



# **URBAN COUNTY OF ORANGE**

## **Annual Action Plan**

**FY 2026-2027**

**April 28, 2026**

OC HOUSING & COMMUNITY DEVELOPMENT  
1501 E. ST. ANDREW PLACE, 1ST FLOOR  
SANTA ANA, CA 92705

**DRAFT FOR PUBLIC REVIEW**

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# Executive Summary

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

### 1. Introduction

The County of Orange (County), as an Urban County entitlement jurisdiction, is eligible to receive Community Planning and Development (CPD) grant funding including Community Development Block Grant Funds (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships (HOME) funds from the U.S. Department of Housing and Urban Development (HUD) to administer programs and projects on behalf of 12 participating urban cities in Orange County with populations below 50,000. The participating urban cities include the cities of Brea, Cypress, Dana Point, La Palma, Laguna Beach, Laguna Hills, Laguna Woods, Los Alamitos, San Juan Capistrano, Seal Beach, Stanton, and Villa Park. In addition, cities with populations over 50,000 are eligible to participate in the CPD programs as entitlement jurisdictions and receive funding directly from HUD. However, the cities of Placentia and Yorba Linda have elected to join the Urban County for the overall implementation of these programs.

HUD provides annual CPD grant funds on a formula basis through CDBG, ESG and HOME funds to jurisdictions who are to develop viable urban communities through the provision of decent housing and a suitable living environment and the expansion of economic opportunities, principally for low and moderate-income households. It is anticipated that the County would receive \$3,467,220 in CDBG for Fiscal Year 2026-2027. The proposed activities are required by the CDBG regulations and must meet one of the following three national objectives:

1. Benefit low-moderate income households, and
2. Aid in the prevention or elimination of slum or blight, and
3. Meet an urgent need

The County also anticipates receiving \$302,608 as an ESG formula allocation to administer ESG funds in collaboration with the Continuum of Care (CoC) throughout the CoC Service Area, which covers the geographic area of Orange County. The ESG funding supports provision of essential services, emergency shelter operations and rapid rehousing. The ESG program provides funding to:

1. Engage homeless individuals and families experiencing unsheltered homelessness
2. Improve the number and quality of emergency shelters for individuals and families experiencing homelessness;
3. Help operate these emergency shelters;
4. Provide essential services to emergency shelter participants;
5. Rapidly re-house individuals and families experiencing homelessness; and
6. Prevent families and individuals from becoming homeless.

In addition, the County anticipates receiving \$1,244,582.84 in HOME program funds to be used often in partnership with local nonprofit organizations, to fund activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income households.

During 2020-2021, HUD awarded one-time HOME-ARP funds that are not anticipated to be awarded in future years. However, since the amount of funds were substantial, it is anticipated that these funds will continue to be administered during the remainder of the 2025-2029 Consolidated Plan (ConPlan).

This FY 2026-27 Annual Action Plan (Action Plan) covers the second year of the Consolidated Plan beginning July 1, 2026, through June 30, 2027. The Action Plan identifies anticipated levels of funding for the program year, describes the geographic areas in which assistance will be provided, and explains the rationale used. In addition, it provides a summary of the actions, activities, and the specific federal and non-federal resources that will be used this year to address the priority needs and specific goals identified by the Consolidated Plan.

## 2. Summarize the objectives and outcomes identified in the Plan

*This could be a restatement of items, or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.*

The Urban County incorporated outcome measures for activities are in accordance with the Federal Register Notice dated March 7, 2006, which require the following Performance Measure Objectives/Outcomes to be associated with each activity funded:

General Objective Categories- Activities will meet one of the following:

- Decent Housing (DH)
- Suitable Living Environment (SL)
- Economic Opportunity (EO) General
- Outcome Categories- Activities will meet one of the following
  - Availability/Accessibility (1)
  - Affordability (2)
  - Sustainability (3)

In addition to national objectives and performance outcomes, the County must weigh and balance the input from different groups and assign funding priorities that best bridge the gaps identified within the County's service delivery system. While other goals the County has set are also important, for the purposes of the Consolidated Plan, only those which are anticipated to be funded with CPD funding programs (CDBG, HOME, and ESG) during the five-year planning cycle are indicated to be high priorities. The County utilizes other funding sources to meet goals that are not considered high priority in the Consolidated Plan. The County established priorities for allocating CPD funds based on a number of criteria, including:

- Urgency of needs
- Cost efficiency
- Eligibility of activities/programs
- Availability of other funding sources to address specific needs
- Funding program limitations
- Capacity and authority for implementing actions
- Consistency with countywide goals, policies, and efforts

Needs that have been determined to be a high priority level will receive funding during the Five-Year Consolidated Plan. The priorities for the FY 2025-2029 Consolidated Plan, established in consultation with residents and community groups, include the following:

### High Priority

- Expand and preserve the supply of affordable housing to create housing opportunities for low- and moderate-income households and individuals and families experiencing homelessness
- Strengthen, preserve, and enhance the physical character and quality of life in Orange County's low- and moderate-income neighborhoods, including the housing stock and public infrastructure and facilities.
- Continue to build the capacity of residents to empower themselves and help strengthen their community, through the funding of needed public services for seniors, people

experiencing homelessness and those at risk of homelessness.

- Planning and administration

Some of the high priority activities include:

- Housing Rehabilitation
- Affordable Housing development
- Park and Recreation Facilities
- Senior Centers
- Homeless Facilities
- Neighborhood Facilities
- Water/Sewer Improvements
- Street and Lighting Improvements
- Sidewalk Improvements
- Youth and family services (childcare services)
- Health services, including mental health services
- Senior services
- Services for persons experiencing homelessness

In addition, the County may consider Economic Development activities if funding becomes available (Low-Priority).

### **3. Evaluation of past performance**

*This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.*

OC Housing and Community Development (OC HCD), the agency in the County that administers the Urban County program, measures productivity and program impact in accordance with HUD Notices. Aside from regular site visits to provide technical assistance to subrecipients; all projects/programs funded by OC HCD are monitored each fiscal year. The monitoring involves the following oversight: performance, compliance, drawdown timeliness and exit monitoring.

A detailed summary report of prior year's uses and performance is specified in the Consolidated Annual Performance and Evaluation Report (CAPER). As reported in the CAPER for FY 2024-25, the CAPER describes and evaluates how Community Development Block Grant (CDBG), Community Development Block Grant (CDBG)-CV, HOME Investment Partnerships (HOME), HOME-American Rescue Plan (ARP) and Emergency Solutions Grant (ESG) funds, received from the HUD, were expended to meet the Consolidated Plan five-year strategic goals for the reporting period July 1, 2024, to June 30, 2025

Below is a summary of accomplishments made in FY 2024-25:

**CDBG Public Facilities and Improvements-** A focus of CDBG activities for FY 2024-25 has been the planning and implementation of multiple public facilities and improvements including ADA accessibility improvements, street improvements, senior and community centers. (10) projects were completed expending a total of \$1,399,978 in this project year.

A total of (6) public service projects benefited county residents expending a total of \$624,807 in FY 2024-25. Public services included senior services, health/mental health services, employment and educational services, homeless shelters and programs, and youth services.

- A total of (103) Housing Rehabilitation projects were completed, expending a total of \$359,445.
- A total of (1) project, administration was undertaken to affirmatively further fair housing, a total of \$52,000 was expended.
- A total of (1) Economic Development project was completed expending a total of \$359,445.
- A total of (1) project administration was completed, expending a total of \$624,807 in FY 2024-25.

#### **CDBG-CV:**

A total of (2) projects were completed expending a total of \$219,936 and \$384 was expended in Program Administration.

#### **HOME FUNDS:**

The County of Orange administers the HOME Program throughout the unincorporated areas of the County, in Urban County Participating Cities, and in entitlement cities. HOME funding is typically utilized to:

- Expand the affordable rental housing stock for homeless, low-income, and special needs households; and

In FY 2024-25 \$2,650,701 in HOME funds were expended for the development of 43 County HOME-assisted units in Crossroads at Washington, an 86-unit project located in Santa Ana. \$3,492,886 of \$4,264,972 in HOME-ARP funds were expended towards the development of 30 County HOME-assisted units in Casa Colibri, a 65-unit project located in Midway City, unincorporated County. A total of \$124,568 in HOME administrative funding was expended and \$94,689 in HOME-ARP administration funding was expended.

#### **ESG Funds:**

In FY 2025-26, The County allocated ESG funding to the County's Office of Care Coordination (OCC) through a Memorandum of Understanding (MOU) to help support the operations of the emergency shelters, rapid re-housing programs and Homeless Management information System (HMIS) for households that were either at-risk of or experiencing homelessness in Orange County. A total of \$294,931 was expended in Federal ESG funds.

#### **4. Summary of Citizen Participation Process and consultation process. The County held a public hearing on April 28, 2026 during the 30-day comment period (Feb 27–Mar 30, 2026).**

*Summary from citizen participation section of plan.*

Citizen participation provides a framework and process by which the County's consolidated planning efforts comply with the citizen participation requirements published by HUD. The Citizen Participation Plan is prepared and implemented in accordance with the guidance provided in HUD Regulations 24CFR Part 91.105 that requires 30-day public comment period. The requirements for citizen participation do not restrict the responsibility or authority of the County from the development or execution of its Consolidated Plan. The County is entitled to receive annual grant funding from the CDBG, HOME, and ESG programs. It is the policy of the County to ensure adequate citizen involvement, with particular emphasis on participation by low- and moderate-income persons in the planning, implementation, and evaluation of its housing and community development programs.

This plan covers the Urban County of Orange (Urban County) comprised of Participating cities with populations under 50,000 (participating cities), cities with a population over 50,000 that elect to participate in the urban county (metropolitan city) and the unincorporated areas of Orange County. The County is the lead agency in developing the Citizen Participation Plan. It is the policy of the County to follow its Citizen Participation Plan and to encourage and facilitate a participation (residents, service providers, government agencies, and others) in the

development of all Community Planning and Development (CPD) required consolidated planning documents including the Five-Year Consolidated Plan, Annual Action Plans, Substantial Amendments, and the Consolidated Annual Performance and Evaluation Report (CAPER).

The primary purpose of the participation will be in needs identification, priority setting, funding allocations, and program recommendations related to the consolidated planning process. The County shall provide for and encourage citizen participation with particular emphasis on low- and moderate-income persons; persons residing in predominantly low -and moderate-income neighborhoods or slum and blighted areas; and persons residing in areas where the use of CDBG funds is being proposed.

The primary purpose of the CPD programs covered by this Citizen Participation Plan is to improve communities by providing decent housing, a suitable living environment, and growing economic opportunities. The County encourages the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with disabilities.

The Public Notice of the availability of the FY 2026-27 Annual Action Plan and notice of Public Hearing was published in the OC Register in English, in La Opinion in Spanish and Nguoi Viet in Vietnamese on March 6, 2026

The Public Comment period will end on April 6, 2026. In addition, electronic links to the draft FY 2026-27 Annual Action Plan were available on the OC Housing & Community Development's website at ochcd.org. and posted under the Public Notice link. Copies were made available upon written request. The Public notice was translated into additional languages per the County's language access policy and available to translate into any language in the webpage.

**5. Summary of public comments**

No Public Comments have been received to date.

**6. Summary of comments or views not accepted and the reasons for not accepting them.**

No Public Comments have been received to date.

**7. Summary**

See discussion above.

## PR-05 Lead &amp; Responsible Agencies – 91.200(b)

**1. Agency/entity responsible for preparing/administering the Consolidated Plan**

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	ORANGE COUNTY	OC Community Resources/OC Housing & Community Development
HOME Administrator	ORANGE COUNTY	OC Community Resources/OC Housing & Community Development
ESG Administrator	ORANGE COUNTY	OC Community Resources/OC Housing & Community Development

**Table 1 – Responsible Agencies****Narrative (optional)**

OC Housing and Community Development, a Division of OC Community Resources, administers the Urban County's CDBG, HOME, and ESG programs as well as HOME-ARP funds.

**Consolidated Plan Public Contact Information**

OC Housing and Community Development 1501 E. St. Andrew Place, 1st Floor, Santa Ana, CA 92705, Attn: Frank Padilla, Community Development Compliance and Environmental Coordinator, at [francisco.padillajr@occr.ocgov.com](mailto:francisco.padillajr@occr.ocgov.com).

## AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

### 1. Introduction

As part of the Consolidated Plan development, the Urban County undertook an extensive outreach program to consult and coordinate nonprofit agencies, affordable housing providers, and government agencies regarding the needs of the low- and moderate-income community. The outreach program was summarized in the Executive Summary and Citizen Participation sections of the Consolidated Plan. Comments received and results of the survey were summarized in Appendix A to the Consolidated Plan.

### **Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies (91.215(l))**

To coordinate with various agencies and organizations, the Urban County compiled an outreach list consisting of agencies, including:

- Nonprofit service providers that cater to the needs of low- and moderate-income households and persons with special needs, including persons with disabilities;
- Agencies serving people experiencing homeless and those at-risk homeless, including those that are coordinating re-entry after being discharged from institutions;
- Affordable housing providers;
- Housing advocates;
- Housing professionals;
- Public agencies (such as school districts, health services, public works);
- Economic development and employment organizations; and
- Community and neighborhood groups.

These agencies were notified of the Urban County’s Consolidated Plan process and public meetings and specific agencies were also contacted to obtain data in preparation of the Consolidated Plan.

Additionally, the County’s Office of Care Coordination within the County Executive Office engages across Orange County, working with cities and community-based organizations to strengthen regional capacity and multi-city, multi-sector investments to prevent and address homelessness and other vulnerable populations, coordinate public and private resources to meet the needs of the homeless and other vulnerable population in Orange County and promote integration of services throughout the community that improve the countywide response. The Office of Care Coordination works in collaboration with the County government, 34 city governments, business sector, philanthropic organizations, community organizations, faith-based organizations, health care, public safety and other interested stakeholders to promote an effective response to homelessness within Orange County. The Director of Care Coordination works with the Commission to Address Homelessness to focus on regional policy and implementation strategies, affordable housing development, data and gaps analysis, best practice research, social policy, and systemic change.

### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The County’s Office of Care Coordination serves as the Collaborative Applicant and

Administrative Entity for the Orange County Continuum of Care and the Coordinated Entry System Lead. As such, the Office of Care Coordination is actively engaged in and facilitates the coordination within the Continuum of Care and efforts to address the needs of people experiencing homelessness and those at risk of homelessness. This is done through in-person meeting, virtual meetings, and communication through the outreach list includes homeless service agencies in the Santa Ana/Anaheim/Orange County of Care Council (CoC).

The Continuum of Care Strategy was consulted to provide information on homelessness and resources available. Several agencies that provide housing and supportive services for people experiencing homelessness and those at risk of becoming homeless regularly attended the meetings of the Orange County CoC in which these topics are discussed.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS.**

As the Continuum of Care Collaborative Applicant and Administrative Entity, the County’s Office of Care Coordination consulted with ESG recipient jurisdictions in the region to discuss the ESG regulations and to plan for the allocation of ESG funds. The County plans to utilize these funds to assist in emergency shelter operations and rapid rehousing in ways that:

- Coordinate across regional entitlement jurisdictions by developing and utilizing standardized eligibility and assessment tools;
- Support federal and local goals for priority populations;
- Allow for variations in the program design that responds to the needs and resources of the jurisdiction; and
- Comply with new eligibility and verification requirements (HMIS, housing status, homeless definitions, etc.)

The County requires all public service projects and activities providing services to individuals and/or families experiencing homelessness to actively participate in the Homeless Management Information System while prioritizing the strengthening of data collection and participation across the system of care for homeless individuals and families.

**2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated.**

1	<b>Agency/Group/Organization</b>	Abrazar, Inc.
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Services-Employment Senior Transportation - Continuum of Care/Office of Care Coordination Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Non-Profit was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans.

2	<b>Agency/Group/Organization</b>	City of Brea
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
3	<b>Agency/Group/Organization</b>	City of Cypress, CA
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
4	<b>Agency/Group/Organization</b>	City of Laguna Beach
	<b>Agency/Group/Organization Type</b>	Housing Services-homeless Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
5	<b>Agency/Group/Organization</b>	City of Laguna Hills
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
6	<b>Agency/Group/Organization</b>	City of Laguna Woods
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
7	<b>Agency/Group/Organization</b>	City of San Juan Capistrano
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation Public Facilities and Infrastructure and Housing Rehabilitation

		and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
8	<b>Agency/Group/Organization</b>	City of Seal Beach
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
9	<b>Agency/Group/Organization</b>	Fair Housing Council of OC
	<b>Agency/Group/Organization Type</b>	Housing PHA Services Housing Services- homeless Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A range of "no-cost" fair housing services provided to eligible clientele throughout the County's Urban County program areas that are victimized and affected by illegal housing practices were evaluated and have been included in the document. Subrecipient shall use the CDBG funds provided under this Contract to provide 2,325 low-income people with fair housing education, counseling, enforcement services, and landlord-tenant counseling to households regarding fair housing laws or alleged discrimination
10	<b>Agency/Group/Organization</b>	Orange County Housing Authority
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing Services-homeless Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Orange County Housing Authority was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans.
11	<b>Agency/Group/Organization</b>	City of Dana Point
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
12	<b>Agency/Group/Organization</b>	City of Stanton
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Public Facilities and Infrastructure and Housing Rehabilitation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
13	<b>Agency/Group/Organization</b>	Office of Care Coordination
	<b>Agency/Group/Organization Type</b>	Housing Services-homeless Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Other government - Local
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The FY 2026-27 FAPP supports compliance with the U.S. Department of Housing and Urban Development (HUD) requirements for conducting a public hearing and notifying the public of the process to be used for distributing Federal housing and community development funds.
	<b>Agency/Group/Organization</b>	City of La Palma

<b>Agency/Group/Organization Type</b>	Public Agency
<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment
<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.

