



Don Semon
Director
Health and Human Services Agency
El Dorado County
Via email: don.semon@edcgov.us

October 8, 2021

Dear Mr. Semon, Members of the Board of Supervisors, and Sheriff D'Agostini,

As per our letter in August, the EDOK Executive Team reached out to various state and federal agencies who provide funding to the Continuum of Care and the County, including the U. S. Department of Housing and Urban Development (HUD), the California Homeless Coordinating and Financing Council (HCFC), and the California Department of Housing and Community Development (HCD). We did so to ensure that we received further guidance relative to Sheriff D'Agostini's presentation on a proposed homeless encampment at the August 10th Board of Supervisors meeting and the "HOSTESS concept" document.

We received several helpful responses, and we were able to virtually meet with HCD staff. The feedback we received was consistent and clear. Neither the campsite project as presented nor the HOSTESS concept document are compliant with federal and state regulatory requirements, and no CoC funds can be used in conjunction with such a project.

Perhaps it is helpful to directly quote the letter from the HHAP Program Grant Manager at the California Homeless Coordinating and Financing Council of the Business, Consumer Services, and Housing Agency:

"I have reviewed, along with the help of the HCFC Grants Director and our legal team, the email that you sent on August 25, 2021 seeking guidance to ensure compliance with the requirements of HHAP funding to host a one-stop temporary emergency social services site. Unfortunately, with the information provided, HHAP funds cannot be used to support this project because it violates an essential requirement of the funding to follow Housing First Policy. Health and Safety Code Section 5220.5(g) mandates that all recipients of state homelessness funding shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code."

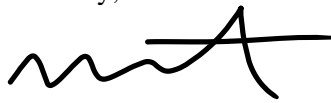
They also pointed out that in the process of applying for HHAP-2 funds (the second round of HHAP), both the County and CoC were required to complete a Housing First Assessment, and each provided responses indicating that they follow and would continue to follow Housing First Policies. Should either the County or the CoC engage in conduct that is inconsistent with those policies, all HHAP funding would be put at risk. This includes the remaining HHAP 1 (\$1,375,897) and HHAP 2 (\$647,504) funds that have been allocated, the \$1.7 million in HHAP 3 funds that are in the process of being allocated and the upcoming HHAP 4 funds. In addition, it could jeopardize the remaining CESH (\$500,637), ESG-CV 1 and 2 (\$845,211), Whole Person Care (\$266,469), Project Roomkey Emergency Funding (\$621,265), and CSBG CARES (\$390,319) funds. It would also put the upcoming applications for FY 2021 ESG Balance of State (up to \$473,959) and FY2021 Continuum of Care Program (\$80,000) at risk. All told, a project like this could put at least \$5,648,925 in County and CoC funds at risk.

To summarize, the state and federal guidance conferred the same understanding. No CoC or County funds from these entities could be used in this way as it was inconsistent with regulatory requirements and with best practices. It was also made clear that should either the homeless encampment as presented or a project based on the Hostess concept document be developed with private funds, no staff funded by these state and federal funds could work at the site. Specifically, ESG-funded street outreach or rapid rehousing could not be co-located at the site.

As you know, the COC and the County are accountable to their funders, who require incorporating evidence-based best practices into all programs. This includes lowering barriers in all programs and requires complying with Housing First and makes a priority of participant choice, equity and cultural competency.

We look forward to working with you to find and launch sustainable, proven, and meaningful solutions for those experiencing homelessness in El Dorado County – to end their homelessness.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marissa R. Muscat'. The signature is stylized with a prominent horizontal stroke at the end.

Marissa R. Muscat, MD
Co-Chair
El Dorado Opportunity Knocks Continuum of Care