SUPPLEMENTAL AGENDA ITEM
AGENDA STAFF REPORT

MEETING DATE:  11/20/18
LEGAL ENTITY TAKING ACTION:  Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S):  All Districts
SUBMITTING AGENCY/DEPARTMENT:  County Executive Office
DEPARTMENT HEAD REVIEW:  
  Department Head Signature
DEPARTMENT CONTACT PERSON(S):  Frank Kim (714) 834-6805
  Dylan Wright (714)480-2788

SUBJECT:  Approve Homeless Emergency Aid Program Grant

CEO CONCUR
Concur
  CEO Signature

COUNTY COUNSEL REVIEW
No legal objection
  County Counsel Signature

CLERK OF THE BOARD
Discussion
3 Votes Board Majority

Budgeted:  No  Current Year Cost:  $11,048,095

Staffing Impact:  N/A  # of Positions:  N/A
Current Fiscal Year Revenue:  $15,568,715
Funding Source:  State 100% (HEAP)
Sole Source:  N/A
County Audit in last 3 years:  No

Prior Board Action:  9/25/2018 #35

RECOMMENDED ACTION(S)

1. Authorize OC Community Resources Director or designee, to adopt the Continuum of Care Board Homeless Emergency Aid Program funding recommendations in the total amount of $15,568,715 for inclusion in the Homeless Emergency Aid Program grant application to the following entities:
   a. City of Placentia - $5,650,000
   b. City of Buena Park - $6,412,300
   c. City Net - $350,000
   d. City of Laguna Beach - $909,000
   e. Mercy House - $638,980
   f. Family Assistance Ministries - $30,000
   g. Families Forward - $500,000
   h. Youth Specific Programming (to be determined) - $778,435
   i. OC Community Resources - $300,000

2. Authorize and approve OC Community Resources Director or designee, to accept the Homeless Emergency Aid Program grant award funds in the amount of $15,568,715 from the state without returning to the Board for approval.

3. Authorize and approve the OC Community Resources Director or designee, to execute the State Standard Agreement for Homeless Emergency Aid Program funding, in a form substantially similar to Attachment B and any other required documents in order to receive the Homeless Emergency Aid Program grant funding award without returning to the Board for approval.

4. Authorize OC Community Resources Director or designee to negotiate contracts and return to the Board for approval.

SUMMARY:

Authorize OC Community Resources to adopt the Homeless Emergency Aid Program funding recommendations approved by the Continuum of Care Board for inclusion in the Homeless Emergency Aid Program application and authorize OC Community Resources to accept the Homeless Emergency Aid Program grant award funds from the state.

BACKGROUND INFORMATION:

The Homeless Emergency Aid Program (HEAP) was established by the State of California to provide Continuums of Care (CoC) and local governments with one-time flexible block grant funds to address the homelessness crisis in their communities. Eligible activities include emergency services, rental assistance or subsidies, capital improvements, along with a required 5 percent set-aside for youth specific programming. The Homeless Coordinating and Financing Council (HCFC) released the program Notice of Funding Availability on September 5, 2018 and the application deadline for Round 1 HEAP funding is December 31, 2018.

The HEAP statute mandates that 50 percent of the awarded funds must be contractually obligated by January 1, 2020. Additionally, 100 percent of the funds must be expended by June 30, 2021. Unexpended funds must be returned to the Business, Consumer Services and Housing Agency and will revert to the General Fund. This expedited timeframe requires entities to move quickly through selection, award and implementation of projects in order to not jeopardize designated funding.

The Orange County CoC was allocated $15,568,715.65 with a requirement for a 5 percent set-aside for youth specific programing and is allowed up to 5 percent for administrative costs. For a capital project to be eligible for HEAP funding, the capital project must be located in a city that has declared a shelter crisis. The six cities that have declared a shelter crisis are Anaheim, Buena Park, Laguna Beach, Placentia, Santa Ana and Tustin. The County of Orange (County) declared a shelter crisis on June 12, 2018.