<b>Agency/Group/Organization</b>	City of Los Alamitos	
<b>Agency/Group/Organization Type</b>	Public Agency	
<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment	
<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.	
<b>Agency/Group/Organization</b>	City of Villa Park	
<b>Agency/Group/Organization Type</b>	Public Agency	
<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment	
<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City was sent the Funding Allocation Policy & Process and the draft Annual Action Plan was posted on our website for review and provide input on developing the plans. Each Cooperating City was encouraged to participate in the Citizen Participation Process. Cities submitting applications for Community Planning and Development grant	

		funds are required to publicly notice and hold at least one public meeting to discuss the proposed use of these funds.
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## **Expected Resources**

### **AP-15 Expected Resources – 91.220(c)(1,2)**

#### **Introduction**

A number of housing and community development resources are currently available in the Urban County area. They include:

- Community Development Block Grant (CDBG) funds
- HOME Investment Partnership Program (HOME) funds.
- Emergency Solutions Grant (ESG) funds.
- HUD Housing Choice Voucher Program (through Orange County Housing Authority)
- Workforce Innovation and Opportunity Act (through the Workforce & Economic Development Division)
- State transportation funds
- Mental Health Services Behavioral Health Services Act (through County Health Care Agency)
- HOME Investment Partnership American Rescue Plan (ARP)
- Housing Successor Agency (HSA) funds

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation \$	Program Income \$	Prior Year Resources \$	Total \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	3,467,220	20,000	806,834	4,294,054	12,882,162	The balance of CDBG funds available over the planning period is based on allocations for FY 2026, estimated program income and funds carried over from prior years. This amount does not include amounts leveraged from sub-recipients.

Program	Source of Funds	Uses of Funds	Expected Amount Year 1	Program Income	Prior Year Resources	Total	Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation \$					
HOME	public - federal	Acquisition Homebuyer assistance Homeowner Rehab Multifamily rental new Construction Multifamily rental rehab New Construction for ownership	1,244,582.84	135,000	0	1,379,582.84	4,138,748	The estimated amount of HOME funds available over the planning period is based on allocations for FY 2026 and estimated program income, excluding funds carried over from prior years.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation \$	Program Income \$	Prior Year Resources \$	Total \$		
ESG	public - federal	Emergency Shelter Operations and Supportive Services; Rapid re-housing (rental assistance) Rental Assistance Services	302,608	0	0	302,608	907,842	The amount of ESG funds available over the planning period is based on allocations for FY 2026, excluding funds carried over from prior years.

**Table 59 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.**

A number of housing and community development resources are currently available in the Urban County area. They include:

- Local General funds
- California Housing Finance Agency funds (CalHFA) (multiple housing programs)
- State of California Housing and Community Development (HCD) housing funds (multiple housing programs), including Homeless Housing, Assistance and Prevention (HHAP) and Encampment Resolution Funding (ERF)
- State of California Department of Social Services (multiple housing programs), including Housing and Disability Advocacy Program (HDAP), bringing Families Home (BFH); Home Safe and Community Care Expansion Program (CCE)
- U.S. Department of Housing and Community Development Continuum of Care Program
- State transportation funds

For CDBG Public Facilities and Improvements Projects, Subrecipients can request an amount of \$250,000 maximum funding with no match and \$450,000 maximum funding amount with a 20% match.

HOME funds are matched through leveraged funding in affordable housing projects. ESG funds are matched through leverage of local resources.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.**

**Discussion**

In the past, the County has partnered with local jurisdictions to make publicly owned land available for Affordable Housing Development. Currently, no publicly owned land has been identified.

## Annual Goals and Objectives (pending metro numbers)

### AP-20 Annual Goals and Objectives Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Expand Affordable Housing Opportunities	2026	2027	Affordable Housing		Expand Affordable Housing Opportunities	CDBG: \$773,021 HOME: \$1,241,624.60	Homeowner Housing Rehabilitated: 52 Household Housing Units 12, 2 Buildings
2	Enhance Quality of Life	2026	2027	Affordable Housing Non-Housing Community Development		Enhance Quality of Life	CDBG: \$2,304,497 \$159,000 from FY 2024-25 Brea Project	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 87,179 People Assisted

## Annual Action Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Public Services	2026	2027	Homeless Non-Homeless Special Needs		Public Services	CDBG: \$519,094 ESG: \$279,913	Public service activities other than Low/Moderate Income Housing Benefit: 2,620 Persons Assisted Rapid Rehousing: 8 Households Assisted Homeless Person Overnight Shelter: 3,230 Persons Assisted
4								
5	Planning and Administration	2026	2027			Planning and Administration	CDBG: \$697,442 HOME: \$137,958.24 ESG: \$22,695	Administration

Table 60 – Goals Summary

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## Goal Descriptions

Goal Name	Goal Description
Expand Affordable Housing Opportunities	Homeowner Housing Rehabilitated:71 units, 2 buildings, HOME funds will be used in the following year for permanent supportive housing
Enhance Quality of Life	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 98,489 Persons Assisted
Public Services	Public service activities other than Low/Moderate Income Housing Benefit: 3,692 Persons Assisted Rapid Rehousing: 8 Households Assisted Homeless Person Overnight Shelter: 1,072 Persons Assisted
Planning and Administration	Planning and Administration of all of the activities included in the Annual Action Plan.

## Annual Action Plan

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

This plan outlines the action steps that the County will use to address housing and community development needs in the Orange Urban County. The plan includes a listing of activities that the County may undertake during FY 2026-27 (July 1, 2026, through June 30, 2027) that utilize CDBG, HOME, and ESG funds. For FY 2026-27, the County has a combined CDBG, HOME, and ESG allocation of \$5,976,244.84 including program income and prior year resources for CDBG. All proposed activities budgets will be proportionally increased or decreased from the estimated funding levels to match actual allocation amounts. Funds from participating subrecipients by either project or administration that are not completely expended, will be kept by the County for reprogramming purposes and may be used for Waitlisted projects. Housing Rehabilitation projects may be increased up to \$300,000, provided additional or reallocated funding becomes available.

#### Projects

#	Project Name
1	County of Orange – Emergency Shelter(s) CDBG
2	County of Orange – Emergency Shelter(s) ESG
3	County of Orange – Emergency Shelter(s) Rapid Rehousing
4	County of Orange – Emergency Shelter(s) (HMIS)
5	Alternative Sleep Location ASL Emergency Shelter (Laguna Beach)
6	Midway City Community Services & Education Center (Abrazar, Inc.)
7	Single Family Housing Rehabilitation (Brea)
8	Leisure World Bathroom Accessibility Program (Seal Beach)
9	Senior Housing Rehabilitation Program (Stanton)
10	ADA Ramps Improvements (Laguna Hills)
11	ADA Pedestrian Accessibility Improvements – Phase 10 (Laguna Woods)
12	Stanton Community/Senior Center Improvement Project (Stanton)
13	Brea Community Center Backup Power Generator (Brea)
14	Midtown (formally Apartment Row) Street Improvements (Los Alamitos)
15	North Seal Beach Community Center Improvements – Phase 2 (Seal Beach)
16	County of Orange – Community Center Improvements (Midway City)
17	Affordable Housing HOME
18	Affordable Housing-HOME PI
19	County of Orange – CDBG Administration (CDBG)
20	County of Orange – CDBG Administration (PI)

#### Annual Action Plan

21	County of Orange – ESG Administration
22	County of Orange – HOME Administration (HOME) & (PI)
23	Fair Housing Council of Orange County
24	Administration City (Placentia)
25	Administration County (Placentia)
26	Public Services Neighborhood Services (Placentia)
27	Public Services Seniors Services (Placentia)
28	Façade Improvements (Placentia)
29	Housing Rehabilitation – SFR (Placentia)
30	ADA Pedestrian Accessibility Improvements (Placentia)
31	Administration City (Yorba Linda)
32	Administration County (Yorba Linda)
33	Public Services (Senior Nutrition Program) (Yorba Linda)
34	Neighborhood Improvement Program HR – SFR (Yorba Linda)
35	Multi-family Rehabilitation Project-Housing Rehab (Yorba Linda)
36	Brea Senior Center Parking Lot Resurfacing (Brea) <b>Not Waitlisted Funded with FY 2024-25 Brea PF&amp;I Project funding</b>
	<b>Waitlisted Projects If Funding Becomes Available</b>
1	(ADA) Pedestrian Accessibility Improvement Phase X (Laguna Woods)
2	HVAC & Senior Center Improvements (Stanton)

**Table 61 - Project Information**

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.**

Allocations were prioritized to address high-priority needs identified in the Consolidated Plan (affordable housing, PF&I in LMI areas, and homeless services), optimize match/leverage opportunities, ensure timely expenditure, and reflect subrecipient capacity and geographic equity across Urban County jurisdictions. Obstacles include prevailing wage cost impacts, site control, and limited non-federal match for certain capital projects. The funding priorities are the same as outlined in the Funding Allocation Policy and Process.

For the purposes of allocating Federal and local resources overall priority will be given to projects that meet a “High” priority need.

- Housing Rehabilitation
- Affordable Housing development
- Park and Recreation Facilities

Annual Action  
Plan

- Senior Centers
- Homeless Facilities
- Neighborhood Facilities
- Water/Sewer Improvements
- Street and Lighting Improvements
- Sidewalk Improvements
- Youth and family services (childcare services)
- Health services, including mental health services
- Senior services
- Services for persons experiencing homelessness

## AP-38 Project Summary

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
County of Orange - Emergency Shelter(s)		Public Services	Public Services	CDBG: \$222,282	Funds will be used to provide essential services, operations, emergency shelter, showers, and meals for homeless clients.	6/30/2027	610 People	County of Orange Emergency Shelter(s)	Emergency Homeless Shelters.

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
County of Orange - Emergency Shelter(s)		Public Services	Public Services	ESG: \$181,564	Funds will be used to provide essential services, operations, emergency shelter, showers, and meals for homeless clients.	6/30/2027	462 People	County of Orange Emergency Shelter(s)	Emergency Homeless Shelter

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
County of Orange - Emergency Shelter(s)		Public Services	Public Services	ESG: \$50,000	Funds will be used for Rapid Rehousing	6/30/2027	8 Households	County of Orange Emergency Shelter(s)	Rapid Rehousing

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
County of Orange - Emergency Shelter(s)		Public Services	Public Services	ESG: \$48,349	Funds will be used for HMIS	6/30/2027	N/A	County of Orange Emergency Shelter(s)	HMIS

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Alternative Sleep Location ASL Emergency Shelter (Laguna Beach)		Public Services	Public Services	CDBG: \$140,326 (MOU)	Funds will be used to provide emergency shelter for 20 homeless individuals from the city of Laguna Beach and surrounding cities annually	6/30/2027	20 People	Alternative Sleep Shelter 20652 Laguna Canyon Rd (Laguna Beach)	Emergency Homeless Shelter

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Midway City Community Services & Education Center (Abrazar)		Public Services	Public Services	CDBG: \$64,470	Funds will be used to provide social services programming at the Community Center. Abrazar, Inc. will be responsible for delivery of continuous support of existing social services programs for residents within the immediate neighborhoods.	6/30/2027	1200	Midway City Community Center	Public Services

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Single-Family Housing Rehabilitation Program (Brea)		Expand Affordable Housing Opportunities	Expand Affordable Housing Opportunities	CDBG: \$170,957	Funds will be used for rehabilitation of low/very-low income owner occupied residences. Improvements will include interior and exterior improvements to homes and mobile home units.	6/30/2027	7 Units	City of Brea	Housing Rehabilitation

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Leisure World Bathroom Accessibility Program (Seal Beach)		Expand Affordable Housing Opportunities	Expand Affordable Housing Opportunities	CDBG: \$189,952	Funds will be used to provide grants to income qualified, disabled seniors to improve bathroom accessibility and safety by converting the tub/shower into an accessible shower stall.	6/30/2027	33-42 units	City of Seal Beach	Housing Rehabilitation

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
City of Stanton Senior Housing Rehabilitation Program (Stanton)		Expand Affordable Housing Opportunities	Expand Affordable Housing Opportunities	CDBG: \$189,952	Eligible improvement focus on immediate health and safety concerns, accessibility modifications, code related repairs, and related rehabilitation activities necessary to maintain safe and habitable housing.	6/30/2027	12-24 units	City of Stanton	Housing Rehabilitation

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
ADA Ramps Improvements (Laguna Hills)		Enhance Quality of Life	Enhance Quality of Life	CDBG: \$225,250 If funding becomes available, this project may be funded up to the requested amount of \$265,000	Funds will be used for 31 curb ramp replacements and 49 curb ramp modifications at intersections bounded by Avenida De La Carlota, Lake Forest Drive Santa Vittoria Drive and Ridge Route Drive.	6/30/2027	1,100 People	Intersections bounded by Avenida De La Carlota, Lake Forest Drive, Santa Vittoria Drive and Ridge Route Drive. (Laguna Hills)	Public Facility & Improvements

<p>ADA Pedestrian Accessibility Improvements - Phase 10 (Laguna Woods)</p>		<p>Enhance Quality of Life</p>	<p>Enhance Quality of Life</p>	<p>CDBG: \$225,250 If funding becomes available, this project may be funded up to the requested amount of \$265,000</p>	<p>Funding will be used for reconstructi on of two driveways along Moulton Parkway to achieve ADA compliance and replacemen t of approximat ely 9,000 square feet of public sidewalk along El Toro Road that has become uneven and no longer meets ADA Requireme nts.</p>	<p>6/30/2027</p>	<p>10,770 People</p>	<p>ADA Ramps, sidewalks throughout the city</p>	<p>Public Facility &amp; Improvements</p>
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Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Stanton Community/Senior Center Improvement Project (Stanton)		Enhance Quality of Life	Enhance Quality of Life	\$225,250 If funding becomes available, this project may be funded up to the requested amount of \$265,000	Funds will be used for City of Stanton Community Center Improvements HVAC and Generator	6/30/2027	8,328 People	City of Stanton Community and Senior Center	Public Facility & Improvements
Brea Community Center Backup Power Generator		Enhance Quality of Life	Enhance Quality of Life	\$180,200 If funding becomes available, this project may be funded up to the requested amount of \$212,000	Funds will be used for City of Brea Community Center Improvement Backup Generator	6/30/2027	3065 People	City of Brea Community and Senior Center	Public Facility & Improvements
		Enhance Quality of Life	Enhance Quality of Life			6/30/2027	8,328 People	City of Stanton Community and Senior Center	Public Facility & Improvements



Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Midtown (formally Apartment Row) Street Improvements (Los Alamitos)		Enhance Quality of Life	Enhance Quality of Life	\$315,350 If funding becomes available, this project may be funded up to the requested amount of \$371,000	Funds will be used to repair 1,231 linear feet of street from Farquhar Avenue to Katella Avenue.	6/30/2027	1,493 People	(Los Alamitos)	Public Facility & Improvements

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
North Seal Beach Community Center		Enhance Quality of Life	Enhance Quality of Life	CDBG: \$405,450 If funding becomes available, this project may be funded up to the requested amount	Funding will be used for Phase 2 to complete the remaining replacement -in-kind interior improvements needed to fully support senior use.	6/30/2027	4,623 People	North Seal Beach Community Center (Seal Beach)	Public Facility & Improvements

Improvements Phase 2 (Seal Beach)				of \$450,000					
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Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
County of Orange - Community Center Improvements (Midway City)		Enhance Quality of Life	Enhance Quality of Life	\$212,000	Funds will be used for improvements to County owned Community Center in Midway City.	6/30/2027	1,200 People	Orange County Community Center (Midway City)	Public Facility & Improvements
Affordable Housing HOME		Expand Affordable Housing Opportunities	Expand Affordable Housing Opportunities	HOME: \$1,120,124.60	County will use funds for affordable housing development opportunities	6/30/2026	8-10 units	County of Orange	Housing Development
Affordable Housing-HOME PI		Expand Affordable Housing Opportunities	Expand Affordable Housing Opportunities	\$121,500	County will use funds for affordable housing development opportunities	6/30/2026	1 unit	County of Orange	Housing Development

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
County of Orange - CDBG Administration (CDBG)		Planning and Administration	Planning and Administration	CDBG: \$518,736	Funds will be utilized for administration of HUD-sponsored Urban County programs	6/30/2027	N/A	County of Orange	Administration
County of Orange - CDBG Administration (PI)		Planning and Administration	Planning and Administration	PI: \$4,000	Funds will be utilized for administration of HUD-sponsored Urban County programs	6/30/2027	N/A	County of Orange	Administration
County of Orange - ESG Administration		Planning and Administration	Planning and Administration	ESG: \$22,695	Funds will be utilized for administration of HUD-sponsored Urban County programs	6/30/2027	N/A	County of Orange	Administration

County of Orange - HOME Administration (HOME) & (PI)		Planning and Administration	Planning and Administration	HOME: \$137,958.24	Funds will be utilized for administration of HUD-sponsored Urban County programs	6/30/2027		County of Orange	Administration
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Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Fair Housing Council of Orange County		Public Services	Public Services	CDBG: \$52,000	Utilize funds to provide fair housing education, six community events, counseling, enforcement, and landlord/tenant counseling	6/30/2027	2,325 People	Participating Cities and unincorporated areas of Orange County.	Administration
Administration City (Placentia)		Planning and Administration	Planning and Administration	CDBG: \$35,252	Funds will be utilized for administration of the City of Placentia HUD-sponsored programs.	6/30/2027	N/A	City of Placentia	Administration

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Administration County (Placentia)		Planning and Administration	Planning and Administration	CDBG: \$35,252	Administration for City of Placentia HUD – sponsored programs, CAPER, AAP.	6/30/2027	N/A		Administration

