



HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)
Meeting Agenda

July 15, 2026, 1 pm

Committee members must participate in person (except for just cause reasons or personal emergency reasons approved by the HSOC)

Room 101, County of San Luis Obispo Department of Social Services,
3433 South Higuera St, San Luis Obispo, CA 93401

Members with approved just cause reasons and the public may participate in person or by Zoom video call:

<https://us06web.zoom.us/j/83462338399?pwd=R1FFogakNzYlWlg40NrskEeXegx8zu.1>

Or dial in:

+1 669 444 9171

Meeting ID: 834 6233 8399

Passcode: 715788

1. Call to Order and Introductions (5 minutes*)
2. Public Comment (5 minutes*)
3. Consent: Approval of Minutes (2 minutes*)
4. Action/Information/Discussion
 - 4.1. Implementing Five-Year Plan Line of Effort 4 - Create, Identify, and Streamline Funding and Resources
 - 4.1.1. Action Item: Recommend funding allocations of Homeless Housing, Assistance and Prevention Program (HHAP) – Round 5 (\$1,938,467) (2nd Distribution) and HHAP Program – Round 6

*All times are approximate



(\$1,275,468) (1st Distribution) for permanent housing, interim shelter operations/supportive services, permanent supportive housing operations/supportive services, rapid rehousing, prevention and shelter diversion. (30 minutes*)

4.1.1.1. Committee Questions

4.1.1.2. Public Comment

4.1.1.3. Committee Discussion and Vote

4.1.2. Action Item: Approve the FY2026 CoC funding recommendations and rankings, and authorize related application actions, as follows: 1) Approve the funding recommendations and rankings for the FY2026 Continuum of Care (CoC) Program Competition application to HUD; 2) Authorize the Ad Hoc CoC Application Committee to approve the Collaborative Application; 3) Approve the County of San Luis Obispo to submit the Consolidated Application; and 4) Authorize the HSOC Executive Committee to approve pre-submission adjustments on behalf of the CoC if HUD's actual available funding differs from the estimates used here, and a CoC quorum cannot be convened before HUD's subrecipient-notification deadline. (25 minutes*)

4.1.2.1. Committee Questions

4.1.2.2. Public Comment

4.1.2.3. Committee Discussion and Vote

4.1.3. Action Item: Vote to 1) Authorize the CoC Collaborative Applicant to reissue all or part of the local funding competition as needed if HUD reissues all or parts of the FY2026 CoC Notice of Funding Opportunity, and 2) should the local competition be reopened and it not be possible to convene a quorum of the full HSOC before the deadline for CoC approval of the funding recommendations under the revised NOFO, authorize the HSOC Executive Committee to



approve the funding recommendations and ranking and authorize the submission of the Consolidated Application. (5 minutes*)

4.1.3.1. Committee Questions

4.1.3.2. Public Comment

4.1.3.3. Committee Discussion and Vote

4.1.4 Action Item: Vote to approve the FY26 Continuum of Care (CoC) Program Statement on Recovery-Oriented Housing Projects and Prohibited Illicit Drug Enablement Activities. (10 minutes*)

4.1.4.1. Committee Questions

4.1.4.2. Public Comment

4.1.4.3. Committee Discussion and Vote

4.1.5 Action Item: Vote to adopt the San Luis Obispo Continuum of Care (CoC)-Funded Street Outreach Policy (10 minutes*)

4.1.5.1. Committee Questions

4.1.5.2. Public Comment

4.1.5.3. Committee Discussion and Vote

4.2. Information Item: Update on the 2026 Bi-Annual Homeless Point in Time Count and Housing Inventory Count (5 minutes*)

4.2.1. Committee Questions

4.2.2. Public Comment

4.2.3. Committee Discussion

4.3. Discussion Item: Committee Updates (12 minutes*)

4.3.1. Committee Questions

*All times are approximate



- 4.3.2. Public Comment
- 4.3.3. Committee Discussion
- 4.4. Discussion Item: Update from County Staff (5 minutes*)
- 5. Future Discussion/Report Items, Updates and Requests for Information (3 minutes*)
- 6. Next Regular Meeting: September 16, 2026
- 7. Adjournment

The full agenda packet for this meeting is available on the SLO County HSOC web page:

[https://www.slocounty.ca.gov/Departments/Social-Services/Homeless-Services/Homeless-Services-Oversight-Council-\(HSOC\).aspx](https://www.slocounty.ca.gov/Departments/Social-Services/Homeless-Services/Homeless-Services-Oversight-Council-(HSOC).aspx)

*All times are approximate

**HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)
MEETING MINUTES**

Date

May 20, 2026

Time

1:07 pm- 3:00 pm

Location

Room 101, County of San Luis Obispo Department of Social Services
3433 South Higuera St., San Luis Obispo, CA 93401

Members Present

Amelia Grover
Bill Luffee
Clint Weirick (alternate for Jules Tuggle)
Daniel Suttles
Daniela Garcia (alternate for Jessica Thomas)
Devon McQuade
Frank Warren
Gabby Djuarna (alternate for Bao Xiong)
Jack Lahey
James Davis
Jeff Eckles (alternate for Kathy McClenathen)
Juanetta Perkins
Kate Secrest
Linda Belch (alternate for Devin Drake)
Marcia Guthrie
Marie Bolin
Mark Lamore
Michelle Pedigo
Michelle Shoresman
Raven Lopez
Rick Gulino
Susan Funk
Susan Lamont
Wendy Blacker
Wendy Lewis

Members Absent

Abby Lassen
Brenda Mack
Chris Bausch
Hanan Azeem
Jim Dantona
Jimmy Paulding
Kirsten Cahoon
Luke Dunn

Rick Scott
Rosie Ojeda

Staff & Guests

Addison Gregory
Berenice Andrade
Cindy McCown
Claire Momberger
Daisy Wiberg
Damian Camacho
Erica Jaramillo
George Solis
Jeff Al-Mashat
Kate Bourne
Kelly Riffer
Laurel Weir
Mark Frauenheim
Merlie Livermore
Paulina Llamas
Sophie Glazebrook
Susan Warren
Thomas Crottogini

1. Call to Order and Introductions

Chairperson Michelle Shoresman called the meeting to order at 1:07 pm, followed by introductions from new attendees.

2. Recusals Notice

Recusals were announced for the following item:

5.1.1. for all members and alternates with a financial interest in any of the agencies recommended for funding

3. Public Comments

Wendy Lewis announced that the ECHO Atascadero shelter's new Family Wing will hold its grand opening on August 13 at 10:00 a.m. The addition, developed in partnership with the Balay Ko Foundation, will provide 30 new family beds.

Jeff Eckles from the SLO Housing Trust Fund introduced Damian Camacho as the new Housing Portfolio Officer and announced the inaugural Strong Foundation Awards on May 28, 2026, recognizing individuals who have advanced community development and affordable housing in SLO County.

Wendy Blacker reported that 805 Street Outreach launched a new trailer on May 11 offering free laundry services in addition to mobile showers in Morro Bay.

Rick Gulino shared that units remain available for farm workers at the Cleaver & Clark Commons development in Grover Beach.

Michelle Shoresman announced that HSOC is accepting applications for Committee Vice-Chair positions, with details available on the HSOC website.

4. Consent: Approval of Minutes

Susan Funk moved to approve the minutes, and Mark Lamore seconded the motion. Jack Lahey and Susan Lamont abstained. The motion passed by voice vote.

5. Action/Information/Discussion

5.1. Implementing Five-Year Plan Line of Effort 4 - Create, Identify, and Streamline Funding and Resources

5.1.1. Action Item: Recommend funding allocations of FY2025 State Emergency Solutions Grant (\$187,867) to support existing Interim Shelter Operations/Supportive Services and Rapid Rehousing/Rental Subsidies

Before George Solis presented the funding recommendations, members and alternates with a financial interest in any of the recommended agencies were asked to leave the room.

Following further discussion, a motion to approve the funding recommendations was made by Susan Funk and seconded by Jeff Eckles. The motion passed by majority roll-call vote.

5.1.2. Information Item: Update on the Regional Housing Incentive Program
Claire Momberger from the SLO County Planning and Building Department provided an update on the Regional Housing Incentive Program (RHIP). Adopted in October 2025, RHIP is a free program available to multifamily development projects in urbanized, unincorporated inland areas of the county. Builders may participate by constructing affordable units or contributing to the regional housing fund, and in return may receive incentives such as increased height allowances, reduced setbacks, and higher dwelling unit capacity.

Additional information is available on the SLO County Planning and Building website.

5.2. Information Item: Update on the Continuum of Care Grant

While awaiting the release of HUD's Notice of Funding Opportunity, Laurel Weir provided a preliminary timeline to inform potential applicants. The County of San Luis Obispo, as the Collaborative Applicant for the Continuum of Care, is accepting Notices of Interest from organizations seeking Fiscal Year 2026 CoC funding.

A virtual public information session for potential applicants will be held on Friday, June 12 at 1:00 p.m.

5.3. Discussion Item: Results from Dot Exercise at HSOC Annual Listening Session
Laurel Weir presented the results of the Dot Exercise and provided background for those who had not attended the session. Small-group responses were listed on paper, posted on the walls, and participants were given six dots to place on the items they most supported, using them in any manner they chose.

Small groups were asked to respond to three questions:

- **Funding Priorities:** When reviewing all individual responses, homelessness prevention received the most votes. However, when permanent housing-related responses (permanent supportive housing, affordable housing, and rapid rehousing) were combined, housing solutions ranked highest with 33 votes, followed by homelessness prevention with 32 votes. Sustaining existing services was the next highest priority.
- **Gaps Analysis:** When asked to identify a new activity not currently funded that would most reduce homelessness, the top response was behavioral health and treatment services, followed by alternative shelter options such as parking programs and sanctioned encampments.
- **HSOC Priorities:** Participants identified sustaining or securing funding as the top priority, followed by planning and analysis. Coordination and workforce development tied with seven votes each, closely followed by incorporating lived experience. Workforce development responses focused specifically on strengthening the nonprofit workforce.