<table>
<thead>
<tr>
<th>Large Cities that Received Direct HEAP Allocations</th>
<th>Date of Shelter Crisis Declaration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anaheim</td>
<td>August 15, 2018</td>
</tr>
<tr>
<td>Santa Ana</td>
<td>August 21, 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cities that Did Not Receive Direct HEAP Allocations</th>
<th>Date of Shelter Crisis Declaration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laguna Beach</td>
<td>August 28, 2018</td>
</tr>
<tr>
<td>Buena Park</td>
<td>September 11, 2018</td>
</tr>
<tr>
<td>Placentia</td>
<td>September 11, 2018</td>
</tr>
<tr>
<td>Tustin</td>
<td>October 16, 2018</td>
</tr>
</tbody>
</table>
For the HEAP funding, the Administrative Entity and eligible applicant is the Orange County CoC. During the August 22, 2018, meeting, the CoC Board designated the County as the Administrative Entity and assigned the funding into each Search Planning Area by the 2017 Point in Time count in an effort to encourage applications from all three Service Planning Areas of the jurisdiction and to promote regional emergency response proposals. Submittal of the HEAP application requires concurrence from the Administrative Entity of the CoC funding recommendation.

HEAP guidelines set forth that applicants must conduct a local collaborative application process to determine how HEAP funds will be utilized in the CoC. The Administrative Entity must also demonstrate coordination with stakeholders, including but not limited to, homeless service and housing providers, law enforcement, cities, and homeless advocates whose general service area falls within the jurisdiction of the CoC.

To facilitate a collaborative and informative process among all stakeholders for HEAP funding, the Office of Care Coordination hosted three Service Planning Area meetings on two days, September 20, 2018, and September 24, 2018. City and county public officials, service providers, law enforcement and faith-based organizations were invited to attend. The Service Planning Area meetings had participation from 150 people and 30 out of the 34 cities were represented, the diverse attendance demonstrated a local collaborative effort to determine how the HEAP funds would be utilized in the CoC. During these Service Planning Area meetings, projects that increased the number of emergency shelter beds and demonstrated regional collaboration were identified as priorities.

The local collaborative application process was shared with all stakeholders in attendance at the three Service Planning Area meetings. The information distributed at these meetings was posted on the Office of Care Coordination webpage for access to the public. Additionally, the local collaborative application process was communicated via email to the listservs of 2-1-1 Orange County, a county contracted partner, and through Bidsync.

On September 25, 2018, the Board of Supervisors approved OC Community Resources to submit a Grant Application for HEAP funding in the amount of $15,568,715, in which it noted the designation of the County as the Administrative Entity.

The County has set aside $300,000 for administrative costs as the Administrative Entity and $778,436 will be set aside for youth programming, making the total available for allocation to projects $14,490,280. OC Community Resources will provide staff support, management and implementation of the HEAP projects.

At the CoC Board meeting on September 26, 2018, the CoC Board voted to create an Ad Hoc Committee to facilitate the HEAP proposal process and directed them to report back to the CoC Board with recommendations for funding.

On October 5, 2018, the HEAP proposals were due to the Office of Care Coordination. A total of 27 applications were submitted for consideration and amounted to $52,037,013 in requests.

On October 19, 2018, the Ad Hoc Committee met to review, discuss and finalize project recommendations. Each ad hoc member filled out and signed a Conflict of Interest Statement, an Evaluation Qualifications Form and a Confidentiality Statement.

To guide the discussion and recommendations, the Ad Hoc Committee identified the following principles to prioritize project proposals:
The project created a net increase in emergency shelter beds.
- The project demonstrated regional Service Planning Area and/or Countywide collaboration.
- The project has not yet been funded or received funding commitments from other sources.
- The awarded applicant for the Service Planning Area and Countywide programs should collaborate with other service providers and maximize funding by delivering client-centered services.

The Ad Hoc Committee presented their HEAP funding recommendations to the CoC Board for approval at the November 7, 2018, meeting. The meeting was well attended, there was strong participation from all three Service Planning Areas at this meeting. Nearly half the cities attended and almost all applicants were represented. Public comments received at the meeting demonstrated support for the Ad Hoc Committee recommendations.

The HEAP grant application requires the Administrative Entity to specify how the funding will be disbursed amongst the jurisdiction(s). Based on the principles outlined above and the CoC proposal process, the following HEAP funding recommendations were approved by the CoC Board at the November 7, 2018, CoC Board meeting:

