NorCal CoC HHAP 6
Scope of Work and Eligible Use Categories

Scope of Work

A. The Scope of Work ("Work") for this Agreement shall include uses that are consistent with HSC section 50241, subdivision (a)(1), section 50243, and any other applicable laws, and as committed to in the Grantee's latest approved HHAP 6 funding plan.

B. The HCD HHAP 6 NOFA Section IV, Application Submission, Review, and Award Process requires that before proposing to use HHAP 6 resources to fund New Interim Housing solutions, defined as eligible uses HSC 50243(e)(3)(A), (F), (G), and (J), other than New Interim Housing that meets the Youth Set Aside requirement, or Non-housing solutions defined as eligible uses HSC 50243(e)(4), the applicant first demonstrates that the region has dedicated sufficient resources from other sources to long-term permanent affordable housing solutions, including capital and operating costs.

Note: The prioritization of permanent housing by the State has resulted in limitations on the use of HHAP 6 funds for New Interim Housing and Non-Housing solutions activities. As stated above the use of HHAP 6 funds for New Interim Housing and Non-Housing activities would require the NorCal CoC to demonstrate that the region has dedicated sufficient resources from other sources to long-term permanent affordable housing solutions. The NorCal CoC six CoC Advisory Boards along with the seven counties chose to not allocate any HHAP 6 funding to fund New Interim Housing Solutions, Navigation Centers or Non-Housing Solutions (as defined below).

Eligible Use Categories

Detailed eligible uses are located at Section III (page 6) of the HCD February 2025 HHAP-6 NOFA and incorporated in the NorCal CoC NOFA. Beginning October 1, 2026 HCD has consolidated the HHAP Eligible Uses for the project reporting which is incorporated in the attached summary below. Link to HHAP 6 February 2025 NOFA. https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/calich/hhap-6-nofa.pdf

In line with HSC 50243(e), below is a table summarizing the eligible uses of HHAP 6 funds by Eligible Use Categories, including descriptions and examples (based on the February 2025 HHAP 6 NOFA and October 1, 2026 Eligible Use Consolidation).

HHAP 6 Statute	Eligible Use Category	Explanation and examples of eligible uses under this eligible use category	10/1/26 One Door Eligible Use Categories (Consolidation)
Permanent Housing Solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites; per HSC 50243(e)(1)	**Rapid Rehousing/ Rental Subsidies**, per HSC 50243(e)(1)(A)-(C), and HSC 50243(e)(2)(A)	**Examples include, but are not limited to**: • Rental subsidies, including rental subsidies in rapid rehousing programs or longer-term rental subsidy programs. • CARE Act petitioning activities and support for placement and related services for individuals (respondents) in the CARE Act process. • Landlord incentives, such as security deposits, holding fees, funding for needed repairs, and landlord relationship management costs. • Move-in expenses.	**Rental Assistance/Rapid Rehousing**

	Operating Subsidies – Permanent Housing, per HSC 50243(e)(1)(D)	• Operating Subsidies in new and existing affordable or supportive housing units serving people experiencing or at risk of experiencing homelessness, and new or existing residential care facilities. • Operating Subsidies may include capitalized operating reserves (funds held in reserve to multiple years of operating support, or cover large, unexpected operating expenses).	**Operating Costs/ Supportive Services- Permanent Housing**
	Permanent Housing Services and Services Coordination, per HSC 50243(e)(1)(E) and (G)	Supportive services for people in Permanent Housing, so long as the services are trauma-informed and practice harm reduction, to include, but not limited to: • Intensive case management services, • Assertive community treatment services, • Critical time intervention services, • Other tenancy support services, • Evidence-based employment services, • Coordinating mental health, substance use, and primary care treatment, or • Other evidence-based supportive services to increase housing retention. • Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in permanent supportive housing.	**Operating Costs/ Supportive Services- Permanent Housing**
	Capital for Permanent Housing, per HSC 50243(e)(1)(F)	Capital for Permanent Housing that serves people experiencing homelessness, including conversion of underutilized buildings or existing interim or transitional housing into Permanent Housing.	**Capital for Permanent Housing**

