

State of California 2019-2020 Annual Action Plan Substantial Amendment

The following amendment language will be added to the 2019-2020 Annual Action Plan to allow the state access to emergency funding intended to provide a timely response to the impacts of the COVID-19 pandemic. The full text of the existing plan may be found at <https://www.hcd.ca.gov/policy-research/plans-reports/docs/Draft-2019-20-Annual-Action-Plan.pdf>

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act or the “CARES Act”. The Act identified additional funding for the Emergency Solutions Grant (ESG) Program, the Community Development Block Grant (CDBG) program, and the Housing Opportunities for Persons with AIDS (HOPWA) to support preparation for, and response to, the community impacts of the COVID-19 pandemic. The distribution plan of the U.S. Department of Housing and Urban Development (HUD) for the additional funding includes multiple phases: an initial phase that would allow for quick access to funding necessary to address the immediate crisis resulting from the rising pandemic, as well as later phases that would support post- pandemic community recovery.

The 2019-2020 Annual Action Plan (AP) is being amended to incorporate additional funding in the initial phase (FY 2019-2020) of HUD’s CARES Act distribution plan, and to describe the Methods of Distribution (MOD) for the CARES Act funding in the CDBG, ESG, and HOPWA programs.

Summary of Citizen Participation Process and consultation process

The Substantial Amendment to the 2019-2020 Annual Action Plan (AP Amendment) addressing additional funding from the CARES Act will be available for a public comment period of 5 days per waiver of federal regulations. The waiver may be found at <https://www.hudexchange.info/resource/6007/availability-of-waivers-of-community-cpd-grant-program-and-consolidated-plan-requirements-to-prevent-the-spread-of-covid19-and-mitigate-economic-impacts-caused-by-covid19/>. The waiver allows for added flexibility in the ESG and HOPWA programs.

The draft AP Amendment is available for comment from all interested members of the public from **Thursday, April 16, 2020 to Wednesday, April 22, 2020**.

The draft AP Amendment and the public notice document are available for review on HCD's website at <http://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>.

Please submit written comments to ConsolidatedPlan@hcd.ca.gov.

Comments may also be mailed to:

Department of Housing and Community Development
Federal Branch Suite 200
2020 W. El Camino Ave Sacramento CA, 95833

AP-12 Participation - 91.115, 91.300(c)

Summary of citizen participation process/Efforts made to broaden citizen participation

The AP Amendment addressing additional funding from the CARES Act will be available for a public comment period of 5 days per waiver of the federal regulations. The draft AP Amendment was available for comment from all interested members of the public from **Thursday, April 16, 2020 to Wednesday, April 22, 2020**. Proof of publication and public noticing has been included as an attachment to this amendment. The Department held a virtual public hearing on the plan on April 19, 2020 and took live questions and comments from participants.

Additionally, 66 written comments were received via email and by mail to Department headquarters. The public comment matrix has also been included as an attachment. Accepted comments from the matrix have been incorporated into this final version of the amendment.

The final AP Amendment is available for review on HCD's website at: <http://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>.

AP-15 Expected Resources – 91.320(c) (1,2)

Introduction

The CARES Act provides one-time funding for the following three state-level programs (funding designations for CARES Act funds is Coronavirus (CV):

- Emergency Solutions Grant CARES Act Stimulus (ESG-CV),
- Housing Opportunities for Persons with Aids CARES Act Stimulus (HOPWA-CV),
and
- Community Development Block Grant CARES Act Stimulus (CDBG-CV).

Anticipated Resources

The anticipated resources for the ESG-CV, HOPWA-CV, and CDBG-CV programs are based on award letters received in early April 2020 and indicate actual awards for these funds. Future funding for the ESG-CV and CDBG-CV is expected to address longer term impacts of the COVID-19 pandemic, however those funds will be programmed through future plans and amendments. See table of anticipated resources on following page.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year One for Annual Allocation	Expected Amount Available Year One for Program Income	Expected Amount Available Year One for Prior Year Resources	Expected Amount Available Year One for Total	Expected Amount Available Reminder of ConPlan	Narrative Description
ESG-CV	Public Federal	Financial Assistance, Overnight shelter, Rapid-Rehousing, Transitional housing	\$43,990,603.00	\$0.00	\$0.00	\$43,990,603.00	\$0.00	One-time award of funds – March 2020
CDBG-CV	Public Federal	Acquisition, Admin and Economic Development, Public Services and Facility Improvements	\$19,331,744.00	\$0.00	\$0.00	\$19,331,744.00	\$0.00	One-time award of funds – March 2020
HOPWA-CV	Public Federal	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities,	\$578,909.00	\$0.00	\$0.00	\$578,909.00	\$0.00	One-time award of funds – March 2020

Program	Source of Funds	Uses of Funds	Expected Amount Available Year One for Annual Allocation	Expected Amount Available Year One for Program Income	Expected Amount Available Year One for Prior Year Resources	Expected Amount Available Year One for Total	Expected Amount Available Reminder of ConPlan	Narrative Description
		STRMU Supportive Services, Tenant Based Rental Assistance (TBRA)						

AP-20 Annual Goals and Objectives – 91.320(c)(3) &(e)

Goals Summary Information

The figures below represent estimates of allocation goals and objectives for the additional funding provided under the CARES Act. These figures are determined by the funding recipients' priority needs.

Sort Order	Goal Name	Start Year	End Year	Category	Needs Addressed	Estimated Funding	Goal Outcome Indicator	Total
1	Provide homeless assistance and prevention services	2020	2020	Homeless	Homeless assistance and prevention services	<ul style="list-style-type: none"> ●ESG-CV Program \$43,990,603 ●HOPWA-CV \$578,909 	<ul style="list-style-type: none"> ●Tenant-based rental assistance/ Rapid Rehousing (Households Assisted) ●Homeless Person Overnight Shelter (Persons Assisted) ●HIV/AIDS Housing Operations (Household Housing Units) ●Homelessness Prevention (Persons Assisted) ●Household Housing Unit Other 	TBD
2	Increase economic development opportunities	2020	2020	Non-Housing Community Development	Economic Development Opportunities	CDBG-CV \$5,979,308	<ul style="list-style-type: none"> ●Jobs created/retained (Jobs) ●Businesses Assisted (Businesses Assisted) 	TBD

Sort Order	Goal Name	Start Year	End Year	Category	Needs Addressed	Estimated Funding	Goal Outcome Indicator	Total
3	Maintain or increase public services	2020	2020	Non-Housing Community Development	Public Services	CDBG-CV \$7,972,411	●Public service activities supporting response to COVID-19 (Persons Assisted)	TBD
4	Maintain or increase public facilities	2020	2020	Non-Housing Community Development	Public Facilities	CDBG-CV \$1,494,343	●Public Facility activities supporting healthcare capacity and housing for persons experiencing homelessness	TBD

AP-25 Allocation Priorities – 91.320(d)

Introduction

The amended percentages below are based on the expected amount of funds that will be awarded by each new program funded by the CARES Act for federal Fiscal Year (FY) 2019-2020 for eligible activities that fall within that goal. The percentages below will depend on funding awardees’ needs and demand for activities within the specified goal categories.

