



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Erik L. Soliván

SUBJECT: See Below

DATE: August 4, 2025

Approved

Date:

8/20/25

COUNCIL DISTRICT: Citywide

SUBJECT: Actions Related to the Regional Memorandum of Understanding with the County of Santa Clara for the California Department of Housing and Community Development's Homeless Housing, Assistance and Prevention Program Round 6 Application

RECOMMENDATION

Adopt a resolution authorizing the Housing Director or his designee to:

- (a) Negotiate and execute the required Regional Memorandum of Understanding with the County of Santa Clara for the California Department of Housing and Community Development's Homeless Housing, Assistance and Prevention Program Round 6, and upon completion, terminate the existing Homeless Housing, Assistance and Prevention Program Round 5 Memorandum of Understanding.
- (b) Apply for and execute any and all agreements and related documents to receive funding under the California Department of Housing and Community Development's Homeless Housing, Assistance and Prevention Program Round 6 as a region for a one-time award of \$25,329,964.46.

SUMMARY AND OUTCOME

Eligible Homeless Housing, Assistance and Prevention Program Round 6 (HHAP6) applicants must apply as part of a region. To complete the HHAP6 application, applicants must submit a HHAP6 Regional Memorandum of Understanding (MOU) signed by each participating entity, which affirms their shared commitment to participate in and comply with a synchronized homelessness response strategy, formally referred to as the Regionally Coordinated Homelessness Action Plan. The finalized Regionally Coordinated Homelessness Action Plan must be reflected in the

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Regional MOU with Santa Clara County (SCC). While regions are required to submit one coordinated HHAP6 application, if awarded, the City of San José (CSJ) would receive and administer its HHAP6 allocation of \$25,329,964.46 separately. The HHAP6 application, including the regional MOU, is due to the California Department of Housing and Community Development (HCD) on August 29, 2025.

BACKGROUND

The Homeless Housing, Assistance and Prevention Program (HHAP) is administered by HCD. HCD has implemented HHAP funding through several rounds of one-time block grants. HHAP provides regional jurisdictions with flexibility to use funds to advance regional coordination to prevent and end homelessness, focusing on evidence-based best practices and services specific to the needs of homeless youth. Table 1 summarizes rounds 1-6 of HHAP funding allocated to the Santa Clara County region.

Table 1: HHAP Funding Allocations in Santa Clara County

Source	City of San José Allocation	Santa Clara County Allocation	Continuum of Care Allocation	Expenditure Deadline
HHAP Round 1	\$23,832,510.94	\$10,592,522.45	\$11,433,718.90	June 30, 2025
HHAP Round 2	\$11,266,278.00	\$4,842,296.00	\$5,410,022.00	June 30, 2026
HHAP Round 3	\$29,118,995.18	\$13,558,428.74	\$14,526,887.93	June 30, 2026
HHAP Round 4	\$26,795,465.58	\$12,506,471.57	\$13,330,052.88	June 30, 2027
HHAP Round 5	\$28,866,312.28	\$13,662,419.40	\$14,240,417.80	June 30, 2028
HHAP Round 6	\$25,329,964.46	\$11,860,491.01	\$12,667,208.31	June 30, 2029
Total	\$145,209,526.44	\$67,022,629.17	\$71,608,307.82	

Individual HHAP6 allocations for each eligible applicant are based on their proportionate share of the state's homeless population as reported by the United States Department of Housing and Urban Development in the 2024 Homeless Point in Time count.

ANALYSIS

On July 2, 2024, California Governor Gavin Newsom signed Assembly Bill 166 into law, establishing the sixth round of one-time HHAP funds. One billion dollars in HHAP6 funding was designed to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address immediate

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homelessness challenges. The funds received from the HHAP6 award will primarily be applied towards continuing to support emergency interim housing operations, improvements to existing interim housing, and homelessness intervention and prevention services.

Timeline

On February 24, 2025, HCD released the HHAP6 Notice of Funding Availability and provided guidelines for the application, timeline, and funding disbursement. Table 2 summarizes the HHAP6 application and award process, including key deadlines and activities.

