



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: AUGUST 19, 2025**

**FROM: HOUSING & HUMAN SERVICES** **WARDS: ALL**

**SUBJECT: SUBMISSION OF THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT HOMELESS HOUSING, ASSISTANCE AND PREVENTION ROUND 6 FUNDING PLAN FOR THE CITY'S DIRECT GRANT ALLOCATION OF \$10,354,725.71 AND AMENDMENT NO. 1 TO THE MEMORANDUM OF UNDERSTANDING WITH THE RIVERSIDE COUNTY DEPARTMENT OF HOUSING AND WORKFORCE SOLUTIONS FOR PARTICIPATING IN THE REGIONALLY COORDINATED HOMELESSNESS ACTION PLAN – SUPPLEMENTAL APPROPRIATION**

## **ISSUES:**

Approve the submission of the California Department of Housing and Community Development Homeless Housing, Assistance and Prevention Round 6 funding plan for the City's direct grant allocation of \$10,354,725.71 and Amendment No. 1 to the Memorandum of Understanding with the Riverside County Department of Housing and Workforce Solutions for participating in the Regionally Coordinated Homelessness Action Plan.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the submission of the California Department of Housing and Community Development Homeless Housing, Assistance and Prevention Round 6 funding plan for the City's direct grant allocation of \$10,354,725.71;
2. Approve the Amendment No. 1 to the Memorandum of Understanding with the Riverside County Department of Housing and Workforce Solutions for participation in the Regionally Coordinated Action Plan;
3. Authorize the City Manager, or designee, to execute the Memorandum of Understanding with the Riverside County Department of Housing and Workforce Solutions for participating in the Regionally Coordinated Action Plan;
4. Authorize the City Manager, or designee, to execute the Standard Agreement for the Homeless Housing, Assistance and Prevention Round 6 with the California Housing and Community Development and other grant-related documents required to secure and administer the grant funds; and

5. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an increase in revenue and appropriate expenditures equal to the amount of the grant award, in the Developments Grants Fund, HHAP 6 Grant Program accounts.

## **BACKGROUND:**

In February 2025, the California Department of Housing and Community Development (HCD) released the Notice of Funding Availability for Round 6 of the Homeless Housing, Assistance and Prevention (HHAP), making \$760 million available to eligible large cities, counties and Continuum of Cares. Applications are due on August 29, 2025.

HHAP Round 6 is designed to reflect the state's priorities to prevent and reduce unsheltered homelessness through homelessness prevention activities and sustain existing Interim Housing Solutions and Permanent Housing Solutions, including ensuring long-term sustainability of permanent affordable housing

To be eligible for funding, participating jurisdictions must meet the following requirements:

1. Conduct stakeholder engagement to support development of the HHAP 6 Application.
2. Apply as part of a region and, as a region, submit a complete HHAP 6 application through the HCD-provided portal.
  - a. In Riverside County, the City of Riverside, County of Riverside and Riverside City and Riverside County Continuum of Care will each receive and administer their respective allocations.
3. Develop a Regionally Coordinated Homelessness Action Plan in full compliance with Health and Safety Code Section 50240(c). This plan must present a strategic approach to addressing homelessness across the region and emphasize collaboration among all participating entities. It must also include specific key elements as outlined by HCD and follow the required planning process.
  - a. County of Riverside Department of Housing and Workforce Solutions and Continuum of Care's Homeless Action Plan (Attachment 1)
4. Submit a complete HHAP 6 application and coordinate with HCD on any subsequent amendment requests.
5. Post the approved Regionally Coordinated Homelessness Action Plan on each applicant's public website.

A breakdown of the HHAP 6 eligible use categories is shown in Attachment 2.

The HHAP Round 6 direct grant allocations for Riverside County is as follows:

- City of Riverside: \$10,354,725.71
- Riverside County: \$4,848,492.04
- Riverside City and County Continuum of Care: \$5,178,272.86

As with previous rounds, at least ten percent (10%) of the HHAP 6 allocation must be dedicated to services for homeless youth, and up to seven percent (7%) may be used for administrative costs.

**DISCUSSION:**

As part of the HHAP 6 funding application process, the City and County convened several stakeholder engagement meetings to ensure alignment with regional needs and priorities. These included:

1. City of Riverside Nonprofit Collaborative - April 16, 2025
2. Community Feedback Session with Individuals with Lived Experience - July 8, 2025
3. Riverside County Continuum of Care - July 23, 2025 (feedback ongoing at time of report submission)

During these sessions, stakeholders reviewed and prioritized the funding categories below, which are highlighted below.

**Category 1: Permanent Housing Solutions**

- a. Rapid Rehousing/Rental Subsidies
- b. Operating Subsidies – Permanent Housing
- c. Permanent Housing Services and Services Coordination
- d. Capital for Permanent Housing

**Category 2: Homeless Prevention**

- a. Prevention and Diversion

**Category 3: Interim Housing Solutions**

- a. Navigation Centers
- b. Motel/Hotel Vouchers
- c. Operating Expenses – Interim Housing
- d. Interim Housing Services and Services Coordination
- e. Capital for New Interim Housing (i.e. new noncongregate shelters and transitional housing)
- f. Renovation of Existing Interim Housing

**Category 4: Non-Housing Solutions**

- a. Services and Services Coordination for people experiencing unsheltered homelessness (i.e. street outreach, intensive case management, housing navigation, etc.)
- b. Administration Costs
- c. Homeless Management Information Systems