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Public Services Neighborhood Services (Placentia)		Public Services	Public Services	CDBG: \$31,864	City of Placentia/Public Services Neighborhood Services - Funds will be used for the operations and support staff on the Neighborhood Services Division for various food distribution programs and coordinating services for low-income residents.	6/30/2027	800 Low-income People	City of Placentia	
Public Services Seniors Services (Placentia)		Public Services	Public Services	CDBG: \$21,000	Senior Services (Lunch Program)	6/30/2027	450 Low Income Seniors	City of Placentia	

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Façade Improvements (Placentia)		Enhance Quality of Life	Enhance Quality of Life	CDBG: \$180,103	Commercial Rehabilitation	6/30/2026	Up to two businesses	City of Placentia	
Housing Rehabilitation - SFR (Placentia)		Enhance Quality of Life	Enhance Quality of Life	CDBG: \$52,500	Housing Rehab-SFR	6/30/2027	4-5 Units	City of Placentia	SF Rehabilitation
ADA Pedestrian Accessibility Project (Placentia)		Enhance Quality of Life	Enhance Quality of Life	\$176,644	Funds will be used to remove barriers by installing ADA-compliant curb ramps and sidewalks city-wide.	6/30/2027	8,600 People	City of Placentia	Public Facility & Improvements

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Administration City (Yorba Linda)		Planning and Administration	Planning and Administration	CDBG: \$26,101	Funds will be utilized for administration of the City of Yorba Linda HUD-sponsored programs.	6/30/2027		City of Yorba Linda	Admin
Administration County (Yorba Linda)		Planning and Administration	Planning and Administration	CDBG: \$26,101	Administration for City of Yorba Linda HUD - sponsored programs, CAPER, AAP	6/30/2027		City of Yorba Linda	Admin

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Public Services (Senior Nutrition Program) (Yorba Linda)		Public Services	Public Services	CDBG: \$39,152	Funds will be used to provide a Senior Nutrition Program. The program assists in providing nutritional meals to low/moderate income senior citizens or disabled persons.	6/30/2027	150 People	Yorba Linda Community Center	Senior Nutrition Program

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Neighborhood Improvement Program HR - SFR (Yorba Linda)		Enhance Quality of Life	Enhance Quality of Life	CDBG: \$90,000	Funds will be used to provide rehabilitation grants to qualified homeowners for general property improvements and repairs to meet local codes, standards, and ordinances.	6/30/2027	15-20 units	City of Yorba Linda	SF Rehabilitation
Multi-family Rehabilitation Project-Housing Rehab (Yorba Linda)		Enhance Quality of Life	Enhance Quality of Life	CDBG: \$79,660	Funds will be used to replace a roof on a majority of low/moderate income senior citizen condo complex.	6/30/2027	3 Buildings	Evergreen Villas in the City of Yorba Linda	Roofing Improvements

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
Brea Senior Center Parking Lot Resurfacing (Brea)		Enhance Quality of Life	Enhance Quality of Life	\$159,000	Resurfacing the parking lot will result in improved traffic flow and ensure compliance with accessibility standards for the State of California	6/30/2027  <b>Not Waitlisted Funded with FY 2024-25 Brea PF&amp;I Project funding</b>	48,000 People	City of Brea	Public Facility & Improvements
<b>WAITLISTED PROJECTS IF FUNDING BECOMES AVAILABLE</b>									
(ADA) Pedestrian Accessibility Improvement Phase X (Laguna Woods)		Enhance Quality of Life	Enhance Quality of Life	\$265,000	Funds will be used for the installation of ADA-compliant vibrotactile pedestrian systems at six strategically chosen intersections within the City of Laguna Woods	6/30/2027	10,770 People	Six strategically chosen intersections within the City of Laguna Woods	Public Facility & Improvements

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
HVAC & Senior Center Improvements (Stanton)		Enhance Quality of Life	Enhance Quality of Life	\$265,000	Funds will be used for HVAC Construction & Mobilization, removal & replacement of existing HVAC units. ADA Handrails, SDS Stairway lift improvements, cabinets at the City of Stanton Senior Center	6/30/2027	3,540 People	City of Stanton Senior Center	Public Facility & Improvements



**AP-50 Geographic Distribution – 91.220(f)**

**Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.**

The “Urban County” of Orange is comprised of 12 cities with populations under 50,000 (participating cities), two “Metro” cities – Placentia and Yorba Linda – with populations over 50,000, and the unincorporated areas of Orange County. The 12 participating cities include Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, Laguna Woods, La Palma, Los Alamitos, San Juan Capistrano, Seal Beach, Stanton, and Villa Park. With populations over 50,000, Placentia and Yorba Linda are eligible to participate in the CPD programs as entitlement jurisdictions and receive funding directly from HUD. However, these cities have elected to join the Urban County for the overall implementation of these programs. However, the County has not established any specific geographic target area for expending funds.

The County coordinates with a subcommittee of participating City Managers to review funding allocation policy and process for distribution of CDBG funds prior to the beginning of each funding cycle. Currently, the County uses a non-competitive funding application process Request for Proposals (RFA) to distribute CDBG funds for Public Facility & Improvements and Housing Rehabilitation activities. Individual participating cities and County departments are required to submit applications for funding. OC Housing and Community Development evaluates each application for eligibility to pass a threshold review. Many factors, such as the administrative burden of the program, the number of eligible census block groups, annexations, and population growth in the participating cities, weigh into the analysis of the most efficient and effective way to distribute CPD funds to meet the high- priority activities outlined in this Annual Action Plan.

The non- competitive funding distribution will fund each application that passes threshold review as funding becomes available.

CDBG program funds will be distributed and expended based on program criteria. Housing rehabilitation programs will be provided on a citywide basis in each participating city and in the unincorporated County areas based on low- and moderate-income qualified residents. Supportive services will be available throughout the Urban County to low- and moderate-income residents and persons with special needs. Public Facility and infrastructure improvements will be located primarily in the Urban County’s low- and moderate-income areas. HOME funds will be distributed to those projects that meet priority needs and meet other underwriting factors that indicate a strong probability the project will come to fruition. ESG funds will be awarded to projects that will best serve the priority needs of homeless individuals and families and those at risk of becoming homeless.

**Geographic Distribution**

Target Area	Percentage of Funds
	NA

**Table 62 - Geographic Distribution**

**Rationale for the priorities for allocating investments geographically**

The Urban County has not established geographic target areas for expending funds.

**Discussion**

See discussions above.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The Orange Urban County plans to utilize CDBG and HOME funds to support a number of authorized housing activities, including various residential rehabilitation programs and an affordable housing development program. HOME funds may be allocated to assist in the development of affordable rental units for households experiencing homelessness.

In 2018, a Housing Funding Strategy (Strategy) was completed and based on the 2017 homeless point in time count, indicated that there were 2,700 permanent supportive housing units needed. In 2022, an update to the Strategy was completed based on the 2022 homeless point in time count and although some progress had been made it indicated 2,396 permanent supportive housing units are needed. The goal is to develop these units by 2029.

The County and cities have collaborated on the development of permanent supportive housing in Orange County. The County together with the City of Stanton (a participating City) leveraged State Homekey funding for the development of 3 former motels into permanent supportive housing opportunities. This includes the use of Federal HOME funds in one of the developments.

The County has issued a series of Notice of Funding Availabilities (NOFA's) to make funding and available for the development of permanent supportive housing. In collaboration with the Orange County Housing Authority, the Continuum of Care, cities, developers and various stakeholders including the County's managed health care provider, CalOptima, there has been a large investment in the development of supportive and affordable housing.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	9,500
Non-Homeless	0
Special-Needs	0
Total	9,500

**Table 64 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	0
The Production of New Units	18
Rehab of Existing Units	86
Acquisition of Existing Units	0
Total	104

**Table 65 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

Homeless- The Orange County Continuum of Care expects to serve approximately 7,000 persons experiencing homelessness by providing them access to emergency shelter and/or transitional housing beds. The Orange County Continuum of Care expects to serve approximately 2,500 persons experiencing homelessness in securing permanent housing placements and ending their homelessness.

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**AP-60 Public Housing – 91.220(h)**

**Introduction**

The public housing needs of Urban Orange County residents are met by the Orange County Housing Authority (OCHA), a division within Orange County Community Resources/OC Homeless, Housing and Community Development.

**Actions planned during the next year to address the needs to public housing.**

There are no public housing projects in Orange County.

**Actions to encourage public housing residents to become more involved in management and participate in homeownership.**

There are no public housing projects in Orange County.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance.**

Not applicable.

**Discussion**

See discussion above.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

Factors contributing to the increase in persons experiencing homelessness in Orange County include a lack of affordable housing for extremely low, low/moderate-income households. An increase in the number of persons whose income falls below the poverty level, reductions in housing subsidies to those eligible, extensive history of untreated drug/alcohol use, and the de-institutionalization of facilities for those with mental illness diagnosis. The recent housing market and economic conditions have also resulted in some families and individuals at risk of or experiencing homelessness due to home foreclosures, evictions, unemployment, and/or underemployment.

With the implementation of the Coordinated Entry System, the Orange County community has identified the lack of affordable housing in the area as the largest challenge to housing those experiencing chronic homelessness. When housing is found in the private market, it often has requirements that are challenging for those experiencing homelessness to meet, such as background checks, low credit history, lack of earned income and many more. Many landlords and owners have established policies that deny tenancy to individuals with felonies or other criminal backgrounds. Unfortunately, this has been an identified barrier for several individuals experiencing homelessness which have criminal backgrounds. This barrier makes it challenging to secure housing and causes delays within the housing navigation process.

The target population of persons experiencing homelessness in Orange County is composed of diverse groups ranging from families with minors to single adult individuals, veterans, disabled individuals, minorities, and those that are 62 years of age and older. Despite their differences, each person experiencing homelessness needs safe and permanent housing. The County recognizes that fully engaging in efforts to end homelessness requires a deeply involved community and accurate information. Based on the findings from the 2024 Orange County Point-In-Time Count, a total of 7,322 persons are experiencing homelessness on any given night. This represents an increase of about 28 percent from the 2022 PIT Count (or an increase of 1,604 individuals).

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including.**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Since 1998, the County has had a comprehensive, coordinated, and regional Continuum of Care strategy that includes participation of all 34 cities in Orange County, County Departments, the County's homeless housing and service providers, and other community groups, including non-profits, local governmental agencies, faith-based organizations, the homeless and formerly homeless, interested business leaders, schools and other stakeholders to identify the gaps and unmet needs of the persons experiencing homelessness in Orange County. Homeless needs and priorities continue to be identified through the Orange County Continuum of Care (CoC) system. All CoC committees are public and inclusive to participation of all stakeholders including homeless and formerly homeless individuals. In addition, the CoC consults with and engages homeless individuals to participate in the Point-in-Time Count and Survey of the homeless and the various committees and subcommittees of the CoC to address the emergency shelter and transitional housing needs of homeless persons. The Orange County CoC established a Lived Experience Advisory Committee to ensure that the voices and perspectives of individuals with current and/or past lived experience of homelessness are heard and considered in the decision-making process of the CoC Board and provide a way to share recommendations and feedback on the CoC's

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programs and services.

The County continues to work on addressing and reducing homelessness countywide. Part of the implementation of programs established to serve the population is setting goals and meeting milestones in order to track progress. During this fiscal year, the County's Office of Care Coordination has worked to implement a Care Coordination Services Program to provide services that help respond and address the unsheltered homeless conditions and provide comprehensive care coordination, inclusive of case management, disability benefit application assistance and advocacy, and housing navigation services to individuals experiencing homelessness in each Service Planning Area (SPA) – North, Central, and South – to secure permanent housing placement for the individual. Additionally, the County's goal is to provide a program where individuals experiencing chronic, unsheltered homelessness are connected to a care coordinator who will provide a "whatever it takes" approach to getting an individual permanently housed and also increase equitable service access across Orange County regardless of where a person is experiencing homelessness.

The County's goal in providing access to programs for persons experiencing homelessness, gives individuals the opportunity to assess individual needs, and create linkages to emergency shelter services as well as community linkages to connect individuals to the Coordinated Entry System in order to increase the permanent supportive housing options available.

Additionally, the County conducted the 2025 Homeless Survey, a comprehensive survey of individuals currently experiencing unsheltered homelessness. This would be a local effort asking questions that provide insight into homelessness efforts that are working, not working, gaps and barriers in services, as well as access to available resources.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The County has allocated \$181,564 in Federal Emergency Solutions Grant (ESG) funds and \$222,282 in Community Development Block Grant (CDBG) funds during FY 2026-27 for essential services, operations, emergency shelter, showers, and meals for individuals experiencing homelessness.

In order to continue to increase the shelter bed capacity across Orange County, the County rehabbed a facility located at 1000 N. Kraemer Place in Anaheim in 2017 to provide trauma informed Emergency Shelter services with a 200-bed capacity serving the North Service Planning Area of the county called Bridges at Kraemer Place. CDBG funds were allocated to support the rehabilitation of this shelter facility. The County continues to fully fund the operations of the Program. In 2021, the County also rehabbed a facility located at 2229 S. Yale Street in the City of Santa Ana to provide trauma informed Emergency Shelter services with a 425-bed capacity serving the Central Service Planning Area called the Yale Navigation Center. Additionally, the County continues to invest in the operations of emergency shelter programs operated by Cities by contributing ongoing funding. These investments have supported the creation of a minimum of 500 beds for people experiencing homelessness.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The Homeless System of Care is established to create and provide services to those experiencing homelessness by working collaboratively with a variety of supportive services that can address the current needs and barriers with a goal of self-sufficiency and a permanent home. The system also aims to prevent recurring episodes of homelessness by ensuring individuals are connected to wrap around services and community services. In Orange County, a variety of private, federal, state and county- funded programs offer job training courses, childcare, work-appropriate clothing, food donations and/or meals, among other services. Many of these services are aimed to follow clients through their homeless episode(s) and as they move within the system of care up until they have identified permanent housing.

Throughout the past 30 years, a variety of non-profit service providers that created a robust system of care in Orange County which are accessible to individuals experiencing homelessness. Each provider tends to specialize in a particular type of client in order to tailor services effectively. Currently served populations include, but are not limited to families, victims of domestic violence, veterans, men, and women experiencing chronic homelessness, individuals with mental health issues and their families, and individuals with physical and developmental disabilities and their families.

In addition, County serves as the Coordinated Entry System (CES) Lead for the Orange County Continuum of Care (CoC) and is responsible for the implementation of a CES that addresses the needs of persons experiencing homelessness in Orange County, including adult only households, families with minor children, veterans, and Transitional Aged Youth. The primary goal of CES is to facilitate a participant centered process that streamlines access to the most appropriate services and housing interventions for individuals experiencing homelessness or at risk of experiencing homelessness in Orange County. The CES aims to meet individualized preferences and needs with the goal of supporting participants return to stable housing.

Persons experiencing homelessness and at risk of experiencing homelessness gain access to housing and supportive services more seamlessly through regionally coordinated access. The Orange County (CoC) Board has established committees that focus on the diverse subpopulations such as veterans, families, Transitional Age Youth (TAY) etc. The County also applied to be the Administrative Entity on behalf of the Orange County (CoC) for the allocation of State ESG funds. This has brought an additional \$1,208,146 of funding to the County to address the housing needs of persons experiencing homeless.

Many persons experiencing chronic homelessness also have a disability that requires an additional level of support. One program that is developing permanent housing units tied to supportive services is the Mental Health Services Act (MHSA) Housing Program. In June 2018, the Board of Supervisors received and filed the Housing Funding Strategy which delineated specific actions needed to achieve the goal of developing 2,700 supportive housing units over a six-year period and approved the MHSA \$70.5 million Permanent Supportive Housing Spending Plan. The \$70.5 million in MHSA is in addition to the \$25 million previously allocated in 2018, for a combined total of \$95.5 million towards the development of supportive housing.

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In addition to the MHSA Housing Program, other housing and supportive services are provided through the MHSA Community Services and Supports component of the MHSA for clients enrolled in a Full Service Partnership Program. Participants of these programs must be adults or older adults experiencing serious mental illness or a child or youth experiencing an emotional disturbance. The programs provide flexible resources that are tailored to each client's specific needs.

Since the adoption of the Housing Funding Strategy in June 2018, the County has allocated a combined \$98.7 million dollars in County funds including but not limited to HOME and HOME American Rescue Plan (HOME ARP) to promote the acquisition, new construction, and acquisition/rehabilitation of supportive housing for households experiencing homelessness through a Notice of Funding Availability. In December 2022, the County received and filed an updated 2022 Housing Funding Strategy based on the 2022 Point in Time Count with an updated goal of developing 2,396 supportive housing units by 2029. The Orange County Housing Finance Trust (OCHFT) was also formed in 2019 which is a joint powers authority between the County and the Cities throughout the County with the purpose of funding housing. As of February 2025, the OCHFT has funded 1,677 permanent supportive housing units.

**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.**

The most fundamental risk factor in experiencing homelessness is acute poverty. Orange County has many organizations, both private and public, providing resources to those at risk of homelessness. The solutions to developing a system capable of ensuring that people have the right resources to remain housed, generally involve a continued high level of supportive services once an individual or household has been placed in permanent housing.

Implementation of the Mental Health Services Act (MHSA) in Orange County has provided a large array of supportive services for those who are homeless or at high-risk of homelessness as well as having a serious mental illness. Supportive services include, but are not limited to, employment services, mentoring, in-home crisis stabilization, education and training, centralized assessment team services, recovery centers, residential treatment, a wellness center, and a transitional age youth discovery program.

CalAIM is a five-year initiative by the Department of Health Care Services (DHCS) to improve the quality of life and health outcomes of the Medi-Cal population by meeting people where they are in life, addressing social drivers of health and breaking down barriers in accessing care. CalAIM offers Medi-Cal members coordinated and equitable access to services that address their physical, behavioral, developmental, dental, and long-term care needs. CalAIM is a population health approach that prioritizes prevention and whole-person care. It extends services and supports beyond hospitals and health care settings directly into California communities.