Funding Allocation Priorities:

Program	Increase the supply of affordable rental housing (%)	Expand homeownership and improve existing housing (%)	Provide homeless assistance & prevention services (%)	Increase economic development opportunities (%)	Maintain or increase public services (%)	Maintain or increase public facilities (%)	Colonias Set- Aside (%)	Total (%)
CDBG-CV	0	0	TBD %	TBD %	TBD %	TBD %	0 %	100%
ESG-CV	0	0	100%	0	0	0	0	100%
HOPWA-CV	0	0	100%	0	0	0	0	100%

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction

The CARES Act provides one-time funding for the following three state-level programs:

- Emergency Solutions Grant CARES Act Stimulus (ESG-CV),
- Housing Opportunities for Persons with Aids CARES Act Stimulus (HOPWA-CV), and
- Community Development Block Grant CARES Act Stimulus (CDBG-CV).

CARES Act funding will be distributed using the existing methods of distribution for the HOPWA- CV funds. The CDBG-CV and ESG-CV funds will use streamlined distribution methods to ensure funding can be distributed and expended as quickly as possible on activities that address immediate and medium-term responses to the COVID-19 pandemic. Eligible activities must be related to COVID-19 response and recovery.

Distribution Methods

CDBG-CV (Community Development Block Grant CARES Act Stimulus Program)

CDBG-CV funding will be distributed to all CDBG-eligible non-entitlement jurisdictions as a formula grant based on the formula prescribed in the Department’s Permanent Local Housing Allocation (PLHA) program (<https://www.hcd.ca.gov/grants-funding/active-funding/plha.shtml>), which is based on the formula used for allocating the Community Development Block Grant to entitlement jurisdictions (<https://www.hudexchange.info/onecpd/assets/File/CDBG-Formula-Appropriation-Process-Transcript.pdf>). The estimated formula allocation is below. The method of distribution may change as HCD sees fit or as advised by HUD to properly address the needs addressed by the CARES Act allocation or any future special allocation.

Jurisdiction	CDBG-CV Allocation	Housing Element Eligibility
Alpine County	\$56,890	Currently Ineligible
Alturas	\$66,337	Eligible
Amador City	\$55,037	Currently Ineligible
Amador County	\$112,462	Eligible
American Canyon	\$98,383	Eligible
Anderson	\$86,899	Currently Ineligible
Angels	\$68,004	Eligible
Arcata	\$147,657	Eligible
Artesia	\$113,758	Eligible
Arvin	\$116,166	Eligible
Atwater	\$132,653	Eligible
Auburn	\$100,421	Eligible
Avenal	\$87,639	Eligible
Benicia	\$118,575	Eligible
Biggs	\$59,113	Eligible

Jurisdiction	CDBG-CV Allocation	Housing Element Eligibility
Bishop	\$70,042	Eligible
Blue Lake	\$57,075	Currently Ineligible
Brawley	\$126,725	Eligible
Butte County	\$279,919	Eligible
Calaveras County	\$173,220	Eligible
Calexico	\$170,998	Eligible
Calimesa	\$74,302	Eligible
Calipatria	\$64,484	Eligible
Calistoga	\$71,338	Eligible
Capitola	\$88,010	Eligible
Carmel-by-the-Sea	\$68,560	Eligible
Chowchilla	\$92,456	Currently Ineligible
Clearlake	\$122,279	Eligible
Coalinga	\$86,343	Eligible
Colfax	\$60,224	Eligible
Colusa	\$71,894	Eligible
Colusa County	\$69,856	Eligible
Corcoran	\$95,420	Eligible
Corning	\$77,451	Eligible
Crescent City	\$67,634	Eligible
Del Norte County	\$118,019	Eligible
Dinuba	\$124,317	Eligible
Dixon	\$96,716	Eligible
Dorris	\$55,593	Eligible
Dos Palos	\$69,301	Currently Ineligible
Dunsmuir	\$60,224	Eligible
El Dorado County	\$403,103	Eligible
Etna	\$56,149	Eligible
Eureka	\$157,290	Eligible
Exeter	\$81,897	Eligible
Farmersville	\$82,268	Eligible
Ferndale	\$59,483	Eligible
Firebaugh	\$79,859	Eligible
Fort Bragg	\$89,492	Eligible
Fort Jones	\$57,816	Eligible
Fortuna	\$90,974	Eligible
Fowler	\$67,819	Eligible
Glenn County	\$89,492	Eligible
Grass Valley	\$113,573	Eligible
Greenfield	\$117,278	Eligible
Gridley	\$77,451	Eligible

Jurisdiction	CDBG-CV Allocation	Housing Element Eligibility
Grover Beach	\$101,532	Eligible
Guadalupe	\$84,676	Eligible
Gustine	\$61,521	Eligible
Hidden Hills	\$59,668	Eligible
Hollister	\$151,177	Eligible
Holtville	\$69,115	Eligible
Humboldt County	\$289,181	Eligible
Huron	\$83,379	Eligible
Imperial	\$76,525	Eligible
Imperial County	\$145,805	Eligible
Indian Wells	\$74,302	Eligible
Industry	\$54,815	Eligible
Inyo County	\$86,899	Eligible
Ione	\$63,003	Eligible
Jackson	\$73,191	Eligible
King City	\$112,462	Eligible
Kings County	\$137,099	Eligible
Lake County	\$202,859	Currently Ineligible
Lakeport	\$66,337	Currently Ineligible
Lassen County	\$85,417	Eligible
Lemoore	\$121,724	Eligible
Lincoln	\$170,442	Eligible
Lindsay	\$98,198	Eligible
Live Oak	\$75,043	Eligible
Livingston	\$91,159	Eligible
Loomis	\$68,375	Eligible
Los Banos	\$157,845	Eligible
Loyalton	\$56,519	Currently Ineligible
Madera County	\$229,904	Eligible
Mammoth Lakes	\$68,375	Eligible
Maricopa	\$55,778	Currently Ineligible
Marina	\$132,097	Currently Ineligible
Mariposa County	\$107,645	Eligible
Marysville	\$92,456	Eligible
McFarland	\$94,493	Eligible
Mendocino County	\$293,812	Currently Ineligible
Merced County	\$261,024	Eligible
Modoc County	\$63,929	Currently Ineligible
Mono County	\$64,484	Eligible
Montague	\$57,445	Eligible
Mount Shasta	\$75,228	Eligible