5.4. Discussion Item: Committee Updates

As Chair of the Data & Performance Committee, Mark Lamore reported that the committee is working on several items, including updates to the HMIS Privacy Notice and Consent Form, the Veterans By-Name List, the annual review of Policies and Procedures, the HMIS Data Quality Management Plan, and System Performance Measures. The committee is also seeking increased participation from additional agencies.

Mark also shared recent HMIS inflow and outflow data. Between March 1 and April 30, 2026, a total of 503 clients had new enrollments across all project types, with 121 clients in 90 households entering the system for the first time. During the same period, 485 clients exited their enrollments, with 41 percent exiting to permanent housing destinations.

Wendy Lewis reported that the Services Coordinating Committee held a session to discuss upcoming eligibility changes for the Medi-Cal and CalFresh programs.

Jack Lahey provided an update from the Coordinated Entry Committee. He noted that, similar to the Data & Performance Committee, they are actively reviewing policies and procedures, refining assessment tools, and streamlining shelter referral guidelines. The committee is also forming a work group to support goal setting for the coming year.

5.5. Discussion Item: Update from County Staff

Linda Belch reported that a workday for Welcome Home Village will be held on June 6 to complete cleanup and final furniture assembly, with the ribbon-cutting ceremony scheduled for June 8 at 6:00 p.m. She noted that the Point-in-Time Count report is expected to be released in June and that the Regional Compact on Homelessness and Affordable Housing has been adopted by seven of the eight cities. She also shared that work is underway on the Five-Year Plan, which expires in 2027, and the County is preparing to hire a consultant to assist beginning next year.

Morgan Torell introduced Thomas Crotozzini as the new Business Systems Analyst for the Behavioral Health Department.

6. Future Discussion, Report Items, Updates and Requests for Information

None were presented.

7. Next Meeting: July 15, 2026**8. Adjournment**

Vice-Chair Kate Secrest adjourned the meeting at 3:00 pm.

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HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)
ACTION ITEM
July 15, 2026

AGENDA ITEM NUMBER: 4.1.1

ITEM: Recommend funding allocations of Homeless Housing, Assistance and Prevention Program (HHAP) – Round 5 (\$1,938,467) (**2nd Distribution**) and HHAP Program – Round 6 (\$1,275,468) (**1st Distribution**) for permanent housing, interim shelter operations/supportive services, permanent supportive housing operations/supportive services, rapid rehousing, prevention and shelter diversion.

ACTION REQUIRED:

Vote to recommend funding allocations of Homeless Housing, Assistance and Prevention Program (HHAP) – Round 5 (\$1,938,467) (**2nd Distribution**) and HHAP Program – Round 6 (\$1,275,468) (**1st Distribution**) for permanent housing, interim shelter operations/supportive services, permanent supportive housing operations/supportive services, rapid rehousing, prevention and shelter diversion.

SUMMARY NARRATIVE:

On March 30, 2026, the County released a competitive Request for Proposals (RFP) to solicit proposals for the California Department of Housing and Community Development Emergency Solutions Grants and Homeless Housing, Assistance and Prevention funding programs. The RFP was developed in alignment with funding priorities approved by HSOC. A total of twelve applications were submitted for HHAP Program Rounds 5 and 6, requesting over \$10.2 million in funding. However, only \$3,213,936 in funding was available through the HHAP Program.

HHAP-5 & HHAP-6

HHAP is administered by the California Department of Housing and Community Development (HCD) in the Business, Consumer Services and Housing Agency (“Agency”), which provides flexible block grant funds to Continuums of Care, Large Cities (population of 300,000+) and counties to build on the regional coordination created through previous HCD grant funding and support local jurisdictions to prevent and expeditiously reduce unsheltered homelessness.

The County of San Luis Obispo and the San Luis Obispo County Continuum of Care (CoC) were eligible to receive a combined total of over \$7 million in HHAP funding across Rounds 5 and 6. On October 17, 2024, the County and San Luis Obispo County CoC received a combined allocation of HHAP-5 in the amount of \$4,316,585. On January 30, 2026, the County and San Luis Obispo County Coc received a combined allocation of HHAP-6 in the amount of \$2,772,757.

These funds are disbursed in two phases, with the second disbursement contingent on meeting specific expenditure and obligation benchmarks.

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On August 7, 2025, the HSOC approved \$1,985,629 in funding recommendations for HHAP-5 (1st disbursement with final approval by the County of San Luis Obispo Board of Supervisors on December 9, 2025.

On March 18, 2026, the HSOC approved HHAP-5 (2nd disbursement) and HHAP-6 (1st disbursement) priorities to be included in the released Spring 2026 Request for Proposals.

HHAP-5 (2nd disbursement) Priorities Approved by HSOC

- 31% for delivery of permanent housing and innovative housing solutions
- 21% for operating costs/supportive services in existing interim shelters
- 21% for operating costs/supportive services in permanent supportive housing units
- 10% for prevention and shelter diversion
- 9% for rapid rehousing/rental subsidies

Under state guidelines, at least 10% of the total funds must be spent on homeless youth and no more than 7% of the total funds may be used by the County to administer the HHAP-5 program.

HHAP-6 (1st disbursement) Priorities Approved by HSOC

- 61% for interim housing services and services coordination
- 15% for rapid rehousing/rental subsidies
- 8% for permanent housing services and services coordination
- 7% for capital for permanent housing

Under state guidelines, at least 10% of the total funds must be spent on homeless youth and no more than 7% of the total funds may be used by the County to administer the HHAP-6 program.

A total of twelve applications were received for HHAP for a total request of over \$10.2 million.

GRANT REVIEW COMMITTEE PROCESS

Non-conflicted Grant Review Committees (GRCs) were convened to review and score applications. The review process followed the grant review criteria and procedures approved by the HSOC Executive Committee on February 19, 2025, and the County Board of Supervisors on April 8, 2025. On June 17, 2026, the HSOC Executive Committee approved a regional allocation methodology that may be applied when a service gap is identified for eligible programs. A regional threshold does not apply to capital development or permanent supportive housing projects.

Applications were evaluated using standardized scoring criteria based on the project type. For service-related projects, application scores were combined with performance measures derived from the County's Homeless Management Information System (HMIS) or other HMIS-compliant databases. Because project objectives differ across eligible activities, separate performance metrics were used for each project type. This approach ensured that funding recommendations considered both application quality and demonstrated program outcomes.

Capital housing projects were evaluated primarily on project readiness, feasibility, and the applicant's demonstrated capacity to successfully complete the proposed development. Because these projects involve acquisition, rehabilitation, or construction activities rather than ongoing service delivery, historical program performance was not a primary evaluation factor.

Method for allocating funding for interim shelter operations

The GRC used a scoring framework that evaluated both measurable program outcomes and application quality. Scores were normalized and then weighted for each project type. The following weighted criteria were used to evaluate agencies:

Performance Framework

- 30% – Total clients served
- 25% – Percentage of clients experiencing chronic homelessness
- 25% – Percentage of exits to positive housing destinations
- 20% – Average application score (program design, staffing, budget, best-practice alignment)

Method for allocating funding for permanent supportive housing

Permanent Supportive Housing (PSH) programs were evaluated using a weighted scoring methodology that emphasizes housing stability while recognizing program scale and application quality. The following weighted criteria were used:

Performance Framework

- 50% – Housing retention rate
- 30% – Total clients served
- 20% – Average application score

Housing Retention Rate was calculated as the percentage of participants who either remained permanently housed during the reporting period or exited to another positive housing destination.

Method for allocating funding for rapid rehousing and prevention/shelter diversion

Rapid Rehousing and Prevention/Shelter Diversion programs were evaluated using a weighted scoring methodology that emphasizes successful exits to housing while recognizing program scale and application quality. The following weighted criteria were used:

Performance Framework

- 50% – Percent of exits to positive housing destinations
- 30% – Total clients served
- 20% – Average application score

Youth Set-Aside

Funding for youth services was allocated based on program performance and an applicant's ability to provide coordinated services throughout the region. The GRC reviewed performance data for

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each applicant, including total clients served and percentage of exits to positive housing destinations. The GRC also reviewed application scores, which evaluated applicant capacity, program design, and ability to ensure equitable access for youth experiencing or at risk of homelessness.

APPLICATIONS RECEIVED

Table 1: HHAP-5 & HHAP-6

Applicant	Project	Average Score	Total Funding Requested
5Cities Homeless Coalition (5CHC)	Homeless Diversion, Shelter and Housing Navigation Project	94.8	\$2,010,682
5CHC	Youth Housing Navigation Program (Countywide)	95.5	\$354,467
Community Action Partnership of San Luis Obispo Inc. (CAPSLO)	Prado Homeless Services Center	93.0	\$2,010,681
El Camino Homeless Organization (ECHO)	ECHO Paso Robles & ECHO Atascadero	90.3	\$1,980,658
ECHO	ECHO Atascadero & ECHO Paso Robles Youth	92.5	\$354,369
Housing Authority of San Luis Obispo (HASLO) / San Luis Obispo Nonprofit Housing Corporation	Mesa Trails Family Apartments (Capital Costs)	81.2	\$741,069
HASLO	Paso Homekey (PSH Supportive Services)	90.0	\$226,280
Lumina Alliance	Improvements to North County Emergency Shelter for Sexual Assault and Intimate Partner Violence Survivors (Shelter Renovations)	91.0	\$42,000
NanoNest	NanoNest Modular Housing for SLO County Homeless Solutions (Acquisition of Units)	48.6	\$741,069
People's Self-Help Housing (PSHH)	Cambria Pines Apartments (Capital Costs)	89.0	\$641,069
PSHH	SHP Supportive Services for Formerly Homeless Residents in CoC Units	93.8	\$591,680
Transitions-Mental Health Association (TMHA)	TMHA Housing NOW & Continued Assistance (PSH Renovation)	88.8	\$248,000

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TMHA	TMHA Housing NOW & Continued Assistance (PSH Supportive Services and Rapid Rehousing)	92.0	\$291,502
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A list of all project application narratives is included in Exhibit A.

