- A unified funding agency.

Administrative Entities may contract with sub-recipients that are:

- Units of local government;
- Private non-profits;
- For-profit organizations; and
- Qualified to carry out the eligible activities

Funds Available

According to SB 850, 50% of the funds collected from SB 2 (on and after January 1, 2018 and before December 30, 2018), must be spent on the California Emergency Solutions and Housing Program. The first year breakdown of funds includes \$57.5 million for the program.

Each CoC will receive a non-competitive allocation of the available funds. Funds will be released in two rounds, each round will constitute a single issuance of funds to be spent over a 5-year grant period. Round 1 of funding includes SB 2 revenue (Quarters 1 & 2) and leftover funds from the California State Emergency Solutions Grant program. Round 2 will only include SB 2 Revenue (Quarters 3 & 4), as a result, County allocation amounts are expected to be lower in Round 2 than in Round 1. **Yolo County's allocation in Round 1 is \$863,524.**

Eligible Uses

- Rental assistance and housing relocation and stabilization services.
- Operating subsidies in the form of 15-year capitalized operating reserves for new and existing affordable permanent housing units for homeless individuals and families.
- Flexible housing subsidy funds for local programs that establish or support the provision of rental subsidies in permanent housing to assist homeless individuals.
- Operating support for emergency housing intervention (limited to no more than 40% of funds) as described below:
 - Navigation centers that provide temporary room and board and case managers;

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- Street outreach services; and/or
- Shelter diversion, including, but not limited to, homeless prevention activities.
- Systems support for activities necessary to maintain a comprehensive services and housing delivery system, including coordinated entry, data collection, HMIS, and homelessness planning activities.

Application Requirements

- Activities must be carried out within the relevant CoC service area.
- Recipients are required to commit to using a Housing First model.
- Documentation that applicant is an AE designated in writing by the CoC to administer Program Funds and meets one of the following criteria must be provided:
 - Has prior experience administering eligible activities, or
 - Has partnered with one or more local governments or other entities within CoC service area that have the necessary prior experience to administer the requested funds.
- Administrative entities must document that the CoC has a functioning coordinated entry system and a functioning Homeless Management Information System (HMIS).
 - If a CoC's coordinated entry system and/or HMIS do not meet the minimum standards of the Department of Housing and Urban Development (HUD), a minimum of 20% of funds must be used to bring these systems up to standard.
- Documentation or description of the local program or project selection process anticipated to be utilized to allocate CESH funds must be provided.
- Identify estimated amounts to be used for the specific eligible activities described in the application.
- Identify numerical goals and performance measures (listed under Reporting).
- Include most current Homeless Plan.
 - If the Homeless Plan is not current, CESH funds must be utilized to create and/or update the plan.
- The AE must issue award letters to any sub-recipients within 12 months of an award letter from HCD.

Timeframes

Funding Round 1	
August 15, 2018	Round 1 NOFA released.
September 27, 2018	Application due date to receive award in November 2018
October 15, 2018	Final Application Deadline for Round 1
November-December, 2018	Award announcements issued on rolling basis.
December, 2018	Standard agreements mailed out on rolling basis.
Funding Round 2 – dates TBD	

Reporting

At a minimum AE's will report the following information annually:

- Program/project selection process was performed in collaboration with CoC
- Amounts awarded to sub-recipients with the activities identified
- Projected performance measures (defined below)
- Contracted expenditures
- Expenditures and activities of any sub-recipients for each year of the contract with HCD until all funds awarded expended
- Funds do not have to be spent evenly over the 5-year grant period.

Performance Measures

- Number of homeless persons served;
- Number of unsheltered homeless persons served, and the average length of time spent as homeless before entry into the project;
- Number of homeless persons exiting the project to permanent housing; and
- Number of persons that return to homelessness after exiting the project.