<table>
<thead>
<tr>
<th>North Service Planning Area</th>
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</thead>
<tbody>
<tr>
<td>City of Placentia</td>
</tr>
<tr>
<td>$5,650,000</td>
</tr>
<tr>
<td>A capital improvement project to create 80 to 100 emergency shelter beds and serve the entire North Service Planning Area</td>
</tr>
<tr>
<td>City of Buena Park</td>
</tr>
<tr>
<td>$6,412,300</td>
</tr>
<tr>
<td>A capital improvement project to create 150 to 200 emergency shelter beds and serve the entire North Service Planning Area</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Central Service Planning Area</th>
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</thead>
<tbody>
<tr>
<td>City Net</td>
</tr>
<tr>
<td>$350,000</td>
</tr>
<tr>
<td>An emergency service project to provide street outreach to the entire Central Service Planning Area</td>
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</tbody>
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<table>
<thead>
<tr>
<th>South Service Planning Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Laguna Beach</td>
</tr>
<tr>
<td>$909,000</td>
</tr>
<tr>
<td>A capital improvement and emergency service project to renovate and rehabilitate the existing facility and expand operations with a drop-in day center program</td>
</tr>
<tr>
<td>Mercy House</td>
</tr>
<tr>
<td>$638,980</td>
</tr>
<tr>
<td>An emergency service project to provide street outreach to the entire South Service Planning Area</td>
</tr>
<tr>
<td>Family Assistance Ministries</td>
</tr>
<tr>
<td>$30,000</td>
</tr>
<tr>
<td>An emergency service project to provide a homeward bound program to reconnect those experiencing homelessness with their support systems</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Countywide – Family Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families Forward</td>
</tr>
<tr>
<td>$500,000</td>
</tr>
<tr>
<td>An emergency service and rental assistance program to provide financial assistance, rental assistance and flexible housing funds to families at-risk of homelessness or experiencing homelessness</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Youth Specific Programming</th>
</tr>
</thead>
<tbody>
<tr>
<td>$778,435</td>
</tr>
<tr>
<td>OC Community Resources will award the youth-specific programming through a separate process, currently underway</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Administrative Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>OC Community Resources</td>
</tr>
<tr>
<td>$300,000</td>
</tr>
<tr>
<td>Funding to carry out the functions of the Administrative Entity and HEAP funding implementation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,568,715</td>
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</tbody>
</table>
See Attachment A for the Homeless Emergency Aid Program – Summary Document distributed for the CoC Board meeting on November 7, 2018.

CEO requests that your Board adopt the CoC Board approved HEAP funding recommendations for inclusion in the HEAP grant application. By adopting this item, Orange County will build the vital infrastructure for needed emergency shelter beds and provide the essential street outreach component to refer individuals experiencing homelessness into the shelter system. The HEAP grant and funding allocations complement the efforts the Board has directed and approved in building out the System of Care to address the needs of those experiencing homelessness.

**FINANCIAL IMPACT:**

The State of California has allocated Housing Emergency Aid Program funding to the Orange County Continuum of Care in the amount of $15,568,715.65. The allocation (100 percent) will be disbursed once the standard agreement is executed. Revenue and appropriation adjustments will be included in the third quarter budget report process for FY 2018-19 and will be included in the budgeting process for future years.

**STAFFING IMPACT:**

N/A

**REVIEWING AGENCIES:**

OC Community Resources

**ATTACHMENT(S):**

Attachment A – Homeless Emergency Aid Program – Summary Document
Attachment B – State Standard Agreement
Homeless Emergency Aid Program (HEAP) – Orange County

Overview
Orange County has been allocated $15,568,716.65 for the Homeless Emergency Aid Program (HEAP) grant from the State of California for emergency services, rental assistance or subsidies and capital improvements.

<table>
<thead>
<tr>
<th>Total Amount</th>
<th>$15,568,715.65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 5% Administrative Cost</td>
<td>$300,000.00*</td>
</tr>
<tr>
<td>5% Youth Set Aside</td>
<td>$778,435.78</td>
</tr>
<tr>
<td>Available for Allocation</td>
<td>$14,490,279.87</td>
</tr>
</tbody>
</table>

*OC Community Resources will reduce Administrative Cost from $778,435.78 (5%) to $300,000 (1.93%). 5% Administrative cost may be deducted from Emergency Services contracts from total award.

Local HEAP Process
- August 22, 2018 – Continuum of Care Board designated County of Orange as fiscal agency for HEAP funding.
- September 20 and 24, 2018 – Office of Care Coordination hosted three Service Planning Area Meetings attended by 150 individuals and had representation from 30 out of 34 cities.
- September 26, 2018 – Continuum of Care Board appointed Jason Austin, Donald Dermit and George Searcy to Ad Hoc Committee to facilitate the HEAP Proposal Process.
- October 5, 2018 – Completed HEAP project information forms with needed attachments were due
  - 27 proposals were received with a total funding request amount of $52,037,013.
- October 19, 2018 – Ad Hoc met to discuss proposed HEAP Projects, the following priorities and made funding recommendations detailed below.