The initiative leverages Medi-Cal as a tool to help address many of the complex challenges facing California's most vulnerable residents, including individuals experiencing homelessness, children with complex medical conditions, justice-involved populations with significant clinical needs and the aging population.

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CalAim has three primary goals:

1. Identify and manage member risk and needs through whole-person care approaches and address social determinants of health.
2. Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility.
3. Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems and payment reform.

**Discussion**

Please see above.

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

The County recognizes that barriers to affordable housing exist and continues to employ strategies to overcome them.

**Lack of Affordable Housing Funds:** The availability of consistent funding for affordable housing is crucial for development.

**Environmental Protection:** State law (California Environmental Quality Act and California Endangered Species Act) and federal law (National Environmental Policy Act and Federal Endangered Species Act) regulations require environmental review of proposed discretionary projects (e.g., subdivision maps, use permits, etc.). Costs and time delay resulting from the environmental review process are also added to the cost of housing.

**Land Use Policies:** Housing growth is expected to slow in many South County cities as they reach “build- out” because the trend of higher density housing is not widely accepted in these areas. Homeowners’ associations and their related CC&Rs, the predominant development form after the 1970s that most of South Orange County was developed under, may also prevent local land use flexibility and the policies necessary to address workforce housing challenges over the long-term.

**Planning and Development Fees:** Planning and development impact fees, such as for transportation, water, and sewer infrastructure improvements, often add to the overall cost of development.

**Permit and Processing Procedures:** Builders and developers frequently cite the cost of holding land during the evaluation and review process as a significant factor in the cost of housing. Processing times vary with the complexity of the project. Holding costs associated with delays in processing have been estimated to add between 1.1 percent and 1.8 percent to the cost of a dwelling unit for each month of delay.

**State and Federal Davis-Bacon Prevailing Wages:** The State Department of Industrial Relations (DIR) expanded the kinds of projects that require the payment of prevailing wages. Prevailing wage adds to the overall cost of development. A prevailing wage must also be paid to laborers when federal funds are used to pay labor costs for any project over \$2,000 or on any multi-family project with federal funding sources over eight units. Based on discussions with developers, various prevailing wage requirements typically inflate the development costs by 30-40 percent.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.**

The County and participating cities have also worked to address the issues surrounding barriers

to affordable housing development through the Housing Element process required by the State of California. The California Department of Housing and Community Development (HCD) must review the Housing Element for compliance with State law. Among other things, each jurisdiction's Housing Element is required to identify opportunity sites with land use controls that facilitate affordable housing development. Another key component of HCD review is the extent of government policies that act as barriers to housing development, especially affordable housing development, and the jurisdiction's commitment to eliminating or mitigating the barriers.

Each jurisdiction in California (including all participating cities and the County) adopts a housing element as a required component of the general plan. In its adopted 2021-2029 Housing Element, the County identified several changes to its zoning code to facilitate affordable housing development, including adopting Objective Design Standards for residential development. The County's Housing Element also includes an objective that the County's Affordable Housing Project Manager and OC Housing and Community Development staff continue to provide public information about affordable housing opportunities to the public and housing developers, and to work cooperatively with other governmental agencies, business groups, universities, environmental organizations, housing advocates and the development community to increase public awareness of the importance of affordable housing to the County's long-term viability.

In March 2025, the County released a 2025 NOFA making up to \$12.05 million in combined funding (including HOME, HOME-ARP, MHSA, Housing Successor Agency and 15G Reserves funds) and up to 150 project-based vouchers available to support supportive housing development.

In March 2026, the County released a 2026 NOFA making up to \$12.05 million in combined funding (including HOME, MHSA/Behavior Health Services Act (BHSA), Housing Successor Agency and 15G Reserves funds) and up to 100 project-based vouchers available to support supportive housing development.

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**Discussion:**

See discussions above.

**AP-85 Other Actions – 91.220(k)****Introduction:**

Priority Needs for the County are as follows:

The following Priority Needs have been identified for the County of Orange:

**High Priority**

- Expand and preserve the supply of affordable housing to create housing opportunities for low- and moderate-income households and homeless individuals and families.
- Strengthen, preserve, and enhance the physical character and quality of life in Orange County's low- and moderate-income neighborhoods, including the housing stock and public infrastructure and facilities.
- Continue to build the capacity of residents to empower themselves and help strengthen their community, through the funding of needed public services for seniors, the homeless, and those at risk of homelessness.
- Planning and administration

In addition, the County may consider Economic Development activities if funding becomes available (Low-Priority).

**Actions planned to address obstacles to meeting underserved needs.**

One of the greatest challenges in meeting the underserved needs of low- and moderate-income persons is having limited financial resources. The County must weigh and balance the input from different groups and assign funding priorities that best bridge the gaps in the County's service delivery system. While other goals the County has set are also important, for the purposes of the Consolidated Plan, only those which are anticipated to be funded with CPD funding programs (CDBG, HOME, and ESG) during the five-year planning cycle are indicated to be high priorities. The County utilizes other funding sources to meet goals that are not considered high priority in the Consolidated Plan. The County established priorities for allocating CPD funds based on a number of criteria, including:

- Urgency of needs
- Cost efficiency
- Eligibility of activities/programs
- Availability of other funding sources to address specific needs.
- Funding program limitations
- Capacity and authority for implementing actions.
- Consistency with countywide goals, policies, and efforts

**Actions planned to foster and maintain affordable housing.**

The County, Orange County cities, non-profits and local agencies collaborate on a variety of actions to foster and maintain affordable housing using federal, state and local funding.

CDBG program funds are distributed and expended based on program criteria. HOME funds are

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distributed to projects that meet priority needs, are timely and meet other evaluation factors that indicate a strong probability the project will come to fruition. ESG funds and CDBG funds for Public Services are awarded to projects using a non-competitive process that will best serve the priority needs of homeless individuals, families, those at risk of becoming homeless and Public Services that serve the community operating County owned facilities. The County's CoC for the homeless leverages Continuum of Care Grants, Emergency Solutions Grants, and 811 funds in conjunction with non-profit sponsors to expand the supply of housing for the senior and special needs populations.

The County also utilizes local funding to leverage affordable housing projects and for Emergency Shelter programs. Non-profit and public sector partners contribute non-federal funds to meet the HOME match requirement. To ensure compliance with ESG match requirements, the County requires verification of matching funds by service providers who submit documentation for reimbursement of expenditures.

In 2019, the Orange County Housing Finance Trust (OCHFT) was formed as a joint power's authority between the County and cities throughout the county. OCHFT was created for the purpose of funding housing specifically assisting the homeless population and persons and families of extremely low, very low, and low income within the County. There are now 28 active member jurisdictions. The Orange County region, including the County and member cities, share a common goal of creating 2,396 permanent supportive housing units by 2029.

In November 2024 the County released a Request for Information/Qualifications to identified qualified developers with experience creating permanent supportive housing for consideration for funding through the State of California Homekey+ program. Through this process the County identified a list of five potential developers that may be eligible for future funding.

The County's Mortgage Assistance Program (MAP) provides silent down payment assistance loans to assist low-income first-time homebuyers to help with the down payment to purchase a home. Homebuyers must occupy the property as their primary residence.

The County also partners with the Kennedy Commission, a nonprofit organization that provides advocacy and education related to affordable housing in the County, to help educate the public about Housing & Community Development and affordable housing efforts and advocate for more funding for Orange County as a region.

### **Actions planned to reduce lead-based paint hazards.**

In Orange County, the Childhood Lead Poisoning Prevention Program (CLPPP) follows children with abnormal or high blood lead levels, making home visits to families of affected children to determine the source of lead and provide education about lead poisoning. Program staff also coordinates health care needs; follow-up visits when needed and provides outreach and educational presentations to the community. CLPPP also provides resources to cities with significant number of older housing units to help respond to complaints of deteriorated lead-based paint and other lead-related hazards in residential housing.

The CLPPP's Environmental Health Department is currently working toward:

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- Using progressive notification and action to achieve elimination of lead hazards identified during environmental investigations.
- Developing and implementing programs for training of investigation and enforcement agency personnel on identifying and correcting lead hazards in high-risk jurisdictions.
- Providing educational materials on renovation and remodeling activities to housing and building departments, for public distribution; and
- Encouraging building departments to incorporate informing about lead-safe work practices into their building permit process (such as attaching renovation pamphlets to building permits) for housing built before 1978.

### **Actions planned to reduce the number of poverty-level families.**

The County seeks to reduce the number of people living in poverty (extremely low-income households earning less than 30 percent of the AMI) by providing a number of programs including housing assistance, supportive services, economic development assistance, and job training opportunities. The County will continue to leverage opportunities to support funding for Community Based Development Organizations, cities, and other groups to provide training and employment opportunities to extremely low-income persons. In collaboration with the County's Workforce Development Board (OCWDB), the County will continue to offer outreach and training to poverty level families and individuals. Through the CoC system, the County will work with the OCWDB job-training providers to ensure that low- and moderate-income persons are trained with employable skills with the potential to earn higher wages. In addition, the County's funding (through CDBG and ESG funds) of human service programs for basic needs, food distribution, and case management for homeless and those at risk of homelessness support the goals and strategies of reducing poverty.

### **Actions planned to develop institutional structure.**

The institutional structure, through which this Annual Action Plan will be implemented, includes various agencies of County government, participating cities, nonprofit organizations, and private industry. OC Housing and Community Development has oversight responsibility for the Consolidated Plan/Annual Plan processes including oversight of regulatory requirements such as NEPA, Fair Housing, Section 3, etc. OC Housing and Community Development is a component of OC Community Resources, which consists of OC Animal Care, OC Community Services, OC Housing and Community Development, OC Parks, and OC Public Libraries.

### **Actions planned to enhance coordination between public and private housing and social service agencies.**

OC Housing and Community Development is responsible for the administration and compliance of programs and grant management. OC Housing and Community Development performs audits, compliance, and legal notification procedures required by HUD.

OC Housing and Community Development oversees housing community development activities, such as public infrastructure, housing rehabilitation, community development, preservation and improvement activities, affordable rental housing, homeownership activities through the administration of subrecipient contracts funded through the CDBG, HOME, and ESG.

The cities of Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, Laguna Woods, La Palma,  
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Los Alamitos, Seal Beach, San Juan Capistrano, Stanton, and Villa Park participate in the County program and are responsible for delivering specific programs and activities in their communities.

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The cities of Placentia and Yorba Linda are participating as Metro cities and are responsible for delivering specific programs and activities in their communities.

Nonprofit organizations play a vital role in implementing the Annual Action Plan. Nonprofit organizations form a network of resources that address a wide variety of housing and community development needs. These organizations provide a valuable link between the population in need of assistance and the pool of resources available.

Private sector participants may include lending institutions and for-profit development entities. Lending institutions may be the source of low-cost loans for affordable housing and rehabilitation projects.

Developers are the primary providers of the housing stock and are encouraged to participate in low-income housing in a variety of ways, including through density bonuses and participation in the Low-Income Housing Tax Credit (LIHTC) program.

**Discussion:**

See discussion above.

**Program Specific Requirements****AP-90 Program Specific Requirements – 91.220(I)(1,2,4)****Introduction:**

The following describes other program-specific requirements.

**Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	20,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>20,000</b>

**Other CDBG Requirements**

1. The County will demonstrate that  $\geq 70\%$  of CDBG expenditures benefit low- and moderate-income persons over the three-year period PY 2025–PY 2027, which includes this Annual Action Plan.

2. The amount of urgent need activities 0

3. The estimated percentage of CDBG funds that will be used for activities that 100.00% benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

**HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)**

1. For HOME-assisted homebuyer activities, the County will use HUD-published HOME affordable homeownership limits for Orange County (95% of area median purchase price) applicable to the program year, consistent with 24 CFR §92.254(a)(2)-(4).
2. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

FY 2026-27 HOME funds will be used for the development of affordable housing.

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3. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The County had previously provided homebuyer assistance utilizing HOME funds and housing rehabilitation assistance. As a condition of receiving HOME and CDBG grant or loan funds, the County requires the applicant to enter into a covenant agreement that is recorded against the property and runs with the land. The agreement contains a recapture restriction stipulating that during the affordability period if the unit is sold, the grant or loan must be paid in full.

The County offers Mortgage Assistance Program (MAP) loans to assist eligible low-income first-time homebuyers on a first-come, first-serve basis to purchase their own decent affordable houses in the unincorporated areas of Orange County and in certain participating Cities within the County. MAP loans provide eligible first-time homebuyers part of the purchase price of their home to bridge the gap between the total purchase price of the home and the home buyer's down payment, closing costs and 1st mortgage. Eligible first-time homebuyer's annual income must not exceed 80% of the Area Median Income (AMI). The total sales prices for a HOME funded property shall not exceed the maximum HOME purchase price (85% of the medium home sales price) for Orange County. All applicants must attend a homebuyer education workshop offered by a HUD approved Housing Counseling Agency. Borrowers must qualify for and obtain first mortgage loan from a participating lender. Potential homebuyers may obtain additional information the on OC Housing & Community Development website which links to the administrator for the County's MAP Program at [www.ochcd.org/housing-development/homeowner-program](http://www.ochcd.org/housing-development/homeowner-program).

In accordance with the requirements of the HOME Program (24 CFR Part 92), these properties assisted with HOME funds are subject to affordability restrictions. Since in all cases the County's MAP provides HOME direct assistance to eligible first-time home buyers in the form of loans, all homebuyers that receive a MAP loan have received direct HOME assistance. Therefore, the County uses recapture provisions to enforce the HOME affordability requirements in its homebuyer program and does not use resale provisions.

Borrowers must occupy the Property as Borrower's principal place of residence for thirty (30) years from the date the loan is made. Prior to the 30th year, Borrower has the right to prepay the outstanding principal amount of the loan plus the simple interest that is due. If Borrower prepays the original amount of the loan plus simple interest, the Deed of Trust, and the requirement that Borrowers must occupy the Property as Borrower's principal place of residence will no longer be in effect. In the case of refinance, Borrowers must notify the County. Borrowers can refinance the loan as long as they do not take cash out when the refinance is completed.

MAP loans from the County are deferred loans. This means that Borrowers do not have to make any payments on the loan for 30 years, provided the Borrower owns and occupies the home and does not violate any of the terms of the Mortgage Assistance Program loan. The loan carries a simple interest rate of three percent (3%). Thirty (30) years from the date the loan is made, the Borrower will be required to repay the principal amount of the loan (direct HOME subsidy) plus all accrued interest.

4. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:

During the thirty-year affordability period, if the Borrower is going to transfer all or any part of the property (either voluntarily through a sale, or involuntarily through a foreclosure or similar transaction), it must notify the County, in advance and in writing and receive the County's written approval. At transfer, the Borrower will be required to repay the loan with the net proceeds of sale/distribution of proceeds at foreclosure. If there are insufficient net proceeds for the County to recapture the loan plus interest, the County will recapture the full amount of net proceeds available, and the loan will be considered satisfied. Net proceeds are the sales price of the home minus the first mortgage repayment and any applicable closing costs.

#### Annual Action Plan

Certain transfers are **not** permitted, including transfers: (i) by a Borrower to an existing spouse or domestic partner who is also an obligor under the Note; (ii) by a Borrower to a spouse or domestic partner where the spouse or domestic partner becomes the co-owner of the Property; (iii) between spouses as part of a marriage dissolution proceeding; (iv) to an existing spouse or domestic partner of Borrower by devise or inheritance following the death of Borrower; (v) by Borrower into an inter vivos trust in which Borrower is the beneficiary; (vi) by deed of trust or imposition of a lien subordinate to the Deed of Trust or (vii) refinance of the First Mortgage or any CalHFA Mortgages, meeting the requirements of Section 11 of the Promissory Note.

MAP loans are repaid per the terms of a Promissory Note which is secured by a Deed of Trust. In addition, the County executes a Borrower Disclosure Statement with the Borrower, in order to convey all the HOME requirements that apply during the affordability period (principal residence, recapture requirements, default).

The County will conduct yearly monitoring to ensure that Borrowers are in compliance with the terms of their MAP loan, including, but not limited to, the requirement that Borrowers use the home as their principal place of residence. In the event of noncompliance during the period of affordability by the Borrower under the terms of the MAP loan or their First Mortgage loan, the total amount of the Borrower's Map loan and simple interest owed shall immediately become due and payable. Noncompliance occurs when an owner (1) vacates the unit or rents the unit to another household or, (2) sells the home without the County receiving recaptured funds due at time of sale.

In the event of noncompliance with the affordability requirements, or default on any loan terms, all outstanding principal plus simple interest is due and immediately payable. If the Borrower is unable to repay the loan when due, an additional financial penalty may be imposed by the County per the terms of the Borrower's Promissory Note.

5. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

This plan does not include use of HOME funds to refinance existing debts for multifamily housing.

6. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

Home funds are used to develop permanent supportive housing and for individuals experiencing homelessness.

## Annual Action Plan

## Emergency Solutions Grant (ESG) Reference 91.220(I)(4)

1. Include written standards for providing ESG assistance (may include as attachment). The County's ESG Written Standards (updated June 2022) are attached and will be reviewed annually per 24 CFR §576.400(e)(3). The Emergency Solutions Grant (ESG) Written Standards were last approved by the Orange County Continuum of Care (Orange County CoC) in 2022. The approved version is included as an attachment.