Based on HCD's guidance and community feedback, staff recommends allocating HHAP 6 funds as follows:

Eligible Use Category	Dollars Budgeted	If applicable, Dollars Budgeted for the Youth Set-Aside (10% Requirement)
Rapid Rehousing	\$ 3,500,000.00	\$ 785,472.57
Prevention and Shelter Diversion	\$ 500,000.00	\$ 0
Delivery of Permanent Housing and Innovative Housing Solutions	\$ 1,509,894.91	\$ 0
Operating Subsidies - Interim Housing	\$ 3,770,000.00	\$ 0

Street Outreach	\$ 350,000.00	\$ 250,000
Administrative Costs	\$ 724,830.80	
<b>Total</b>	<b>\$10,354,725.71</b>	<b>\$1,035,472.57</b>

*Proposed HHAP 6 Funding Uses:*

- Rapid Re-Housing: Provides rental assistance and security deposits for adults and youth experiencing homelessness.
- Homeless Prevention: Provides up to three months of past due rent to stabilize housing for at-risk renters.
- Delivery of Permanent Housing and Innovative Housing Solutions: Supports development of new permanent housing and life skills programming for participants; and
- Operating Subsidies – Interim Housing: Funds the operations of 45 emergency shelter beds and 23 non-congregate shelter beds;
- Street Outreach: Supports salaries for one adult and two youth outreach workers.
- Administration costs: Covers City staff time for grant oversight and compliance.

To receive the first 50% of HHAP 6 funds, awardees must:

- Fully obligate HHAP Rounds 1–3 funds.
- Expend all HHAP Round 1 funds.
- Expend at least 50% and obligate 75% of the initial disbursement (first half) from HHAP Round 4.
- Be in good standing on all reporting requirements (including HMIS reporting) for prior rounds.

To receive the second 50% of HHAP 6 funds, awardees must:

- Grantee must have obligated not less than 75% and expend not less than 50% of the initial Round 6 allocation no later than June 30, 2027.
- Grantee must have a compliant housing element if the grantee is a city or county (does not apply to continuums of care).
- Mid-Award Update and Corrective Action Plans:
  - Requirement to submit a mid-award update on the Round 6 Regionally Coordinated Action Plan to HCD by January 31, 2027. Must include updates on expenditure and obligation activities, progress on the system performance and improvement plan, and adequately improving on at least half of the current system performance measures (SPM).
  - If progress is insufficient on key actions or the region failed to adequately improve on at least one-half of the region's CA SPMs based on the most recent CA SPM data available, HCD can prescribe a Corrective Action Plan before disbursing funds.

*Regionally Coordinated Homelessness Action Plan*

To comply with the Regionally Coordinated Homelessness Action Plan requirement set forth by HCD, the County prepared Amendment No. 1 to the HHAP 5 Memorandum of Understanding, Regionally Coordinated Homeless Action Plan (Attachment 3). Through this MOU, the City and County reaffirm their commitment to:

1. To providing outreach and site coordination, siting and use of available public land (if applicable), the development of interim and permanent housing options, and coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness.
2. Commit to key actions each eligible applicant will take to improve the system performance measures.
3. Commit to key actions to ensure racial and gender equity in service delivery, housing placements, housing retention, and any other means to affirm equitable access to housing and services for racial and ethnic groups overrepresented among residents experiencing homelessness.
4. Commit to actions each Party will take to reduce homelessness among individuals exiting institutional settings, including but not limited to jails, prisons, hospitals, and any other institutions such as foster care, behavioral health facilities, etc.
5. Commit to the utilization of local, state, and federal funding programs to end homelessness.
6. Commit to the roles and responsibilities of connecting individuals to wrap-around services from all eligible federal, state, and local benefit programs.

The City and County will continue to utilize the SPMs established in the HHAP Round 5 application (Attachment 4), as they remain aligned with current strategies and regional priorities.

### **FISCAL IMPACT:**

The fiscal impact of this action, if funds are awarded, is an increase in revenue and expenditures of \$10,354,725.71. The grant does not require any matching funds. Upon Council approval and grant award, an increase in revenue and supplemental appropriation will be recorded equal to the amount of the grant award to the Development Grants Funds, HHAP 6 Grant accounts indicated in the table below.

Fund	Account Name	Account Number	Amount
<b>Revenue</b>			
Development Grants	HHAP 6 Admin State Operating Grant Revenue	9354500-334100	\$10,354,725.71
<b>Expenditures</b>			
Development Grants	HHAP 6 Rapid Rehousing	9354510-440210	\$ 3,500,000.00
	HHAP 6 Prevention and Shelter Diversion	9354520-440210	\$ 500,000.00
	HHAP 6 Permanent Housing	9354530-440210	\$ 1,509,894.91
	HHAP 6 Operating Subsidies	9354540-440210	\$ 3,770,000.00
	HHAP 6 Outreach	9354550-440210	\$ 350,000.00
	HHAP 6 Administrative Costs	9354500-440210	\$ 724,830.80

Prepared by: Michelle Davis, Housing and Human Services Director  
Certified as to  
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer  
Approved by: Kris Martinez, Assistant City Manager  
Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. County of Riverside Department of Housing and Workforce Solutions and Continuum of Care's Homeless Action Plan
2. HHAP 6 Eligible Use Categories
3. Amendment No. 1 to the Memorandum of Understanding with the Riverside County Department of Housing and Workforce Solutions for participation in the Regionally Coordinated Action Plan;
4. HHAP 6 System Performance Measures
5. Presentation