Ad Hoc Principles to Prioritize Projects
- Create a net increase in emergency shelter beds.
- Prioritize projects that demonstrate Regional Service Planning Area and/or Countywide collaboration.
- Fund projects that have not yet been funded or received funding commitments from other sources.
- The awarded applicant for the Service Planning Area and Countywide programs should collaborate with other service providers and maximize funding by delivering client-centered services.

Ad Hoc Recommended Projects for Funding

<table>
<thead>
<tr>
<th>North Service Planning Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant</td>
</tr>
<tr>
<td>-----------</td>
</tr>
</tbody>
</table>
| Placentia | Capital Improvements | • Create 80 to 100 emergency shelter beds  
Will serve the entire North Service Planning Area | $6,550,000       | $5,650,000                |
| Buena Park | Capital Improvements | • Create 150 to 200 emergency shelter beds  
Will serve the entire North Service Planning Area | $10,015,070      | $6,412,300                |

**TOTAL:** $12,062,300
### Central Service Planning Area

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Project Type</th>
<th>Project Description</th>
<th>Requested Amount</th>
<th>Recommended Funding Amount</th>
</tr>
</thead>
</table>
| City Net       | Emergency Services   | • Provide street outreach to the entire Central Service Planning Area.  
• Submitted letters of support from four cities and has contracts with five cities and the County for Central Service Planning Area street outreach. | $350,000 per year | $350,000                  |

**TOTAL:** $350,000

### South Service Planning Area

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Project Type</th>
<th>Project Description</th>
<th>Requested Amount</th>
<th>Recommended Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laguna Beach</td>
<td>Capital Improvement and Emergency Services</td>
<td>Renovate and rehabilitate existing ASL facility and expand operations to 24/7 with a drop-in day center program.</td>
<td>$909,000</td>
<td>$909,000</td>
</tr>
</tbody>
</table>
| Mercy House                | Emergency Services                 | • Provide street outreach to the entire South Service Planning Area.  
• Submitted letters of support from seven cities and has contracts with two cities in the South Service Planning Area.                                                                                       | $836,719          | $638,980                  |
| Family Assistance Ministries | Emergency Services               | Homeward bound program to reconnect individuals and families experiencing homelessness to their support systems outside of Orange County.                                                                     | $30,000           | $30,000                   |

**TOTAL:** $1,577,980

### Countywide – Family Focus

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Project Type</th>
<th>Project Description</th>
<th>Requested Amount</th>
<th>Recommended Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families Forward*</td>
<td>Emergency Services and Rental Assistance</td>
<td>Provide financial assistance, rental assistance and flexible housing funds to families at-risk of homelessness or experiencing homelessness.</td>
<td>$700,000</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

**TOTAL:** $500,000

*Applied for South Service Planning Area, Ad Hoc makes recommendation, contingent upon emergency services and rental assistance being provided countywide.
1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

CONTRACTOR'S NAME
Contractor's Name

2. The term of this Agreement is: Upon BCSH Approval through 10/31/2021

3. The maximum amount of this Agreement is: $00,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibit A - Authority, Purpose and Scope of Work
Exhibit B - Budget Detail and Payment Provisions
Exhibit C - Terms and Conditions
Exhibit D - Special Terms and Conditions

TOTAL NUMBER OF PAGES ATTACHED: 16

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)

BY (Authorized Signature) DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME
BUSINESS, CONSUMERS SERVICES AND HOUSING AGENCY

BY (Authorized Signature) DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Exempt per:

Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency

ADDRESS
915 Capitol Mall, Suite 350-A, Sacramento, CA 95814
AUTHORITY, PURPOSE AND SCOPE OF WORK

Homeless Emergency Aid Program (HEAP)

1. Authority

Pursuant to Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), the State has established the Homeless Emergency Aid Program ("HEAP" or "the Program" or "the grant"). The Program is administered by the California Homeless Coordinating and Financing Council ("Council") in the Business, Consumer Services and Housing Agency ("Agency"). HEAP provides one-time flexible block grant funds to Administrative Entities as defined in the September 5, 2018 HEAP Notice of Funding Availability (NOFA) and Large Cities to address their immediate homelessness challenges. This Standard Agreement along with all its exhibits ("Agreement") is entered into by the Agency and an Administrative Entity or Large City ("Contractor") under the authority of, and in furtherance of the purpose of, the Program. In signing this Agreement and thereby accepting this award of funds, the Contractor agrees to comply with the terms and conditions of the Agreement, the Notice of Funding Availability ("NOFA") under which the Contractor applied, the representations contained in the Contractor's application, and the requirements of the authority cited above.

