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HEALTH AND SAFETY CODE - HSC

DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913] (Division 31 repealed and added by Stats. 1977, Ch. 610.) PART 1. STATE HOUSING POLICY AND GENERAL PROVISIONS [50000 - 50300] (Part 1 added by Stats. 1977, Ch. 610.)

CHAPTER 6. Homeless Housing, Assistance, and Prevention Program [50216 - 50223] (Chapter 6 added by Stats. 2019, Ch. 159, Sec. 10.)

50216. For purposes of this chapter:

- (a) "Agency" means the Business, Consumer Services and Housing Agency.
- (b) "Applicant" means a continuum of care, city, county, or tribe.
- (c) "City" means a city or city and county that is legally incorporated to provide local government services to its population. A city can be organized either under the general laws of this state or under a charter adopted by the local voters.
- (d) "Continuum of care" means the same as defined by the United States Department of Housing and Urban Development at Section 578.3 of Title 24 of the Code of Federal Regulations.
- (e) "Coordinated Entry System" means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program participant intake, assessment, and provision of referrals. In order to satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.
- (f) "Council" means the associated staff within the Interagency Council on Homelessness, formerly known as the Homeless Coordinating and Financing Council, created pursuant to Section 8257 of the Welfare and Institutions Code.
- (g) "Department" means the Department of Housing and Community Development.
- (h) "Emergency shelter" has the same meaning as defined in subdivision (e) of Section 50801.
- (i) "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 January 10, 2019.
- (j) "Homeless Management Information System" means the information system designated by a continuum of care to comply with federal reporting requirements as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The term "Homeless Management Information System" also includes the use of a comparable database by a victim services provider or legal services provider that is permitted by the federal government under Part 576 of Title 24 of the Code of Federal Regulations.
- (k) (1) "Homeless point-in-time count" means the 2019 homeless point-in-time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations. A jurisdiction may elect to instead use their 2017 point-in-time count if they can demonstrate that a significant methodology change occurred between the 2017 and 2019 point-in-time counts that was based on an attempt to more closely align the count with HUD best practices and undertaken in consultation with HUD representatives. A jurisdiction shall submit documentation of this to the agency by the date by which HUD's certification of the 2019 homeless point-in-time count is finalized. The agency shall review and approve or deny a request described in the previous sentence along with a jurisdiction's application for homeless funding.
 - (2) For purposes of round 4 of the program described in Section 50218.7, "homeless point-in-time count" means the most recent point-in-time count that requires a sheltered and unsheltered count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations completed by all applicants.
- (I) "Homeless youth" means an unaccompanied youth between 12 and 24 years of age, inclusive, who is experiencing homelessness, as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)). "Homeless youth" includes unaccompanied youth who are pregnant or parenting.

- (m) "Housing First" has the same meaning as in Section 8255 of the Welfare and Institutions Code, including all of the core components listed therein.
- (n) "Jurisdiction" means a city, city that is also a county, county, continuum of care, or tribe, as defined in this section.
- (o) "Navigation center" means a Housing First, low-barrier, service-enriched shelter focused on moving homeless individuals and families into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.
- (p) "Program" means the Homeless Housing, Assistance, and Prevention program established pursuant to this chapter.
 - (1) "Round 1" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2019.
 - (2) "Round 2" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2020.
 - (3) "Round 3" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2021.
 - (4) "Round 4" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2022.
- (q) "Program allocation" means the portion of program funds available to expand or develop local capacity to address immediate homelessness challenges.
- (r) "Recipient" means a jurisdiction that receives funds from the council for the purposes of the program.
- (s) "Tribe" or "tribal applicant" means a federally recognized tribal government pursuant to Section 4103 of Title 25 of the United States Code.

(Amended by Stats. 2023, Ch. 40, Sec. 13. (AB 129) Effective July 10, 2023.)

- 50217. (a) The Homeless Housing, Assistance, and Prevention program is hereby established for the purpose of providing jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing.
- (b) Upon appropriation by the Legislature, the council shall distribute the following amounts in accordance with this chapter:
 - (1) For round 1 of the program, six hundred fifty million dollars (\$650,000,000) in the 2019–20 fiscal year.
 - (2) For round 2 of the program, three hundred million dollars (\$300,000,000) in the 2020-21 fiscal year.
 - (3) For round 3 of the program, one billion dollars (\$1,000,000,000) in the 2021-22 fiscal year.
 - (4) For round 4 of the program, one billion dollars (\$1,000,000,000) in the 2022-23 fiscal year.
- (c) The council shall administer the program. The program shall provide grant funds to cities, counties, continuums of care, and tribes.
- (d) The council's decision to approve or deny an application and the determination of the amount of funding to be provided shall be final.
- (e) The council shall maintain and make available to the public on its internet website records of the following:
 - (1) The number of applications for program funding received by the council.
 - (2) The number of applications for program funding denied by the council.
 - (3) The name of each recipient of program funds.
 - (4) Each applicant receiving funds pursuant to this chapter shall provide a list of all awards to subrecipients.
 - (5) Annual reports filed by recipients pursuant to Sections 50221, 50222, and 50223.
- (f) In administering this chapter, the council shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

- **50218.** (a) Upon appropriation by the Legislature, six hundred fifty million dollars (\$650,000,000) of the funds administered pursuant to this chapter shall be available for implementing round 1 of the program, as follows:
 - (1) One hundred ninety million dollars (\$190,000,000) of the funding available pursuant to this section shall be available for continuums of care. The agency shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the homeless point-in-time count. The agency shall award no more than 40 percent of the allocation made pursuant to this section and no less than five hundred thousand (\$500,000) to an applicant that is a continuum of care.
 - (2) Two hundred seventy-five million dollars (\$275,000,000) of the funding available pursuant to this section shall be available to each city, or city that is also a county, that has a population of 300,000 or more, as of January 1, 2019, according to data published on the Department of Finance's internet website. The agency shall calculate the allocation to a city based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The agency shall not award more than 45 percent of the program allocation to a city. If more than one recipient within the continuum of care meets the requirements of this paragraph, the proportionate share of funds shall be equally allocated to those jurisdictions.
 - (3) One hundred seventy-five million dollars (\$175,000,000) of the funding available pursuant to this section shall be available to each county. The agency shall calculate the allocation to county based on the county's proportionate share of the total homeless population of region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The agency shall not award more than 40 percent of the allocation made pursuant to this section to a county.
 - (4) Once the 2019 point-in-time count numbers have been finalized and posted by the United States Department of Housing and Urban Development, and any determinations described in subdivision (j) of Section 50216 have been announced, the agency shall calculate each jurisdiction's final program allocation award amount and submit that information to the council. The council shall post this information to its internet website.
 - (5) A program recipient shall not use funding from the program to supplant existing local funds for homeless housing, assistance, or prevention.
- (b) A program recipient shall use at least 8 percent, of the funds for services for homeless youth populations.
- (c) Of the amount made available pursuant to subdivision (a), no more than 5 percent shall be expended on state operations. (Amended by Stats. 2020, Ch. 15, Sec. 9. (AB 83) Effective June 29, 2020.)
- 50218.5. (a) (1) With respect to the moneys made available pursuant to this section, it is the intent of the Legislature that:
 - (A) These moneys build on regional coordination developed through previous rounds of funding of the Homeless Emergency Aid Program (Chapter 5 (commencing with Section 50210)), the program established under this chapter, and COVID-19 funding to reduce homelessness.
 - (B) These moneys continue to build regional collaboration between continuums of care, counties, and cities in a given region, regardless of population, and ultimately be used to develop a unified regional response to homelessness.
 - (C) These moneys be paired strategically with other local, state, and federal funds provided to address homelessness in order to achieve maximum impact.
 - (D) These moneys be deployed with the goal of reducing the number of homeless individuals in a given region through investing in long-term solutions, such as permanent housing, and that the state be an integral partner through the provision of technical assistance, sharing of best practices, and implementing an accountability framework to guide the structure of current and future state investments.
 - (2) (A) It is the intent of the Legislature that additional state funds for homelessness, if provided in future budget years, increase permanent housing exits, further evidence-based solutions for individuals and families experiencing homelessness, consider outcomes from prior funding awards in making future allocations, and include strong accountability measures.
 - (B) (i) Pursuant to this paragraph, applications or planning materials for additional state funding appropriated on or after July 1, 2024, shall include, to the extent practicable, data and a narrative summary of specific and quantifiable steps that the applicant