Table 2: HHAP6 Application and Award Process

Date	Activity
February 24, 2025	HCD released the HHAP6 Notice of Funding Availability and allocation document.
March 18, 2025	HCD released the HHAP6 application form.
April 2025 – August 2025	City and County of Santa Clara (County) worked together to develop and complete the application, the Regionally Coordinated Homelessness Action Plan, and the Regional MOU, and facilitate public meetings to engage community stakeholders in the development of the Regionally Coordinated Homelessness Action Plan.
August 29, 2025	Deadline to submit the HHAP6 application.
August 2025 – December 2025	HCD reviews and approves applications or requests and reviews amendments from applicants.
June 30, 2027	Deadline to obligate at least 75% of HHAP6 grant funds and to expend at least 50% of the initial allocation disbursement.
June 30, 2029	Final deadline to expend all HHAP6 grant funds.

HHAP6 funding awards are released in two disbursements. Upon approval of the HHAP6 application, HCD will disburse 50% of the City's total allocation. If awarded, the Housing Department must contractually obligate no less than 75% and expend no less than 50% of its first funding award disbursement by June 2027 to receive the second funding award disbursement.

HHAP6 Application Requirements and Components

Each round of HHAP funding has introduced different requirements for the application, expenditure, and reporting processes. The HHAP6 application requires engaging community stakeholders, applying as a region, completing essential application components, and formalizing regional partnerships through an MOU.

Eligible HHAP6 applicants must:

- 1) Engage key stakeholders to support the development of the HHAP6 application.
- 2) Apply as part of a region, and as a region, submit a complete HHAP6 application through the application portal provided by HCD.
- 3) Required application sections:
 - a) Documentation of stakeholder engagement;
 - b) Regional identification and contracting information;
 - c) Regionally Coordinated Homelessness Action Plan; and
 - d) HHAP6 Funding Plan.
- 4) Enter into a regional MOU with the County.

Stakeholder Engagement

Details regarding stakeholder engagement are provided in the Public Outreach portion of this memorandum.

Regional Identification

Eligible applicants for HHAP6 funds must apply as part of a region. A region refers to the geographic area served by a county, including all cities and the Continuums of Care or Continuums of Care within it. Eligible applicants for HHAP6 funds include California's 14 large cities,¹ 58 counties, and 44 Continuums of Care.

Participating HHAP6 applicants must complete and submit a single HHAP6 application and work with HCD through any subsequent amendment requests during HCD's formal review of HHAP6 applications. Although a single HHAP6 application will be submitted, the CSJ, SCC, and the Santa Clara County Continuum of Care will prepare and submit separate funding plans for the potential HHAP6 funding award.

¹ HCD defines large cities as 300,000+ population as of January 1, 2022.

Regionally Coordinated Homelessness Action Plan

HHAP6 application requires eligible applicants to create and implement a synchronized homelessness response strategy for the potential HHAP6 funding award. This response strategy is formally referred to as a Regionally Coordinated Homelessness Action Plan. Since regions, specifically CSJ and SCC must apply together in a single HHAP6 application, both entities must also submit a single Regionally Coordinated Homelessness Action Plan ("Plan").

Consistent with HCD requirements, HHAP6 applicants must the Plan with the application for funding and a final approved Regionally Coordinated Homelessness Action Plan may be published on the CSJ and SCC websites.

As also discussed below in the Public Outreach portion of this memorandum, the Housing Department is finalizing the details of the Plan once stakeholder meetings have concluded and in coordination and collaboration with the SCC Office of Supportive Housing, and will release a supplemental memorandum on the Plan, including a draft prior to August 26, 2025.

HHAP6 Funding Plan

Each administrative entity must submit one funding plan that budgets the total HHAP6 allocation they would administer, if awarded, in adherence with the HHAP6 requirements and eligible uses.

Regional MOU

Each participating entity must sign an MOU and submit it with the HHAP6 application, which takes the form of an MOU between CSJ the SCC. The regional MOU documents the collective commitment of each participating entity to implement the Plan and state the respective and collective roles, responsibilities, and actions required by HCD.

City's HHAP6 Funding Strategy and Service Priorities

The City continues to prioritize the operation and services of the City's emergency interim housing communities and homeless outreach and engagement activities. HHAP6 funding would also allow the City of San José to support youth programming, prevent at-risk families from becoming homeless, and support administrative costs related to these programs and services. Table 3 outlines the HHAP6 eligible use categories.