2. Purpose

The general purpose of the Program is to provide one-time block grant funding to address the immediate emergency needs of homeless individuals and individuals at imminent risk of homelessness in the service area of each Contractor. In accordance with the authority cited above, an application was made by the Contractor for HEAP funds to be allocated for eligible uses under the grant, which include, but are not limited to, the following: services, rental assistance or subsidies, capital improvements and homeless youth activities.

3. Definitions

Terms herein shall have the same meaning as the definitions set forth in the HEAP NOFA.

4. Scope of Work

The Scope of Work ("Work") for this Agreement shall include one-time uses that are consistent with Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), for eligible uses, which include, but are not limited to, one or more of the following:
Standard Agreement
EXHIBIT A

A. Services,
B. Rental Assistance or Subsidies,
C. Capital Improvements,
D. Homeless Youth Set-Aside,
E. Administrative Costs, and
F. Other

4. **Agency Contract Coordinator**

The Agency’s Contract Coordinator for this Agreement is the Council’s HEAP Grant Manager or the Grant Manager’s designee. Unless otherwise instructed, any notice, report, or other communication requiring Contractor signature for this Agreement shall be mailed by first class mail to the Agency Contract Coordinator at the following address:

Business, Consumer Services and Housing Agency
Attn: Homeless Emergency Aid Program Grant Manager
915 Capitol Mall, Suite 350-A
Sacramento, CA 95814

5. **Contractor’s Contract Coordinator**

The Contractor’s Contract Coordinator ("Authorized Representative") for this Agreement is listed below. Unless otherwise informed, any notice, report or other communication required by this Agreement will be mailed by first class mail to the Contractor’s Contract Coordinator at the following address:

<table>
<thead>
<tr>
<th>Contractor’s Authorized Representative Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>Phone:</td>
</tr>
<tr>
<td>Email:</td>
</tr>
</tbody>
</table>
6. **Effective Date, Term of Agreement, and Deadlines**

   A. This Agreement is effective upon approval by the Agency (indicated by the signature provided by Agency in the lower left section of page one, Standard Agreement, STD. 213), when signed by all parties.

   B. All HEAP grant funds must be at least fifty percent contractually obligated by January 1, 2020. One hundred percent of Program funds must be expended by June 30, 2021. Any funds not expended by that date shall be returned to the Agency and will revert to the General Fund (See Health and Safety Code Section 50215).

7. **Special Conditions**

   Agency reserves the right to add any special conditions to this Agreement it deems necessary to ensure the goals of the Program are achieved.
Standard Agreement
EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS
Homeless Emergency Aid Program (HEAP)

1. Budget Detail

The Contractor agrees that HEAP funds shall be expended on one-time uses that address immediate homelessness challenges.

Consistent with the application submitted by the Contractor on [insert date], the Business, Consumer Services and Housing Agency ("Agency") shall award funds in the form of a grant for the following eligible activities:

A. Capital Improvements:
B. Services:
C. Rental Assistance or Subsidies:
D. Homeless Youth Set-Aside:
E. Administrative Costs:
F. Other:
   Total HEAP Award Amount:

2. General Conditions Prior to Disbursement

General Requirements – All Contractors must submit the following forms prior to HEAP funds being released:

A. Request for Funds Form (RFF),
B. Four original copies of the signed STD. 213 form and initialed Exhibits A through D, and
C. Any other documents, certifications, or evidence requested by Agency as part of the HEAP application.

3. Expenditure of Funds

Specific requirements and deadlines for contractually obligating and expending awarded funds are defined in the HEAP statutes. Health and Safety Code Sections 50214 and 50215 mandate the following:

A. No more than five (5) percent of HEAP funds may be used for administrative costs related to the execution of eligible activities.
B. No less than five (5) percent of HEAP funds shall be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness.
C. No less than 50 percent of HEAP funds shall be contractually obligated by January 1, 2020.
D. One hundred percent of HEAP funds shall be expended by June 30, 2021.
Standard Agreement
EXHIBIT B

E. Any funds not expended by June 30, 2021 shall be returned to Agency and will revert to the General Fund.

Homeless Coordinating and Financing Council ("Council") staff will provide ongoing technical assistance and training to support Contractors in successfully complying with these requirements and deadlines.

HEAP funds may not be obligated and expended prior to the effective date of this Agreement or prior to Contractor's receipt of HEAP funds, whichever date is later, even if it is for an eligible use under the statute. Program funds shall be expended in compliance with the requirements set forth in Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other relevant provisions established under SB 850, the NOFA, and this Agreement.