Jurisdiction	CDBG-CV Allocation	Housing Element Eligibility
Napa County	\$120,057	Eligible
Nevada City	\$65,966	Eligible
Nevada County	\$257,134	Eligible
Orange Cove	\$84,861	Currently Ineligible
Orland	\$77,451	Eligible
Oroville	\$114,870	Eligible
Pacific Grove	\$99,495	Eligible
Palos Verdes Estates	\$80,971	Eligible
Parlier	\$111,906	Eligible
Pismo Beach	\$83,379	Eligible
Placer County	\$382,171	Eligible
Placerville	\$92,826	Eligible
Plumas County	\$101,532	Eligible
Plymouth	\$56,334	Eligible
Point Arena	\$56,334	Eligible
Portola	\$63,003	Eligible
Rancho Mirage	\$144,323	Eligible
Red Bluff	\$103,941	Currently Ineligible
Rio Dell	\$66,152	Currently Ineligible
Rio Vista	\$80,600	Eligible
Riverbank	\$102,273	Eligible
San Benito County	\$101,532	Eligible
San Joaquin	\$65,781	Eligible
San Juan Bautista	\$63,558	Eligible
San Juan Capistrano	\$198,413	Eligible
Sand City	\$56,112	Eligible
Sanger	\$129,689	Eligible
Santa Cruz County	\$475,347	Eligible
Scotts Valley	\$86,899	Eligible
Shasta County	\$240,833	Currently Ineligible
Shasta Lake	\$85,602	Eligible
Sierra County	\$56,519	Eligible
Siskiyou County	\$119,130	Eligible
Solano County	\$107,460	Eligible
Soledad	\$101,347	Eligible
Sonora	\$76,525	Currently Ineligible
South Lake Tahoe	\$138,951	Eligible
St. Helena	\$74,487	Eligible
Suisun City	\$129,689	Eligible
Susanville	\$78,007	Eligible
Sutter County	\$97,457	Eligible

Jurisdiction	CDBG-CV Allocation	Housing Element Eligibility
Sutter Creek	\$65,781	Eligible
Taft	\$75,784	Eligible
Tehama	\$54,815	Currently Ineligible
Tehama County	\$156,586	Eligible
Trinidad	\$55,222	Currently Ineligible
Trinity County	\$101,903	Eligible
Truckee	\$87,639	Eligible
Tulare County	\$490,166	Eligible
Tulelake	\$57,260	Eligible
Tuolumne County	\$203,229	Eligible
Ukiah	\$108,757	Eligible
Vernon	\$54,630	Eligible
Wasco	\$113,573	Eligible
Weed	\$64,114	Eligible
Westmorland	\$60,780	Currently Ineligible
Wheatland	\$60,224	Currently Ineligible
Williams	\$67,634	Eligible
Willits	\$77,266	Eligible
Willows	\$78,377	Eligible
Winters	\$74,302	Eligible
Woodlake	\$75,228	Currently Ineligible
Yolo County	\$114,499	Eligible
Yountville	\$67,819	Eligible
Yreka	\$85,417	Eligible
Yuba County	\$228,607	Eligible
Local Assistance Total	\$17,579,805	
Non-Federal Tribes 1.25%	\$234,397	
Colonias 5%	\$937,590	
State of California Operations	\$579,952	
Program Total	\$19,331,744	

A total of 17 percent of the allocation will be available to each awarded jurisdiction for program administration costs. Costs incurred in COVID-19 response prior to allocation may be eligible for reimbursement as per the CARES Act. Applicants will be asked to identify pre-agreement costs as part of the simplified application.

Allocations will be made through the state's Grants Network System and will be administered on an activity basis. Any allocations that are not claimed by the respective jurisdiction will, at the end of the application and award period, be tabulated and at the Department's discretion, used to increase awarded allocations. Grantees will be able to identify up to three activities for their allocation from the following activities prioritized for

CDBG-CV funding:

- Public services to respond to COVID-19 impacts
- Public facility improvements to increase capacity for healthcare facilities
- Housing facilities for persons experiencing homelessness
- Economic development to support needs for working capital and furniture, fixtures, and equipment focusing on safety requirements

As permitted in the CARES Act, HUD has elected to waive the federal caps on public services for services that are in response to COVID-19 impacts. Grantees will be required to document that the services funded through CDBG-CV are in response to COVID-19. Any services provided that are not in response to COVID-19 will be subject to the federal 15 percent public services cap.

The Department is seeking waivers from the state statutory requirements that at least 51 percent of annual CDBG allocations be made available to housing and housing-related activities, 30 percent set-aside for economic development activities. Additionally, the Department plans to waive the 50 percent expenditure rule that generally applies to CDBG funded programs as part of the CDBG-CV NOFA. These waivers will apply only to CDBG-CV funding and will not apply to funds awarded through the 2019 and 2020 annual CDBG allocations. Jurisdictions must meet Housing Element compliance requirements as per state statute. Also as per state statute 5 percent of the CDBG-CV funds will be set aside for Colonias and 1.25 percent will be set aside for Non-Federally Recognized Tribes.

Funding from the 2019 and 2020 annual CDBG allocations for economic development activities currently available in an open Notice of Funding Availability (NOFA) will be made available on an over-the-counter first come basis to help support needs for economic development. These funds will not be subject to the CDBG-CV waivers, and applicants will be expected to meet all of the NOFA and application requirements.

The Public Facilities allocation priority for CDBG-CV is primarily for public facilities related to the provision of health and medical care, and that support housing for persons experiencing homelessness in compliance with the recommendations found at the following link: <https://www.hudexchange.info/resource/6004/covid19-systemwide-protocol-for-people-experiencing-homelessness/>.

This method of distribution is expected to facilitate immediate fund utilization and improve emergency response to critical community needs resulting from the COVID-19 pandemic.

ESG-CV (Emergency Solutions Grants CARES Act Stimulus Program)

The ESG-CV special allocation provided in the CARES Act will be utilized to prevent, prepare for, and respond to coronavirus among individuals and families who are experiencing homelessness or receiving homelessness assistance; and to support

additional homelessness assistance and homelessness prevention activities to mitigate the impacts created by coronavirus. As part of a comprehensive plan to address the ESG program goals and the impacts of coronavirus, the Department encourages collaboration between CoC Service Area funding recipients and organizations serving disproportionately impacted populations such as domestic violence organizations and those serving youth and senior populations to ensure adequate funding to these organizations.

Any future special ESG allocations will be addressed and allocated according to HUD guidance.

Describe the state program addressed by the Method of Distribution.

HCD's ESG program is traditionally distributed by formula to two separate allocations: Continuum of Care (CoC) and Balance of State (BoS). CoC allocations contain a city or county that receives ESG funds directly from HUD. BoS funds are allocated to Service Areas that do not contain a city or county that receives ESG funds directly from HUD. The ESG-CV CARES funding allocation will utilize a formula-based method of distribution for CoC and BoS Service Areas which considers factors such as HUD's homeless Point in Time (PIT) count, poverty rates, extremely low-income household renter cost burden data, coronavirus infection rates and HUD's unsheltered homeless figures.

The entirety of the federally allocated ESG-CV funds are to be utilized to address homelessness and may be used for currently eligible activities related to crisis response including:

- Emergency Shelter (ES),
- Homeless Prevention (HP),
- Street Outreach (SO),
- Rapid Rehousing (RR), and
- Homeless Management Information System (HMIS) (24 CFR §576.100).

Currently, HCD intends to distribute the funds in a direct allocation method or over the counter application method.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

The ESG-CV funding allocation will utilize a formula-based method of distribution for CoC and BoS Service Areas which considers factors such as HUD's homeless Point in Time (PIT) count, poverty rates, extremely low-income household renter cost burden data, coronavirus infection rates and HUD's unsheltered homeless figures.