HHAP 6 Statute	Eligible Use Category	Explanation and examples of eligible uses under this eligible use category	10/1/26 One Door Eligible Use Categories (Consolidation)
Homelessness Prevention Activities that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites.	Prevention and Diversion, per HSC 50243(e)(2)(A and B)	• In addition to the Rapid Rehousing and Rental Assistance being eligible as described above, other homelessness prevention programs are eligible, as long as they prioritize households with incomes at or below 30 percent of the area median income (AMI). • Problem solving and diversion support programs that prevent people at risk of or recently experiencing homelessness from entering unsheltered or sheltered homelessness.	**Prevention and Shelter Diversion**
HHAP 6 Statute	**Eligible Use Category**	**Explanation and examples of eligible uses under this eligible use category**	**10/1/26 One Door Eligible Use Categories (Consolidation)**
Interim Housing Solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites.	Navigation Centers, per HSC 50243(e)(3)(A)	Navigation Centers or other emergency shelters that are low barrier as defined in Sections 65660 and 65662 of the Government Code.	**Capital for New Interim Housing** No HHAP 6 Funds were allocated to this Eligible Use Category
	Motel/Hotel Vouchers, per HSC 50243(e)(3)(D)	Vouchers for motels and hotels used as interim shelter for people experiencing homelessness, until they can be connected to Permanent Housing resources.	**Motel/Hotel Vouchers**
	Operating Expenses – Interim Housing, per HSC 50243(e)(3)(B) and (C)	• Operating expenses in existing congregate shelter sites. • Operating expenses in new or existing non-congregate shelters sites and transitional housing for youth. • Operating expenses may include capitalized operating reserves (funds held in reserve upfront to cover multiple years of operations, or large, unexpected operating expenses).	**Operating Costs/ Supportive Services – Interim Housing**

	Interim Housing Services and Services Coordination, per HSC 50243(e)(3)(E) and (H)	Services provided to people in Interim Housing, so long as the services are trauma-informed and practice harm reduction, to include, but are not limited to: • Intensive case management services, • Housing navigation, • Connecting people to substance use or mental health treatment, • Public benefits advocacy, • and other supportive services to promote stability and referral into Permanent Housing. • Youth-focused services in transitional housing.	**Operating Costs/Supportive Services – Interim Housing**
	Capital for New Interim Housing, per HSC 50243(e)(3)(F), (G), and (J)	Capital funding to build new noncongregate shelter sites and transitional housing sites for homeless youth, including for construction, rehabilitation, and capital improvements to convert existing congregate sites into noncongregate sites. Capital funding for clinically enhanced congregate or noncongregate shelter sites.	**Capital for New Interim Housing** No HHAP 6 Funds were allocated to this Eligible Use Category
	Improvements to Existing Interim Housing, per HSC 50243(e)(3)(I)	Renovation of existing Interim Housing to improve the quality of life for people experiencing homelessness who are residing in the Interim Housing. Examples include, but are not limited to: • Maintenance of an Interim Housing facility. • Minor/major rehabilitation or renovation of an Interim Housing facility. • Minor/major conversion, additions, updates, and/or enhancements that lower barriers and/or increase privacy.	**Improvements to Existing Interim Housing**

HHAP 6 Statute	Eligible Use Category	Explanation and examples of eligible uses under this eligible use category	10/1/26 One Door Eligible Use Categories (Consolidation)
Non-housing Solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites. No HHAP 6 Funds were allocated to Non-Housing Solutions Eligible Use Category	Services and Services Coordination for People Experiencing Unsheltered Homelessness, per HSC 50243(e)(4)	Non-housing services for people experiencing unsheltered homelessness, so long as the services are trauma-informed and practice harm reduction, to include, but are not limited to: • Street outreach • Evidence-based engagement services • Intensive case management services • Assertive community treatment • Housing navigation • Harm reduction services • Coordination with street-based health care services • Hygiene services for people living in encampments and unsheltered individuals • Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability • Costs that support people with lived experience of homelessness to participate in and/or provide input for regional and system planning (e.g., lived experience advisory boards, youth advisory boards, etc.) **NOTE: The examples of eligible uses highlighted above are also included in two other Eligible Use Categories,** **1. Operating Costs/ Supportive Services- Permanent Housing and,** **2. Operating Costs/Supportive Services – Interim Housing**	**Services and Services Coordination for People Experiencing Unsheltered Homelessness** No HHAP 6 Funds were allocated to Non-Housing Solutions Eligible Use Category

Administrative Costs	Administrative Costs (up to 7 percent of allocation amount)	Eligible uses should be categorized here when costs are incurred by the city, county, or CoC to administer its HHAP program allocation. Examples include, but are not limited to: • Regional coordination • HHAP 6 regional planning and application process • Homeless Management Information System (HMIS) training, licenses, and/or operating costs • Reporting • Grant administration Administrative Costs do not include staff or other costs directly related to implementing activities funded by the program allocation.	**Administrative Costs**
	HMIS (Up to 1 percent of allocation amount)	Eligible uses should be categorized here when the Eligible Applicant elects to allocate up to 1 percent of their HHAP 6 allocation to cover expenses associated with the administration of HMIS. This funding shall be transferred directly to the HMIS lead entity and is intended to support the functioning, maintenance, and operation of the local HMIS. Examples include, but are not limited to: • System licenses • Training • System operating costs • Costs associated with carrying out related activities HMIS costs may also be supported through Administrative Costs (Grantees may use up to 7% of allocations toward Administrative Costs) and under program costs (in categories 1-4) when the activities directly support implementing the housing and non-housing activities funded by the program allocation.	**HMIS (Up to 1 percent of allocation amount)**

HHAP 6 Application- Regionally Coordinated Homelessness Action Plan
Section 3.b System Performance Measures Improvement Plan

The System Performance Measures Improvement plan documents all the Key Actions the regional partners are taking to improve their homelessness CA System Performance Measures (SPMs) listed in Section IV.A.3.b.i. of the HHAP 6 NOFA.