has taken to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness on transit facilities owned and operated by a transit agency.

- (ii) For purposes of this subparagraph, "transit agency" means either of the following:
 - (I) An STA-eligible operator, as defined in Section 99312.2 of the Public Utilities Code.
 - (II) The public agencies, including joint powers agencies, responsible for state-supported intercity rail or commuter rail services and eligible for funding under Section 99312.3 of the Public Utilities Code.
- (iii) Funding made available pursuant to Sections 50237 and 50238 shall not be subject to the requirements of this subparagraph.
- (b) Upon appropriation by the Legislature, three hundred million dollars (\$300,000,000) of the funds administered pursuant to this chapter shall be available for implementing round 2 of the program, as follows:
 - (1) Ninety million dollars (\$90,000,000) of the funding available pursuant to this section shall be available for continuums of care. The council shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the 2019 homeless point-in-time count. The council shall award no more than 40 percent of the allocation made pursuant to this section and no less than two hundred fifty thousand dollars (\$250,000) to an applicant that is a continuum of care.
 - (2) One hundred thirty millions dollars (\$130,000,000) of the funding available pursuant to this section shall be 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, according to data published on the Department of Finance's internet website. The council shall calculate the allocation to a city based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the 2019 homeless point-in-time count. The agency shall not award more than 45 percent of the program allocation to a city. If more than one recipient within the continuum of care meets the requirements of this paragraph, the proportionate share of funds shall be equally allocated to those jurisdictions.
 - (3) Eighty million dollars (\$80,000,000) of the funding available pursuant to this section shall be available to each county. The council shall calculate the allocation to a county based on the county's proportionate share of the total homeless population of the region served by the continuum of care within which the county is located, based on the 2019 homeless point-in-time count. The agency shall not award more than 40 percent of the allocation made pursuant to this section to a county.
 - (4) A city, city and county, single continuum of care, or county may apply jointly with a counterpart entity or entities.
- (c) Program applicants applying for round 2 grant funds pursuant to this section shall comply with the requirements set forth in Section 50220.5.
- (d) Of the amount made available pursuant to subdivision (b), 5 percent shall be set aside for the program administration, including state operations expenditures and technical assistance.
- (e) A program recipient shall not use funding from the program allocated under this section to supplant existing local funds for homeless housing, assistance, or prevention.
- (f) A program recipient shall use at least 8 percent of the funds allocated under this section for services for homeless youth populations.
- (g) Moneys allocated pursuant to this section shall be expended in compliance with Housing First. (Amended by Stats. 2023, Ch. 728, Sec. 1. (AB 1377) Effective January 1, 2024.)
- **50218.6.** (a) Upon appropriation by the Legislature, one billion dollars (\$1,000,000,000) of the funds administered pursuant to this chapter shall be made available in the 2021–22 fiscal year for implementing round 3 of the program, as follows:
 - (1) Not more than 80 percent, or eight hundred million dollars (\$800,000,000), of the funding available pursuant to this section shall be available to applicants that are cities, counties, or continuums of care, as follows:
 - (A) Thirty percent, or two hundred forty million dollars (\$240,000,000), of the funds described in this paragraph shall be available to continuums of care. The council shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the homeless point-in-time count. The council shall not award more than 40 percent of the allocation made pursuant to this subparagraph to a continuum of care.
 - (B) Forty-two percent, or three hundred thirty-six million dollars (\$336,000,000), of the funds described in this paragraph shall be 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, according to data published on the Department of Finance's internet website. The council shall calculate the allocation to a city

based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The council shall not award more than 45 percent of the program allocation made pursuant to this subparagraph to a city. If more than one recipient within the continuum of care meets the requirements of this subparagraph, the proportionate share of funds shall be equally allocated to those jurisdictions.