FUNDING RECOMMENDATIONS

Delivery of permanent housing and innovative housing solutions (Capital Costs)

The Grant Review Committee recommended funding for three housing projects that demonstrated strong readiness and the potential for timely completion:

- San Luis Obispo Nonprofit Housing Corporation for a total award of \$183,717 to be used as leveraged funding for Competitive Tax Credits for the development of 31 new units of affordable housing at *Mesa Trails Family* in Nipomo.
- People's Self-Help Housing (PSHH) for a total award of \$269,208 to be used as gap funding for the development of 33 new units of affordable housing at *Cambria Pines* in Cambria.
- Transitions-Mental Health Association (TMHA) for a total award of \$248,000 for the renovation of two 4-bedroom houses (8 PSH units) in the cities of Atascadero and San Luis Obispo as part of the *Housing NOW* Permanent Supportive Housing (PSH) project.
- NanoNest was not recommended for funding as the request was for acquisition of 8 units without a project location or service provider attached to it.

Operating costs/supportive services in existing interim shelters

The committee recommended funding to three organizations for interim shelter operations. The committee reviewed each applicant's number of clients served, number of clients experiencing chronic homelessness served, percentage of clients who exited to positive housing destinations, and application score. See below:

- 5CHC is recommended for the highest allocation (\$512,888) due to strong outcomes in serving chronically homeless clients and achieving permanent housing exits. 5CHC also received the highest application score.
- CAPSLO is recommended for the second highest allocation (\$395,637) due to having the highest total of clients served and a strong application score.
- ECHO is recommended for the third allocation (\$277,015), serving a significant number of clients with a moderate number of chronically homeless clients served and a lower application score.
- Lumina Alliance was not recommended for funding because the proposed project, a shelter renovation, was not considered a priority for sustaining existing shelter operations at this time. Staff will direct the applicant to alternative funding opportunities for public facilities in the upcoming 2027 Action Plan NOFA.

Operating costs/supportive services in permanent supportive housing units

Three organizations were recommended funding to provide supportive services in permanent supportive housing units. These recommendations were based on an applicant's housing retention rate, number of clients served, and application score:

- PSHH is recommended for the highest allocation (\$262,316) for multiple properties in the county, due to the highest housing retention rate, a substantial caseload of clients served and highest application score.
- TMHA is recommended for the second highest allocation (\$109,584) for *Housing Now*, with the largest caseload and a strong retention rate.
- Housing Authority of San Luis Obispo (HASLO) is recommended for the third allocation (\$71,054) for *Paso Homekey*, with good overall outcomes, but a lower number of clients served and lower application score.

Prevention and shelter diversion

The committee recommended funding for prevention and shelter diversion to three organizations. These recommendations were based on an applicant's exits to positive housing destinations, number of clients served, and application score:

- 5CHC is recommended for the highest allocation (\$125,420), due to the highest exit rate to positive housing destinations, the highest number of clients served and highest application score.
- ECHO is recommended for the second highest allocation (\$57,080), with the second highest positive exit rate and a strong application score.
- CAPSLO is recommended for the third allocation (\$25,204), with the second highest number of clients served and a strong application score, but a lower positive exit rate than the two other organizations.

Rapid rehousing/rental subsidies

The committee recommended funding for rapid rehousing to three organizations. These recommendations were based on an applicant's exits to positive housing destinations, number of clients served, and application score:

- 5CHC is recommended for the highest allocation (\$162,049), with one of the highest positive exit rates, strong program scale, and the highest application score.
- ECHO is recommended for the second highest allocation (\$87,311), due to a high positive exit rate, strong application score, but lowest number of clients served.
- CAPSLO is recommended for the third allocation (\$73,166), with the highest number of clients served, strong application score, but a lower positive exit rate.
- TMHA was not recommended for funding as no HMIS performance data for rapid rehousing was available and rapid rehousing funding would be provided countywide by the other three agencies recommended for funding.

Youth Set-Aside

The committee recommended continued funding (\$354,467) for 5CHC's countywide youth-focused programs through both youth set-aside allocations. This recommendation was informed by 5CHC's

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strong performance in serving youth experiencing or at risk of homelessness. Additionally, 5CHC has proposed to continue to provide services countywide. Youth set-aside funding will support interim shelter operations, rapid rehousing, prevention, and permanent supportive housing services.

These funding recommendations align with the priorities established by HSOC and the Board and support the implementation of the San Luis Obispo Countywide Plan to Address Homelessness, specifically:

- Line of Effort 1: Create affordable and appropriately designed housing opportunities and shelter options for underserved populations.
- Line of Effort 2: Focus efforts to reduce or eliminate barriers to housing stability for those experiencing or at risk of homelessness, including prevention, diversion, supportive services, and housing navigation.

A list of all project recommendations are included in Exhibit B.

BUDGET/FINANCIAL IMPACT

This will have no financial impact on the HSOC. The HSOC recommendations for HHAP-5 and HHAP-6 will go to the Board of Supervisors (Board) as a consent agenda item in August 2026. Should the Board approve the HSOC's recommendations, it will result in approximately \$3,213,936 in HHAP-5 and HHAP-6 funding being made available for homeless services.

STAFF COMMENTS:

When the Spring 2026 Request for Proposals was released, the funding amounts listed for each eligible activity were based on preliminary estimates. At that time, total available HHAP-5 (2nd Distribution) funding was projected at \$2,067,964. After finalizing the HHAP-5 first-distribution allocations, staff determined that \$1,938,467 remained available for second-distribution applications. Prior to developing funding recommendations, staff updated the activity-level funding amounts in the RFP to align with the final confirmed HHAP allocations.

EXHIBIT A

SPRING 2026 RFP PROJECT APPLICATION NARRATIVES

HHAP-5 (2nd disbursement) and HHAP-6 (1st disbursement)

APPLICANT NAME: 5Cities Homeless Coalition

PROJECT NAME: Homeless Diversion, Shelter and Housing Navigation Project

FUNDING REQUESTED: \$2,010,682

PROJECT DESCRIPTION: This application is for 3 activities. 5CHC's Emergency Shelter (ES) and Rapid Re-Housing (RRH) navigation with deposit/rental assistance programs serve homeless participants from throughout the county, with 40% (ES) and 30% (RRH) not from So. Co. in the last year. These programs are critical in the service continuum, as 5CHC's programs target chronically homeless and vulnerable populations; 61% of 5CHC's shelter clients have been chronically homeless, with 23% over age 55, and 92% with a disabling condition. 5CHC's rapid re-housing services move those who are experiencing homelessness into housing, and 5CHC's shelters serve those who are most vulnerable (elderly, disabled, chronically homeless), by providing the stability and structure needed to assist people to address their barriers to stable housing. In 26-26, 5CHC will serve 225 ES and 200 RRH participants, funding dependent. The 3rd program, for Homeless Diversion-Prevention (HP), focuses on South County helping people to avoid homelessness, in a coordinated approach to provide cost-efficient regional services, without duplication. 5CHC's HP program is critical to preventing homelessness and is extremely cost-effective - serving 300 individuals in 26-26, funding dependent.

APPLICANT NAME: 5Cities Homeless Coalition

PROJECT NAME: Youth Housing Navigation Program

FUNDING REQUESTED: \$354,467

PROJECT DESCRIPTION: This application is for 5CHC's Transitional Age Youth (under age 25) program including intensive case management; shelter; housing through master-leased units, and deposit/rent assistance for those needing housing or to prevent loss of housing. This program serves youth throughout the county. This program is critical in the service continuum, as the challenges faced by those who are young and homeless are unique,

especially for those living without a parent or guardian and those who are parents themselves. It is estimated that 1 in 10 transitional age youth experience homelessness. These youth have the added burden of no credit history, limited employment opportunities, and competing demands for education. 16% of 5CHC's TAY clients have been chronically homeless, including 23% who are parenting youth with children of their own, and 52% with a physical or mental health condition. 5CHC's program works to ensure that these youth can reach their full potential and contribute to stronger communities and economies by providing housing and housing supports, and connection to health care, education and job development opportunities. 5CHC will serve 150 youth in 26-27, funding dependent.

APPLICANT NAME: Community Action Partnership of San Luis Obispo, Inc.

PROJECT NAME: Prado Homeless Services Center

FUNDING REQUESTED: \$2,010,681

PROJECT DESCRIPTION: CAPSLO will build on work already in place at Prado Homeless Services Center (Prado HSC) in Rapid Rehousing, Prevention, and Interim Shelter services, projected to serve 120-130 individuals through RRH, 90-120 through Prevention, and 1,523 individuals (1,210 households) annually through the shelter and Access Center operations, with 2,741 individuals (2,178 households) served over the full grant term (based on prior APR data and current operations). CalAIM has shifted how work is structured, covering most move-in costs, allowing HHAP funds to be used more flexibly for housing navigation and stabilization. CES matching into shelter beds is improving prioritization of higher acuity individuals and refining use of limited beds. The youth set aside supports more intentional services for transitional age youth, including better CES identification and navigation to housing. Prado HSC operates the only night-by-night shelter and largest warming center in the county, and the Access Center serves as the primary entry point into services, serving over 150 individuals daily. This funding will continue and expand work at Prado HSC, increasing RRH capacity, stabilizing key staff, and improving coordinated movement from crisis to housing.

APPLICANT NAME: El Camino Homeless Organization

PROJECT NAME: ECHO Paso Robles & ECHO Atascadero

FUNDING REQUESTED: \$1,980,658

PROJECT DESCRIPTION: ECHO operates two Navigation Centers, ECHO Atascadero and ECHO Paso Robles, each with comprehensive services for San Luis Obispo County residents experiencing homelessness and those in danger of becoming homeless. These sites serve as access points for comprehensive outreach services; for eviction prevention and rapid rehousing funds; and for shelter services. Requested funds will support the interim shelter and case management programs at both Navigation Centers including shelter staffing, direct aid, utilities, maintenance, and supplies, as well as eviction prevention and rapid rehousing financial assistance. ECHO's Navigation Centers operate 90-Day Emergency Shelter programs that support clients in securing permanent housing by pairing emergency shelter and case management programs with other supportive services including children's programs, life skills training, a workforce development program, and onsite partner resources. With this support, 60% of clients who participate for at least 30 days find a home. At least 1,660 people over three years are expected to access these shelter services. ECHO leverages volunteers, partners, and community support to shelter and house a large number of people at a low cost per client.