The latest draft version of the ESG Written Standards is included as an attachment. The ESG Written Standards will be reviewed and approved by the County as the Collaborative Applicant and Administrative Entity to the Santa Ana/Anaheim/Orange County Continuum of Care (Orange County CoC), the Orange County CoC, and local ESG recipients including representatives from the County, City of Anaheim, City of Garden Grove, City of Irvine, City of Anaheim, and City of Santa Ana (ESG Collaborative) to finalize the document. The updated ESG Written Standards were adopted by the CoC Board in June 2022. The County continued to review and make updates to the ESG Written Standards at least annually, or as needed, to include and refine updated program guidelines, appendices for COVID-19 related policies and procedures, and approved waivers approved by the funding agency. Any adjustments made to the ESG Written Standards will go through a review and approval workflow process to ensure coordination and collaboration of policies, program design and standards that result in positive outcomes and impacts to the community.

Collaboration allows for input on the standards and implementation process developed by organizations that directly provide homelessness and housing services, including Street Outreach, Emergency Shelter services and operations, Homelessness Prevention and Rapid Rehousing.

Subrecipients are required to develop and implement written policies and procedures in compliance ESG regulations and program objectives. County and local entitlement jurisdictions will work closely with subrecipients and provide technical assistance to ensure compliance with eligibility and verification requirements for all ESG activities. Additionally, the ESG Collaborative will continue to develop assessment and evaluation tools to standardize monitoring forms and processes and review performance data to ensure the effectiveness of the program design and standards, minimize any duplication of efforts and align with systemwide values and priorities.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system. Provided are the current standards utilized by subrecipient which also meet HUD requirements. Provisions in the CoC Program interim rule at 24 CFR 578.7(a)(8) require that CoC's establish a Centralized or Coordinated Assessment System (CES). HUD's primary goals for coordinated entry processes are that assistance be allocated as effectively as possible and that it be easily accessible no matter where or how people present. Most communities lack the resources needed to meet all the needs of people experiencing homelessness.

Managed by the Office of Care Coordination (OCC), County operates a coordinated entry system with components for adult-only households and families with minor children. In addition, a by-name registry is maintained for transitional aged youth and veterans.

The County's, OCC, is the lead for CES. CES partners with a network of service providers for a no wrong door approach for access to CES, follows a standardized entry protocol and prioritization for placement policy and utilizes a single, standardized assessment tool to screen applicants for available programs throughout Orange County. The current CES policies were approved by the CoC Board on October 22, 2025 –

<https://ceo.oc.gov/sites/ceo/files/2025-10/CES%20P%26Ps%20Oct%202025.pdf>

At this time the CoC has implemented Emergency Transfer Request Policy, Targeted Opportunities and Stepping Up and Moving On initiative.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).  
As the Collaborative Applicant and Administrative Entity, the County Office of Care Coordination collaborates and convenes with the Orange County CoC and local participating cities in prioritizing ESG activities that will best support individuals and families experiencing homelessness, close gaps in services and strategize systemwide performance measures. This includes developing partnerships with various organizations across the CoC, continuous improvement of planning, program implementation and data collection, and promoting programs that demonstrate sustainability for funded projects. The funding for emergency shelter has been established as a high priority regionally.

As the Administrative Entity, the County subawards are made through a procurement process in accordance with 25 CCR § 8403 and the County of Orange Contract Policy Manual using a Request for Proposal. The procurement process is competitive in selecting subrecipients and consists of adequate public notice, a statement of objectives and requirements, minimum qualification criteria, and evaluation criteria for all proposals. Selection and distribution of grant funds receive CoC Board approval prior to award.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.  
The County Office of Care Coordination, in collaboration with the Orange County Continuum of Care (CoC) Board, has established the Lived Experience Advisory Committee (Advisory Committee). The Advisory Committee functions in an advisory capacity to the CoC Board and works with the County as the Collaborative Applicant and Administrative Entity to include community-level feedback from individuals with current and past lived experience of homelessness in the review and development of policies, procedures and funding decisions impacting homeless services in Orange County.

As the Advisory Committee convenes on a monthly basis, the County brings policies, processes, and funding opportunities as part of the process of receiving feedback from individuals with lived expertise. If the County is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the County will consult with the Advisory Committee for feedback and recommendations in the review of policies and services funded under ESG.

5. Describe performance standards for evaluating ESG.  
Refer to the ESG written standards (attached)



# Emergency Solutions Grant (ESG) Written Standards

County of Orange and Orange County Continuum of Care

## Emergency Solutions Grant (ESG) Reference 24 CFR 576.400. 91.220

### Emergency Solutions Grant Written Standards

The County of Orange (County), through the Orange County Community Resources (OCCR) and the County Executive Office (CEO) Office of Care Coordination, is responsible for coordinating and implementing the Emergency Solutions Grant (ESG) Orange County Written Standards. The ESG regulations, the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, and the Continuum of Care (CoC) Program Interim Rules state that the CoC, in consultation with recipients of ESG program funds within the geographic area, must:

- Establish and consistently follow written standards for providing eligible services and assistance that aligns with CoC policies;
- Establish performance targets appropriate for population and program type; and
- Monitor recipient and subrecipient performance.

Pursuant to the Code of Federal Regulations 24 CFR Part 578, the County, in coordination with local ESG jurisdictions and the Orange County CoC, has developed the following written standards. These standards will apply to all projects and activities that receive County ESG funding. These are intended as basic minimum standards to which subrecipients can make additions and/or enforce more stringent standards applicable to their own projects. In addition, all projects must comply with the funding process under which the project was originally awarded and the HEARTH Act. All programs that receive ESG funding are required to abide by these written standards.

#### Overview of HEARTH Act

- Approved on May 20, 2009, and amended the McKinney-Vento Homeless Assistance Act.
- Amendments allow for increased flexibility in who may be served and what activities may be carried out.
- Consolidates three separate homeless assistance programs administered by the United States Department of Housing and Urban Development (HUD) under the McKinney-Vento Homeless Assistance Act into a single grant program and creates the ESG Program and the Rural Housing Stability Assistance Program (RHSP).
- Change of focus from homeless shelter to homelessness prevention.

#### ESG and CoC Coordination & Collaboration

These written standards have been developed and reviewed by an ad hoc group of ESG grantees within Orange County known as the ESG Collaborative. The ESG Collaborative includes members of the County, the City of Anaheim, City of Garden Grove, City of Santa Ana, City of Irvine and the Orange County CoC. This collaboration allows for input on the standards and implementation process developed by organizations that directly provide homeless and housing services, Street Outreach, Emergency Shelter Operations, Rapid Re-housing (RRH), and Homelessness Prevention (HP). *The ESG Written Standards have been adopted/approved by the CoC Board, County and City ESG recipients.* These written standards will be reviewed and revised at least annually, or as needed, to continue to build upon and refine this document.

#### State and Federal Compliance

ESG recipients are required to comply with state and federal statutes relating to nondiscrimination, including the Fair Housing Act, Section 504 of the Rehabilitation Act, Title VI of the Civil Rights Act, Title II of the Americans with Disabilities Act, and Title III of the American with Disabilities Act.

### Housing First Model

HUD encourages all ESG grantees and subrecipients, as well as the CoC, to implement a “housing first” approach when providing assistance. The housing first approach prioritizes rapid placement and stabilization in permanent housing; it does not have service participation requirements or preconditions (such as sobriety or a minimum income threshold).

Transitional housing and supportive services only projects may also be considered to utilize the housing first approach, if the projects operate with low-barriers, work to quickly move people into permanent housing, do not require participation in supportive services, and do not require any preconditions for moving into transitional housing.

### Universal Assessment

All ESG and CoC Programs in Orange County are required to utilize standard and universal assessments approved by the Orange County CoC Board. A Homeless Prevention Assessment serves as a triage tool to determine if the individual or family may be diverted, need prevention assistance, or need to be further assessed to determine what is the best housing intervention for them. If the individual or family is determined to need further assessment, a standard assessment is completed for households to be considered for permanent housing opportunities available through the Coordinated Entry System (CES) while continuing to engage in diversion and problem-solving strategies. The assessments and prioritization factors approved by the Orange County CoC Board were developed to ensure that the household’s level of need and eligibility are made in an informed, reasonable, and objective manner while prioritizing limited resources to the most vulnerable households.

### Homeless Management Information System

All subrecipients are required to participate in the Homeless Management Information System (HMIS) per the ESG and CoC Interim Rule (24 CFR 576 and 578). HMIS provides an opportunity to document homelessness and helps to ensure coordination between service providers while avoiding duplication of services and client data. 2-1-1 Orange County was designated as the HMIS Lead by the Orange County CoC. Subrecipients are required to adhere to all privacy protection practices in accordance with the HMIS Policies and Procedures as approved by the Orange County CoC Board to ensure that participating organizations maintain the security and privacy of confidential client data referred to as Protected Personal Information (PPI).

### Reporting – HMIS

- The HEARTH Act makes HMIS participation a statutory requirement for ESG recipients and subrecipients. The subrecipients work with the CoC to ensure the screening, assessment, and referral of program participants are consistent with the written standards.
- The subrecipient will ensure that data on all persons served and all activities assisted under ESG are entered into a community-wide HMIS in the area in which those persons and activities are located.
- Victim service providers cannot, and Legal Services Organizations may choose to not participate in HMIS. Providers that do not participate in HMIS must use a comparable database that produces unduplicated, aggregate reports instead.
- Eligible Cost include, but not limited to the following:
  - *Hardware, Equipment and Software Costs*
  - *Staffing: Paying salaries for operating HMIS*
  - *Training and Overhead- Technical support, leasing space, and utilities for space used by HMIS staff*

### Comparable Database for Victim Services

If the subrecipient is a victim services or a legal services provider that use a comparable database, it may use ESG funds to establish and operate a comparable database that collects client-level data over time and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must be provided to the HMIS Lead, upon request.

### Data Sharing Requirement

Data sharing is a multi-directional sharing relationship between multiple organizations. In order to systematically share data, the participating agencies must jointly establish a data sharing network formalized by the execution of guidelines, with the understanding they agree to future updates to the guidelines made by the HMIS Lead.

### ESG Agreements

The ESG recipient enters into an agreement with ESG subrecipients. In general, these subrecipient agreements define:

- Key program components or activities (including benchmarks for success);
- Level of ESG funding and budgeting;
- Anticipated source and amount of matching funds (24CFR 576.201) contributed by the subrecipient;
- Applicable laws and regulations; and
- Participation in the Orange County Continuum of Care's HMIS (or comparable database for qualified victim service providers) and Coordinated Entry System
- Documentation and reporting requirements.

### Expenditure Limits 24 CFR 576.100

Funds used for street outreach and emergency shelter activities will be limited to the greater of:

- 60 percent of the jurisdiction's total current fiscal year (FY) grant for ESG; or
- The amount of FY 2010 ESG grant funds that were committed to street outreach and emergency shelter.

The total amount of ESG funds that may be used for administrative activities cannot exceed 7.5 percent of the recipient's FY grant.

### Matching Funds Requirements 24 CFR 576.201

- The subrecipient must make matching contributions to supplement the recipient's ESG program in an amount that equals the amount of ESG funds provided by HUD.
- Matching contributions may be obtained from any eligible source, including any federal source other than the ESG program, as well as state, local, and private sources. Additional requirements apply to matching contributions from a federal source of funds.
- Matching contributions must be provided after the date that HUD signs the grant agreement.

### Uniform Administrative Requirements 2 CFR 200

The use of ESG funding is subject to the applicable requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The purpose of 2 CFR Part 200 is to streamline the Federal Government's guidance on administrative requirements to more effectively focus Federal resources on improving performance and outcomes, while ensuring the financial integrity of the Federal programs in partnership with non-federal stakeholders (e.g., grantees and subrecipients). 2 CFR Part 200 supersedes,

consolidates, and streamlines requirements from eight (8) OMB Circulars: A-21, A-87, A-89, A-102, A-110, A-122, A-133, and A-50. Subrecipients are required to maintain an acceptable general accounting system. A subrecipient's general accounting system must include:

1. **Internal Controls (2 CFR 200.303):** All ESG subrecipients must establish and maintain effective internal control over the grant award that provides reasonable assurance that funds are managed in compliance with federal statutes, regulations, and the terms and conditions of the ESG grant award.
  - These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
  - Comply with the U.S. Constitution, federal statutes, regulations, and the terms and conditions of the ESG grant award.
  - Evaluate and monitor subrecipient compliance with statutes, regulations and the terms and conditions of ESG grant award.
  - Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
  - Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or considers sensitive consistent with applicable federal, State, local, and tribal laws regarding privacy and responsibility over confidentiality.
2. **Independent Single Audit (2 CFR 200.514):** All ESG subrecipients that expend more than \$750,000 of Federal funds (include all Federal sources) in a single year must have a single audit conducted. Copies of the Single Audit must be sent to the County as well as HUD.

*General (2 CFR 200.514(a)).* The audit must be conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS), and cover the entire operations of the auditee, or, at the option of the auditee, such audit must include a series of audits that cover departments, agencies, and other organizational units that expended or otherwise administered federal awards during such audit period, provided that each such audit must encompass the financial statements and schedule of expenditures of federal awards for each such department, agency, and other organizational unit, which must be considered to be a non-federal entity. The financial statements and schedule of expenditures of federal awards must be for the same audit period.

*Financial statements (2CFR 200.514(b)).* The auditor must determine whether the financial statements of the auditee are presented fairly in all material respects in accordance with generally accepted accounting principles. The auditor must also determine whether the schedule of expenditures of federal awards is stated fairly in all material respects in relation to the auditee's financial statements as a whole.

*Internal control (2 CFR 200.514(c)).* The compliance supplement provides guidance on internal controls over Federal programs based upon the guidance in Standards for Internal Control in the Federal Government issued by the Comptroller General of the United States and the Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In addition to the requirements of the GAGAS, the auditor must perform procedures to obtain an understanding of internal control over Federal programs sufficient to plan the audit to support a low assessed level of control risk of noncompliance for major programs.

The auditor must:

- a. Plan the testing of internal control over compliance for major programs to support a low assessed level of control risk for the assertions relevant to the compliance requirements for each major program; and
- b. Perform testing of internal control as planned above.

When internal control over some or all of the compliance requirements for a major program are likely to be ineffective in preventing or detecting noncompliance, the planning and performing of testing are not required for those compliance requirements. However, the auditor must report a significant deficiency or material weakness in accordance with Section 200.516, assess the related control risk at the maximum, and consider whether additional compliance tests are required because of ineffective internal control.

*Compliance (2 CFR 200.514(d)).* In addition to the requirements of GAGAS, the auditor must determine whether the auditee has complied with federal statutes, regulations, and the terms and conditions of Federal awards that may have a direct and material effect on each of its major programs.

- The principal compliance requirements applicable to most Federal programs and the compliance requirements of the largest Federal programs are included in the compliance supplement. Compliance supplement means an annually updated authoritative source for auditors that serves to identify existing important compliance requirements that the Federal Government expects to be considered as part of an audit. Auditors use it to understand the Federal program's objectives, procedures, and compliance requirements, as well as audit objectives and suggested audit procedures for determining compliance with the relevant Federal program.
- For the compliance requirements related to Federal programs contained in the compliance supplement, an audit of these compliance requirements will meet the requirements of this part. Where there have been changes to the compliance requirements and the changes are not reflected in the compliance supplement, the auditor must determine the current compliance requirements and modify the audit procedures accordingly. For those Federal programs not covered in the compliance supplement, the auditor must follow the compliance supplement's guidance for programs not included in the supplement.
- When internal control over some or all of the compliance requirements for a major program are likely to be ineffective in preventing or detecting noncompliance, the planning and performing of testing are not required for those compliance requirements. However, the auditor must report a significant deficiency or material weakness in accordance with Section 200.516, assess the related control risk at the audit follow-up.

*Audit follow-up (2 CFR 200.514(e)).* The auditor must follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee in accordance with Section 200.511(b), and report, as a current year audit finding, when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding. The auditor must perform audit follow-up procedures regardless of whether a prior audit finding relates to a major program in the current year.

*Data collection form.* As required in Section 200.512(b)(3), the auditor must complete, and sign specified sections of the data collection form.

3. **Record Keeping (2 CFR 200).** All records must be maintained for a minimum of four (4) years.

Financial records, supporting documents, statistical records, and all other ESG records pertinent to the ESG grant award must be retained for a period of four years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the awarding agency or pass-through entity in the case of a subrecipient. Awarding agencies and pass-through entities must not impose any other record retention requirements upon non-federal entities. The only exceptions are the following:

- If any litigation, claim, or audit is started before the expiration of the four-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- When the subrecipient is notified in writing by the federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.
- Records for real property and equipment acquired with federal funds must be retained for four years after final disposition.
- When records are transferred to or maintained by the federal awarding agency or pass-through entity, the four-year retention requirement is not applicable to the non-Federal entity.
- Records for program income transactions after the period of performance. In some cases, recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-federal entity's fiscal year in which the program income is earned.
- Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records such as indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
  - *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the four-year retention period for its supporting records starts from the date of such submission.
  - *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the federal government (or to the pass-through entity) for negotiation purposes, then the four-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

### Financial Management

Grantees and subrecipients in the ESG program must ensure compliance with regulations and requirements pertaining to the following key areas of financial management outlined in Financial Management Systems (24 CFR 85.20 and 24 CFR 84.20-28) for the following areas:

- Usage of funds
- Internal controls
- Cash management
- Procurement property
- Audits
- Required funding match
- Budget controls
- Accounting controls
- Asset controls

### Documentation of Homelessness 24 CFR 576.500 (b)

ESG subrecipients are required to maintain adequate documentation of homelessness status to determine

eligibility of persons served by the ESG program.

- A copy of this documentation must be maintained by the subrecipient in the participant's file. Documentation includes 3-day notice to pay or quit, public agency written verification of homelessness, or self-certification of homelessness are examples of required proof to require and maintain in participant file.