- (C) Twenty-eight percent, or two hundred twenty-four million dollars (\$224,000,000), of the funds described in this paragraph shall be available to each county. The council shall calculate the allocation to a county based on the county's proportionate share of the total homeless population of the region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The council shall not award more than 40 percent of the program allocation made pursuant to this subparagraph to a county.
- (2) (A) Not more than 18 percent, or one hundred eighty million dollars (\$180,000,000), of the funding available pursuant to this section shall be set aside for awarding funds.
 - (B) Any funds described in subparagraph (A) that have not been awarded by July 1, 2023, shall be reallocated for distribution pursuant to Chapter 6.5 (commencing with Section 50230).
- (3) Not more than 2 percent, or twenty million dollars (\$20,000,000), of the funding available pursuant to this section shall be available to tribal applicants. Notwithstanding any other provision of this chapter, the funds described in this paragraph shall be allocated as follows:
 - (A) A tribe may apply for program funds and the council shall make allocations to tribes on the basis of need. Tribes that apply for program funds pursuant to subparagraph (B) shall be allocated funds up to their requested amount, or up to a total of twenty million dollars (\$20,000,000) collectively among all tribal applicants. If the total request for funds exceeds this amount, the council shall determine an allocation methodology based on each tribal applicant's proportionate share of need relative to all tribes that submit an application for funding.
 - (B) A tribal applicant seeking funds pursuant to this section shall submit an application to the council, in the form and manner prescribed by the council, no later than June 30, 2022, with the following information:
 - (i) The amount of grant funds the tribe is requesting.
 - (ii) An explanation of the tribe's local need, including an estimation of the number of people who need homelessness services and the current resources that exist.
 - (iii) A description of what services on which the tribe plans to spend its grant funds. These activities shall be allowable pursuant to subdivision (e) of Section 50220.7.
 - (C) Any funds available to tribal applicants pursuant to this paragraph that are unallocated as of July 1, 2024, shall be reallocated for distribution pursuant to Chapter 6.5 (commencing with Section 50230).
 - (D) A tribal applicant may partner with a local continuum of care or coordinated entry system.
- (b) An applicant applying for round 3 program funds pursuant to this section shall comply with the requirements set forth in Section 50220.6.
- (c) 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.
- (d) (1) No more than 5 percent, or fifty million dollars (\$50,000,000), of the funds available pursuant to subdivision (a) shall be used to cover the council's costs of administration of this section, including state operations expenditures, statewide capacity building, providing ongoing training and technical assistance to recipients, and measuring data and performance.
 - (2) The council may expend administrative funds until December 31, 2026, to complete grant closeout activities.
- (e) A program recipient shall use at least 10 percent of the funds allocated under this section for services for homeless youth populations.
- (f) Moneys allocated pursuant to this section shall be expended in compliance with Housing First.
- (g) Except as provided in paragraph (2) of subdivision (d), all round 3 program funds shall be expended by June 30, 2026.
- (h) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2023. (Amended by Stats. 2023, Ch. 40, Sec. 14. (AB 129) Effective July 10, 2023.)
- **50218.7.** (a) Upon appropriation by the Legislature, one billion dollars (\$1,000,000,000) of the funds administered pursuant to this chapter shall be made available in the 2022–23 fiscal year for implementing round 4 of the program, as follows:

- (1) Not more than 80 percent, or eight hundred million dollars (\$800,000,000), of the funding available pursuant to this section shall be available to applicants that are cities, counties, or continuums of care, as follows:
 - (A) Thirty percent, or two hundred forty million dollars (\$240,000,000), of the funds described in this paragraph shall be available to continuums of care. The council shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the homeless point-in-time count. The council shall not award more than 40 percent of the allocation made pursuant to this subparagraph to a continuum of care.
 - (B) Forty-two percent, or three hundred thirty-six million dollars (\$336,000,000), of the funds described in this paragraph shall be available to each city, or city that is also a county, that has a population of 300,000 or more, as of January 1, 2021, according to data published on the Department of Finance's internet website. The council shall calculate the allocation to a city based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The council shall not award more than 45 percent of the program allocation made pursuant to this subparagraph to a city. If more than one recipient within the continuum of care meets the requirements of this subparagraph, the proportionate share of funds shall be equally allocated to those jurisdictions.
 - (C) Twenty-eight percent, or two hundred twenty-four million dollars (\$224,000,000), of the funds described in this paragraph shall be available to each county. The council shall calculate the allocation to a county based on the county's proportionate share of the total homeless population of the region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The council shall not award more than 40 percent of the program allocation made pursuant to this subparagraph to a county.
- (2) (A) Not more than 18 percent, or one hundred eighty million dollars (\$180,000,000), of the funding available pursuant to this section shall be set aside for awarding bonus funds.
 - (B) Any funds described in subparagraph (A) that have not been awarded by July 1, 2023, shall be reallocated for distribution pursuant to Chapter 6.5 (commencing with Section 50230).
- (3) Not more than 2 percent, or twenty million dollars (\$20,000,000), of the funding available pursuant to this section shall be available to tribal applicants. Notwithstanding any other provision of this chapter, the funds described in this paragraph shall be allocated as follows:
 - (A) A tribe may apply for program funds and the council shall make allocations to tribes on the basis of need. Tribes that apply for program funds pursuant to subparagraph (B) shall be allocated funds up to their requested amount, or up to a total of twenty million dollars (\$20,000,000) collectively among all tribal applicants. If the total request for funds exceeds this amount, the council shall determine an allocation methodology based on each tribal applicant's proportionate share of need relative to all tribes that submit an application for funding.
 - (B) A tribal applicant seeking funds pursuant to this section shall submit an application to the council, in the form and manner prescribed by the council, no later than June 30, 2023, with the following information:
 - (i) The amount of grant funds the tribe is requesting.
 - (ii) An explanation of the tribe's local need, including an estimation of the number of people who need homelessness services and the current resources that exist.
 - (iii) A description of what services on which the tribe plans to spend its grant funds. These activities shall be allowable pursuant to subdivision (e) of Section 50220.7.
 - (C) Any funds available to tribal applicants pursuant to this paragraph that are unallocated as of July 1, 2025, shall be reallocated pursuant to Chapter 6.5 (commencing with Section 50230).
 - (D) A tribal applicant is encouraged to partner with a local continuum of care or coordinated entry system.
- (b) An applicant applying for round 4 program funds pursuant to this section shall comply with the requirements set forth in Section 50220.6.
- (c) 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.
- (d) (1) No more than 5 percent, or fifty million dollars (\$50,000,000), of the funds available pursuant to subdivision (a) shall be used to cover the council's costs of administration of this section, including state operations expenditures, statewide capacity building, providing ongoing training and technical assistance to recipients, and measuring data and performance.
 - (2) The council may expend administrative funds until December 31, 2027, to complete grant closeout activities.