APPLICANT NAME: El Camino Homeless Organization

PROJECT NAME: ECHO Atascadero & ECHO Paso Robles Youth

FUNDING REQUESTED: \$354,369

PROJECT DESCRIPTION: ECHO operates two Navigation Centers, ECHO Atascadero and ECHO Paso Robles, each with comprehensive services for San Luis Obispo County residents experiencing homelessness and those in danger of becoming homeless. These sites serve as access points for youth to receive outreach services, including shower and meal programs, housing navigation, and case management; eviction prevention and rapid rehousing funds; and shelter services. Requested youth set-aside funds will support the interim shelter needs of young adults at both Navigation Centers including shelter staffing, client direct aid, and shelter costs such as utilities, maintenance, food, and transportation. ECHO's Navigation Centers operate 90-Day Emergency Shelter programs that support youth in securing permanent housing by pairing emergency shelter with intensive case management and other supportive services including life skills training, a workforce development program, and onsite partner resources. At least 50 young adults annually – 150 youth over the course of the three-year funding – are expected to access these shelter services.

APPLICANT NAME: Housing Authority of the City of San Luis Obispo / San Luis Obispo Nonprofit Housing Corporation

PROJECT NAME: Mesa Trails Family Apartments

FUNDING REQUESTED: \$741,069

PROJECT DESCRIPTION: Mesa Trails Family Apartments is a new development proposed in Nipomo and with this funding request could tag up to eight (8) units for permanent housing serving homeless or those at risk of homelessness.

APPLICANT NAME: Housing Authority of the City of San Luis Obispo

PROJECT NAME: Paso Homekey

FUNDING REQUESTED: \$226,280

PROJECT DESCRIPTION: The funding will support case managers that provide direct placement and retention services to the homeless and at risk in the 62 permanent supportive housing units. They will perform outreach, client interviewing and assessment, establishment and management of case plans, all designed to enable the homeless to be successful in leasing and retaining the housing. Supported housing of this type has proven to be very successful, and essential in keeping the homeless housed, particularly those with mental health challenges, substance use disorders, PTSD and other issues anticipated by this project. Many residents moving into HASLO housing, especially those exiting homelessness, arrive with no household goods or basic necessities. This allocation covers move in essentials such as bedding, cookware, small appliances, cleaning supplies, and safety items. It also enables the purchase of small medical or hygiene items and provides short term food assistance to ensure residents do not divert rent or utility funds to meeting immediate survival needs.

APPLICANT NAME: Lumina Alliance

PROJECT NAME: Improvements to North County Emergency Shelter for Sexual Assault and Intimate Partner Violence Survivors

FUNDING REQUESTED: \$42,000

PROJECT DESCRIPTION: Lumina Alliance operates two emergency shelters in safe, confidential locations in Atascadero and SLO for survivors fleeing SA/IPV. Shelter residents and their families are offered a variety of wraparound supportive services including a 24-

hour crisis and information line, clinical therapy, self-sufficiency planning, referrals, advocacy, and accompaniment services. Lumina Alliance also provides hotel or motel stays and short- or medium-term rental assistance to help survivors remain in or obtain safe housing. Our proposed HHAP-5 project will improve shelter safety, livability, and accessibility for clients, their children, and their pets at our Atascadero shelter. The project will involve the purchase and setup of a playground, installation of safety ground covering for the playground and pet areas, installation of a shade structure, seating, and water station for the pet area. We project the following outcomes: 65 survivors and their families will receive emergency shelter during the grant period, 80% of clients report increased self-sufficiency and sense of safety after receiving services, 80% of clients report increased self-esteem after receiving services, and 80% of clients report that services were culturally-appropriate.

APPLICANT NAME: NanoNest

PROJECT NAME: NanoNest Modular Housing for SLO County Homeless Solutions

FUNDING REQUESTED: \$741,069

PROJECT DESCRIPTION: NanoNest proposes deploying 8 factory-built modular housing units in SLO County to provide permanent housing for homeless individuals and families. Units are complete dwellings with kitchen, bathroom, and living space — manufactured with US-certified materials, stamped California building plans, and Title 24 energy approval. Delivery in 2 months, install in under 4 hours. We request \$741,069 (\$641K HHAP-5 + \$100K HHAP-6) with NanoNest corporate match. We partner with California nonprofits for wraparound services. At scale (20+ units), per-unit costs drop significantly. NanoNest completed 310 modules (155 houses) in Maui for fire victims. ICC-ES ESR-5669 certified.

APPLICANT NAME: People's Self-Help Housing Corporation

PROJECT NAME: Cambria Pines Apartments

FUNDING REQUESTED: \$641,069

PROJECT DESCRIPTION: Cambria Pines Apartments will bring 33 new affordable homes to the Cambria community. The 33 rental units (4-1BR; 2-19BR; 3-10BR) will serve households earning 30–60% of AMI, with 8 homes reserved for individuals experiencing at-risk of homelessness. Amenities include a community building with on-site shared laundry, community room, playground, and picnic areas. All residents regardless of income level will be offered free on-site enriched services, and residents who were previously experiencing

homelessness will additionally have access to on-site licensed clinical social workers through PSHH's Supportive Housing Program (SHP). The SHP provides free, voluntary, and confidential services to PSHH residents. The program is designed to assist residents in achieving and maintaining independent functioning and self-sufficiency by providing direct services that include crisis intervention, case management, counseling, homeless prevention, home management, financial management, advocacy, assistance with obtaining benefits, etc.

APPLICANT NAME: People's Self-Help Housing Corporation

PROJECT NAME: SHP Supportive Services for Formerly Homeless Residents in CoC Units

FUNDING REQUESTED: \$591,680

PROJECT DESCRIPTION: People's Self-Help Housing requests HHAP funding to sustain clinical case management for formerly homeless residents in 57 non-Chronically Homeless CoC set-aside units across four SLO County properties: Pismo Terrace, Templeton Place II, Broad Street Place, and Tiburon Place. The 103 residents currently served (50 households) include 8 transition-age youth. All are at or below 30% AMI. None meet the HUD definition of Chronic Homelessness, placing them outside existing CoC funding. By January 2028, Beacon Studios will add 55 CoC units — including 30 TAY set-asides — serving 55 additional individuals. At full operation, the project serves 158 individuals across 105 households. Services are delivered by licensed and associate clinical social workers through PSHH's Supportive Housing Program, onsite and without waitlists. Projected outcomes: 98%+ housing retention, and 35 TAY households with stable permanent housing by project close.

APPLICANT NAME: Transitions-Mental Health Association

PROJECT NAME: TMHA Housing NOW & Continued Assistance

FUNDING REQUESTED: \$539,502

PROJECT DESCRIPTION: TMHA's Housing NOW program has been in operation for 12 years. Using a Housing First model, the program assists our County's most vulnerable unhoused disabled community members. Since program inception, over 230 individuals and family members have received permanent supportive housing. TMHA is proposing a multi-purpose funding request that will address 1) the rehabilitation (windows, sewer upgrade, mini splits, landscaping, gas line, new plumbing, fencing, new electric panel, flooring, new appliances) of two 4-bedroom houses, located at 1480 Laurel Lane in San Luis Obispo and 8753 Atascadero

Avenue in Atascadero, recently purchased with HHAP-4 assistance for the Housing NOW program; 2) short-term rental assistance and emergency security deposit assistance to households at imminent risk of eviction due to nonpayment of rent; 3) operational costs to provide supplies and furnishings for new clients entering the Housing Now program; and 4) funds to assist with the program's budgetary shortfall with master leases, due to the current freeze on Section 8 vouchers. The projected outcome is to serve a total of 122 individuals by providing supportive housing and/or short-term rental assistance in the coming Fiscal Year.

Agenda Item 4.1.1-Exhibit B

Capital for Permanent Housing & Innovative Housing Solutions

Applicant	Project Name	Average	Total Funding Request	HHAP-5 Rec.	HHAP-6 Rec.	Total HHAP Award
Housing Authority of the City of San Luis Obispo / San Luis Obispo Nonprofit Housing Corporation (HASLO)	Mesa Trails Family Apartments	81.2	\$741,069	\$183,717	\$0	\$183,717
NanoNest	NanoNest Modular Housing for SLO County Homeless Solutions	48.6	\$741,069	\$0	\$0	\$0
People's Self-Help Housing Corporation (PSHHC)	Cambria Pines Apartments	89.0	\$641,069	\$269,208	N/A	\$269,208
Transitions-Mental Health Association (TMHA)	TMHA Housing NOW & Continued Assistance	88.8	\$248,000	\$148,000	\$100,000	\$248,000

Interim Shelter

Applicant	Project Name	Score	Request	HHAP-5 Rec.	HHAP-6 Rec.	Total HHAP Award
5Cities Homeless Coalition (5CHC)	Homeless Diversion, Shelter and Housing Navigation Project	94.8	\$1,325,050	\$168,152	\$344,736	\$512,888
Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)	Prado Homeless Services Center	93.0	\$1,325,050	\$129,711	\$265,926	\$395,637
El Camino Homeless Organization (ECHO)	ECHO Paso Robles & ECHO Atascadero Improvements to North County Emergency Shelter for Sexual Assault and Intimate Partner Violence Survivors	90.3	\$1,295,026	\$90,820	\$186,194	\$277,015
Lumina Alliance		91.0	\$42,000	\$0	N/A	\$0

Permanent Supportive Housing

Applicant	Project Name	Average	Total Funding	HHAP-5 Rec.	HHAP-6 Rec.	Total HHAP Award
HASLO	Paso Homekey	90.0	\$226,280	\$60,327	\$10,727	\$71,054
PSHHC	SHP Supportive Services for Formerly Homeless Residents in CoC Units	93.8	\$591,680	\$222,706	\$39,609	\$262,316
TMHA	TMHA Housing NOW & Continued Assistance	92.0	\$216,502	\$93,046	\$16,538	\$109,584

Prevention and Shelter Diversion

Applicant	Project Name	Score	Request	HHAP-5 Rec.	Total HHAP-5 Award
5CHC	Homeless Diversion, Shelter and Housing Navigation Project	94.8	\$237,816	\$125,420	\$125,420
CAPSLO	Prado Homeless Services Center	93.0	\$237,816	\$25,024	\$25,024
ECHO	ECHO Paso Robles & ECHO Atascadero	90.3	\$237,816	\$57,080	\$57,080