Allocation

Funds will be allocated to CoC Service Areas either to currently approved units of

general- purpose local government, known as Administrative Entities (AEs), or directly to the CoC provided the CoC is a state and federally recognized non-profit government entity and has capacity to administer the funding. If the CoC does not meet these requirements, the CoC must designate an AE to administer the funding for that CoC Service area. The allocations will be made to approved AEs listed in the 2020 Continuum of Care NOFA, Appendix A issued February 28, 2020 and to CoCs listed in the 2020 Balance of State NOFA Appendix A issued February 28, 2020. These AEs must commit to administering ESG-CV funds, in collaboration with their CoC, throughout their CoC Service Area, including ensuring access to ESG-CV funds by households living in non-entitlement areas.

The estimated formula allocation is below. These allocations are estimates and may be adjusted as the formula is finalized.

CoC #	CoC Name (Grantee)	ESG-CV Allocation
526	Amador, Calaveras, Tuolumne and Mariposa Counties CoC	\$548,000
604	Bakersfield/Kern County CoC	\$907,000
519	Chico/Paradise/Butte County CoC	\$922,000
523	Colusa, Glenn, Trinity Counties CoC	\$548,000
512	Daly/San Mateo County CoC	\$834,000
521	Davis/Woodland/Yolo County CoC	\$837,000
525	El Dorado County CoC	\$437,000
514	Fresno/Madera County CoC	\$1,008,000
522	Humboldt County CoC	\$984,000
613	Imperial County CoC	\$1,028,000
530	Inyo, Mono, Alpine Counties CoC	\$365,000
529	Lake County CoC	\$670,000
600	Los Angeles City & County CoC	\$5,224,000
507	Marin County CoC	\$600,000
509	Mendocino County CoC	\$705,000
520	Merced City & County CoC	\$871,000
517	Napa City & County CoC	\$341,000
531	Nevada County CoC	\$444,000
502	Oakland/Alameda County CoC	\$1,748,000
611	Oxnard/San Buenaventura/Ventura County CoC	\$651,000
516	Redding/Shasta, Siskiyou, Lassen, Plumas, Del Norte, Modoc, Sierra Counties CoC	\$856,000
505	Richmond/Contra Costa County CoC	\$1,065,000
608	Riverside City & County CoC	\$1,478,000

CoC #	CoC Name (Grantee)	ESG-CV Allocation
515	Roseville/Rocklin/Placer County CoC	\$505,000
503	Sacramento City & County CoC	\$1,143,000
506	Salinas/Monterey, San Benito Counties CoC	\$857,000
609	San Bernardino City & County CoC	\$1,247,000
601	San Diego City and County CoC	\$2,060,000
500	San Jose/Santa Clara City & County CoC	\$2,290,000
614	San Luis Obispo County CoC	\$468,000
602	Santa Ana/Anaheim/Orange County CoC	\$2,445,000
603	Santa Maria/Santa Barbara County CoC	\$1,031,000
504	Santa Rosa/Petaluma/Sonoma County CoC	\$791,000
511	Stockton/San Joaquin County CoC	\$751,000
527	Tehama County CoC	\$676,000
510	Turlock/Modesto/Stanislaus County CoC	\$857,000
518	Vallejo/Solano County CoC	\$755,000
513	Visalia, Kings, Tulare Counties CoC	\$1,192,000
508	Watsonville/Santa Cruz City & County CoC	\$984,000
524	Yuba City & County/Sutter County CoC	\$672,000
	Local Assistance	\$41,795,000
	State Operations	\$2,195,603
	Total	\$43,990,603

The above allocation processes are the current suggested allocation methods and may change as HCD sees fit or as advised by HUD to properly address the needs addressed by the CARES Act allocation or any future special allocation.

HCD will enter into a contract with the AE, and the AE will contract directly with its selected providers. The AE shall collaborate with the CoC in administering an application selection. The local government Administrative Entities (AEs) will select applications for funding using a process that is:

1. Fair and open and avoids conflicts of interest in project selection, implementation, and the administration of funds;
2. Follows procurement requirements of 24 CFR Part 200;
3. Evaluates provider capacity and experience, including the ability to deliver services in non- entitlement areas;
4. Utilizes data and considers community input to identify unmet needs;
5. Prioritizes activities that address the highest unmet need, considering other available funding and system-wide performance measures;
6. Considers project-level performance measures when evaluating proposals;
7. Incorporates reasonable performance standards as set forth in the Action Plan based on HUD requirements and guidance. If the applicant has not implemented the

proposed activity or similar activity within the past three years, the Continuum of Care shall work with the funded applicant to ensure it meets reasonable performance standards specified in the Action Plan in the contract year;

8. Complies with federal ESG requirements; and
9. Considers any other practices promoted or required by HUD.

Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG ONLY)

ESG-CV funds will be distributed to either local governments (AEs) or non-profit homeless service providers (CoCs) per the above *Allocation*, according to factors which may include HUD's homeless PIT count, poverty rates, extremely low-income household renter cost burden data, coronavirus infection rates and rates of unsheltered homeless according to the standard ESG Method of Distribution and criteria discussed previously.

Describe how resources will be allocated among funding categories.

Individual homeless service providers may propose uses of funds in accordance with their needs.

ESG-CV Administration

Grantees may receive approximately 5 percent of their formula allocation for Administration as defined in the federal regulations.

Homeless Service Provider Indirect Cost Allocation

As permitted by the applicable grantee, homeless service providers receiving funds from an AE or CoC may charge an indirect cost allocation as calculated pursuant to 24 CFR §576.109.

The above allocation processes are the current suggested allocation methods and may change as HCD sees fit or as advised by HUD to properly address the needs addressed by the CARES Act allocation or any future special allocation.

Describe threshold factors and grant size limits.

Minimum and Maximum Grant Limits

Grantees will be responsible for setting any minimum and maximum grant amounts to subgrantees since they will be evaluating provider applications and managing the contracts. HCD will be monitoring grantees to ensure that they can effectively manage the number of awards made.

What are the outcome measures expected as a result of the method of distribution?

The method of distribution for ESG-CV is designed to align with the CARES Act and any future special allocation goals. The specific goals and goal outcome indicators associated with ESG- CV activities in the Strategic Plan are addressing and preventing homelessness (Goal Outcome Indicators: Households Assisted, Persons Assisted).

For the CARES Act funding allocation, ESG-CV anticipates serving as many unsheltered homeless as possible, if not all unsheltered homeless; increasing the availability of Rapid Rehousing facilities; and increasing the number of Rapid Rehousing recipients, Emergency Shelter services recipients, and Homeless Prevention services recipients proportionate to the currently undetermined total CARES Act funding allocation to HCD.

HOPWA-CV (Housing Opportunities for Persons with AIDS CARES Act Stimulus Program)

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) supplemental HOPWA funds, will allow our HOPWA grantees to pay for an increased number of hotel/motel and extend the length of time they can provide short-term rent, mortgage, and utility (STRMU) assistance to eligible households to prevent homelessness of a tenant or mortgagor of a dwelling for a period of up to 24 months. Hotel/motel assistance will provide lodging at hotels, motels, or other locations to quarantine HOPWA-eligible persons or their household members. The Office of AIDS (OA) will notify current HOPWA grantees about the available funds. Distribution of funds will be based on need, COVID-19 impact in the jurisdiction, and number of persons to be served.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

As part of the CARES Act, HUD has temporarily waived FMR limits for the ESG-CV funding. This waiver impacts both the existing ESG allocations as well as the ESG-CV funding. The waiver is intended to help address the wide variances in housing costs, not just between urban and rural areas, but nation-wide. This waiver will be critical in ensuring that the funding can be used as intended to help people in the timeframe required to make a timely response to community needs.