- (e) A program recipient shall use at least 10 percent of the funds allocated under this section for services for homeless youth populations.
- (f) Moneys allocated pursuant to this section shall be expended in compliance with Housing First.
- (g) Except as provided in paragraph (2) of subdivision (d), all round 4 program funds shall be expended by June 30, 2027.
- (h) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2023. (Amended by Stats. 2023, Ch. 40, Sec. 15. (AB 129) Effective July 10, 2023.)
- **50219.** (a) In order to apply for a round 1 program allocation, an applicant shall submit an application pursuant to the timeline specified in Section 50220 and provide the following, in the form and manner prescribed by the agency:
 - (1) A demonstration of how the jurisdiction has coordinated with other jurisdictions to identify their share of the regional need to address homelessness, and how the requested funds will help meet the jurisdiction's share of that need.
 - (2) Identification of all funds currently being used by the applicant to provide housing and homeless services for the homeless populations in the jurisdiction, including all federal, state, and local funds, and information on programs supported by the identified funds.
 - (3) An assessment of existing programs to address homelessness and an identification of gaps in housing and homeless services for the homeless populations in the jurisdiction, as identified by the continuum of care pursuant to paragraph (7), including those provided by entities other than the applicant.
 - (4) Identification of how funds requested in the application will complement the funds described in paragraph (2), close the gaps identified pursuant to paragraph (3), and serve the homeless populations identified pursuant to paragraph (7).
 - (5) An outline of proposed uses of funds and explanation of how proposed use of funds meets each of the requirements described in paragraph (4).
 - (6) A list of measurable goals including but not limited to the number of individuals served and percentage of individuals successfully placed in permanent housing.
 - (7) If an applicant is a continuum of care, data on the demographics and characteristics of the homeless populations in the jurisdiction and on current programs providing housing and homeless services in the jurisdiction, as reported to the federal government through Homeless Management Information Systems and point-in-time counts.
 - (8) For a city applying for funds available pursuant to paragraph (2) of subdivision (a) of Section 50218 or a county applying for funds available pursuant to paragraph (3) of subdivision (a) of Section 50218, a plan demonstrating how these funds will complement the regional needs described in the continuum of care's plan for a coordinated housing and service system that meets the needs of individuals, unaccompanied youth, and families experiencing homelessness, as defined in Section 578.7(c) of Title 24 of the Code of Federal Regulations.
 - (9) Evidence of connection with the continuum of care's coordinated entry system.
 - (10) An agreement to participate in a statewide Homeless Management Information System, when it becomes available, and provide data elements to the system in accordance with Section 50220.6.
- (b) The agency may request additional documentation and information from the applicant with respect to round 1 program allocations consistent with the requirements of subdivision (a).
- (c) Except as provided in subdivisions (d) and (e), a recipient of a round 1 program allocation shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations including any of the following:
 - (1) Rental assistance and rapid rehousing.
 - (2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.
 - (3) Incentives to landlords, including, but not limited to, security deposits and holding fees.
 - (4) Outreach and coordination, which may include access to job programs, to assist vulnerable populations in accessing permanent housing and to promote housing stability in supportive housing.

- (5) 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.
- (6) Delivery of permanent housing and innovative housing solutions such as hotel and motel conversions.
- (7) Prevention and shelter diversion to permanent housing.
- (8) New navigation centers and emergency shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:
 - (i) The number of available shelter beds in the city, county, or region served by a continuum of care.
 - (ii) Shelter vacancy rate in the summer and winter months.
 - (iii) Percentage of exits from emergency shelters to permanent housing solutions.
 - (iv) A plan to connect residents to permanent housing.
- (d) Up to 5 percent of an applicant's round 1 program allocation may be expended for the following uses that are intended to meet federal requirements for housing funding:
 - (1) Strategic homelessness plan, as defined in Section 578.7(c) of Title 24 of the Code of Federal Regulations.
 - (2) Infrastructure development to support coordinated entry systems and Homeless Management Information Systems.
- (e) The applicant shall not use more than 7 percent of a round 1 program allocation for administrative costs incurred by the city, county, or continuum of care 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.
- (f) A recipient of a round 1 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.
- (g) Notwithstanding Section 27011 of the Government Code, or any other statute governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.
- (h) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.
- (i) The council shall post submitted final applications to its internet website.

(Amended by Stats. 2020, Ch. 15, Sec. 11. (AB 83) Effective June 29, 2020.)

- **50220.** (a) Timelines for round 1 of the program shall be as follows:
 - (1) No later than February 15, 2020, each applicant shall submit to the agency its program allocation application.
 - (2) No later than April 1, 2020, the agency shall make award determinations for the program allocations based on the point-in-time count numbers.
 - (3) If, after the first round of awards pursuant to this section, not all funds have been awarded by the agency, the agency shall set aside any remaining funds for a second round of awards.
 - (4) (A) (i) On or before May 31, 2023, a recipient shall contractually obligate not less than 50 percent of round 1 program allocations.
 - (ii) Recipients that are counties shall contractually obligate the full allocation awarded to them by the agency at this time. Any funds that are not contractually obligated by this date shall be reverted to the continuum of care that serves the county.
 - (B) If less than 50 percent is obligated after May 31, 2023, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of round 1 program allocations required to have been obligated pursuant to subparagraph (A) unless and until both of the following occur:
 - (i) On or before June 30, 2023, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

- (ii) The agency approves the alternative disbursement plan.
- (C) On or before December 31, 2023, recipients that are continuums of care and cities shall return to the agency any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) for a subsequent round of awards by the agency.
- (b) The agency may request additional information, as needed, to meet other applicable reporting or audit requirements.
- (c) In addition to requirements in Section 50221, the agency may monitor the expenditures and activities of an applicant, as the agency deems necessary, to ensure compliance with round 1 program requirements.
- (d) The agency may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with round 1 program requirements.
- (e) Any remaining amounts of round 1 program allocation funds not expended by June 30, 2025, shall revert to, and be paid and deposited in, the General Fund.

(Amended by Stats. 2020, Ch. 15, Sec. 12. (AB 83) Effective June 29, 2020.)

- **50220.5.** (a) To receive a round 2 program allocation, an applicant shall submit an application according to a calendar established by the council consistent with the following requirements:
 - (1) The council shall make an application for round 2 program allocations available no later than November 30, 2020.
 - (2) Applications shall be due to the council no later than 60 days from the date the council makes those applications available pursuant to paragraph (1).
 - (3) Within 60 days of receiving an application pursuant to paragraph (2), the council shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:
 - (A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and stated measurable goals as defined in paragraphs (4) and (5), respectively, of subdivision (b).
 - (B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated measurable goals as defined in paragraphs (3), (4), and (5), respectively, of subdivision (b) and with evidence-based solutions to reduce homelessness.
 - (C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective performance standards in accordance with Sections 50221 and 50222.
 - (4) An applicant whose application has been returned pursuant to paragraph (3) shall respond to the council's requested amendments and submit a revised application within 45 days. Where the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.
 - (5) The council shall have 30 days within which to approve the application, as amended, to address the council's concerns.
- (b) An application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:
 - (1) A demonstration of how the jurisdiction has coordinated, and will continue to coordinate, with other jurisdictions, particularly regarding their share of the regional need to address homelessness, and how the requested funds will help meet the jurisdiction's share of that need and coordinate with other regional funding.
 - (2) Identification of all funds currently being used or anticipated to be used by the applicant to provide housing and homeless services for the homeless populations in the jurisdiction, including all federal, state, and local funds. Funds described in this paragraph specifically includes funding made available under the federal Emergency Solutions Grants Program (42 U.S.C. Sec. 11371 et seq.), the federal Community Development Block Grant Program (42 U.S.C. Sec. 5301 et seq.), or the federal Coronavirus Relief Fund (42 U.S.C. Sec. 801) pursuant to the federal Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) where applicable.
 - (3) An assessment of the current number of people experiencing homelessness, existing programs and funding which address homelessness within the jurisdiction, and a detailed identification of gaps in housing and homeless services for the homeless populations in the jurisdiction utilizing any relevant and available data from the United States Department of Housing and Urban

Development homeless point-in-time count, continuum of care housing inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.