#### Definitions of Homelessness and At-Risk of Homelessness 24 CFR 91.5

The following are the homeless definitions and categories as defined in 24 CFR Parts 91, 582 and 583:

1. An individual who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - i. An individual with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or
  - ii. An individual living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals).
2. An individual who will imminently lose their primary nighttime residence, provided that:
  - i. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - ii. No subsequent residence has been identified; and
  - iii. The individual lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing.
3. Unaccompanied youth under 25 years of age who do not otherwise qualify as homeless under this definition, but who:
  - i. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
  - ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - iii. Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - iv. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or
4. Any individual who:
  - i. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime

- residence;
- ii. Has no other residence; and
- iii. Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

The following is the at-risk of homelessness definition as defined in 24 CFR Parts 91, 582 and 583:

1. An individual or family who:
  - i. Has an annual income below 50 percent of median family income for the area, as determined by HUD;
  - ii. Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the homeless definition in this section; and
  - iii. Meets one of the following conditions:
    - (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
    - (B) Is living in the home of another because of economic hardship;
    - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
    - (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
    - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;
    - (F) Is exiting a publicly funded institution, or system of care (such as a health -care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
    - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.

#### Monitoring and Site Visits

Monitoring can take a number of forms and can include review of progress reports, telephone consultation, and performance on-site assessments. The three basic goals for oversight and monitoring of the progress and performance of ESG grantees/recipients include:

- Ensure that ESG funds are used effectively to assist homeless individuals and families and that the basic ESG program goals are met;
- Ensure compliance with ESG regulations and program requirements in the usage of funds and in carrying out program activities; and
- Enhance and develop the management capacity of grantees or recipients.

#### Participation of Homeless Persons in Policymaking and Operations 24 CFR 576.405

Pursuant to 24 CFR 576.405, recipients of ESG funds must provide for the participation of not less than one homeless or formerly homeless persons in a policy-making function within the subrecipient's organization. If the recipient is unable to meet this requirement, they must instead develop and implement a plan to consult with homeless or formerly homeless persons in a policy-making function regarding any facilities, services, or other assistance that received funding under ESG. All subrecipients of ESG funds are required to involve or encourage involvement of participants in the operation of an ESG- funded program or facility.

#### Termination of Assistance 24 CFR 576.402:

Assistance provided through ESG-funded activities to program participants that violate program requirements may be terminated. Written procedures must describe the specific program requirements and the termination, grievance, or appeal processes; this should include the procedures for a participant to request a hearing regarding the termination of their assistance. The federal regulation at 24 CFR 576.402 describes the termination provision:

- (a) If a program participant violates program requirements, the recipient or subrecipient may terminate the assistance in accordance with a formal process established by the recipient or subrecipient that recognizes the rights of individuals affected. The recipient or subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.
- (b) Program participants receiving rental assistance or housing relocation and stabilization services. To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:
  - (1) Written notice to the program participant containing a clear statement of the reason(s) for termination;
  - (2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
  - (3) Prompt written notice of the final decision to the program participant.
- (c) Ability to provide further assistance. Termination under this section does not bar the recipient or subrecipient from providing further assistance at a later date to the same family or individual.

Conflict of Interest 24 CFR 576.404:

The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under 24 CFR 576.401 or administer homelessness prevention assistance under 24 CFR 576.103.

The subrecipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a grant award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, the subrecipient may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the subrecipient.

If the subrecipient has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the subrecipient must maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

No persons (as described in persons covered) who exercise or have exercised any functions or responsibilities with

respect to ESG activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds derived from an assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

**Persons Covered:** The Conflict of Interest provisions apply to any person who is an employee, agent, volunteer, consultant, officer, elected official or appointed official of:

- the State and/or,
- a unit of general local government and/or,
- any designated public agencies representative and/or
- subrecipients and contractors receiving ESG funds.

**Exceptions:** Upon the written request of the recipient, HUD may grant an exception to the provisions listed on a case-by-case basis, taking into account the cumulative effects of the criteria and threshold requirements met as stated in 24 CFR 576.404 (b)(3).

#### Reimbursement Responsibilities

Subrecipients will be responsible for submitting reimbursement requests, on a monthly basis, for eligible and reasonable expenditures. The following may be included in the reimbursement request. Specific items may vary from jurisdiction to jurisdiction and will be detailed in contracts:

- Request cover page and summary page
- Cancelled checks, bank statements, electronic payment receipts, etc.
- Invoices, billing, contract, lease agreements, etc. (late charges are not eligible)
- HMIS reporting

Final reimbursement request must be submitted no later than the date specified in the ESG subrecipient agreement.

#### Five ESG Program Components

The table below compares the two types of eligible ESG participants and which of the five ESG funding components each participant group may receive:

Component	Participants who are Homeless	Participants who are at risk of Homelessness
Street Outreach	X	
Emergency Shelter	X	
Homelessness Prevention		X
Rapid Rehousing	X	
Homeless Management Information System (HMIS)	X	X

## Standards for Programs Components

### Street Outreach 24 CFR 576.101

Eligible Participants: Individuals and families experiencing unsheltered homelessness, meaning those who qualify under paragraph (1) (i) of the definition of “homeless.”

Eligible Activities: Essential services to eligible participants provided on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where unsheltered persons are staying. Staff salaries related to carrying out street outreach activities is also eligible.

Eligible Costs:

Standards for targeting and providing essential services related to Street Outreach include:

- Engagement – Activities to locate, identify, and build relationships with unsheltered homeless people for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs.
- Case Management – Assessing housing needs and arranging/coordinating/monitoring the delivery of individualized services.
- Emergency Health Services – Outpatient treatment for urgent medical conditions provided by licensed medical professionals in community-based settings (e.g., streets, parks, and campgrounds) to eligible participants unwilling or unable to access emergency shelter or healthcare facility.
- Emergency Mental Health Services – Outpatient treatment for urgent mental health conditions provided by licensed professionals in community-based settings (e.g., streets, parks, and campgrounds).
- Transportation – Travel by outreach workers, social workers, medical professionals or other service providers during the provision of eligible street outreach services.
- Services to Special Populations – Address the special needs of homeless youth, victims of domestic violence and related crimes/threats, and/or people living with HIV/AIDS who are literally homeless.

### Emergency Shelter 24 CFR 576.102

Eligible Participants: Eligible Participants are individuals and families who are experiencing homelessness, as defined in 24 CFR 91.5.

Eligible Activities: ESG funds may be used to provide essential services to persons in emergency shelters, major renovation of an emergency shelter, or conversion of a building into an emergency shelter, and shelter operating costs. Staff costs related to carrying out emergency shelter activities is also eligible.

Eligible Costs:

Overview of eligible costs include:

- Essential Services – Provide essential services to individuals and families who are in an emergency shelter are as follows:
  - Case Management
  - Life Skills Training
  - Child Care
  - Education Services
  - Employment Assistance and Job Training

- Outpatient Health Services
- Legal Services
- Mental Health Services
- Substance Abuse Treatment Services
- Transportation
- Services for Special Populations

**Note:** Agencies providing Emergency Shelter must include in their policies and procedures the processes of intake and enrollment, diversion, referrals to mainstream resources and services, documentation of participant progress and discharge. This includes standards regarding length of stay and safeguards to meet the safety and shelter needs of special populations and individuals, and families who have the highest barriers to housing and are likely to be homeless the longest.

**Prohibition Against Involuntary Family Separation:** The age of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under the age of 18.

- Renovation and Conversion– include labor, materials, tools, and other costs for renovations. When ESG funds are used for renovations, other than major rehabilitation or conversion, the minimum period of use to be maintained as a shelter for homeless individuals and families is three (3) years. If the rehabilitation costs of an emergency shelter exceed 75 percent of the value of the building before rehabilitation (major rehabilitation) or if the costs to convert a building into an emergency shelter exceeds 75 percent of the value of the building after the conversion, then the minimum period of use is ten (10) years, including soft costs, or conversion of a building to be used as an emergency shelter. The maximum funding allowed is \$5,000.
- Shelter Operations - includes the costs of maintenance necessary for the operation of an emergency shelter. In the case when no appropriate emergency shelter is available for a homeless family or individual, a hotel or motel voucher will also be considered eligible cost. Additional eligible shelter operation costs include the following:
  - Maintenance (including minor and/or routine repairs)
  - Food
  - Insurance
  - Rent
  - Furnishings
  - Security
  - Supplies necessary for the operation of the emergency shelter
  - Fuel
  - Utilities
  - Equipment

## Homelessness Prevention 24 CFR 576.103

Purpose: To prevent people from moving into an emergency shelter or from entering an unsheltered homelessness situation. Funding may also be used to help such people regain stability in their current housing or other permanent housing and achieve stability within that housing.

**Eligible Participants:** Individuals and families who are *at imminent risk, or at risk, of homelessness*, meaning those who qualify under paragraph (2) and (3) of the homeless definition or those who qualify as at risk of homelessness. Individuals and families must have an income at, or below, 30% of median family income for the area (AMI).

**Eligible Activities:** Eligible activities include Housing Relocation, Stabilization Services and Short- and Medium-Term Rental Assistance.

## Rapid Rehousing 24 CFR 576.104

**Purpose:** Provides short and medium-term rental assistance to move homeless persons and families (with or without a disability) as rapidly as possible into permanent housing in market rate housing.

**Eligible Participants:** Serve participants who meet the criteria under paragraph (1) of the “homeless” definition in 24 CFR Part 576.2 or who of the “homeless” definition and live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition. Eligible participants are individuals and families that are literally homeless currently living in an emergency shelter or place not meant for human habitation.

Subrecipients must maintain standards to help homeless persons living on the streets or in an emergency shelter transition as quickly as possible into permanent housing, and then, to help such persons achieve stability in that housing.

**Eligible Activities:** Eligible activities include Housing Relocation, Stabilization Services and Short- and Medium-Term Rental Assistance.

## Housing Relocation and Stabilization Services 24 CFR 576.105

The following guidelines apply to both Rapid-Rehousing and Homelessness Prevention.

FINANCIAL ASSISTANCE	SUPPORTIVE SERVICES
Moving costs	Housing search & placement
Rent application fees	Housing Stability Case Management
Last month's rent	Mediation
Utility payments –up to 24 months of payments per program participant (including up to 6 months arrears per service)	Credit repair
Security deposit –equal to no more than 2 months' rent	Legal Services
Standard utility deposits	
Emergency Transfer Lease-Breaking Fees	

## Short- and Medium-Term Rental Assistance 24 CFR 576.106

TYPES OF RENTAL ASSISTANCE	LENGTH OF ASSISTANCE
Short Term Rental Assistance	Up to 3 months
Medium Term Rental Assistance	4 to 24 months
Payment of Rental Arrears	One-time payment for up to 6 months of arrears including late fees.

### Lease Requirements

Each ESG participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless financial assistance is solely for rental arrears. The lease must be between the property owner and the program participant. Where the financial assistance is solely for rental arrears, an agreement that gives the program participant an enforceable leasehold interest under state law showing that rent owed is sufficiently documented by the property owner's financial records, rent ledgers or canceled checks.

### Tenant-Based Rental Assistance (TBRA)

For tenant-based rental assistance, a program participant may select a housing unit in which to live and may move to another unit and continue to receive rental assistance, as long as program requirements are met. The recipient may require that all program participants live within a particular area for the period in which rental assistance is provided. The rental assistance agreement with the property owner must terminate and no further rental assistance payments should be made under the following conditions:

- The program participant moves out of the housing unit;
- The lease terminates and is not renewed; or
- The program participant becomes ineligible to receive ESG rental assistance.

### Project-Based Rental Assistance (PBRA)

If the subrecipient identifies a permanent housing unit that meets ESG requirements and becomes available before a program participant is identified to lease the unit, the subrecipient may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the following requirements:

- The rental assistance agreement may cover one or more permanent housing units in the same building and may only be occupied by eligible program participants.
- The subrecipient may pay up to 100 percent of the first month's rent, provided that a program participant signs a lease and moves into the unit before the end of the month for which the first month's rent is paid. The rent paid before a program participant moves into the unit must not exceed the rent charged under the participant's lease and must be included when determining the participant's total rental assistance.
- The subrecipient may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a program participant. When a participant moves out of an assisted unit, the subrecipient may pay the next month's rent as the first month's rent for a new eligible program participant in accordance with PBRA policies.
- The program participant's lease must not condition the term of occupancy to the provision of rental assistance payments. If the program participant is determined ineligible or reaches the maximum number of months over which rental assistance can be provided, the subrecipient must suspend or

terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the subrecipient may resume payments if the individual or family again becomes eligible and needs further rental assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building provided that the other unit meets all ESG requirements.

- The rental assistance agreement must have an initial term of one year. When a new program participant moves into an assisted unit, the term of the rental assistance agreement may be extended to cover the initial term of the program participant's lease. If the program participant's lease is renewed, the rental assistance agreement may be renewed or extended, as needed, up to the maximum number of months for which the program participant remains eligible. However, under no circumstances may the recipient or subrecipient commit ESG funds to be expended beyond the expenditure deadline in § 576.203 or commit funds for a future ESG grant before the grant is awarded.

In compliance with HUD requirements, in order to be in permanent housing, the program participant must be the tenant on a lease for a term of at least one year that is renewable and can only be terminated for cause. The lease must be renewable for terms that are a minimum of one month long. HUD has determined that requiring a lease for a term of at least one year that is renewable and terminable only for cause can assist program participants in obtaining stability in housing, even when the rental assistance is temporary.

ESG funded agencies may divide (bifurcate) a lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking. When a family receiving Tenant Based Rental Assistance (TBRA) separates under the lease bifurcation clause of 24 CFR 5.2009(a), their TBRA and their utility assistance (if any) must continue for the family members who are not evicted/removed. When a family living in a PBRA unit separates under the lease bifurcation clause of 24 CFR 5.2009(a), the family members who are not evicted or removed can remain in the PBRA unit without interruption to the unit's rental assistance or utility assistance.

ESG funded agencies are required to ensure that the VAWA lease language requirements under 24 CFR Part 5, Subpart L, are included in all ESG rental assistance agreements and leases. If a landlord-provided lease does not include all relevant protections, ESG funded agencies must attach a lease addendum including the necessary language using one of the following options:

- HUD's sample "Lease Addendum" (Form HUD-91067)
- CA HCD's VAWA Lease Addendum, which is based on Form HUD-91067
- An ESG funded agency developed lease addendum based on Form HUD-91067

## **PERFORMANCE STANDARDS**

The ESG grantee must describe the performance standards for evaluating ESG activities which must be developed in consultation with the Orange County CoC.

Based on standards and goals of the Orange County CoC, the Orange County ESG Collaborative is proposing the following performance standards for the ESG:

### **Performance Measures for Homelessness Prevention**

- A reduction in the number of homeless individuals and families seeking emergency shelter services.
- Expected Outcomes:
  - At least 30% of participants will move into transitional housing at the project exit.
  - At least 40% of participants will move into permanent housing at the project exit.

- At least 25% of adult participants will obtain earned income at project exit.
- At least 25% of adult participants will obtain cash/non-cash benefits at project exit.
- At least 90% of participants assisted will remain in transitional housing or permanent housing three (3) months after the last assistance was provided under ESG.

#### Performance Measures for Homeless Rapid Rehousing

- A reduction in the reoccurrence of homelessness for individuals and families who exit the shelter system.
- Expected Outcomes:
  - At least 75% of participants enrolled will move into a permanent housing destination within 90 days of enrollment.
  - At least 90% of participants will achieve permanent housing at the project exit.
  - At least 42% of participants will obtain earned income at project exit.
  - At least 30% of participants will obtain cash/non-cash benefits at project exit.
  - At least 80% of participants assisted will remain in permanent housing six (6) months after the last assistance provided under ESG.

#### **EVALUATION OF ELIGIBILITY**

Standard Policies and Procedures for evaluating individual and family eligibility for assistance under ESG.

#### Building on Established Homelessness Prevention or Rapid Rehousing Policies and Procedures

ESG Policies and Procedures were originally established based on the provisions of Homelessness Prevention and Rapid Rehousing assistance. The policies and procedures have been modified based upon the checklist of required elements set forth in 24 CFR 576.400 (e)(1) and (e)(3), (91.220 (l)(4)(vi)) and in collaboration with CoC standards will be adopted.

#### Waivers for Established Homelessness Prevention or Rapid Rehousing Policies and Procedures

ESG Policies and Procedures may be subject to waivers allowed by federal and state funding agencies. Waivers provide targeted flexibility for certain activities due to disaster and public health emergency responses or for special requests related to local needs or circumstances. All waivers require an official written request for and approval from the funding agency detailing the scope and the period for which the waiver is in effect. In some cases, waivers must be coordinated with efforts involving other programs.

#### Centralized Pre-Screening and Assessment Available at Multiple Locations

The Orange County CoC through the Coordinated Entry System (CES) establishes the list of prioritized households and available units. Participating agencies are responsible for engaging homeless individuals and families through the use of outreach/in-reach and a standardized assessment and intake process that provides referrals to the CES. CES places priority on those who are at highest risk with the most appropriate intervention **rather than** a "first come, first served" approach.

Throughout Orange County, an array of homeless service providers serves as CES access points. Individuals and families applying for ESG assistance must complete the standardized assessment as described in the Universal Assessment section with a CES access point. The intake and assessment may be completed via phone, online, or in person, including emergency shelter locations and through street outreach. CES Access points are distributed

geographically throughout Orange County.