All items currently being funded through HHAP Rounds 1 through 5, as well as all activities proposed to be funded through HHAP 6, must be included as Key Actions in the System Performance Measures Improvement Plan. Each regional partner must also include the Key Actions they are taking beyond HHAP 6 funding to address homelessness. These Key Actions must include how each regional partner is improving the region's CA SPMs through use of local, state, and federal funds.

The System Performance Measures Improvement Plan must include:

- At least one Key Action related to reducing CA SPM: #1b - The number of people experiencing unsheltered homelessness
- At least one Key Action related to increasing CA SPM #3 -The number of people exiting homelessness into Permanent Housing, and
- At least one Key Action with a specific focus on reducing first time instances of homelessness for those exiting institutional settings, including, but not limited to jails, prisons, and hospitals.CA SPM #2

Each Key Action must be described in clear, specific terms and must do the following:

1. Identify the CA SPM(s) that the Key Action will improve (you may choose more than one SPM).
2. Describe how the Key Action will improve the CA SPM(s).
3. Identify the lead entity and collaborating entities partnering to achieve the Key Action. Collaborating entity/ies may include a group, organization, or jurisdiction within your region working to address or improve the system performance measure. This can be another participating Eligible Applicant, a system partner, or any organization actively participating in the Key Action.
4. Provide the target date for milestones and completion of the Key Action.
5. Provide a clear metric for how success of the Key Action will be measured.
6. Identify the funding source(s) for the Key Action.
   - o Note: At a minimum, all funding sources listed in Section IV.A.3.b.ii. of the HHAP 6 NOFA, excluding any that are unavailable to the region within the grant term (FY24/25-FY28/29), must be identified as funding sources for at least one Key Action within the System Performance Measures Improvement Plan.
7. Describe how the funding source(s) will contribute to the achievement of the Key Action.
   - o Note: For HHAP 6-funded Key Actions, include the eligible use category or categories as applicable.

NorCal CoC HHAP 6 Regionally Coordinated Homelessness Action Plan
Section 3.b System Performance Measures Improvement Plan

Key Actions developed by the NorCal CoC to take to improve the identified CA System Performance Measures

Key Action (KA) (9)	CA SPM	HHAP 6 Eligible Use Category
KA 1 Provide a Motel/Hotel Voucher Program to provide interim shelter for people experiencing homelessness until they can be connected to permanent housing resources	M1b - # of people experiencing unsheltered homelessness according to the unsheltered PIT count M2 - # of people experiencing homelessness who are accessing services for the first time (in the past two years)	Motel/Hotel Vouchers
KA 2 Sustain existing Interim Housing Programs which address unsheltered homelessness	M1b - # of people experiencing unsheltered homelessness according to the unsheltered PIT count M2 - # of people experiencing homelessness who are accessing services for the first time (in the past two years)	Operating Costs/ Suptv Serv.- Interim Housing
KA 3 Sustain case management and housing navigation services in existing Interim Housing Programs	M1b - # of people experiencing unsheltered homelessness according to the unsheltered PIT count M2 - # of people experiencing homelessness who are accessing services for the first time (in the past two years)	Operating Costs/ Suptv Serv.- Interim Housing
KA 4 Provide for improvements to the physical condition of existing interim housing	M1b - # of people experiencing unsheltered homelessness according to the unsheltered PIT count M2 - # of people experiencing homelessness who are accessing services for the first time (in the past two years)	Improvement to Existing Interim Housing
KA 5 Provide a Rapid Rehousing/Rental Subsidy Program to provide housing stability for persons exiting homelessness	M3 - # of people exiting homelessness into permanent housing M4 - average length of time (days) that people experienced homelessness while accessing services	Rental Asst & Rapid Rehousing
KA 6 Provide sustainability of existing permanent housing through the provision of Operating Subsidies	M3 - # of people exiting homelessness into permanent housing	Operating Costs/ Suptv Serv.- Permanent Housing
KA 7 Fund the provision of supportive services to residents of permanent housing	KA 5 Provide a Rapid Rehousing/Rental Subsidy Program to provide housing stability for persons exiting homelessness	Operating Costs/ Suptv Serv.- Permanent Housing
KA 8 Provide a gap financing program to facilitate the production of permanent affordable housing	M3 - # of people exiting homelessness into permanent housing	Capital for Permanent Housing
KA 9 Provide a Homelessness Prevention and Diversion Program which provide short term financial resources for housing	M2 - # of people experiencing homelessness who are accessing services for the first time (in the past two years)	Prevention and Shelter Diversion