- (4) An outline of proposed uses of funds requested and an explanation of how the proposed use of funds will complement the funds described in paragraph (2) and equitably close the gaps identified pursuant to paragraph (3).
- (5) A list of clearly defined and measurable goals, including, but not limited to, the number of individuals to be served and, of those served, the number to be successfully placed in permanent housing as a result of requested funding.
- (6) Evidence of connection with the local homeless coordinated entry system.
- (7) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.
- (c) The council may request additional documentation and information from the applicant with respect to round 2 program allocations consistent with the requirements of subdivision (b).
- (d) Except as provided in subdivisions (e) and (f), a recipient of a round 2 program allocation shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations including any of the following:
 - (1) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.
 - (2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.
 - (3) Street outreach to assist persons experiencing homelessness to access permanent housing and services.
 - (4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.
 - (5) 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.
 - (6) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.
 - (7) Prevention and shelter diversion to permanent housing, including rental subsidies.
 - (8) New navigation centers and emergency shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:
 - (i) The number of available shelter beds in the city, county, or region served by a continuum of care.
 - (ii) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.
 - (iii) Shelter vacancy rate in the summer and winter months.
 - (iv) Percentage of exits from emergency shelters to permanent housing solutions.
 - (v) A plan to connect residents to permanent housing.
- (e) Up to 5 percent of an applicant's round 2 program allocation may be expended for the following uses that are intended to meet federal requirements for housing funding:
 - (1) Strategic homelessness plan, as defined in Section 578.7(c) of Title 24 of the Code of Federal Regulations.
 - (2) Infrastructure development to support coordinated entry systems and Homeless Management Information Systems.
- (f) The applicant shall not use more than 7 percent of a round 2 program allocation for administrative costs incurred by the city, county, or continuum of care 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.
- (g) A recipient of a round 2 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.
- (h) Notwithstanding Section 27011 of the Government Code, or any other statute governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.
- (i) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have

- no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.
- (j) The council shall post submitted final round 2 program applications to its internet website within 30 days of disbursal to the applicant.
- (k) (1) (A) On or before May 31, 2023, a recipient shall contractually obligate not less than 50 percent of round 2 program allocations.
 - (B) Recipients that are counties shall contractually obligate the full round 2 program allocation awarded to them by the council on or before this date. Any funds that are not contractually obligated by this date shall be reverted to the continuum of care that serves the county.
 - (2) If less than 50 percent is obligated after May 31, 2023, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of round 2 program allocations required to have been obligated pursuant to subparagraph (A) of paragraph (1) unless and until both of the following occur:
 - (A) On or before June 30, 2023, the recipient submits an alternative disbursement plan that includes an explanation for the delay.
 - (B) The council approves the alternative disbursement plan.
 - (3) On or before December 31, 2023, recipients that are continuums of care and cities shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) of paragraph (2) for a subsequent round of awards by the council.
- (I) The council may request additional information, as needed, to meet other applicable reporting or audit requirements.
- (m) In addition to requirements in Section 50222, the council may monitor the expenditures and activities of an applicant, as the council deems necessary, to ensure compliance with round 2 program requirements.
- (n) The council may, as it deems appropriate or necessary, request the repayment of round 2 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.
- (o) Any remaining amounts of round 2 program allocation funds not expended by June 30, 2026, shall revert to, and be paid and deposited in, the General Fund.

(Added by Stats. 2020, Ch. 15, Sec. 13. (AB 83) Effective June 29, 2020.)

- 50220.6. (a) Notwithstanding any law, a recipient that enters into an agreement as set forth in paragraph (10) of subdivision (a) of Section 50219, paragraph (7) of subdivision (b) of Section 50225.5, clause (iii) of subparagraph (B) of paragraph (3) of subdivision (b) of Section 50220.7, and subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.8 shall provide data elements, including, but not limited to, health information, in a manner consistent with federal law, to the statewide Homeless Management Information System when the system becomes available.
- (b) (1) The council shall specify the form and substance of the required data elements.
 - (2) The council may, as required by operational necessity, amend or modify data elements, disclosure formats, or disclosure frequency.
- (c) Any health information provided to, or maintained within, the statewide Homeless Management Information System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).
- (d) For purposes of this paragraph, "health information" means "protected health information," as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and "medical information," as defined in subdivision (j) of Section 56.05 of the Civil Code. (Amended by Stats. 2022, Ch. 28, Sec. 98. (SB 1380) Effective January 1, 2023.)
- **50220.7.** (a) (1) 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 system performance measures based on the Homeless Management Information System performance measures as described in subdivision (b).
 - (2) 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 pursuant to paragraph (1).
 - (3) If an applicant does not submit a completed standard agreement by the deadline specified in paragraph (2), the council may distribute that applicant's share of round 3 program funds to an eligible overlapping jurisdiction, as determined by the council.

- (4) (A) (i) 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 pursuant to subdivision (a) of Section 50218.6.
 - (ii) (I) A city, city and county, single continuum of care, or county may apply jointly with a counterpart entity or entities. An applicant that applies jointly pursuant to this paragraph shall instead be allocated 25 percent of the jointly applying jurisdictions' total allocation pursuant to subdivision (a) of Section 50218.6.
 - (II) A joint application submitted pursuant to this clause shall include, at minimum, evidence of collaboration between the jointly applying applicants and an explanation of how the jointly applying applicants will administer the funds allocated to them pursuant to this section.
 - (B) 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.
- (5) 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:
 - (A) Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building the capacity of providers to administer culturally specific services.
 - (B) Funding existing evidence-based programs serving people experiencing homelessness.
 - (C) Investing in data systems to meet reporting requirements or strengthen the recipient's Homeless Management Information System.
 - (D) Improving homeless point-in-time counts.
 - (E) Improving coordinated entry systems to strengthen coordinated entry systems to eliminate racial bias, to create a youth-specific coordinated entry system or youth-specific coordinated entry access points, or to improve the coordinated entry assessment tool to ensure that it contemplates the specific needs of youth experiencing homelessness.
- (b) 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 system performance measures in accordance with the following requirements:
 - (1) The applicant shall engage with the council on its local plan and system performance measures before submitting a complete application.
 - (2) For city, county, and continuum of care applicants, local homelessness action plans pursuant to subparagraph (A) of paragraph
 - (3) and system performance measures pursuant to subparagraph (C) of paragraph (3) shall be agendized at a regular meeting of the governing body, including receiving public comment, before being submitted to the council.
 - (3) A complete application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:
 - (A) A local homelessness action plan, which shall include all of the following:
 - (i) A local landscape analysis that assesses the current number of people experiencing homelessness and existing programs and funding which address homelessness within the jurisdiction, utilizing any relevant and available data from the Homeless Data Integration System, the United States Department of Housing and Urban Development's homeless point-intime count, continuum of care housing inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.
 - (ii) Identification of the number of individuals and families served, including demographic information and intervention types provided, and demographic subpopulations that are underserved relative to their proportion of individuals experiencing homelessness in the jurisdiction.
 - (iii) Identification of all funds, including state, federal and local funds, currently being used, and budgeted to be used, to provide housing and homelessness-related services to persons experiencing homelessness or at imminent risk of homelessness, how this funding serves subpopulations, and what intervention types are funded through these resources.