### Basic Eligibility Requirements

- Initial Consultation & Eligibility Determination: The applicant(s) must receive at least an initial consultation and eligibility assessment with a case manager or other authorized representative who can determine eligibility and appropriate type of assistance.
- ESG program participants must meet one of the following definitions of homelessness:
  - Literally homeless
  - At imminent risk of homelessness
  - Homeless under Federal Statutes
  - Fleeing/attempting to flee domestic violence
- Income for Homelessness Prevention: Households must meet the criteria under the “at risk of homelessness” definition and have a total annual income below 30 percent of the median family income for the area (AMI).
- Income for Rapid Rehousing: There is no income requirement for Rapid Rehousing eligibility at intake. However, there is a requirement to conduct an annual re-evaluation for review and determination that the household’s total annual income must be below 30 percent of the median family income for the area (AMI) to qualify for continued assistance.
- Housing Status: Case files must document the current housing status of the household at application. Housing status will be verified through third party verification whenever possible. Self- certification of housing status will be considered on a case-by-case basis.
- Orange County Residency: All households receiving Homeless Prevention or Rapid Rehousing assistance under ESG must be residents of Orange County at time of application.
- Unidentifiable financial resources and/or support networks: In order to receive ESG rental financial assistance, applicants must also demonstrate the following:
  - No appropriate subsequent housing options have been identified;
  - The household lacks the financial resources to obtain immediate housing or remain in its existing housing; and
  - The household lacks support networks needed to obtain immediate housing or remain in its existing housing.

### **POLICIES AND PROCEDURES FOR PROGRAM COORDINATION**

Policies and Procedures for coordination among emergency shelter providers, essential service providers, Homelessness Prevention and Rapid Rehousing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

The ESG program requires coordination among participating agencies. All ESG subrecipients in Orange County are experienced homeless service providers with a demonstrated track record in fiscal management and the provision of housing and supportive services targeted to homeless households. Additionally, the project administration agreement with ESG subrecipients will require coordination among agencies receiving ESG funds to administer Emergency Shelter, essential services, Homelessness Prevention, Rapid Rehousing services, and related assistance, and access to mainstream services and housing providers for participants.

### Participation in the Continuum of Care

ESG funded agencies have access to membership in the CoC. The CoC has member organizations including

homeless service providers, veteran service representatives, churches, and government organizations. The CoC meets on a regular basis and shares information about services among participating agencies. For meeting information, you may access the CoC Master Calendar at <https://ceo.oc.gov/care-coordination/homeless-services>.

#### Required Participant Information and Referrals

To further facilitate collaboration and information sharing, ESG funded agencies will be required to provide the following information and referrals to ESG program participants:

- 2-1-1 hotline for social services
- Social Security Administration benefits
- CalWORKS, General Relief and other income security programs provided by the Orange County Social Service Agency (SSA)
- CalFresh, federally known as Supplemental Nutritional Assistance Program (SNAP)
- Low Income Energy Assistance Programs
- Affordable housing information
- Employment assistance and job training programs
- Health care and mental health services
- Services for victims of domestic violence
- Veteran services
- Specialized services such as legal services and credit counseling

#### The Violence Against Women Act (VAWA) Protections and Emergency Transfer Plan (ETP)

VAWA protections apply to all ESG participants. The law protects survivors who are victims of domestic violence, dating violence, stalking or sexual assault, as well as their affiliated persons from being evicted or being denied housing assistance if an incident of violence is reported or if the victim suffers economic and criminal circumstances as a result of the abuse. The law also creates emergency transfer options for victims and their affiliates, allowing survivors to transfer to a different unit if they are in fear for their life or safety, and provides for bifurcation of the lease to allow for an abuser to be removed and the victim and other household members to remain in the unit even if for a period of time.

An applicant or participant's status as a victim of domestic violence cannot be a basis for denial of admission or removal from an emergency shelter if they would otherwise qualify for admission or occupancy. Participants receiving Homeless Prevention or Rapid Rehousing assistance cannot be denied admission, evicted from their housing, or have their housing terminated solely because they are a victim of domestic violence if they otherwise qualify for assistance and admission.

Any ESG funded agency providing rental assistance is required to provide the following two forms to each ESG applicant and each ESG participant:

- Notice of Occupancy Rights Under VAWA (Form HUD-5380)
- Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternative Documentation (Form HUD-5382)

These forms are required to be provided at each of the following times:

- When an applicant is denied ESG rental assistance
- When an applicant's application for a unit receiving Project Based Rental Assistance (PBRA) is denied
- When a participant begins receiving ESG assistance

- When a participant is notified of termination of ESG rental assistance
- When a participant receives notice of eviction

ESG funded agencies providing rental assistance must implement an Emergency Transfer Plan (ETP) with the purpose of enabling participants who are victims of domestic violence to transfer from an existing unit to another safe unit without an interruption in their ESG assistance. The ETP takes effect when a qualifying participant certifies that they meet the following criteria:

- The participant is a victim of domestic violence, dating violence, sexual assault or stalking.
- The participant expressly requests the emergency transfer.
- The participant reasonably believes they are threatened with imminent harm from further violence if they remain in their current unit OR the participant is a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before the ETP request.

Records of requests for emergency transfer will be kept by the ESG funded agency and remain confidential including the location of any move by victim and their families. The ESG funded agency may request documentation from participants to certify that participants have been a victim of domestic violence, dating violence, sexual assault or stalking. Requests must be made in writing and the ESG funded agency must provide participants with at least 14 business days from the day the request is received to provide the documentation. The ESG funded agency must share a copy of the ETP if requested by a participant.

#### **POLICIES AND PROCEDURES FOR DETERMINING ASSISTANCE AND PRIORITIZATION**

Policies and Procedures for determining and prioritizing which eligible families and individuals will receive Homelessness Prevention assistance and which eligible families and individuals that will receive Rapid Rehousing assistance are required to operate the ESG program.

Once it is determined that the household meets the basic eligibility guidelines noted above, the household will be assessed for the appropriate form(s), level, and duration of financial assistance. The results of this assessment will be formalized in a Housing/Financial Assistance Plan that is signed by both the applicant and the case manager.

##### Assistance through Homelessness Prevention

Homelessness Prevention assistance will be targeted to households who are at risk of losing their present housing and becoming homeless. While there are many people who are housed and have a great need for rental assistance, not everyone will become homeless without assistance. A risk assessment will be used to assess the household's level of crisis and prioritize those who are at greatest risk of becoming homeless. The assessment tool will include vulnerability criteria including but not limited to: income, housing history, food security, childcare, health care, life skills, and other special needs. Due to the limited amount of funding, assistance will be provided on a first-come, first served basis, if the applicant meets the eligibility and risk assessment criteria.\*

##### Assistance through Rapid Rehousing

Rapid Rehousing assistance is intended for individuals or families who meet the homeless definition described in Section 103, 42 USC 11302 of the McKinney Vento Act, as amended by the HEARTH Act. While there are many homeless individuals and families in Orange County at any given night, the Rapid Rehousing assistance will be prioritized following the prioritization process approved by the CoC Board and implemented through CES.

## **DETERMINING SHARE OF RENT AND UTILITY COSTS**

Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving Homelessness Prevention or Rapid Rehousing assistance.

### **Limitations on Assistance – Homelessness Prevention**

Orange County's ESG rental assistance is intended to stabilize individuals and families who have recently endured difficult financial circumstances that have led them into homelessness or who are at imminent risk of becoming homeless. For Homelessness Prevention assistance, the rental assistance consists of short-term rental assistance (3 months); extended under certain circumstances to medium term rental assistance (for an additional 3 months). Subrecipient must re-evaluate the program participant's eligibility for Homeless Prevention assistance every 90 days. Case management on a monthly basis is **required**.

Not every individual or family in need of rental assistance is a candidate for ESG Homelessness Prevention assistance. ESG rental assistance is not a substitute for Section 8 rental assistance or a permanent rental subsidy, but rather a tool to help stabilize families or individuals who are at imminent risk of becoming homeless and lack any other resources to help them stabilize their housing situation. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources (CFR 576.106).

As a general rule, an individual or household should pay approximately 30% of their income towards rent. This requirement may be waived on a case-by-case basis for extreme circumstances. The ESG assistance will consist of the remaining portion of the rent. When determining the annual income of an individual or family, the subrecipient must use the standard for calculating annual income under 24 CFR 5.609.

Program participants are required to be reassessed at regular monthly intervals to monitor progress and levels of self-sufficiency. If a program participant requires assistance beyond the three-month mark, the ESG rental subsidy will be reduced, and the participant will be required to pay a larger portion of the rent. Homelessness Prevention assistance will be based on number of persons residing in household, Fair Market Rent rate, and income.

### **Limitations on Assistance – Rapid Rehousing**

Under Rapid Rehousing assistance, a program participant's share of rent should be based on the participant's ability to pay during their path to housing stabilization. Subrecipients must re-evaluate participants receiving Rapid Rehousing assistance at a minimum of every 12 months, and review participant progress during weekly or monthly case management meetings. The assistance should not exceed the Fair Market Rent amount based on participant household, except for the first month of assistance if participant requires assistance with other rehousing expenses such as rental security deposits or utility deposits. Security deposits should not exceed two times the rent. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, will be based on the following guidelines:

- 100 percent of the cost of rent in rental assistance may be provided to program participants. However, to maximize the number of households that can be served with Rapid Rehousing resources, it is expected that the level of need will be based on the goal of providing only what is necessary for each household to be stably housed for the long-term;
- Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the Fair Market Rent limit, established by HUD;
- The rent charged for a unit must be reasonable in relation to rents currently being charged for

comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

**Note:** Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources (CFR 576.106).

For additional guidance on Rapid Rehousing program limitations refer to the Rapid Rehousing Written Standards (Appendix A).

#### Limitations on Assistance – All Participants

Due to the limited amount of funds available, the ESG assistance will not exceed Fair Market Rent per participant per month in combined ESG assistance, including eligible rent and utility payments. Generally, participants should be responsible for paying their own utility costs while receiving ESG rental assistance, unless they are experiencing acute financial hardship or are at risk of losing their housing due to utility shut off. Participants seeking help with utilities only may be eligible for ESG assistance if it can be documented that they will lose their housing and become literally homeless if utility assistance is not provided; however, the household still must meet other ESG eligibility requirements.

#### **DETERMINING LENGTH AND ONGOING NEED FOR RENTAL ASSISTANCE**

Standards for determining how long a particular participant will be provided with rental assistance and whether the amount of that assistance will be adjusted over time.

ESG assistance consists of short term (up to 3 months), medium term (up to 6 months), and maximum term (up to 24 months) rental assistance to allow individuals or families who have recently encountered a financial crisis that has led them into homelessness or at imminent risk of homelessness, to gain housing stabilization. Since the ESG program consists of temporary assistance for the purpose of rapidly stabilizing households, participants are required to contribute a portion of their income towards rent. Participants with no potential to earn income may not be suitable candidates for this type of assistance, unless other subsidies can be accessed after the ESG assistance expires.

Participants assisted under ESG Rapid Rehousing Assistance are eligible to receive rental and utility assistance for up to 24 months if they meet income eligibility at the re-evaluation period. Rapid Rehousing participants **must** receive monthly case management, be evaluated for participant progress of individualized housing stability plan and income assessment at minimum every 90 days and be formally re-evaluated at minimum annually during the ESG assistance period. The Subrecipient case manager should comply with and document the housing stability case management requirements of HUD regulation 24 CFR 576.401(e). At minimum, each annual re-evaluation of eligibility must establish that:

- The program participant does not have an annual income that exceeds 30 percent of AMI, as determined by HUD; and
- The program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance.

The ESG rental assistance should be reduced gradually, and the participant's portion of rent increased during the months of assistance. The total period for which any ESG program participant may receive Rapid Rehousing services and assistance must not exceed 24 months during any 3-year period.

If a participant is receiving rental assistance and meets the conditions for an emergency transfer, ESG funds may be used to pay amounts owed for breaking a lease to effect an emergency transfer. These costs are not subject to the 24-month limit on rental assistance.

### **DETERMINING NEED FOR HOUSING STABILIZATION AND RELOCATION SERVICES**

Standards for determining the type, amount, and duration of housing stabilization and /or relocation services to provide a program participant, including the limits, if any, on Homelessness Prevention or Rapid Rehousing assistance that each program participant may receive, such as the maximum amount of assistance; maximum number of months the program participant receives assistance; or the maximum number of times the program participant may receive assistance.

#### **Transitional Housing and Rapid Rehousing**

While transitional housing is technically eligible, HUD cautions recipients against using ESG Rapid Rehousing funds as a way of regularly exiting a person from transitional housing to permanent housing. It is recommended that Rapid Rehousing be used as a model for helping people move from the streets or shelter to permanent housing, not for people exiting transitional housing. Additionally, transitional housing providers should have programs designed to successfully exit people and should not use Rapid Rehousing, another form of temporary assistance, as a regular part of their program design. HUD recommends this be done on a case-by-case basis, so that it is not common practice, but is provided only when necessary to prevent the program participant from going back to the streets or emergency shelter.

Program participants would need to be assessed for and determined to be eligible for ESG Rapid Rehousing assistance, in accordance with the ESG eligibility and documentation requirements (homeless definition in 24 CFR 576.2). This includes a requirement that the assistance be necessary to help the program participant move as quickly as possible into permanent housing and achieve stability in housing. The household would have to be exited from the transitional housing program in HMIS and entered into the ESG program in HMIS.

#### **Consultation Process**

The ESG subrecipients will continuously consult with the Continuum of Care to discuss the County's ESG allocation in ways that:

- Coordinate across regional entitlement jurisdictions by developing and utilizing standardized eligibility and assessment tools;
- Support federal, state and local goals for priority populations;
- Allow for variations in the program design that responds to the needs and resources of the jurisdiction;
- Compliance with eligibility and verification requirements (HMIS, housing status, homeless definitions, etc.)

The ESG program requires coordination among participating agencies. All ESG subrecipients in Orange County are experienced homeless service providers with a demonstrated track record in fiscal management and the provision of housing and supportive services targeted to homeless households.

The County of Orange also consulted with the Orange County Continuum of Care to ensure the alignment of proposed ESG activities as they relate to the goals and strategies outlined in their strategies to address homelessness in Orange County. This joint effort has worked successfully in the past.

ESG Homeless Definitions

Reference information is located at the following:

<https://files.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf>



## APPENDIX A

### Written Standards for Rapid Rehousing

#### A. Background information

In regard to Rapid Rehousing, § 578.7 Responsibilities of the Continuum of Care (CoC) (a) (9) of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act Interim Rule notes that:

“In consultation with recipients of Emergency Solutions Grants (ESG) program funds within the geographic area, establish and consistently follow written standards for providing Continuum of Care assistance. At a minimum, these written standards must include:

- Policies and procedures for evaluating individuals’ and families’ eligibility for assistance under this part;
- Policies and procedures for determining and prioritizing which eligible individuals and families will receive rapid rehousing assistance; and
- Standards for determining what percentage or amount of rent each program participant must pay while receiving rapid rehousing assistance.”

Rapid Rehousing is considered permanent housing. The United States Department of Housing and Urban Development (HUD) regulatory definition of “permanent housing” states:

“The term ‘permanent housing’ means community-based housing without a designated length of stay and includes both Permanent Supportive Housing and Rapid Rehousing.”

HUD also states:

“Additionally, in the regulatory definition of ‘permanent housing,’ HUD clarifies that to be permanent housing, the program participant must be the tenant on a lease for a term of at least one year that is renewable and is terminable only for cause. The lease must be renewable for terms that are a minimum of one month long. HUD has determined that requiring a lease for a term of at least one year that is renewable and terminable only for cause, assists program participants in obtaining stability in housing, even when the rental assistance is temporary. These requirements are consistent with Section 8 requirements.”

Rapid Rehousing assistance may include:

- Rental assistance;
- Case management;
- Supportive services; and
- Security deposit.

#### Fair Housing Rights and Obligations:

It is illegal to discriminate in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities. The Fair Housing Act prohibits this discrimination because of race, color, national origin, religion, sex, familial status, and disability. A variety of other federal civil rights laws, including Title VI of the Civil Rights Act, Section 504 of the Rehabilitation

Act, and the Americans with Disabilities Act, prohibit discrimination in housing and community development programs and activities, particularly those that are assisted with HUD funding. These civil rights laws include obligations such as taking reasonable steps to ensure meaningful access to their programs and activities for persons with Limited English Proficiency (LEP) and taking appropriate steps to ensure effective communication with individuals with disabilities through the provision of appropriate auxiliary aids and services. Various federal fair housing and civil rights laws require HUD and its program participants to affirmatively further the purposes of the Fair Housing Act. Further information can be located at the following web address: [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp](https://www.hud.gov/program_offices/fair_housing_equal_opp)

## B. *Eligible Participants*

Individuals and families defined as Homeless under the following categories are eligible for rapid re housing assistance:

### *Category 1 – Literally Homeless*

An individual or family who lacks a fixed, regular, and adequate night-time residence, which includes a primary nighttime residence of:

- Place not designed for or ordinarily used as a regular sleeping accommodation (including a car, park, abandoned building, bus/train station, airport, or camping ground);
- A supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs); or
- Is exiting an institution where he or she has been a resident for 90 days or less and who resided in an emergency shelter (but not transitional housing) or place not meant for human habitation immediately prior to entering that institution.

### *Category 4 – Fleeing Domestic Violence*

Any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing.

For information on HUD's other homeless categories, eligible for other CoC funds, visit:

<https://files.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf>

Eligible participants must also meet eligibility criteria as defined in the Notice of Funding Availability (NOFA) or Request For Proposal (RFP) under which the Rapid Rehousing program was funded.

## C. *Prioritizing Rapid Rehousing*

HUD provides guidance for Rapid Rehousing in terms of prioritizing subpopulations. HUD noted in a presentation titled SNAPS In Focus: Rapid Rehousing As a Model and Best Practice, August 6, 2014, that:

“Rapid Rehousing should prioritize people with more challenges, including those with no income, poor

employment prospects, troubled rental histories, and criminal records. Providers should link participants with community resources that will help them achieve longer-term stability and well-being.”