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Table 3: HHAP6 Eligible Use Categories

Eligible Use Category	Description
Permanent Housing	• Rapid Rehousing • Operating subsidies – permanent housing • Permanent housing services and services coordination • Capital for permanent housing
Homelessness Prevention Activities	• Prevention and diversion
Interim Housing	• Navigation Centers • Motel/Hotel vouchers • Operating expenses – emergency interim housing • Interim housing services and coordination • Capital for new interim housing for youth • Improvements to existing interim housing
Non-Housing Solutions	• Service coordination • Street outreach • Hygiene services
Youth Set-Aside	• 10% of allocation set aside for youth (ages 12-24)
Administrative Costs	• Administrative costs (maximum 7% of allocation) • Homeless Management Information System administration (up to 1% of allocation)

Table 4 summarizes the City's Housing Department HHAP6 expenditure plan.

Table 4: HHAP6 Funding Plan – City's Housing Department

State Eligible Use Category	HHAP6 Amount	Examples of Potential Programs and Activities
Interim Housing	\$18,000,000.00	Operations and services for San José emergency interim housing communities.
Prevention and Diversion	\$3,000,000.00	Case management, housing navigation, resource connection, and financial assistance for at-risk and homeless youth to prevent and resolve homelessness among program participants.*

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State Eligible Use Category	HHAP6 Amount	Examples of Potential Programs and Activities
Interim Housing – Improvements to existing interim housing	\$2,556,867.00	• 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.
Administration	\$1,773,097.46	Program Implementation and contract management staff in the Housing Department to ensure fiscal oversight of these funds and programs as well as to provide for outreach activities for the unhoused population served.
TOTAL \$25,329,964.46		

**This Prevention and Diversion program would be used to meet the HHAP6 Youth Set-Aside requirement of the HHAP6 Funding Plan, as this program would serve youth ages 18-24.*

The HHAP6 grant contributes significantly to the City's homelessness response efforts. Key components of the City's homelessness response efforts include temporary shelter through interim housing, prevention and diversion to help individuals avoid entering or experiencing homelessness, and street outreach, which acts as a critical bridge connecting people to available housing solutions.

EVALUATION AND FOLLOW-UP

If awarded, related program outcomes would be included in the annual performance metrics of the Housing Department and other related reports under the Focus Area for Reducing Unsheltered Homelessness.

COST SUMMARY/IMPLICATIONS

If awarded, grant funding of \$25,329,964.46 will be remitted in two installments and deposited to the Homeless Housing, Assistance, and Prevention Fund. Staff will bring forward recommendations to budget the revenue estimate and corresponding expenditures as part of a future budget process.

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COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the August 26, 2025 City Council meeting.

HHAP6 applicants are required to collaborate and engage in a public stakeholder process while developing the Regionally Coordinated Homelessness Action Plan. The Housing Department and SCC Office of Supportive Housing staff co-developed a HHAP6 presentation to provide an overview of HHAP6 goals, eligible uses, previous funding priorities, and program highlights. The presentation also included a question-and-answer and discussion forum to gather feedback.

Two public meetings were held on August 13, 2025, where representatives from the CSJ and the SCC Office of Supportive Housing presented to stakeholder groups in separate presentations, including, but not limited to, the Service Provider Network, a community-based non-profits network for low-income, medically fragile, underserved, or at-risk-of-homelessness individuals, and the Youth Action Board of Santa Clara County.

A third public meeting will be held on August 21, 2025, where representatives from CSJ and SCC Office of Supportive Housing will present to the Lived Experience Advisory Board of Silicon Valley, a leadership development body consisting of members with current or past experience of homelessness. Members use this platform to learn about and evaluate the system of care and make recommendations for improvement. While this meeting will occur before the August 26, 2025 City Council meeting, it will not have taken place at the time this memorandum is posted. Feedback from all three meetings will be considered in finalizing the Plan before submitting the HHAP6 application to reflect community input.

As discussed above, a Supplemental Memorandum to the City Council will be issued prior to the August 26, 2025 City Council meeting containing the final Plan once the stakeholder process is completed. Due the conflicting timing requirements for application submission and required coordination between CSJ and SCC, this memorandum was submitted prior to the completion of the Plan process.

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COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment; and Mitigated Negative Declaration for the Emergency Interim Housing Programs project (Resolution No. 2023-380), File No. ER22-198.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

Erik L. Soliván
Housing Director

The principal author of this memorandum is Alejandra Tlalli-Miles, Development Officer, Housing Department. For questions, please contact Cupid Alexander, Deputy Director, Housing Department, at cupid.alexander@sanjoseca.gov.