- (iv) Applicants may submit an analysis that was completed in the last three-years if it meets the requirements of this subparagraph, with any relevant updates to the current available funding.
- (B) A narrative that includes the following:
 - (i) An outline of proposed uses of funds requested and an explanation of how the proposed use of funds will complement existing local, state, and federal funds and equitably close the gaps identified pursuant to subparagraph (A).
 - (ii) Evidence of connection with the local homeless Coordinated Entry System.
 - (iii) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.
 - (iv) A demonstration of how the jurisdiction has coordinated, and will continue to coordinate, with other jurisdictions, including the specific role of each applicant in relation to other applicants in the region.
 - (v) A demonstration of the applicant's partnership with, or plans to use funding to increase partnership with, local health, behavioral health, social services, and justice entities and with people with lived experiences of homelessness.
 - (vi) A description of specific actions the applicant will take to ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.
 - (vii) A description of how the applicant will make progress in preventing exits to homelessness from institutional settings, include plans to leverage funding from mainstream systems for evidence-based housing and housing-based solutions to homelessness.
 - (viii) Specific and quantifiable systems improvements that the applicant will take to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, including, but not limited to, the following:
 - (I) Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building the capacity of providers to administer culturally specific services.
 - (II) Strengthening the data quality of the recipient's Homeless Management Information System.
 - (III) Increasing capacity for pooling and aligning housing and services funding from existing, mainstream, and new funding.
 - (IV) Improving homeless point-in-time counts.
 - (V) Improving coordinated entry systems to strengthen coordinated entry systems to eliminate racial bias, to create a youth-specific coordinated entry system or youth-specific coordinated entry access points, or to improve the coordinated entry assessment tool to ensure that it contemplates the specific needs of youth experiencing homelessness.
 - (ix) Plans shall include strategies to meet system performance measures pursuant to subparagraph (C).
- (C) (i) Applicants shall establish system performance measures that prevent and reduce homelessness from July 1, 2021, through June 30, 2024, informed by the findings from the local landscape analysis described in subparagraph (A) and the jurisdiction's base system performance measure from 2020 calendar year data in the Homeless Data Integration System. The system performance measures shall set definitive metrics, based on the United States Department of Housing and Urban Development's system performance measures, for achieving the following:
 - (I) Reducing the number of persons experiencing homelessness.
 - (II) Reducing the number of persons who become homeless for the first time.
 - (III) Increasing the number of people exiting homelessness into permanent housing.
 - (IV) Reducing the length of time persons remain homeless.
 - (V) Reducing the number of persons who return to homelessness after exiting homelessness to permanent housing.
 - (VI) Increasing successful placements from street outreach.
 - (VII) Homeless Management Information System trackable data goals related to the system performance measures listed above as they apply to underserved populations and populations disproportionately impacted by homelessness.

- (ii) Each applicant shall determine its system performance measures in consultation with the council, and shall not submit its final system performance measures before consulting with the council.
- (iii) The council shall assess system performance measures in the application based on the information provided in the local homeless action plan and the applicant's baseline data on the system performance measures described in this subparagraph and determine whether the system performance measures adequately further the objectives of reducing and preventing homelessness pursuant to this subparagraph.
- (iv) Initial system performance measures should be met no later than June 30, 2024, and system performance measures shall be updated regularly, as funding continues.
- (c) The council may request additional documentation and information from the applicant during consultation consistent with respect to round 3 program allocations consistent with the requirements of subdivision (b).
- (d) (1) Within 30 days of receiving the final applications pursuant to subdivision (b), the council shall either approve the application and issue the notice of award to allocate the remaining percent of an applicant's funding pursuant to subdivision (a) of Section 50218.6 or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:
 - (A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and agreed upon system performance measures.
 - (B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated system performance measures and with evidence-based solutions to reduce homelessness.
 - (C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective outcome standards in accordance with Sections 50221, 50222, and 50223.
 - (2) An applicant whose application has been returned pursuant to paragraph (1) 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. If the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.
 - (3) 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.
- (e) Except as provided in subdivision (f), 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:
 - (1) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.
 - (2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.
 - (3) Street outreach to assist persons experiencing homelessness to access permanent housing and services.
 - (4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.
 - (5) 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.
 - (6) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.
 - (7) Prevention and shelter diversion to permanent housing, including rental subsidies.
 - (8) 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:
 - (A) The number of available shelter beds in the city, county, or region served by a continuum of care.
 - (B) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.
 - (C) Shelter vacancy rate in the summer and winter months.

- (D) Percentage of exits from emergency shelters to permanent housing solutions.
- (E) A plan to connect residents to permanent housing.
- (F) 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.
- (9) Improvements to existing emergency shelters to lower barriers and increase privacy.
- (f) 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.
- (g) 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.
- (h) Notwithstanding Section 27011 of the Government Code, or any other law governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.
- (i) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.
- (j) The council and recipients shall post final round 3 program applications to their respective internet websites within 30 days of disbursal to the applicant.
- (k) (1) (A) Except as otherwise provided in subparagraph (B), a recipient shall contractually obligate not less than 50 percent of round 3 program allocations no later than May 31, 2024.
 - (B) Recipients that are counties shall contractually obligate the full amount of round 3 program allocation awarded to them by the council on or before the date specified in subparagraph (A). Any funds that are not contractually obligated by this date shall revert to the continuum of care that serves the recipient county.
 - (2) If less than 50 percent is obligated after May 31, 2024, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of round 3 program allocations required to have been obligated pursuant to subparagraph (A) of paragraph (1) unless both of the following occur:
 - (A) On or before June 30, 2024, the recipient submits an alternative disbursement plan that includes an explanation for the delay.
 - (B) The council approves the alternative disbursement plan submitted pursuant to subparagraph (A).
 - (3) On or before December 31, 2024, recipients that are continuums of care and cities shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) of paragraph (2), and those funds shall be reallocated to round 3 grantees pursuant to the provisions of this chapter.
- (l) (1) No later than June 30, 2024, recipients shall demonstrate whether they have successfully met their system performance measures pursuant to subparagraph (C) of paragraph (3) of subdivision (b).
 - (2) Jurisdictions that have not met their system performance measures shall accept technical assistance from council staff. In addition, jurisdictions that have not met their system performance measures may also be required to limit the allowable uses of these program funds, as determined by the council.
- (m) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.
- (n) In addition to requirements in Section 50222, the council may monitor the expenditures and programmatic activities of an applicant, as the council deems necessary, to ensure compliance with round 3 program requirements and adequate progress towards meeting system performance measures.
- (o) The council may, as it deems appropriate or necessary, request the repayment of round 3 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.
- (p) Any remaining amounts of round 3 program allocation funds not expended by June 30, 2026, shall be available for round 4 of the program pursuant to Section 50218.7.