HUD has proposed additional regulatory relief as part of the CARES Act, by providing

increased administration percentages, reduced match requirements, and reduced use restrictions on the ESG-CV funds. These reduced restrictions, along with the urgency required to get the ESG-CV funds utilized, necessitated a waiver of the state's ESG regulations, which included the proscribed method of distribution as well as use requirements that had frustrated CoCs and homelessness responders. The Department will be exploring the opportunity to transition from ESG regulations to more flexible guidelines to support adaptability and responsiveness to the ongoing impacts of the COVID-19 virus and evolving needs to effectively reduce homelessness in the state.

2019-2020 Annual Action Plan Substantial Amendment

April 22, 2020 Public Comment Matrix

Line Item: 1

Commenter: Tim Kiser

Jurisdiction or Agency: City of Grass Valley Administration

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 2

Commenter: Krista Niemczyk

Jurisdiction or Agency: CA Partnership to End Domestic Violence

Comment Type: The plan is insufficient

Comment Notes: Recommend that HCD:

1) Provide clear guidance to new awardees of ESG funds to dedicate a portion of distribution towards DV organizations, establish standards for fund distributions to those same agencies.

2) Create policies that are mindful of the obligations of DV programs under confidentiality laws, such as VAWA, barring these programs from submitting certain data and participating in the Homeless Management Information System. Proposes data can be submitted from a comparable database would represent a logical path forward.

3) Use previous clarifications from HUD to allow for transitional housing to be an eligible activity under CARES ESG. Offer clear guidance and support for applicants to apply for both Emergency Shelter and Homelessness Prevention as well.

4) Create pathways to allow new entities to easily apply and reduce application burdens for smaller agencies, such as rural nonprofits or those who support traditionally underserved communities. Further ask any distributor of the funds, such as Continuum of Care (CoC), to follow the guidelines outlined herein to support survivors of DV.

Accept or Reject: Accept

If Rejected, Why? This comment is partially accepted. The ESG program does already include provisions for DV data to be submitted from a comparable database to protect client confidentiality.

ESG-CV funding will be subject only to Federal laws regulations as there is an Executive Order to come out shortly waiving all State Regs for this funding. HCD has taken many steps to reduce application burdens including a dramatically simplified application process, a single NOFA issuance and NOFA and no competitive applications required.

Line Item: 3

Commenter: William Davis, Mayor

Jurisdiction or Agency: City of Calimesa

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 4

Commenter: Sara Kleier

Jurisdiction or Agency: City of Montague

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 5

Commenter: Dean Lotter

Jurisdiction or Agency: City of Eureka

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 6

Commenter: Ed Waage

Jurisdiction or Agency: City of Pismo Beach

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 7

Commenter: Margaret Silveira

Jurisdiction or Agency: City of Lakeport

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 8

Commenter: Traci Holt

Jurisdiction or Agency: Alliance for Workforce Development, Inc. (Lassen, Modoc, Plumas and Sierra Counties)

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 9

Commenter: Jessaca Lugo

Jurisdiction or Agency: City of Shasta Lake

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 10

Commenter: Melanie Mintz

Jurisdiction or Agency: City of El Cerrito

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 11

Commenter: Ali Sajjad Taj

Jurisdiction or Agency: City of Artesia

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 12

Commenter: William Rawlings

Jurisdiction or Agency: City of Artesia

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 13

Commenter: Matt Schwartz

Jurisdiction or Agency: California Housing Partnership (CHP)

Comment Type: Proposed changes to the plan

Comment Notes: 1) That said, we would like to propose an alternative approach that would both prevent homelessness among households living in existing affordable housing developments who have lost income and will face eviction when the moratorium ends and save the entire development from foreclosure and loss of affordability. Not only does this approach protect many more households than just those facing immediate eviction, it is also more economical in that the subsidy to the affordable housing provider would be just enough to keep the property out of default rather than the full amount of lost rent. As a result, HCD's limited funds would go much further.

2) We recommend a Department level program (i.e., HCD would interact directly with housing providers as opposed to subgranting the funds to CoCs and local entities) that provides breakeven financial assistance to affordable housing developments experiencing COVID-19-related negative cash flow in return for forgiving tenant non-payments. This assistance will preserve tenancies and prevent homelessness as well as avoid foreclosure on our precious deed-restricted affordable housing stock.

Accept or Reject: Reject

If Rejected, Why? The Rapid Rehousing and Homeless Prevention activities under the Emergency Solutions Grants Program (ESG) do largely address these concerns as they provide funding for rental assistance to both those experiencing homelessness and those at risk of becoming homeless under the federal regulations. The ESG program is designed to work around the Continuums of Care and does not support HCD providing direct assistance to housing providers. This assistance would need to be through the CoCs.

Line Item: 14

Commenter: Jason Holley

Jurisdiction or Agency: City of American Canyon

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 15

Commenter: Richard Crabtree

Jurisdiction or Agency: City of Red Bluff

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 16

Commenter: Rudy Hernandez

Jurisdiction or Agency: City of Orange Cove

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 17

Commenter: Jon Hanken

Jurisdiction or Agency: City of Lone

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 18

Commenter: Mark Hendrickson

Jurisdiction or Agency: Merced County

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 19

Commenter: Merritt Perry

Jurisdiction or Agency: City of Fortuna

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 20

Commenter: Carla Javits

Jurisdiction or Agency: Roberts Enterprise Development Fund (REDF)

Comment Type: The plan is insufficient

Comment Notes: We request that the State plan and guidance to local California jurisdictions explicitly reference employment social enterprises as an effective investment eligible for CDBG support. We are glad to provide further details as needed.

Accept or Reject: Reject

If Rejected, Why? These enterprises are already eligible. We do not have any data on effectiveness and cannot legitimately claim that they do or do not work in CA or that they would be more or less effective in the current environment.

Line Item: 21

Commenter: Yvonne Kimball

Jurisdiction or Agency: City of Jackson

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 22

Commenter: Nathan Olson

Jurisdiction or Agency: City of Lemoore

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 23

Commenter: Lee Ann Eager

Jurisdiction or Agency: Fresno County Economic Development Corporation

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 24

Commenter: Scott Adair

Jurisdiction or Agency: County of Humboldt Economic Development Division

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 25

Commenter: Ron Phillips

Jurisdiction or Agency: City of Bishop

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 26

Commenter: Stacy Souza Elms

Jurisdiction or Agency: City of Los Banos

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 27

Commenter: Henry Ebinger

Jurisdiction or Agency: City of Tulelake

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 28

Commenter: Douglas Crane

Jurisdiction or Agency: City of Ukiah

Comment Type: Proposed changes to the plan

Comment Notes: CALED Support Letter Template MODIFIED -

proposes the following streamlining measures be added to distribution methodology for CDBG-CV funding:

1. Within the CDBG Business Assistance program, reduce or eliminate requirements within the HUD “6 Underwriting Criteria,” as follows:

a) Eliminate the requirement that project costs are reasonable for businesses determined “non-essential” by the Governor’s statewide shelter-at-home order. It is unrealistic to expect project costs to be reasonable for businesses unable to operate.

b) Eliminate the requirement that all sources of project financing are committed. It is unreasonable to expect businesses that can no longer operate or have restrictions on operating to have all sources of project financing committed.

c) Reduce or allow local flexibility related to proving the project’s financial feasibility.