Rapid Rehousing

Applicant	Project Name	Average	Total Funding	HHAP-5 Rec.	HHAP-6 Rec.	Total HHAP Award
5CHC	Homeless Diversion, Shelter and Housing Navigation Project	94.8	\$447,816	\$75,077	\$86,972	\$162,049
CAPSLO	Prado Homeless Services Center	93.0	\$447,816	\$33,898	\$39,268	\$73,166
ECHO	ECHO Paso Robles & ECHO Atascadero	90.3	\$447,816	\$40,451	\$46,860	\$87,311
TMHA	TMHA Housing NOW & Continued Assistance	92.0	\$75,000	N/A	\$0	\$0

Youth Set-Aside

Applicant	Project Name	Average	Total Funding	HHAP-5 Rec.	HHAP-6 Rec.	Total HHAP Award
ECHO	ECHO Paso Robles & ECHO Atascadero Youth	92.5	\$354,369	\$0	\$0	\$0
5CHC	Youth Housing Navigation Program	95.5	\$354,467	\$215,829	\$138,638	\$354,467

Rec. = Recommendation

N/A = Not Applicable (did not apply for funding)

Total HHAP Funding Request	\$10,233,526
Total Funding Recommendation	\$3,213,936

HOMELESS SERVICES OVERSIGHT COUNCIL

AGENDA ITEM 4.1.2

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AGENDA ITEM NUMBER: 4.1.2

ACTION ITEM: VOTE TO A) MAKE FUNDING RECOMMENDATIONS FOR UP FISCAL YEAR 2026 FUNDING FROM THE ANNUAL CONTINUUM OF CARE (COC) GRANT FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND B) AUTHORIZE RELATED APPLICATION ACTIONS

ACTION REQUIRED:

Vote to approve the FY2026 CoC funding recommendations and rankings, and authorize related application actions, as follows:

1. Approve the funding recommendations and rankings for the FY2026 Continuum of Care (CoC) Program Competition application to HUD;
2. Authorize the Ad Hoc CoC Application Committee to approve the Collaborative Application;
3. Approve submission of the Consolidated Application; and
4. Authorize the HSOC Executive Committee to approve pre-submission adjustments on behalf of the CoC if HUD's actual available funding differs from the estimates used here, and a CoC quorum cannot be convened before HUD's subrecipient-notification deadline.

SUMMARY NARRATIVE:

The U.S. Department of Housing and Urban Development (HUD) released the FY2026 CoC Program Notice of Funding Opportunity (NOFO) on June 1, 2026 (see <https://www.hud.gov/sites/dfiles/CPD/documents/CoC/FY2026-CoC-Program-NOFO.pdf>). The CoC Program is an annual grant to local Continuums of Care. The Homeless Services Oversight Council of San Luis Obispo County serves as the Continuum of Care Board for the San Luis Obispo County CoC (CA-614).

While HUD has not yet issued the funding amounts for which CoCs will be eligible under the FY2026 competition, it is estimated that the San Luis Obispo County CoC will be eligible to apply for \$1,658,873 to renew existing CoC projects or reallocate to new projects, and approximately \$1,046,864 for new bonus projects or expansion of existing renewal projects. Applications will be due to HUD on August 26, 2026.

Eligible Activities

The following activities are eligible:

- Permanent Housing
 - Permanent Supportive Housing (PSH)
 - Rapid Rehousing (RRH)
- Transitional Housing (TH)

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- Homeless Management of Information System (HMIS)
- Supportive Services Only (SSO)
 - Coordinated Entry System (CES)
 - Street Outreach
 - Stand Alone

Grants may fund renewal projects, expansion projects, new projects, and transition projects.

Funding Amounts Available for the FY2026 Competition

The funding amount that the SLO CoC may compete for is determined by a CoC's Annual Renewal Demand (ARD) and a variable amount of bonus funding based on the SLO CoC's Final Pro Rata Need (FPRN) calculation that will be published by HUD. The ARD is based on the value of CoC's project contracts set to expire in the upcoming Calendar Year (CY). For the FY2026 Competition, San Luis Obispo County's ARD is estimated to be \$1,658,873.

For the 2026 Competition, there are two types of bonus funds: Bonus funds available to all new projects and Domestic Violence (DV) Bonus Funds, available to Rapid-Rehousing and Transitional Housing projects that will serve people fleeing from domestic violence. For FY2026, HUD has set a minimum amount of \$500,000 for each CoC. The amount available for the DV Bonus funding is not yet known, but has a floor amount of \$250,000.

Of the ARD funding available, 60% of the funding is available provided the CoC submits an approvable application. The remainder, or 40% of the ARD, is awarded on a competitive basis and CoCs must compete against each other to maintain their funding. As noted above, additional funds are available through the national competitive for bonus projects. The CoC will also receive non-competitive funds for a Planning grant. The amount available for the Planning grant has not yet been announced by HUD but is expected to be approximately \$100,000.

HUD has not yet released the final funding amounts. Estimated FY2026 CoC funding amounts for the San Luis Obispo) SLO) County CoC are listed below. The amounts listed below are the amounts that the SLO County CoC may compete for and are not guaranteed amounts. They represent the maximum amount that the SLO County CoC could obtain.

Table 1: Estimated maximum funding amounts available

FY2026 CoC Competitive Funding* Amounts Available to the San Luis Obispo County CoC	
Annual Renewal Demand (ARD) – amount required to renew existing projects expiring in Calendar Year 2027	\$ 1,658,873
Bonus	\$ 500,000
DV Bonus	\$ 546,864

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Total	\$ 2,705,737
<i>*These amounts are ESTIMATES for the San Luis Obispo County CoC based on the Estimated Annual Renewal Demand (ARD) and the FY 2026 NOFO. All amounts are estimates until HUD publishes the Preliminary Pro Rata Need Share (PPRN) and Annual Renewal Demand (ARD) information. The amount available for the DV Bonus may be as low as \$250,000.</i>	

HUD Project Selection Process

CoCs, through a local competition, select projects to submit to HUD for consideration. HUD reviews those projects and awards funding through a competitive process. In the annual NOFO, HUD establishes funding priorities for the year and provides guidance for local competition. HUD also establishes threshold eligibility levels for each project and sets the point structure for the competition. As part of the competition, CoCs are required to hold local competitions and rank applications based on funding priority using a two-tier ranking system.

Tier 1 is equal to 60 percent of the CoC's Annual Renewal Demand (ARD). HUD will select projects from Tier 1 of the highest scoring CoC on down through the lowest scoring CoC, provided the project applications pass project eligibility review, project quality threshold review, and risk review.

Tier 2 is the difference between Tier 1 and the maximum amount of CoC Renewal combined with DV Bonus, and CoC Bonus funds that a CoC applies for.

Any project that is partially funded by Tier 1 is considered a "Straddling Project." If a project application straddles the Tier 1 and Tier 2 funding line, HUD will conditionally select the project up to the amount of funding that falls within Tier 1.

Depending on the type of project and the project score, HUD may fund the Tier 2 portion of the project. If HUD does not fund the Tier 2 portion of the project, HUD may award the project at the reduced amount, provided the project is still feasible with the reduced funding (e.g., is able to continue serving homeless program participants effectively).

Table 2 – Estimated Tier Funding

FY2026 Estimated Tier Funding* for San Luis Obispo County CoC	
Tier 1 (60% ARD)	\$ 995,324
Tier 2**	\$ 1,710,413
Total	\$ 2,705,737

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***Tier 2 includes the estimated Bonus and DV Bonus funding amounts from table above. HUD has not yet released the final Tier 2 amounts, so that amount could be more or less than the amount shown here.*

HUD's Project Review Criteria

HUD will review submitted applications to ensure they meet threshold requirements. These requirements may change from year to year. Once HUD has determined they meet threshold requirements, HUD will then review the applications based on the two-tier ranking system and the rules of that year's competition. Based on the CoC's application, ranking, and individual project criteria, HUD will assign the individual project applications a score. Where a project is ranked and in relation to the funding amounts above and below determines 40% of the project's overall score, with the CoC's score on the Collaborative Application constituting 50% of the points and 10% of the points based on whether or not the project will require participants to participate in services.

HUD's Order of Selection

As in previous year's HUD will award funding first to CoC Planning Projects, which are non-competitive, then move on to award funding to Tier 1 projects. HUD will then move to consideration of Tier 2 projects; however, HUD has made significant changes this year to the order in which it will conditionally award funding to projects in Tier 2.

In prior years, conditional awards to Tier 2 projects were based solely on the project's overall score from HUD. This year, HUD will begin Tier 2 conditional awards by considering Domestic Violence (DV) Bonus project applications first, choosing the highest scoring DV Bonus projects first, then moving to the next highest, until \$104 million has been awarded to bonus projects. They will then review Permanent Housing projects for families with children already selected for funding through the above process and determine whether \$430 million has been awarded to Permanent Housing projects that serve families with children in Tier 1. If at least \$430 million was already awarded to Permanent Housing projects that serve families with children in Tier 1, HUD will move on to the next step. If not, HUD will consider Permanent Housing projects that serve families with children in order of their HUD-assigned scores, until \$430 million has been awarded.

Next HUD will review new Transitional Housing (TH) and Supportive Services Only (SSO) projects and select projects in order of their scores, until \$1.3 billion has been awarded or until there are no newer TH and SSO projects to score. If they have awarded less than \$1.3 billion to all eligible new TH and SSO projects, they will move on to other, new projects and continue funding until \$1.3 billion has been awarded.

Once HUD has awarded \$1.3 billion in new projects, it will remove all other new projects from consideration and will recalculate project scores for remaining projects. It will then conditionally award funding to remaining projects, based on their scores, until all remaining funding has been exhausted.

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Local Requests for Proposals

On May 28, 2026, the County Department of Social Services Homeless Services Division (HSD) published an announcement that the FY2026 competition would be opening soon and began accepting Notices of Interest from organizations that might be interested in applying. On June 12, the County had a pre-competition, public information session to help interested organizations prepare.