- 50220.8. (a) (1) The council shall make an application for round 4 program allocations available no later than September 30, 2022.
 - (2) Applications shall be due to the council no later than 60 days from the date the council makes those applications available pursuant to paragraph (1).
 - (3) Within 30 days of receiving an application pursuant to paragraph (2), the council shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:
 - (A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and stated system performance measures.
 - (B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with evidence-based solutions to reduce homelessness.
 - (C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective performance standards in accordance with Sections 50221, 50222, and 50223.
 - (4) An applicant whose application has been returned pursuant to paragraph (3) shall respond to the council's requested amendments and submit a revised application within 30 days. Where the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.
 - (5) The council shall have 30 days within which to approve the application if, as amended, it addressed the council's concerns or to provide the grantee with additional guidance and a deadline for further amending to fully address the council's concerns.
- (b) To receive a round 4 program allocation, an applicant shall submit an application to the council. A complete application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:
 - (1) A local homelessness action plan that includes the following, with data updated from the local homelessness action plan included in an application for a round 3 program allocation pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 50220.7:
 - (A) A local landscape analysis that assesses the current number of people experiencing homelessness and existing programs and funding which address homelessness within the jurisdiction, utilizing any relevant and available data from the Homeless Data Integration System, the United States Department of Housing and Urban Development's homeless point-in-time count, continuum of care housing inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.
 - (B) Identification of the number of individuals and families served, including demographic information and intervention types provided, and demographic subpopulations that are underserved relative to their proportion of individuals experiencing homelessness in the jurisdiction.
 - (C) Identification of all funds, including state, federal and local funds, currently being used, and budgeted to be used, to provide housing and homelessness-related services to persons experiencing homelessness or at imminent risk of homelessness, how this funding serves subpopulations, and what intervention types are funded through these resources.
 - (2) (A) New system performance measures that are specific, ambitious, achievable, and quantifiable to prevent and reduce homelessness from July 1, 2022, through June 30, 2025, informed by the findings from the local landscape analysis described in subparagraph (A) of paragraph (1) and the jurisdiction's system performance measures specified in its application for a round 3 program allocation pursuant to subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.7. The system performance measures shall be based on the United States Department of Housing and Urban Development's system performance measures, including:
 - (i) Reducing the number of persons experiencing homelessness.
 - (ii) Reducing the number of persons who become homeless for the first time.
 - (iii) Increasing the number of people exiting homelessness into permanent housing.

- (iv) Reducing the length of time persons remain homeless.
- (v) Reducing the number of persons who return to homelessness after exiting homelessness to permanent housing.
- (vi) Increasing successful placements from street outreach.
- (vii) Homeless Management Information System trackable data goals related to the system performance measures listed above as they apply to underserved populations and populations disproportionately impacted by homelessness.
- (B) (i) Each applicant shall determine its system performance measures that build upon prior year system performance measures in consultation with the council, and shall not submit its final system performance measures before consulting with the council.
 - (ii) The council shall assess system performance measures in the application based on the information provided in the local homeless action plan and the applicant's baseline data on the system performance measures described in this paragraph and determine whether the system performance measures adequately further the objectives of reducing and preventing homelessness pursuant to this paragraph, and may request additional documentation, information, or revisions to the system performance measures.
- (3) A narrative that includes the following:
 - (A) An outline of proposed uses of funds requested and an explanation of how the proposed use of funds will complement existing local, state, and federal funds and equitably close the gaps identified pursuant to paragraph (1).
 - (B) Evidence of connection with the local homeless Coordinated Entry System.
 - (C) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.
 - (D) A demonstration of how the jurisdiction has coordinated, and will continue to coordinate, with other jurisdictions, including the specific role of each applicant in relation to other applicants in the region.
 - (E) A demonstration of the applicant's partnership with, or plans to use funding to increase partnership with, local health, behavioral health, social services, and justice entities and with people with lived experiences of homelessness.
 - (F) A description of specific actions the applicant will take to ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.
 - (G) A description of how the applicant will make progress in preventing exits to homelessness from institutional settings, include plans to leverage funding from mainstream systems for evidence-based housing and housing-based solutions to homelessness.
 - (H) Specific and quantifiable systems improvements that the applicant will take to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, including, but not limited to, the following:
 - (i) Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building the capacity of providers to administer culturally specific services.
 - (ii) Strengthening the data quality of the recipient's Homeless Management Information System.
 - (iii) Increasing capacity for pooling and aligning housing and services funding from existing, mainstream, and new funding.
 - (iv) Improving homeless point-in-time counts.
 - (v) Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.
 - (vi) Plans shall include strategies to meet system performance measures pursuant to paragraph (2).
- (4) For city, county, and continuum of care applicants, an application pursuant to this subdivision shall be agendized at a regular meeting by the governing body, including receiving public comment, before being submitted to the council.
- (c) The council may request additional documentation and information from the applicant during consultation consistent with respect to round 4 program allocations consistent with the requirements of subdivision (b).

- (d) (1) Within 30 days of receiving the final applications pursuant to subdivision (b), the council shall either approve the application and issue the notice of award to disburse 50 percent of an applicant's funding pursuant to subdivision (a) of Section 50218.7 or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:
 - (A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and agreedupon system performance measures.
 - (B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated system performance measures and with evidence-based solutions to reduce homelessness.
 - (C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective outcome standards in accordance with Sections 50221, 50222, and 50223.
 - (2) Upon approval of an application pursuant to this section, the council shall disburse 50 percent of an eligible city's, county's, or continuum of care's total allocation pursuant to subdivision (a) of Section 50218.7.
- (e) Except as provided in subdivision (f), a recipient of a round 4 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:
 - (1) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.
 - (2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.
 - (3) Street outreach to assist persons experiencing homelessness to access permanent housing and services.
 - (4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.
 - (5) 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.
 - (6) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.
 - (7) Prevention and shelter diversion to permanent housing, including rental subsidies.
 - (8) 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:
 - (A) The number of available shelter beds in the city, county, or region served by a continuum of care.
 - (B) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.
 - (C) Shelter vacancy rate in the summer and winter months.
 - (D) Percentage of exits from emergency shelters to permanent housing solutions.
 - (E) A plan to connect residents to permanent housing.
 - (F) Any new interim sheltering funded by round 4 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.
 - (9) Improvements to existing emergency shelters to lower barriers and increase privacy.
- (f) An applicant shall not use more than 7 percent of a round 4 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.
- (g) A recipient of a round 4 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.
- (h) Notwithstanding Section 27011 of the Government Code, or any other law governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.