HUD also noted on the Rapid Rehousing Brief that:

“Rapid Rehousing is an effective intervention for many different types of households experiencing homelessness, including those with no income, with disabilities, and with poor rental history. The majority of households experiencing homelessness are good candidates for Rapid Rehousing. The only exceptions are households that can exit homelessness with little or no assistance, those who experience chronic homelessness and who need permanent supportive housing, and households who are seeking a therapeutic residential environment, including those recovering from addiction.”

Thus, the Orange County CoC will prioritize the following subpopulations that would not be able to get out of homelessness without the assistance:

- Families with children;
- Youth aging out of foster care;
- Domestic violence survivors;
- Single adults;
- Veterans; and
- Chronically homeless individuals and families;

Each individual and family will be entered into the Orange County Coordinated Entry System (CES) which will help identify:

- Eligibility of each individual or family seeking assistance based on the individual's or family's current living situation; and
- The amount and type of assistance needed for the individual or family to gain or regain stability in permanent housing.

#### *D. Written Standards*

**Written Standard #1: Lease Agreement** – The program participant must be the tenant on a lease for a term of at least one year that is renewable and is terminable only for cause. The lease must be renewable for terms that are a minimum of one month long.

On page 12 of the Preamble of the HEARTH Act Interim Rule, it states that:

“HUD clarifies that to be permanent housing, “the program participant must be the tenant on a lease for a term of at least one year that is renewable and is terminable only for cause. The lease must be renewable for terms that are a minimum of one month long. HUD has determined that requiring a lease for a term of at least one year that is renewable and terminable only for cause, assists program participants in obtaining stability in housing, even when the rental assistance is temporary. These requirements are consistent with Section 8 requirements.”

**Written Standard #2: Rental Assistance and Duration of Assistance** – Program participants may receive short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance. However, it is expected that program participants will only receive the level of assistance necessary to be stably housed for the long-term.

§ 578.37 Program components and uses of assistance (a) (1) (ii) states that:

“Continuum of Care funds may provide supportive services, as set forth in § 578.53, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in § 578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing.”

Program providers will target program participants to receive short-term rental assistance but upon need will transition to medium-term assistance.

**Written Standard #3: Amount of Rental Assistance** – Standards for determining the share of rent and utilities costs that each program participant must pay, if any, will be based on the following guidelines:

- The maximum amount of rent that a participant will pay can be up to 100 percent of the rental amount.
- In general, the goal will be that participants pay generally no more than 50% of their income in rent at program completion; however, in certain circumstances, on a case-by-case basis, there may be participants whose rental share may exceed 50% of the rent based on their financial circumstances and current rental market.
- 100 percent of the cost of rent in rental assistance may be provided to program participants. However, to maximize the number of households that can be served with Rapid Rehousing resources, it is expected that the level of need will be based on the goal of providing only what is necessary for each household to be stably housed for the long term.
- The maximum length of time that a program participant may receive rental assistance is 24 months during any three-year period. Participants may be eligible for Rapid Rehousing assistance for multiple episodes of literal homelessness based on their need. To ensure the efficient use of resources, recipients may establish a maximum amount or number of times that a program participant may receive Rapid Rehousing assistance.
- Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the
- Fair Market Rent limit, established by HUD.
- The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

§ 578.37 Program components and uses of assistance (a) (1) (ii) (F) states that a CoC

“May set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, and/or a maximum number of times that a program participant may receive rental assistance.

The recipient or subrecipient may also require program participants to share in the costs of rent. For the purposes of calculating rent for rapid rehousing, the rent shall equal the sum of the total monthly rent for the unit and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.”

**Written Standard #5: Security Deposits including Last Month's Rent** – Program participants may receive funds for security deposits in an amount not to exceed 2 months of rent.

§ 578.51 Rental assistance (a) (2) states that:

“Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.”

**Written Standard #6: Receiving Rental Assistance through Other Sources** – Rental assistance cannot be provided to a program participant who is already receiving rental assistance or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

§ 578.51 Rental assistance (a) Use states that:

“Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.”

If the individual or family is already living in a housing unit receiving rental assistance, then the individual or family are not eligible for Rapid Rehousing as they do not meet Category 1 or Category 4 of Homelessness as defined by HUD.

**Written Standard #7: Case Management** – Program participants must meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability.

§ 578.37 Program components and uses of assistance (a) (1) (ii) (F) states the following requirement:

“Require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability. The project is exempt from this requirement if the Violence Against Women Act of 1994 (42 U.S.C. 13925 *et seq.*) or the Family Violence Prevention and Services Act (42 U.S.C. 10401 *et seq.*) prohibits the recipient carrying out the project from making its housing conditional on the participant's acceptance of services.”

Part of § 578.53 includes the following:

- Providing ongoing risk assessment and safety planning with victims of domestic violence; dating violence, sexual assault, and stalking;
- Using the centralized or coordinated assessment system;
- Counseling;
- Developing, securing, and coordinating services;
- Obtaining Federal, State, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers;
- Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
- Conducting required annual assessment of service needs (re-evaluation).

**Written Standard #8: Supportive Services** – Program participants may receive supportive services as set forth in § 578.53.

§ 578.37 Program components and uses of assistance (a) (1) (ii) states that:

“Continuum of Care funds may provide supportive services, as set forth in § 578.53, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in § 578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as program participant needs to retain housing.

§ 578.37 Program components and uses of assistance (a) (1) (ii) (E) states that the Continuum of Care

“Must re-evaluate, not less than once annually, that the program participant lacks sufficient resources and support networks necessary to retain housing without Continuum of Care assistance and the types and amounts of assistance that the program participant needs to retain housing. The recipient or sub-recipient may require each program participant receiving assistance to notify the recipient or sub-recipient of changes in the program participant’s income or other circumstances (e.g., changes in household composition) that affect the program participant's need for assistance. When notified of a relevant change, the recipient or subrecipient must reevaluate the program participant’s eligibility and the amount and types of assistance that the program participant needs.”

**Written Standard #9: Duration of Supportive Services** – Program participants may receive supportive services for no longer than 6 months after rental assistance stops, unless supportive services are provided through another funding source.

§ 578.37 Program components and uses of assistance (a) (1) (ii) (F) states that the CoC, “May provide supportive services for no longer than 6 months after rental assistance stops.”

**Written Standard #10: Re-evaluation** – Program participants must be re-evaluated, not less than once annually, in order to determine whether program participants lack sufficient resources and support networks necessary to retain housing without Continuum of Care assistance and the types and amounts of assistance that the quickly as possible into permanent housing and achieve stability in that housing.”

## APPENDIX B

### Written Standards for Emergency Shelter

#### A. Background information

In regard to Emergency Shelter, § 578.7 Responsibilities of the Continuum of Care (CoC) (a) (9) and (c)(1) of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act Interim Rule notes that:

“In consultation with recipients of Emergency Solutions Grants (ESG) program funds within the geographic area, establish and consistently follow written standards for providing Continuum of Care assistance. At a minimum, these written standards must include policies and procedures for evaluating individuals’ and families’ eligibility for assistance under this part.

The Continuum must develop a plan that includes coordinating the implementation of a housing and service system within its geographic area that meets the needs of the homeless individuals (including unaccompanied youth) and families. At a minimum, such system encompasses shelter, housing, and supportive services.”

Emergency Shelter assistance may include:

- Essential services
- Renovation
- Shelter operations
- Assistance required under the Uniform Relocation and Real Property Acquisition Act of

1970 (URA) Fair Housing Rights and Obligations:

It is illegal to discriminate in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities. The Fair Housing Act prohibits this discrimination because of race, color, national origin, religion, sex, familial status, and disability. A variety of other federal civil rights laws, including Title VI of the Civil Rights Act, Section 504 of the Rehabilitation

Act, and the Americans with Disabilities Act, prohibit discrimination in housing and community development programs and activities, particularly those that are assisted with HUD funding. These civil rights laws include obligations such as taking reasonable steps to ensure meaningful access to their programs and activities for persons with Limited English Proficiency (LEP) and taking appropriate steps to ensure effective communication with individuals with disabilities through the provision of appropriate auxiliary aids and services. Various federal fair housing and civil rights laws require HUD and its program participants to affirmatively further the purposes of the Fair Housing Act. Further information can be located at the following web address: [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp](https://www.hud.gov/program_offices/fair_housing_equal_opp)

## B. Eligible Participants

Individuals and families defined as Homeless under the following categories are eligible for emergency shelter assistance:

### *Category 1 – Literally Homeless*

An individual or family who lacks a fixed, regular, and adequate night-time residence, which includes a primary nighttime residence of:

- Place not designed for or ordinarily used as a regular sleeping accommodation (including a car, park, abandoned building, bus/train station, airport, or camping ground);
- A supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs); or
- Is exiting an institution where he or she has been a resident for 90 days or less and who resided in an emergency shelter (but not transitional housing) or place not meant for human habitation immediately prior to entering that institution.

### *Category 4 – Fleeing Domestic Violence*

Any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing.

For information on HUD's other homeless categories, eligible for other CoC funds, visit:

<https://files.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf>

Eligible participants must also meet eligibility criteria as defined in the Notice of Funding Availability (NOFA) or Request For Proposal (RFP) under which the Emergency Shelter program was funded.

## C.

### *C. Written Standards*

#### **Written Standard #1: Diversion, Referral, and Discharge by Emergency Shelters**

ESG-funded emergency shelter programs serve households that meet the definition of “homeless” as defined by HUD at [24 CFR § 576.2](#). Households served by ESG-funded emergency shelters lack a fixed, regular, and adequate nighttime residence; cannot be served by other programs or resources; and have no other options for overnight shelter. Households are referred to ESG-funded emergency shelters after exhausting all available options for diversion.

Projects funded under the Emergency Shelter component work directly with the Coordinated Entry System (CES) for open shelter beds. Households are screened using a standardized assessment tool to evaluate program eligibility and identify the appropriate intervention(s) to meet the household’s needs. Households are assessed to determine the lowest level of assistance needed to maintain or obtain sustainable housing. Households needing immediate shelter will be placed based on availability.

Diversion from emergency shelter is one of the strategies the Orange County CoC utilizes to reduce homelessness within the local community. During intake assessment, households are assessed for existing support systems and resources to prevent them from entering the shelter system. Intake staff provide linkages to mainstream resources such as childcare, employment services, and food resources to stabilize households.

Discharges from the emergency shelter will be coordinated through the CES for matching to permanent housing opportunity, or to other programs for emergency services using a client-centered approach.

#### *Written Standard #2: Assessing, Prioritizing, and Reassessing Household Needs for Essential Services*

Due to limited length of stay in emergency shelter, households will be assessed for essential services on a regular basis. Households will also be reassessed to determine progress on goals pertaining to increasing income and linkages to mainstream and homeless services resources. Eligible Essential Services include case management; childcare; educational services; employment assistance and job training; outpatient health services, but only to the extent that other appropriate health services are unavailable in the community; legal services, but only to the extent that other appropriate legal services are unavailable or inaccessible in the community; life skills training; mental health services, but only to the extent that other appropriate mental

#### *Written Standard #3: Coordination Among Emergency Shelter Providers and Other Providers*

Coordination among the emergency shelters, homelessness prevention, rapid re-housing, homeless assistance, and mainstream service providers will be facilitated via the CES. As available, representatives from mainstream benefits and employment services are located onsite to increase income and earning capacity for those served by the Orange County CoC.

health services are unavailable or inaccessible in the community; substance abuse treatment services, but only to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community; and transportation.

## APPENDIX C

### Written Standards for Homelessness Prevention

#### *A. Background information*

In regard to Homelessness Prevention, § 578.37 (a)(5), the ESG Program Interim Rule defines Homelessness Prevention as providing short-term or medium-term rental assistance and housing relocation and stabilization services. Use of Continuum of Care (CoC) Funds awarded under this component must be administered in accordance with the ESG Program Requirements at Section § 576.

Homelessness Prevention assistance may include:

- Housing Relocation and Stabilization services
- Financial Assistance
- Short-Term and Medium-Term Rental

#### Assistance Fair Housing Rights and Obligations:

It is illegal to discriminate in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities. The Fair Housing Act prohibits this discrimination because of race, color, national origin, religion, sex, familial status, and disability. A variety of other federal civil rights laws, including Title VI of the Civil Rights Act, Section 504 of the Rehabilitation

Act, and the Americans with Disabilities Act, prohibit discrimination in housing and community development programs and activities, particularly those that are assisted with HUD funding. These civil rights laws include obligations such as taking reasonable steps to ensure meaningful access to their programs and activities for persons with Limited English Proficiency (LEP) and taking appropriate steps to ensure effective communication with individuals with disabilities through the provision of appropriate auxiliary aids and services. Various federal fair housing and civil rights laws require HUD and its program participants to affirmatively further the purposes of the Fair Housing Act. Further information can be located at the following web address: [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp](https://www.hud.gov/program_offices/fair_housing_equal_opp)

## *B. Eligible Participants*

Individuals and families defined as at risk of experiencing literal homelessness under the following categories are eligible for homelessness prevention assistance:

### *Category 2 – Imminent Risk of Homeless*

- The household will lose their primary nighttime residence within 14 days of the date of application for assistance, and
- No subsequent residence has been identified, and
- The Household lacks the resources or support networks (e.g., family, friends, faith-based or other social networks) needed to obtain other permanent housing, and
- The household's annual income is below 30% of the median family income for the area (AMI)

### *Category 4 – Fleeing Domestic Violence*

- The household is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against a household member, including a child, that has either taken place within the household's primary nighttime residence or has made the household afraid to return to its primary nighttime residence, and
- The household has no other residence, and
- The household lacks the resources or support networks to obtain other permanent housing, and
- The household's annual income is below 30% AMI

### *At Risk Definition of Homelessness (ESG Program Interim Rule)*

- The household's annual income is below 30% AMI, and
- The Household does not have sufficient resources or support networks immediately available to prevent them from experiencing literal homelessness, and
- The household meets at least one of the following criteria:
  - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance
  - Is living in the home of another because of economic hardship
  - Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after their date of application for assistance
  - Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals
  - Lives in a single-room occupancy or efficiency apartment unit in which there reside more than

two people or lives in a larger housing unit in which there reside more than 1.5 people per room as defined by the US Census Bureau

- Is exiting a publicly funded institution or system of care such as a health care facility, a behavioral health facility, a foster care or other youth facility, or a correction program or institution

For information on HUD's other homeless categories, eligible for other CoC funds, visit:

<https://files.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf>

Eligible participants must also meet eligibility criteria as defined in the Notice of Funding Availability (NOFA) or Request For Proposal (RFP) under which the Homelessness Prevention program was funded.

### c. *Written Standards*

**Written Standard #1: Rental Assistance and Duration of Assistance** – Program participants may receive short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance. However, it is expected that program participants will only receive the level of assistance necessary to be stably housed for the long-term.

§ 578.37 Program components and uses of assistance (a) (1) (ii) states that:

“Continuum of Care funds may provide supportive services, as set forth in § 578.53, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in § 578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing.”

Program providers will target program participants to receive short-term rental assistance but upon need will transition to medium-term assistance.

**Written Standard #2: Amount of Rental Assistance** – Standards for determining the share of rent and utilities costs that each program participant must pay, if any, will be based on the following guidelines:

- The maximum amount of rent that a participant will pay can be up to 100 percent of the rental amount.
- In general, the goal will be that participants pay generally no more than 50% of their income in rent at program completion; however, in certain circumstances, on a case-by-case basis, there may be participants whose rental share may exceed 50% of the rent based on their financial circumstances and current rental market.
- 100 percent of the cost of rent in rental assistance may be provided to program participants. However, to maximize the number of households that can be served with Rapid Rehousing resources, it is expected that the level of need will be based on the goal of providing only what is necessary for each household to be stably housed for the long term.
- The maximum length of time that a program participant may receive rental assistance is 24 months during any three-year period. Participants may be eligible for Rapid Rehousing assistance for multiple episodes of literal homelessness based on their need. To ensure the efficient use of resources, recipients may establish a maximum amount or number of times that a program participant may receive Rapid Rehousing assistance.
- Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the
- Fair Market Rent limit, established by HUD.

- g. The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

§ 578.37 Program components and uses of assistance (a) (1) (ii) (F) states that a CoC

“May set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, and/or a maximum number of times that a program participant may receive rental assistance.

The recipient or subrecipient may also require program participants to share in the costs of rent. For the purposes of calculating rent for rapid rehousing, the rent shall equal the sum of the total monthly rent for the unit and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.”

**Written Standard #3: Security Deposits including Last Month's Rent** – Program participants may receive funds for security deposits in an amount not to exceed 2 months of rent.

§ 578.51 Rental assistance (a) (2) states that:

“Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.”

**Written Standard #4: Receiving Rental Assistance through Other Sources** – Rental assistance cannot be provided to a program participant who is already receiving rental assistance or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

§ 578.51 Rental assistance (a) Use states that:

“Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.”

If the individual or family is already living in a housing unit receiving rental assistance, then the individual or family are not eligible for Rapid Rehousing as they do not meet Category 1 or Category 4 of Homelessness as defined by HUD.

**Written Standard #5: Supportive Services** – Program participants may receive supportive services as set forth in § 578.53.

§ 578.37 Program components and uses of assistance (a) (1) (ii) states that:

“Continuum of Care funds may provide supportive services, as set forth in § 578.53, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in § 578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as program participant needs to retain housing.

Participants must be assessed for individual strengths and housing barriers, and participant in the development of an individualized case management plan that incorporates those strengths and housing barriers to quickly return the participant to safe, stable permanent housing.

**Written Standard #6: Participant Triage** – A triage process must exist that ensures the project serves only those who will experience literal homelessness if not for homelessness prevention assistance.

A triage process must be clearly defined and include an assessment and analysis of participants factors leading to a determination that program participant is eligible for assistance. The

determination should ensure that the program participant has no other resources or supports available and will experience literal homelessness if not for the assistance provided by the hom