On June 15, 2026, the HSOC Executive Committee approved priority in the local competition for projects that are required by HUD as a condition of being eligible for the CoC grant: operation of the Homeless Management Information System and the operation of the Coordinated Entry System. Due to the structure of the FY2026 competition, the HSOC Executive Committee also recommended reallocation of any straddling project amount in Tier 2 that is more than \$100,000 in Tier 2, for the purpose of ensuring the project is competitive.

The County Department of Social Services released a local Request for Proposals for project applications on June 19, 2026, and held a public information session on June 24, 2026, via Zoom, with County staff meeting with potential project applicants to explain the grant application process and project rating criteria. The local rating criteria is based on HUD's application evaluation criteria and point system as presented in the FY2026 HUD NOFO.

Table 2 – Local Competition Scoring Criteria

Scoring Category	Maximum Points
1. System Performance Measures	60
2. Applicant Experience and Organizational Capacity	35
3. Program Design	100
4. Lived Experience — Opportunity for Feedback	5
5. Financial Capacity and Management	20
6. Local Strategic Plan Alignment	20
Total Possible Points	240

Applications were due June 30. A total of eight (8) applications were received: four renewal projects (including one HMIS renewal project), on expansion project, two bonus projects, and one DV Bonus project. Staff reviewed all applications to ensure they met the minimum threshold requirements. Summaries of the applications are attached to this item.

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A non-conflicted Ad Hoc Grant Review Committee met the week of July 6, 2026, to discuss and rank the applications. Representatives on the Committee included representatives from two County agencies and HSOC members or alternates and included a person with lived experience of homelessness. Staff from the Department of Social Services guided the discussion. Submitted applications were ranked in accordance with a scoring rubric based upon guidelines presented in HUD's FY2026 CoC NOFO and local priorities.

Applications Received

Agency	Project Name	Type	New, Renewal or Expansion	# of Clients	Request
People's Self-Help Housing	Supportive Housing Services	Permanent Supportive Housing	Renewal	143	\$ 460,083
Transitions-Mental Health Association (TMHA)	SLO City PSH (Permanent Supportive Housing)	Permanent Supportive Housing	Renewal	78	\$ 876,000
Transitions-Mental Health Association (TMHA)	SLO City Transitional Housing Program	Transitional Housing	New	30	\$ 455,000
Community Action Partnership of San Luis Obispo (CAPSLO)	Coordinated Entry Program	Supportive Services	Renewal	2,800 -3,500	\$ 312,000
Community Action Partnership of San Luis Obispo	Coordinated Entry Expansion	Supportive Services	Expansion	1,200	\$ 425,919
El Camino Homeless Organization (ECHO)	Culinary/Kitchen Workforce Development Program	Supportive Services	New	50	\$ 106,551
Lumina Alliance	Transitional Housing DV Bonus Project	Transitional Housing	New	80	\$ 250,000
County of San Luis Obispo	HMIS (Homeless Management Information System)	HMIS	Renewal	6,379	\$ 69,564
TOTAL Amount of Requests					\$ 2,955,117

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Project Selection and Review Process

The Ad Hoc Grant Review Committee examined entity applications and considered factors such as an applicant's past performance, project cost efficiency, severity of needs served, financial capacity, returns to homelessness, housing first policies, client income stability, client housing retention, HMIS data quality, organizational financial capacity, consistency with the Five-Year Plan and consistency with recommendations made by the HSOC Executive Committee for prioritization.

The Grant Review Committee ranked all submitted applications based on their local application review criteria scores. The Coordinated Entry renewal project, the Homeless Management Information System renewal project, and Transitions Mental Health Association's (TMHA) project were placed into Tier 1, with TMHA's project straddling Tiers 1 and 2. The remainder of the projects were placed into Tier 2.

There was one DV Bonus project submitted, for \$250,000. The HUD competition set \$250,000 as the floor for DV Bonus project requests, so no changes were needed to the requested amount at this time. HUD has not yet issued the final DV Bonus Project amount for which the SLO County CoC may apply, so it is possible that the amount may be higher than this.

There was a total of \$1,709,793 in requests other than DV Bonus Projects under Tier 2, but only \$1,163,549 available for non-DV Bonus Projects, so the Committee had to recommend less than the full amount requested for several projects in order to bring the recommendations within allowable amounts.

Per the HSOC Executive Committee's direction to reduce the cap the Tier 2 straddle at \$100,000 to ensure the project's competitiveness, TMHA's Tier 2 funding amount was recommended at \$100,000. The Grant Review Committee also recommended that the CAPSLO CE project be reduced by two positions and be focused on the prevention and Rapid Rehousing activities proposed. Due to the funding limitation, the Committee also voted not to recommend funding for the lowest ranking project, ECHO's Stand Alone project, and to reduce the funding request for the second-lowest project, which was TMHA's Transitional Housing Bonus Project.

Project Selection and Review Process

GRANT REVIEW COMMITTEE RECOMMENDATIONS					
TIER 1					
Rank	Agency	Project Name	New, Renewal or Expansion	# of Clients	Recommendations

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1	County of San Luis Obispo	HMIS (Homeless Management Information System)	Renewal	6,379	\$ 69,564
2	CAPSLO	Coordinated Entry Program	Renewal	2,800 - 3,500	\$ 312,000
3	TMHA	SLO City PSH	Renewal	78	\$ 613,760
TIER 1/TIER 2 STRADDLE					
3	TMHA	SLO City PSH	Renewal	78	\$ 100,000
TIER 2					
4	Lumina Alliance	Transitional Housing DV Bonus Project	New	80	\$ 250,000*
5	People's Self-Help Housing	Supportive Housing Services	Renewal	143	\$ 460,083
6	CAPSLO	Coordinated Entry Expansion	Expansion	1,200	\$ 280,584
7	TMHA	SLO City Transitional Housing Program	New	30	\$ 322,882
8	ECHO	Culinary/Kitchen Workforce Development Program	New	50	\$ 0
Tiered Projects Subtotal					\$ 2,408,873

NON-COMPETITIVE					
Rank	Agency	Project Name	New or Renewal	# of Clients/ Households	Estimated Amount*
N/A	County	Planning	Renewal	N/A	\$ 108,996
Non-Competitive Subtotal					\$ 108,996

TOTAL REQUEST	\$ 2,517,869
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*The PPRN amount has not yet been published by HUD. This will affect the amount available for the DV Bonus as well as the Planning Grant.

HSOC funding recommendations will be brought to the San Luis Obispo County Board of Supervisors in August 2026 for final action. Recommendations approved by the Board will be submitted to HUD as part of the Consolidated Application to HUD.

Collaborative Application

Part of the scores for project applications will be based on the scores of the CoC's Collaborative Application. The Collaborative Application includes HMIS and Point in Time Count data that was previously submitted to HUD, as well as narratives related to the larger homeless services system and the HSOC. The HSOC Chair has appointed an Ad Hoc CoC Application Committee to provide input to help the County develop the application. HUD

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requires that the CoC approve the final, Consolidated Application, which will include the Collaborative Application. It is requested that the HSOC delegate authority for approval of the Collaborative Application to the Ad Hoc Committee. County staff will be responsible for bringing the final version of the Collaborative Application to the Planning Committee for approval. This approval will not affect the rankings and funding recommendations, which are part of the Consolidated Application but not part of the Collaborative Application.

BUDGET/FINANCIAL IMPACT:

Should HUD Award all Tier 1, Tier 2, and CoC Planning amounts, up to \$2,517,869 will be made available to the CoC to assist homeless persons in the county.

STAFF COMMENTS:

Total Amount of Funding Available

HUD has not yet published the Preliminary Pro Rata Need amounts available to each CoC. These are normally available to CoCs at the time of the NOFO release. HUD has announced that it will not release this information for the FY2026 competition until all FY2025 awards have been finalized. It is expected that this information will be published some time before the CoC applications are due on August 26.

While the PPRN amount will determine how much DV Bonus funding San Luis Obispo County CoC may compete for, it will also affect the total amount available in Tier 2. Thus a difference between the actual amount and the amount estimated for this action item will have implications for all projects in Tier 2. Should the actual amount of funding be less than what is currently estimated, staff propose to bring the Executive Committee recommendations to reduce or increase funding if needed.

Summaries of the new project applications are included in the agenda packet as an attachment to this agenda item.

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Attachment: Application Summaries

FY2026 CoC LOCAL COMPETITION APPLICATION SUMMARIES

APPLICANT: PEOPLE'S SELF-HELP HOUSING	
Project Name:	Permanent Supportive Housing Program
Project Type:	Permanent Supportive Housing
New/Renewal/Expansion/Bonus:	Renewal
Funding Requested:	\$ 460,083
Number of Persons to be Served:	143

Applicant's Project Description from Application:

This renewal Permanent Supportive Housing (PSH) project provides long-term, Housing First supportive housing to individuals experiencing chronic homelessness and disabilities in San Luis Obispo County. The program operates within PSHH-owned affordable housing developments, including Project Homekey and No Place Like Home (NPLH) units, that deliver intensive supportive services designed to promote long-term housing stability, health, and self-sufficiency. Services are adjusted based on acuity using a tiered service intensity model.

Participants are referred exclusively through the Coordinated Entry System and prioritized according to vulnerability, chronic homelessness status, and disability. The project operates as a Dedicated PSH program, targeting individuals with extensive histories of homelessness, complex behavioral health needs, and high service utilization.

The program consistently demonstrates strong system performance outcomes aligned with HUD priorities, including high housing retention (88%), rapid housing placement (majority within 7 days), and measurable increases in income (52.94%).

Rates of return to homelessness remain low, consistent with HUD benchmarks for PSH programs, with the majority of participants maintaining long-term housing stability.

APPLICANT: TRANSITIONS MENTAL HEALTH ASSOCIATION	
Project Name:	SLO City PSH
Project Type:	Permanent Supportive Housing
New/Renewal/Expansion/Bonus:	Renewal
Funding Requested:	\$ 876,000
Number of Persons to be Served:	78

Applicant's Project Description from Application:

The SLO City Permanent Supportive Housing (PSH) Program will provide safe, stable housing and ongoing supportive services to approximately 30 chronically homeless individuals and

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families with disabling conditions. The program integrates affordable housing with client-centered case management, helping residents maintain long-term housing stability, improve wellness, and build pathways toward greater independence.