2. Allow CDBG-CV Business Assistance loans to be forgivable.

a) Communities would receive the funds through formula (similar to entitlement jurisdictions).

b) Communities could use the funds for activities directly related to COVID-19 response, including economic development as an approved activity.

c) There will be a streamlined application process for communities to access the funds.

d) Funds would not be subject to the 50% rule.

Accept or Reject: Accept

If Rejected, Why? This comment is partially accepted. We will do our best to reduce the state underwriting requirements to federal minimums, however, we cannot reduce underwriting standards below federal requirements. We will work to eliminate any standards that are infeasible due to current situations that do not violate federal requirements. We will try to provide as much local control over program standards as feasible within federal regulations, however, we may require increased local capacity and expertise to compensate for the relaxed state requirements to protect local jurisdictions from inadvertent regulation violations. We will allow for forgivable loans. We will include a waiver to the 50% rule as part of the NOFA. The remaining asks are already included in the proposed method of distribution.

Line Item: 29

Commenter: Gurbax Sahota (CALED)

Carlyn Coleman (League of California Cities)

Jurisdiction or Agency: CALED & League of California Cities

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: Accept

If Rejected, Why? HCD will include a waiver to the 50% rule in the NOFA as per the CDBG guidelines. The remaining method of distribution design is aligned with the support letter.

Line Item: 30

Commenter: Daniel Holler

Jurisdiction or Agency: Town of Mammoth Lakes

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 31

Commenter: Marti Brown

Jurisdiction or Agency: City of Marysville

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 32

Commenter: Marissa Trejo

Jurisdiction or Agency: City of Coalinga

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 33

Commenter: James O'Callaghan

Jurisdiction or Agency: South County Economic Development Council (SCEDC)

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 34

Commenter: Douglas Dunford

Jurisdiction or Agency: City of Gustine

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 35

Commenter: Audrey Taylor

Jurisdiction or Agency: Chabin Concepts, Inc. Economic Development Consultants

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 36

Commenter: Shawn Tillman

Jurisdiction or Agency: City of Lincoln

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 37

Commenter: Mary Ann Petrillo

Jurisdiction or Agency: West Business Development Center

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 38

Commenter: Ron Moorhead

Jurisdiction or Agency: Willits Chamber of Commerce

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 39

Commenter: Eric Mondgragon

Jurisdiction or Agency: The Kelsey

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

As HCD dollars are being prioritized from the CARES Act, we want to elevate the importance of meeting the specific housing and support needs of people with disabilities. People with disabilities are disproportionately impacted by COVID19, therefore HCD's response must include: supporting people with disabilities to remain in their community-based integrated housing; providing housing options that are accessible to people with disabilities; supporting people transitioning out of hospitals and nursing homes into housing; and increasing housing supply of non-institutional, community-based and integrated, specifically that are responsive to the increased and shifting housing needs of people with disabilities and their support staff/caregivers.

Accept or Reject: Accept

If Rejected, Why? This comment is accepted, with caveats. Ongoing housing costs are not eligible for CDBG funding. Funds may not be used for long-term housing vouchers or tenant based rental assistance. Funds may be used for capital activities to improve housing units accessibility, and CDBG may fund public services that help persons with a disability to remain in their housing, including mobile healthcare, food security programs, and short-term subsistence payments for households.

Line Item: 40

Commenter: Linda Wheaton

Jurisdiction or Agency: Southern California Association of Governments (SCAG)

Comment Type: The plan is insufficient

Comment Notes: At the April 17th webinar on the pending Draft Substantial amendment implementing the CARES Act by the State of California, staff indicated intent to explore options for the eligibility of rental assistance. As you are likely aware, the Act included authority to provide housing assistance payments for rent, mortgage, utilities for up to 24 months, subject to subsequent HUD regulations .

Conditions, including the extremely high degree of renter cost burdens on very low and low income households indicated by the Consolidated Plan and other housing needs analysis, have been exacerbated by the extremely high unemployment and recession resulting from the COVID-19 pandemic. We know from past experience these conditions are likely to persist for some time, measured in years rather than months, and risk further increases to the homeless population when vulnerable households are unable to pay rent or back rent following expiration of eviction moratoria.

Accordingly, there is a high and urgent need for rental assistance programs beyond the limited availability of the federal Housing Choice Voucher program. If the State were to use all possible discretion and resources to support development and availability of a rental assistance program, available for use in prevailing federal and State assistance programs, it could address a critical need now and beyond the termination of the federal COVID-19 funds of the CARES Act.

Accept or Reject: Accept

If Rejected, Why? HCD is continuing to look at all options available through the CARES Act to provide housing assistance to at-risk and vulnerable households, as per governing HUD regulations. HCD will continue to pursue these options as additional funding is released across all federal HUD funding sources.

Line Item: 41

Commenter: JoAnn Anders

Jurisdiction or Agency: Unstated

Comment Type: Questions re the plan that need answers

Comment Notes: As a means of facilitating services and keeping administrative costs to a minimum will consideration be given to utilizing the most current income verifications, if available, as a basis for documenting income eligibility for public services such rental assistance, to avoid homelessness, funded through the CDBG CARES Act? Should an applicant for assistance not reside in a CDBG, HOME or TCAC assisted dwelling, will the full income verification process be required? Or is it possible that during this crisis HUD and/or HCD will accept a self-certification?

Accept or Reject: Accept

If Rejected, Why? This comment is partially accepted. To the extent that a self-certification or similar reduced income verification method is allowed by HUD for a CDBG funded activity, HCD will allow that certification. If additional certification is required by HUD, HCD will require the federal standard as per HUD regulations.

Line Item: 42

Commenter: Jessica Gould

Jurisdiction or Agency: Unstated

Comment Type: The plan is insufficient

Comment Notes: As HCD dollars are being prioritized from the CARES Act, we want to elevate the importance of meeting the specific housing and support needs of people with disabilities. People with disabilities are disproportionately impacted by COVID19, therefore HCD's response must include: supporting people with disabilities to remain in their community-based integrated housing; providing housing options that are accessible to people with disabilities; supporting people transitioning out of hospitals and nursing homes into housing; and increasing housing supply of non-institutional, community-based and integrated, specifically that are responsive to the increased and shifting housing needs of people with disabilities and their support staff/caregivers. As a advocate of these programs I like to emphasize the importance of this issue direct impact of COVID19 crisis has on this community. Supporting this action will bring some much needed relief.

Accept or Reject: Accept

If Rejected, Why? This comment is accepted, with caveats. Ongoing housing costs are not eligible for CDBG funding. Funds may not be used for long-term housing vouchers or tenant based rental assistance. Funds may be used for capital activities to improve housing units accessibility, and CDBG may fund public services that help persons with a disability to remain in their housing, including mobile healthcare, food security programs, and short-term subsistence payments for households.