4. Disbursement of Funds

HEAP funds will be disbursed to the Contractor upon receipt, review and approval of the completed RFF by Agency, which will then forward the RFF to the State Controller's Office ("SCO") for a check to be issued. The RFF must include the proposed activities and amount of funds proposed for expenditure under each eligible use. HEAP funds will be disbursed in a single allocation once the RFF has been received by the SCO.

5. Budget Changes

After the effective date of this Agreement, the Contractor agrees that no changes shall be made to the Contractor's HEAP budget, funded homeless service providers ("subrecipients"), or eligible activities listed in the RFF without first obtaining approval from Agency. Any changes to this Agreement must be requested by the Contractor in writing through submission of a Change Request Form. Changes must be approved in writing by Agency.

6. Ineligible Costs

HEAP funds shall not be used for costs associated with activities in violation of any law or for any activities not consistent with the intent of the Program and the eligible uses identified in Health and Safety Code Section 50214.

Agency reserves the right to request additional information and clarification to determine the reasonableness and eligibility of all costs to be paid with funds made available by this Agreement. If the Contractor or its funded subrecipients use HEAP funds to pay for ineligible activities, the Contractor shall be required to reimburse these funds to Agency.
Standard Agreement
EXHIBIT B

A. An expenditure which is not authorized by this Agreement, or which cannot be adequately documented, shall be disallowed and must be reimbursed to Agency by the Contractor.

B. Expenditures for activities not described in Exhibit A or Paragraph 1 above shall be deemed authorized if the activities are consistent with Health and Safety Code Section 50214 and such activities are included in the approved RFF or are approved in writing by Agency prior to the expenditure of funds for those activities.

C. Agency, at its sole and reasonable discretion, shall make the final determination regarding the allowability of expenditures of HEAP funds.

D. Program funds shall not be used for overhead or planning activities, including Homeless Management Information Systems or Homelessness Plans.

7. Administrative Costs

The Contractor must comply with Health and Safety Code Section 50214, which limits administrative costs related to the execution of eligible activities to no more than five percent of HEAP funds. For purposes of this Program, “administrative costs” does not include staff costs directly related to carrying out the eligible activities described in Paragraph 1 of this Exhibit.
TERMS AND CONDITIONS

Homeless Emergency Aid Program (HEAP)

1. Effective Date, Commencement of Work and Completion Dates

A. This Agreement is effective upon approval by Agency, which is indicated by the signature provided by Agency in the lower left-hand corner of page one, Standard Agreement, STD. 213, when signed by all parties. Contractor agrees that the work shall not commence, nor any costs to be paid with HEAP funds be incurred or obligated by any party, prior to execution of this Agreement by Agency and the Contractor, or prior to Contractor's receipt of HEAP funds, whichever date is later. Contractor agrees that the work shall be completed by the expenditure date specified in Exhibit A, Paragraph 6.

B. Contractor must contractually obligate no less than 50 percent of HEAP funds by January 1, 2020. One hundred percent of HEAP funds shall be expended by June 30, 2021. Any funds not expended by June 30, 2021 shall be returned to Agency and revert to the General Fund. "Obligate" means that the Contractor has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the grant amount. In the case of an award made to a general purpose local government that subcontracts with private nonprofit organizations via letters of awards and Service Provider Agreements, the Subcontractors are required to obligate the funds by the same statutory deadlines. "Expended" means all HEAP funds obligated under contract or subcontract have been fully paid and received, and no invoices remain outstanding.

C. Contractor and its Subcontractors agree that the work shall be completed by the expiration date specified in Exhibit A, Paragraph 6 and that the Scope of Work will be provided for the full term of this Agreement.

2. Sufficiency of Funds and Termination

A. Agency may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to the Contractor. Cause shall consist of: violations of any terms or conditions of this Agreement, or any breach of contract as described in Paragraph 7; violation of any Federal or State Laws or Regulations; or withdrawal of Agency's expenditure authority. Upon termination of this Agreement, unless otherwise approved in writing by Agency, any unexpended funds received by the Contractor shall be returned to Agency within thirty days of the Notice of Termination.

B. This Agreement is valid and enforceable only if sufficient funds are made available to Agency by legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other
laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.

3. **Transfers**

Contractor may not transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of Agency and a formal amendment to this Agreement to affect such subcontract or novation.