- (i) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.
- (j) The council and recipients shall post final round 4 program applications to their respective internet websites within 30 days of disbursal to the applicant.
- (k) (1) A recipient shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial round 4 program allocations made to it pursuant to paragraph (2) of subdivision (d) no later than May 31, 2025.
 - (2) Upon demonstration by a recipient city, county, or continuum of care that it has complied with the requirement to contractually obligated and expend a minimum amount of its round 4 program allocation pursuant to paragraph (1), and remains on track to meet its system performance measures, as determined by the council pursuant to Section 50223, the council shall disburse to that recipient the remaining 50 percent of its total allocation pursuant to subdivision (a) of Section 50218.7.
 - (3) If less than 75 percent of a recipient's round 4 program allocation made pursuant to paragraph (2) of subdivision (d) is obligated, or less than 50 percent of that amount is expended, after May 31, 2025, the recipient shall not contractually obligate or expend any remaining portion of its round 4 program allocations, and the council shall not allocate to the recipient the remaining 50 percent of its total allocation, unless both of the following occur:
 - (A) On or before June 30, 2025, the recipient submits an alternative disbursement plan that includes an explanation for the delay.
 - (B) The council approves the alternative disbursement plan submitted pursuant to subparagraph (A).
 - (4) On or before December 31, 2026, a recipient shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) of paragraph (3), to be reallocated for distribution pursuant to Chapter 6.5 (commencing with Section 50230).
- (l) No later than June 30, 2025, recipients shall demonstrate whether they have successfully met their system performance measures pursuant to paragraph (2) of subdivision (b).
- (m) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.
- (n) In addition to requirements in Section 50222, the council may monitor the expenditures and programmatic activities of an applicant, as the council deems necessary, to ensure compliance with round 4 program requirements and adequate progress towards meeting system performance measures.
- (o) The council may, as it deems appropriate or necessary, request the repayment of round 4 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.
- (p) Any remaining amounts of round 4 program allocation funds not expended by June 30, 2027, shall revert to, and be paid and deposited in, the General Fund.
- (q) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2023. (Amended by Stats. 2024, Ch. 48, Sec. 5. (AB 166) Effective July 2, 2024.)
- <u>50221.</u> (a) After receiving program funds, a recipient, by April 1 of the year following receipt of the funds and annually on that date thereafter until all funds have been expended, shall submit a report to the department on a form and method provided by the department that includes all of the following, as well as any additional information the department deems appropriate or necessary:
 - (1) An ongoing tracking of the specific uses and expenditures of any program funds broken out by eligible uses listed, including the current status of those funds.
 - (2) The number of homeless individuals served by the program funds in that year, and the total number of homeless individuals served in all years of the program.
 - (3) The types of housing assistance provided, broken out by the number of individuals.
 - (4) Outcome data for an individual served through program funds, including the type of housing that an individual exited to, the percent of successful housing exits, and exit types for unsuccessful housing exits.
- (b) No later than April 1, 2026, each applicant that receives a round 1 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.

- (c) The department shall post this information to its internet website within 30 days of receipt and provide notice to the Senate Housing Committee, Assembly Housing and Community Development Committee, and the appropriate budget committees. (Amended by Stats. 2024, Ch. 48, Sec. 6. (AB 166) Effective July 2, 2024.)
- <u>50222.</u> (a) Beginning in 2021, in addition to the data required on the report under Section 50221, applicants shall provide the following information for both rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the department:
 - (1) Data collection shall include, but not be limited to, information regarding individuals and families served, including demographic information, information regarding partnerships among entities or lack thereof, and participant and regional outcomes.
 - (2) The performance monitoring and accountability framework shall include clear metrics, which may include, but are not limited to, the following:
 - (A) The number of individual exits to permanent housing, as defined by the United States Department of Housing and Urban Development, from unsheltered environments and interim housing resulting from this funding.
 - (B) Racial equity, as defined by the department in consultation with representatives of state and local agencies, service providers, the Legislature, and other stakeholders.
 - (C) Any other metrics deemed appropriate by the department and developed in coordination with representatives of state and local agencies, advocates, service providers, and the Legislature.
 - (3) Data collection and reporting requirements shall support the efficient and effective administration of the program and enable the monitoring of jurisdiction performance and program outcomes.
- (b) Based on the data collection, reporting, performance monitoring, and accountability framework established by the department pursuant to subdivision (a), all recipients of a program allocation, no later than April 1 of the year following receipt of funds, and annually on that date thereafter until all funds have been expended, shall submit a report to the department in a format provided by the department.
- (c) No later than April 1, 2027, each recipient that receives a round 2 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
- (d) Data collection and data sharing pursuant to this chapter shall be conducted and maintained in accordance with all applicable state and federal privacy and confidentiality laws and regulations.
- (e) The client information and records of services provided pursuant to this chapter shall be subject to the requirements of Section 10850 of the Welfare and Institutions Code and shall be exempt from inspection under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Part 1 of the Government Code).
- (f) Notwithstanding any other law, data collected through the administration and operation of this chapter shall be captured based on the Homeless Management Information System data standards set forth by the United States Department of Housing and Urban Development and by any other means specified by the department, and may be shared with other programs to maximize the efficient and effective provision of public benefits and services, and to evaluate this chapter or its impact on other public benefit and services programs.

(Amended by Stats. 2025, Ch. 22, Sec. 45. (AB 130) Effective June 30, 2025.)

- **50223.** (a) In addition to the data required under Sections 50221 and 50222, applicants shall provide the following information for all rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the department:
 - (1) (A) Data on the applicant's progress towards meeting their system performance measures, which shall be submitted annually on April 1 of each year reporting through December 31 of the prior year for the duration of the program.
 - (B) If the applicant has not made significant progress toward their system performance measures, the applicant shall submit a description of barriers and possible solutions to those barriers.
 - (C) Applicants that do not demonstrate significant progress towards meeting system performance measures shall accept technical assistance from the department and may also be required to limit the allowable uses of these program funds, as determined by the department.

- (2) A monthly fiscal report of program funds expended and obligated in each allowable budget category approved in their application for program funds.
- (b) No later than April 1, 2027, each recipient that receives a round 3 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
- (c) No later than April 1, 2028, each recipient that receives a round 4 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
- (d) No later than April 1, 2029, each recipient that receives a round 5 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
- (e) No later than April 1, 2030, each recipient that receives a round 6 allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
- (f) The department shall post the information described in this section on its internet website within 30 days of its receipt of the information, and provide notice to the Senate Committee on Housing, Assembly Committee on Housing and Community Development, and the appropriate budget committees.

(Amended by Stats. 2025, Ch. 22, Sec. 46. (AB 130) Effective June 30, 2025.)