Line Item: 43

Commenter: Patrick Blacklock

Jurisdiction or Agency: County of Yolo

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 44

Commenter: John Kennedy

Jurisdiction or Agency: Rural County Representatives of California (RCRC)

Comment Type: Proposed changes to the plan

Comment Notes: While RCRC supports your efforts to streamline distribution of funds, we request that you develop a more balanced allocation methodology that takes into consideration the state mandates imposed on county governments to implement public health and emergency response programs. The CDBG formula suggested was not designed to allocate funds in a public health emergency but rather is based on low-to-moderate housing and community development conditions. Given the reality of the unprecedented resources counties need for COVID-19 response, we respectfully ask that modify the use of the traditional CDBG formula to better reflect the needs of counties.

We strongly support the proposed plan amendments that allow California's non-entitlement communities to access this relief as quickly as possible. While we suggest modifying the allocations to better reflect costs to counties, we are not interested in any lengthy delays in implementing these changes or deploying these funds. We are hopeful that you recognize that health and human services functions are delivered predominately by counties as you finalize these programmatic changes.

Accept or Reject: Reject

If Rejected, Why? HCD recognizes that Counties do provide a substantial portion of health and human services functions in the State. However, revising the formula to focus more funding on counties at this time would substantially slow funding roll-out and would require a deviation from pre-vetted formulas. Counties that are responsible for public health have access to additional resources during the COVID crisis that many local jurisdictions do not, and weighting the formula to benefit counties would disadvantage jurisdictions with no other resources. HCD encourages jurisdictions to partner with their allocations to help make sure needs are met as quickly and efficiently as possible. Counties that need additional funding are encouraged to partner with local jurisdictions to leverage resources.

Line Item: 45

Commenter: Moke Simon

Jurisdiction or Agency: County of Lake

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 46

Commenter: Dave Noerr

Jurisdiction or Agency: City of Taft

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 47

Commenter: William Lee

Bernie Norvell

Teresa K. Abin-Smith

Jessica Morsell-Haye

Lindy Peters

Jurisdiction or Agency: City of Fort Bragg

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 48

Commenter: Sharon Rapport

Jurisdiction or Agency: Corporation for Supportive Housing (CSH)

Comment Type: Proposed changes to the plan

Comment Notes: ▪ Set aside at least 70% of state-controlled CARES Act funding for people experiencing homelessness through capital development of affordable and supportive housing for this population, operating support for affordable and supportive projects in the pipeline that will serve people experiencing homelessness, services to help people access and maintain housing stability, and rental assistance with private market landlords (even if for limited periods as bridge assistance through CDBG).

▪ Funnel Emergency Solutions Grant dollars through the California Emergency Solutions and Housing (CESH) program. Since this program is currently in place and was created to funnel previous State Emergency Solutions Grant Program dollars, we recommend using the infrastructure of the program to allocate resources for evidence-based solutions to people experiencing homelessness.

▪ Dedicate any funding intended to prevent homelessness through narrow targeting more likely to capture households at true risk of homelessness. At the very least, local jurisdictions should be required to identify predictive factors that assess risk of homelessness based on evidence. HCD could also set parameters, and should require all households deemed “at risk” are households with extremely low incomes with severe rent burden. Other parameters should include past history of homelessness and recent institutionalization.

▪ Include as prevention strategy allocations to supportive housing providers with tenants whose incomes have decreased as a result of shelter in place. These providers are experiencing deficits in rents and operating incomes.

▪ Ensure interventions have basis in evidence. There’s no evidence to show eviction defense, for example, prevents homelessness.

Accept or Reject: Reject

If Rejected, Why? While HCD is in support of funding for capital investment in supportive housing, the CARES Act aims at addressing the immediate local concerns and impacts of coronavirus, wherever that need may exist. The federal regulations for the ESG program do not allow for ESG to be used in capital development at this time. HCD is considering asking for waivers to allow capital development with ESG in future COVID funding allocations. HCD's goal in the current allocation is to allow local jurisdictions to decide how to best use this funding to most appropriately address their

individual local needs. For this reason, HCD is issuing the CARES Act funding in a minimally restrictive manner to empower recipients to decide how to make the most of the funding in their local jurisdictions. Further this specific substantial amendment encompasses the first release of CARES Act funds and is intended for immediate crisis response. The second allocation and any further allocations will be addressed in the 20/21 Action Plan and will likely target capital development and/or acquisition of priority for affordable and supportive housing.

Line Item: 49

Commenter: Zeenat Hassan

Natasha Reyes

Navneet Grewal

Micaela Connery

Allie Cannington

Ugochi Anabere-Nelson

Madeline Howard

Jurisdiction or Agency: Disability Rights California

The Kelsey

Public Law Center

Western Center on Law & Poverty

Housing Consortium of the East Bay

Comment Type: The plan is insufficient

Comment Notes: ▪ Providing rental assistance broadly, with specific set-asides for:

- People experiencing homelessness,
- People exiting institutional facilities like jails and hospitals;
- Acquiring board and care facilities at risk of closure;
- Expanding the accessibility of buildings for people with disabilities;
- Providing hygiene supplies and sanitation facilities to homeless encampments;
- Improving shelter conditions;
- Providing life-sustaining services to recipients of IHSS; and
- Providing emergency public services that link people experiencing homelessness to comprehensive, long-term resources.
- Does not want jurisdictions who are out of compliance with the Housing Element Law to be able to receive funding from CARES Act.

Accept or Reject: Accept

If Rejected, Why? This comment is accepted, with caveats. The CARES Act funding as designated in the substantial amendment has been loosely programmed by intent. HCD is allowing jurisdictions to prioritize funding toward local needs. That said, all of the activities on this list are allowable by right through either the CDBG or ESG program. It is up to local leaders to structure programs and/or identify nonprofits to respond to these needs.

Additionally, the Housing Element exemption was not included in the Executive Order waiver submitted to the Governor. Jurisdictions will need to comply with Housing Element requirements to be eligible for funding.

Line Item: 50

Commenter: Isaiah Hagerman

Jurisdiction or Agency: City of Rancho Mirage

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 51

Commenter: Beth Southorn

Jurisdiction or Agency: LifeSTEPS

Comment Type: Proposed changes to the plan

Comment Notes: It is essential that organizations like LifeSTEPS be able to access CARES Act funding for the vulnerable and low-income, especially the ESG and the CDBG Programs.

We urge HCD to ensure that the funding subject to these amendments be made available to not-for-profit providers with demonstrated experience and success in serving the populations HCD views as the priority populations, regardless of current contractual arrangements with local and state governments. It is imperative that organizations like LifeSTEPS have the wherewithal to continue providing their essential services irrespective of the status of current funding sources.

Accept or Reject: Reject

If Rejected, Why? HCD strongly encourages partnerships between jurisdictions and CoC's (and their administrative entities) and non-profits. However, non-profits that are not designated CoC's may not directly apply for ESG funding and only jurisdictions may apply for CDBG funds. HCD considers partnership with non-profits to support proof of capacity and provides other preferences when reviewing applications to established non-profit partnerships.