4. **Contractor’s Application for Funds**

Contractor has submitted to Agency an application for HEAP funds to provide urgently needed emergency assistance to homeless people in communities with a declared shelter crisis or applicable waiver as authorized by Health and Safety Code Section 50212(b). Agency is entering into this Agreement on the basis of, and in substantial reliance upon, Contractor’s facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by Agency. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.

Contractor warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Contractor’s knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect Agency approval, disbursement, or monitoring of the funding and the grants or activities governed by this Agreement, then Agency may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

5. **Reporting/Audits**

A. The Contractor shall submit an annual report to Agency on forms provided by Agency, by January 1, 2020 and January 1, 2021. If the Contractor fails to provide such documentation, Agency may disencumber any portion of the amount authorized by this Agreement with a 14-day written notification. The Contractor shall also submit a final report by September 30, 2021.

B. The annual report shall contain a detailed report containing the following:

1. Amounts awarded to subrecipients with activity(ies) identified.
2. Contract expenditures.
3. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.
4. Number of instances of service (defined in September 5, 2018 HEAP NOFA).
5. Increases in capacity for new and existing programs.
6. The number of unsheltered homeless persons becoming sheltered.
7. The number of homeless persons entering permanent housing.

Breakdowns will be expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above, when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U.S. Department of Housing and Urban Development (HUD):

1. Chronically homeless
2. Homeless veterans
3. Unaccompanied homeless youth
4. Homeless persons in families with children

Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management Information System (HMIS). Additional breakdowns for other subgroups (e.g. race, ethnicity, disability status, etc.) are optional, if the Contractor chooses to include them.

The Contractor will also be asked to comment on the following:

1. Progress made toward local homelessness goals.
2. The alignment between HEAP funding priorities and “Housing First” principles adopted by the Homeless Coordinating and Financing Council
3. Any other effects from HEAP funding that the CoC or large city would like to share (optional).

C. Agency reserves the right to perform or cause to be performed a financial audit. At Agency request, the Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant. HEAP administrative funds may be used to fund this expense.

1. If a financial audit is required by Agency, the audit shall be performed by an independent certified public accountant.
2. The Contractor shall notify Agency of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by Agency to the independent auditor's working papers.
3. The Contractor is responsible for the completion of audits and all costs of preparing audits.
4. If there are audit findings, the Contractor must submit a detailed response acceptable to Agency for each audit finding within 90 days from the date of the
Standard Agreement  
EXHIBIT C

audit finding report.

6. **Retention and Inspection of Records**

   A. The Contractor agrees that Agency or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Contractor agrees to provide Agency or its designee, with any relevant information requested. The Contractor agrees to permit Agency or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.

   B. The Contractor further agrees to retain all records described in Paragraph A for a minimum period of five (5) years after the termination of this Agreement.

   1. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

7. **Breach and Remedies**

   A. The following shall each constitute a breach of this Agreement:

   1. Contractor’s failure to comply with the terms or conditions of this Agreement.
   2. Use of, or permitting the use of, HEAP funds provided under this Agreement for any ineligible activities.
   3. Any failure to comply with the deadlines set forth in this Agreement.

   B. In addition to any other remedies that may be available to Agency in law or equity for breach of this Agreement, Agency may:

   1. Bar the Contractor from applying for future HEAP funds;
   2. Revoke any other existing HEAP award(s) to the Contractor;
   3. Require the return of any unexpended HEAP funds disbursed under this Agreement;
   4. Require repayment of HEAP funds disbursed and expended under this Agreement;
   5. Require the immediate return to Agency of all funds derived from the use of HEAP funds including, but not limited to recaptured funds and returned funds;
6. Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with HEAP requirements; and

7. Seek such other remedies as may be available under this Agreement or any law.

8. All remedies available to Agency are cumulative and not exclusive.

9. Agency may give written notice to the Contractor to cure the breach or violation within a period of not less than 15 days.

8. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of Agency to enforce at any time the provisions of this Agreement, or to require at any time, performance by the Contractor of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of Agency to enforce these provisions.

9. Nondiscrimination

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, military and veteran status, and denial of medical and family care leave or pregnancy disability leave. Contractors and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

10. Conflict of Interest

All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not
limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.

B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.

C. Employees of the Contractor: Employees of the Contractor shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

11. Drug-Free Workplace Certification

Certification of Compliance: By signing this Agreement, Contractor, and its subcontractors, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355(a)(1).

B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:

1. The dangers of drug abuse in the workplace,
2. Contractor's policy of maintaining a drug-free workplace,
3. Any available counseling, rehabilitation, and employee assistance programs, and
4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

C. Provide, as required by Government Code section 8355(a)(3), that every employee and/or subcontractor who works under this Agreement:

1. Will receive a copy of Contractor's drug-free policy statement, and
2. Will agree to abide by terms of Contractor's condition of employment or subcontract.