Line Item: 52

Commenter: Carmel Angelo

Jurisdiction or Agency: County of Mendocino

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 53

Commenter: Eric Dowdy

Jurisdiction or Agency: LeadingAge California

Comment Type: Proposed changes to the plan

Comment Notes: Federally-and/or-state assisted senior housing communities to secure supplies/disinfection/preparedness/personal protective equipment.

Rent Payment Assistance.

Support mandatory meal programs in federally-and/or-state assisted senior housing communities.

Staffing support in federally-and/or-state assisted senior housing communities.

WIFI for federally-and/or-state assisted senior housing.

Service Coordinators.

Accept or Reject: Reject

If Rejected, Why? The CARES Act funding has been loosely programmed by intent. HCD is allowing jurisdictions to prioritize funding toward local needs. While HCD recognizes that supported senior housing is a critical need in many communities, the CARES Act funds have been structured to allow local leaders to identify and respond to priority needs with as few state imposed restrictions as possible.

Line Item: 54

Commenter: Michael Winkler

Jurisdiction or Agency: City of Arcata

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 55

Commenter: Jovana Morales

Blanca Escobedo

Jurisdiction or Agency: Leadership Counsel for Justice & Accountability

Comment Type: Proposed changes to the plan

Comment Notes: 1. State Statutory Requirements Ensures Minimum Amount of Funding to Colonias and Native American Tribes

2. Local Jurisdictions Should allow the Public to Make Comments in Real Time and Offer Translation Options to get Direction/Framework on Prioritization of Funding

3. Prioritize extremely low income and low income households and protect from evictions.

4. Limiting Reimbursements

5. Housing Element Law Compliance Requirements

Accept or Reject: Accept

If Rejected, Why? Thank you for your comment.

Line Item: 56

Commenter: Nina Spiegelman

Jurisdiction or Agency: Disability Voices United

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 57

Commenter: Ben McMullan

Jurisdiction or Agency: Center for Independence of Individuals with Disabilities

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 58

Commenter: Sonja Trauss

Jurisdiction or Agency: Yimby Law

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 59

Commenter: Susan Corry

Jurisdiction or Agency: LivelyHood Housing

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 60

Commenter: Steven Scheer

Jurisdiction or Agency: Unstated

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 61

Commenter: Erica Beall

Jurisdiction or Agency: Advocacy and Resources, LLC

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 62

Commenter: Joseph Calderon

Jurisdiction or Agency: The Adult Skills Center

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 63

Commenter: Kenneth Lane

Jurisdiction or Agency: The Adult Skills Center

Comment Type: The plan is insufficient

Comment Notes: The KELSEY EMAIL TEMPLATE

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 64

Commenter: Jevon Wilkes

Jurisdiction or Agency: California Coalition for Youth

Comment Type: The plan is insufficient

Comment Notes: We are writing to offer recommendations on immediate actions the state can take to support the needs of youth and young adults experiencing homelessness:

- Set aside 10% of funds for homeless youth in all new funding directed towards homelessness through emergency action and in the 2020-21 State Budget. Using the Homeless Housing, Assistance and Prevention Program (HHAP) structure, youth equal 10% of the state's homeless population. This would include the additional funding coming through the CARES Act – such as through the Emergency Solutions Grant. Most communities are still struggling to have appropriate services for youth, and the 2019 Point-In-Time count highlighted that about 80% of the homeless youth population are unsheltered. As the impacts of COVID-19 hit the economy, it will be even more important that we focus on youth and young adults as they have the least amount of safety net available to them.
- Dedicate funding for homeless youth service providers to offer incentive funding to pay front line staff more money. They are working on the front lines dealing with this pandemic. Our providers are struggling to get staff to come into work whether due to lack of childcare, sickness or their own worry for their health and well-being. This can be accomplished by providing additional resources to the Administrative Entities to increase pay for workers. For example, LAHSA has authorized hazard pay for LAHSA outreach workers (i.e.. Hot Team), and their funded contractors have discretion to increase hourly wages to necessitate continued delivery of services, not to exceed time and a half.
- Provide access to Personal Protective Equipment (PPE) supplies to nonprofit homeless service providers. Members are reporting that they are having issues accessing PPE for their staff.
- Provide funding for and access to food and shelter. Nonprofits are struggling to get supplies and food to feed youth and could even benefit from the flexibility to buy food cards. They need access to hotels or motels so youth who are sick or immune compromised can be isolated as well as to house more youth generally. Most shelters have limited intake of new clients to not jeopardize the health and well-being of youth currently in programs and/or reduced capacity in order to comply with CDC guidelines. We applaud the role out of Project Roomkey, and which we ask that youth and young

adults are prioritized for the program. We also know that guidance will need to go out to communities to loosen time limits and re-application requirements for rapid re-housing, shelter, and transitional housing for young people (and adults alike).

- Access to capital for cashflow purposes. State and local governments can help by continuing to pay nonprofits. For example, with state grant programs, continue to pay out funds through the remainder of the grant even if paperwork is delayed. For cost reimbursed services, pay the nonprofit their rate based on the last 12-month average.
- In speaking with my folks, no one has seen any of the trailers or housing go for youth. Most communities are prioritizing older folks/seniors. (The additional \$100M provided through SB 89 does not require that any of the funding be set aside for youth, and as expected, communities are not planning on spending it on youth.) If you have additional information that it going to youth providers, please let me know which ones.
- Attached for you is a publication from A Way Home America and others on how administrators can deploy the supplemental Emergency Solutions Grant (ESG) funding made available through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to best serve young people; \$4 billion is coming out to all states. Most of the funding currently going out through federal ESG does not benefit young people as it goes to the adult system. We need the State to make sure that youth providers aren't left out of this funding. (I will be talking to the Administration on this, but wanted it on your radar)
- The state regulatory entities may need to determine whether emergency rulemaking or Executive Order are necessary to lengthen allowable lengths of stay, adjust staff to client ratio requirements, and loosen other regulations that may make it more difficult for homeless service providers to meet community needs during this crisis. Community Care Licensing has been doing this for underaged programs or AB 12 programs (hopefully, the Gov's Executive Orders should provide enough flexibility – waiting on details of the one mentioned this week). However, for 18 to 24 year olds, this may need to be something HCD (and OES) also needs to do to allow folks to stay in shelter, transitional housing or rapid rehousing programs beyond the “allowed” length of stay, staffing ratios, and other program flexibility – as on these, it may be an issue with the contract, a regulatory issue or governing statute.

Accept or Reject: Reject

If Rejected, Why? While HCD is in support of funding homeless youth programs, the CARES Act aims at addressing the immediate local concerns and impacts of coronavirus, wherever that need may exist. HCD's goal is to allow local jurisdictions to decide how to best use this funding to most appropriately address their individual local needs. For this reason, HCD is issuing the CARES Act funding in a minimally restrictive manner to empower recipients to decide how to make the most of the funding in their local jurisdictions.

Line Item: 65

Commenter: Debra Garnes

Jurisdiction or Agency: City of Rio Dell

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29

Line Item: 66

Commenter: David Jinkens

Jurisdiction or Agency: Good Government Advocate

Comment Type: In support of the plan

Comment Notes: CALED Support Letter Template

Accept or Reject: See Line item 29

If Rejected, Why? See Line item 29