12. Child Support Compliance Act

For any Contract Agreement in excess of $100,000, the Contractor acknowledges in accordance with Public Contract Code 7110, that:

A. The Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

B. The Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

13. Special Conditions – Contractors/Subcontractor

The Contractor agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of Agency prior to disbursement of funds. The Contractor shall ensure that all Subcontractors are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of HEAP funds. Failure to comply with these conditions may result in termination of this Agreement.

A. The Agreement between the Contractor and any Subcontractor shall require the Contractor and its Subcontractors, if any, to:

1. Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
2. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
3. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the Contractor or any Subcontractor in performing the Work or any part of it.

4. Agree to include all the terms of this Agreement in each subcontract.

14. **Compliance with State and Federal Laws, Rules, Guidelines and Regulations**

The Contractor agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to the HEAP program, the Contractor, its Subcontractors, and all eligible activities.

Contractor shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities. Contractor shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances. Contractor shall provide copies of permits and approvals to Agency upon request.

15. **Inspections**

A. Contractor shall inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.

B. Agency reserves the right to inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.

C. Contractor agrees to require that all work that is determined based on such inspections not to conform to the applicable requirements be corrected and to withhold payments to the subrecipient or Subcontractor until it is corrected.

16. **Litigation**

A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of Agency, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.
B. The Contractor shall notify Agency immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or Agency, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of Agency.
1. All proceeds from any interest-bearing account established by the Contractor for the deposit of HEAP funds, along with any interest-bearing accounts opened by Subrecipients to the Contractor for the deposit of HEAP funds, must be used for HEAP-eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than five (5) percent of these proceeds may be used for general administrative purposes. At least five (5) percent of these proceeds must be allocated to establishing or expanding services for homeless youth, as defined in HEAP Program documents.

2. Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).

3. The Contractor agrees to provide the Business, Consumer Services and Housing Agency access to Homeless Management Information System ("HMIS") data collected and entered into the Contractor's HMIS, upon request, and to participate in any statewide data initiative as directed by BCSH including but not limited to, a statewide data integration environment.
### HOMELESS EMERGENCY AID PROGRAM

#### REQUEST FOR FUNDS FORM

**Contract Number:** 18-HEAP-00001  
**Expiration Date:** 10/31/2021

**Grantee Name:**  
**Address:**  
**City:**  
**State & Zip:**  
**Contact Person:**  
**Contact Person Title:**  
**E-mail:**  
**Phone No.:**

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### HOMELESS EMERGENCY AID EXPENDITURES BREAKDOWN

#### BUDGET BREAKDOWN

<table>
<thead>
<tr>
<th>Proposed Activities</th>
<th>Approved Budget</th>
<th>REQUEST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>$6,575,000.00</td>
<td>$6,575,000.00</td>
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<tr>
<td>Rental Assistance or Subsidies</td>
<td>$229,005.98</td>
<td>$229,005.98</td>
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<tr>
<td>Capital Improvements</td>
<td>$1,000,000.00</td>
<td>$1,000,000.00</td>
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<tr>
<td>Homeless Youth Set-Aside</td>
<td>$433,555.84</td>
<td>$433,555.84</td>
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<tr>
<td>Administrative Costs</td>
<td>$433,555.00</td>
<td>$433,555.00</td>
</tr>
<tr>
<td><strong>Other:</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$0.00</strong></td>
</tr>
<tr>
<td><strong>Other:</strong></td>
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<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$8,671,116.82</strong></td>
<td><strong>$8,671,116.82</strong></td>
</tr>
</tbody>
</table>

#### REQUEST

**Draw Amount**

- Services: $6,575,000.00
- Rental Assistance or Subsidies: $229,005.98
- Capital Improvements: $1,000,000.00
- Homeless Youth Set-Aside: $433,555.84
- Administrative Costs: $433,555.00
- Other: $0.00

**TOTAL:** $8,671,116.82

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### CERTIFICATION

*By signing this form, I certify to the best of my knowledge and belief that the form is true, complete, and accurate, and the activities and budget are for the purposes and objectives set forth in the terms and conditions of the HEAP Standard Agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.*

**Name of Authorized Person**  
**Date:**

**Signature of Authorized Person**  
**Date:**

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**BCSH USE ONLY**

**Grant Management Representative Signature**  
**Date:**