APPLICANT: TRANSITIONS MENTAL HEALTH ASSOCIATION	
Project Name:	SLO City Transitional Housing Program
Project Type:	Transitional Housing
New/Renewal/Expansion/Bonus:	New
Funding Requested:	\$ 455,000
Number of Persons to be Served:	30

Applicant's Project Description from Application:

This Transitional Housing Program will provide safe, stable, and support services to temporary house individuals and families experiencing homelessness who need structured support to successfully transition into permanent housing. The program offers up to 24 months of housing combined with individualized case management focused on removing barriers, increasing income, and stabilizing physical and behavioral health needs.

Participants receive a comprehensive assessment upon entry, followed by a personalized housing stability plan. Core services include case management, life-skills development, connection to employment and benefits, behavioral health and substance use treatment referrals, transportation assistance, and housing navigation. The program utilizes a trauma-informed, low-barrier, approach that emphasizes safety, dignity, and participant choice.

The goal of the Transitional Housing Program is to provide participants with the time, stability, and targeted support necessary to achieve long-term housing stability and increase overall self-sufficiency. Through structured services, community partnerships, and consistent case management, the program helps participants build the skills and support systems needed to transition successfully into permanent housing.

APPLICANT: COMMUNITY ACTION PARTNERSHIP OF SAN LUIS OBISPO COUNTY	
Project Name:	Coordinated Entry Program
Project Type:	Supportive Services Only — Coordinated Entry
New/Renewal/Expansion/Bonus:	Renewal
Funding Requested:	\$ 312,000
Number of Persons to be Served:	2,800 – 3,500

Applicant's Project Description from Application:

The proposed project continues San Luis Obispo County's Coordinated Entry System

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(CES), operated by CAPSLO since CES was first established in the CoC. The renewal sustains CES as the centralized access, assessment, prioritization, referral, and system coordination entity for all CES participating agencies. CES will continue managing assessment workflows, queue operations, data quality monitoring, referral coordination, training, and documentation standards for the CoC.

During this grant year, CES will implement meaningful system improvements achievable within renewal resources, including targeted rework of HMIS workflows, refinement of CES documentation, and advancement of the transition away from the VI-SPDAT to a more equitable, locally developed assessment approach. CES will also continue improving the efficiency of shelter referral processes, strengthening prioritization practices, and enhancing cross-system communication with local partners. Community priorities such as Diversion, Homelessness Prevention coordination, 2-1-1 resource and referral line integration, Enhanced Care Management (ECM) or Community Supports (CS) onboarding, and embedded staffing will continue to be developed at the planning level, though full implementation will require additional resources beyond this renewal.

APPLICANT: COMMUNITY ACTION PARTNERSHIP OF SAN LUIS OBISPO COUNTY	
Project Name:	Coordinated Entry Expansion
Project Type:	Supportive Services Only — Coordinated Entry
New/Renewal/Expansion/Bonus:	Expansion
Funding Requested:	\$ 425,919
Number of Persons to be Served:	1,200

Applicant's Project Description from Application:

CAPSLO's proposed project expands the Coordinated Entry System (CES) to establish a unified Diversion (diverted from the shelter) and Homelessness Prevention framework that strengthens early identification, problem-solving, and coordinated stabilization throughout San Luis Obispo (SLO) County. The project continues all existing CES functions while expanding system capacity through integration of the 2-1-1 community resource and referral line as an access point, and onboarding non-traditional providers such as healthcare systems, workforce programs, school districts, the County of SLO Probation Department, and other community-based organizations.

CenCal Health is the Medicaid (Medi-Cal) provider in SLO County. The proposed project also brings CenCal's Enhanced Care Management (ECM) and Community Supports (CS) providers into CES referral and triage workflows through shared pathways, developed in partnership with the SLO County Department of Social Services (DSS) to improve Medi-Cal enrollment and access to stabilization supports. These enhancements strengthen the entire homelessness response system by supporting households at imminent risk, improving early resolution, reducing duplication, and increasing communication across CES participating agencies.

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CES will use this expansion to formalize coordination practices across partners, strengthen shared problem-solving and documentation standards, and improve communication across the full network of CES participating agencies. The enhanced infrastructure also prepares the system for future HMIS–CenCal data exchange improvements, ensuring that CES is aligned with regional health and behavioral health initiatives. Together, these changes reduce duplication of services and inefficient allocation of community resources and ensure prevention funds are used in a way that promotes client self-sufficiency.

APPLICANT: EL CAMINO HOMELESS ORGANIZATION (ECHO)	
Project Name:	Culinary/Kitchen Workforce Development Program
Project Type:	Supportive Services Only — Stand Alone
New/Renewal/Expansion/Bonus:	New
Funding Requested:	\$ 106,551
Number of Persons to be Served:	50

Applicant's Project Description from Application:

The Culinary/Kitchen Workforce Development Program trains ECHO shelter and outreach clients for jobs in the hospitality and food service industry. Clients will obtain job skills designed to help them obtain skilled employment, higher and more stable pay, and permanent housing. At the same time, they will work with a Case Manager to quickly secure employment and housing while addressing any barriers to employment and housing.

The project builds on a pilot program led by ECHO's Kitchen Manager/Trainer, which has trained ten clients over the past year with a 40% success rate in securing culinary-related jobs. This project will expand that program to serve 30 people in one year with an intensive four-week training plus optional additional modules based on interests and employment goals. It will also serve an additional 20 people over one year who will only obtain their ServSafe Food Handler certificate, helping them to immediately qualify for entry-level positions in the hospitality industry.

The population being served is any ECHO shelter and outreach client who is interested in employment training. Nearly 40% of ECHO clients are chronically homeless individuals, 24% are survivors of domestic violence/sexual assault, and others are veterans, justice-involved, parents, and seniors.

APPLICANT: LUMINA ALLIANCE	
Project Name:	Transitional Housing DV Bonus Project
Project Type:	Transitional Housing
New/Renewal/Expansion/Bonus:	DV Bonus

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Funding Requested:	\$ 250,000
Number of Persons to be Served:	80

Applicant's Project Description from Application:

Lumina Alliance proposes to provide transitional housing to survivors of sexual assault (SA) and intimate partner violence (IPV) in San Luis Obispo (SLO) County. Our Transitional Housing DV Bonus Project will be the only project in SLO County providing housing specifically to SA/IPV survivors. Transitional housing is essential for survivors in SLO County, particularly due to the intersection of high cost of living and the lack of sufficient affordable housing. SLO County is considered the second least affordable small metro area in the country. According to SFGate.com, SLO County's cost of living is 9.4% above the national average, and the cost of housing is 51.7% higher than the national average. As the only organization providing services to SA and IPV survivors in SLO County, Lumina Alliance provides services to approximately 1,300 survivors annually, and last year 29 adult survivors and 47 children lived in our Transitional Housing Program. Of all clients served last year, 13% identified as homeless or transient. Lumina Alliance's Transitional Housing Program has operated in our community for nearly 20 years, offering 16 housing units throughout SLO County and supportive services such as case management and self-sufficiency planning. In total, our organization has provided direct services in our community for nearly 50 years.

APPLICANT: COUNTY OF SAN LUIS OBISPO	
Project Name:	San Luis Obispo County HMIS
Project Type:	Homeless Management Information System
New/Renewal/Expansion/Bonus:	Renewal
Funding Requested:	\$ 69,564
Number of Persons to be Served:	6,379

Applicant's Project Description from Application:

The County of San Luis Obispo, Department of Social Services serves as the HMIS Lead for the San Luis Obispo County CoC, fulfilling all roles and responsibilities described in the HUD CoC HMIS Program Manual. The SLO HMIS Lead contracts with HMIS vendor, BitFocus Inc., to utilize the web-based software, Clarity Human Services. The software platform collects and facilitates reporting on data compliant with the HUD HMIS Data Standards as well as locally defined custom data elements. Funds will be used to continue licensing the software and pay for the salary of DSS staff fulfilling the roles of the HMIS Lead including 1 FTE Program Analyst. The Program Analyst and other DSS staff will ensure compliance with all Federal, State and Local regulations pertaining to client-centered data collection, privacy, and information system security. HMIS Lead staff also provide user training, custom reporting and community information sharing for the Continuum of Care

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and its partners. The SLO HMIS database has 20 fully participating agencies, 1 read only agency, and 232 active users.



HOMELESS SERVICES DIVISION
FY26 CoC Program Statement on
Recovery-Oriented Housing Projects and
Prohibited Illicit Drug Enablement Activities

July 15, 2026

Why This Statement is Being Considered



The proposed statement is intended to:

- Align the CoC with HUD's FY26 NOFO language
- Apply only to CoC-funded housing projects
- Support the CoC's competitiveness in the FY26 application
- Preserve appropriate recovery-oriented services, treatment referrals, case management, and overdose prevention activities



What the Statement Does

The statement applies to:

- Housing projects submitted by the CoC in the FY26 competition
- CoC Program recipients and subrecipients operating those projects
- CoC-funded staff time, services, facilities, and resources
- Property under the control of a CoC-funded housing project

The statement prohibits CoC-funded housing projects from:

- Operating drug injection or safe consumption sites
- Knowingly distributing drug paraphernalia
- Knowingly permitting illicit drug use or distribution on project-controlled property
- Using CoC funds or CoC-funded resources to support prohibited activities



What the Statement Does Not Do

The statement does not:

- Establish a Countywide public health policy
- Regulate County-hosted or County-authorized programs that do not receive CoC funding
- Apply to services outside the control of CoC-funded housing projects
- Prohibit neutral referrals to legally authorized public health services
- Prohibit case management, housing navigation, treatment referrals, recovery supports, or crisis intervention
- Prohibit naloxone or other allowable overdose reversal medication access or distribution



Recommendation

Staff Recommendation

Adopt the proposed FY26 CoC Program Statement on Recovery-Oriented Housing Projects and Prohibited Illicit Drug Enablement Activities and authorize staff to make non-substantive edits, subject to County Counsel review.



HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)
ACTION ITEM
July 15, 2026

AGENDA ITEM NUMBER: 4.1.4

ITEM: Consideration of Adoption of the FY26 Continuum of Care (CoC) Program Statement on Recovery-Oriented Housing Projects and Prohibited Illicit Drug Enablement Activities

ACTION REQUIRED: Vote to approve the FY26 Continuum of Care (CoC) Program Statement on Recovery-Oriented Housing Projects and Prohibited Illicit Drug Enablement Activities.

SUMMARY NARRATIVE: HUD's FY26 CoC Program Notice of Funding Opportunity (NOFO) includes preference points for CoCs that adopt a policy or statement addressing prohibited illicit drug enablement activities for housing projects submitted in the competition. The proposed statement is narrowly tailored to CoC-funded housing projects, CoC funds, CoC-funded staff time, CoC-funded facilities/services, and property under the control of CoC-funded housing projects.

The statement is not intended to regulate County-hosted or County-authorized public health programs that do not receive CoC funding and are not operated on property under the control of a CoC-funded housing project.

The proposed statement prohibits CoC-funded housing projects from operating safe consumption sites, knowingly distributing drug paraphernalia, or knowingly permitting illicit drug use or distribution on project-controlled property. At the same time, the statement preserves allowable supportive services, including case management, treatment referrals, recovery supports, overdose prevention education, and naloxone access. The statement also distinguishes neutral referrals to legally authorized public health services from higher-risk activities, such as hosting, transporting participants to, or entering into formal partnerships involving prohibited activities. If a CoC-funded project is found to be out of compliance, the statement provides for appropriate remedies, including technical assistance, corrective action, monitoring, or other actions based on the nature and severity of the violation.

Adopting the statement may strengthen the CoC's FY26 application by positioning the CoC to claim available preference points under Section V.2.b. of the NOFO. HUD's FY26 NOFO makes approximately \$4.04 billion available nationally through the CoC Program competition.

BUDGET/FINANCIAL IMPACT: Approval does not create a new program or funding obligation. The primary impact is competitive: the statement may allow the CoC to seek additional preference points in the FY26 CoC Program Competition.

STAFF COMMENTS: Staff recommend the adoption of the FY26 CoC Program Statement on Recovery-Oriented Housing Projects and Prohibited Illicit Drug Enablement Activities and authorization for staff to make non-substantive edits, subject to County Counsel review. The statement is based on requirements HUD has already developed for the FY26 CoC Program Competition. HUD will require CoC-funded recipients and subrecipients to comply with applicable grant requirements and award conditions regardless of whether the CoC adopts this statement. Adoption of the statement does not change what will be required of subrecipients; instead, it documents the CoC's alignment with HUD's FY26 NOFO requirements and may improve applicants' competitiveness for CoC Program funding.

San Luis Obispo County Continuum of Care
FY26 CoC Program Statement on Recovery-Oriented Housing Projects and
Prohibited Illicit Drug Enablement Activities

Purpose

The San Luis Obispo County Continuum of Care (CoC) adopts this statement to affirm its commitment to recovery-oriented housing and supportive services, and compliance with U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program requirements.

This statement is intended to address Section V.2.b. of the FY26 CoC Program NOFO, “Advancing Recovery by Prohibiting Illicit Drug Enablement,” which provides preference points for CoCs that have a policy or statement applicable to housing projects submitted by the CoC and that addresses the activities identified by HUD.

Scope and Applicability

This statement applies to housing projects submitted by the San Luis Obispo County CoC in the FY26 CoC Program Competition, including CoC Program recipients and subrecipients operating those housing projects.

For purposes of this statement, covered activities include CoC-funded project activities, CoC-funded staff time, CoC-funded facilities, CoC-funded services, CoC-funded project resources, and property under the control of a CoC-funded housing project.

For purposes of this statement, “property under the control of a CoC-funded housing project” includes property that has received CoC program funding or is used to carry out a CoC-funded housing project.

This statement is not intended to establish a Countywide public health policy or to regulate County-hosted, County-authorized, or other non-CoC-funded programs, services, or activities that do not receive CoC Program funding and are not operated on property under the control of a CoC-funded housing project.

Statement of Commitment

The San Luis Obispo County CoC supports housing stability, recovery-oriented services, participant choice, individualized service planning, and access to appropriate substance use disorder treatment and recovery supports.

The CoC encourages housing projects to support participants in accessing behavioral health care, medical care, substance use disorder treatment, recovery housing where appropriate and available, overdose prevention education, crisis intervention, case

San Luis Obispo County Continuum of Care
FY26 CoC Program Statement on Recovery-Oriented Housing Projects and
Prohibited Illicit Drug Enablement Activities

management, and other supportive services that promote safety, wellness, and long-term housing stability.

The CoC Program is designed to promote a communitywide commitment to ending homelessness and provide funding for efforts by nonprofit providers, local governments, states, Indian Tribes, and other eligible entities to quickly rehouse individuals and families experiencing homelessness while minimizing trauma and dislocation.

Prohibited Activities

CoC-funded housing projects covered by this statement may not:

1. Operate a drug injection site or safe consumption site;
2. Knowingly distribute drug paraphernalia on or off property under the project's control;
3. Knowingly permit illicit drug use or distribution on property under the project's control;
4. Conduct, support, allow, or encourage the activities described above as part of harm reduction services, outreach, or any other service model when such activities would otherwise be prohibited by this statement; or
5. Use CoC Program funds, CoC-funded staff time, CoC-funded facilities, CoC-funded services, or CoC-funded project resources to support prohibited activities.

For purposes of this statement, the CoC will evaluate whether a supply or service constitutes prohibited drug paraphernalia or a prohibited activity based on applicable federal law, HUD requirements, HHS/SAMHSA guidance where relevant, CoC Program award terms and conditions, and any guidance provided by County Counsel.

Nothing in this statement categorizes naloxone, nalmefene, or other FDA-approved opioid overdose reversal medications as drug paraphernalia. CoC-funded housing projects may provide, distribute, or coordinate access to naloxone or other FDA-approved opioid overdose reversal medications when otherwise allowable under applicable law, funding requirements, and project policies.

Substance test kits, including fentanyl test strips, xylazine test strips, or similar drug-checking supplies, should be evaluated based on current federal guidance, HUD requirements, and applicable award terms and conditions before being purchased, distributed, or supported with CoC Program funds or on property under the control of a CoC-funded housing project.

San Luis Obispo County Continuum of Care
FY26 CoC Program Statement on Recovery-Oriented Housing Projects and
Prohibited Illicit Drug Enablement Activities

These prohibitions are intended to align with the FY26 CoC Program NOFO language regarding “Advancing Recovery by Prohibiting Illicit Drug Enablement,” while preserving access to allowable overdose prevention, treatment referral, recovery support, and emergency response activities.

Activities Not Prohibited by This Statement

This statement does not prohibit CoC-funded housing projects from providing or coordinating appropriate supportive services, including but not limited to:

- Case management;
- Housing navigation;
- Recovery support;
- Referrals to substance use disorder treatment;
- Referrals to detoxification services, outpatient treatment, residential treatment, or medication-assisted treatment;
- Referrals to recovery housing;
- Overdose prevention education;
- Naloxone, nalmefene, or other FDA-approved opioid overdose reversal medication access or distribution, if otherwise allowable;
- Infectious disease education, testing referrals, or health care linkages;
- Crisis intervention; or
- Participant-centered service planning.

This statement does not prohibit neutral referrals to legally authorized public health programs, provided that CoC Program funds, CoC-funded staff time, CoC-funded facilities, CoC-funded services, CoC-funded project resources, or property under the control of a CoC-funded housing project are not used to conduct, support, allow, or encourage prohibited activities.

CoC-funded housing projects should exercise caution before hosting, transporting participants to, formally partnering with, or otherwise directly supporting any program or activity that may involve the distribution of drug paraphernalia or other activities prohibited by this statement.

Recovery-Oriented Service Expectations

San Luis Obispo County Continuum of Care
FY26 CoC Program Statement on Recovery-Oriented Housing Projects and
Prohibited Illicit Drug Enablement Activities

CoC-funded housing projects are encouraged to maintain active referral pathways to substance use disorder treatment, behavioral health services, recovery supports, recovery housing, and other appropriate community-based resources.

Projects should support participants in accessing these services in a manner consistent with applicable CoC Program requirements, fair housing requirements, participant rights, project eligibility standards, and other applicable laws and regulations.

Sobriety and Treatment Participation

The CoC recognizes that HUD's FY26 CoC Program NOFO does not prohibit CoC-funded housing projects from requiring sobriety or participation in treatment as a condition of assistance, when such requirements are permitted and implemented in accordance with 24 CFR Part 578 and other applicable requirements.

This statement does not require any CoC-funded housing project to impose sobriety or treatment participation requirements unless otherwise required or permitted by the project model, funding requirements, written standards, or applicable law.

Response to Potential Violations and Remedies

If the CoC determines that a CoC-funded housing project may be in violation of this statement, the CoC may review the matter and take appropriate action based on the nature, severity, frequency, and duration of the violation, as well as the recipient's or subrecipient's response and corrective action.

Potential remedies may include, but are not limited to:

- Written notice to the recipient or subrecipient;
- Technical assistance;
- Corrective action plan;
- Increased monitoring;
- Requirement to cease the prohibited activity;
- Documentation of corrective steps taken;
- Conditions on local ranking or future funding consideration;
- Referral to HUD, if required;
- Reallocation or non-renewal consideration for repeated or unresolved violations; or
- Repayment, removal, or correction of ineligible costs, if applicable.

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FY26 CoC Program Statement on Recovery-Oriented Housing Projects and
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Nothing in this section requires termination of assistance or eviction of a program participant for a first-time violation. Any project-level response involving a program participant must be consistent with applicable HUD requirements, due process requirements, fair housing obligations, lease requirements, participant rights, and other applicable laws and regulations.

Relationship to Other Laws, Programs, and Public Health Activities

This statement is intended solely to address CoC Program funding, CoC-funded housing project operations, and FY26 CoC Program Competition requirements.

This statement does not supersede federal, state, or local law; County public health authority; recipient grant agreements; written standards; lease requirements; fair housing obligations; or other applicable program rules.

Nothing in this statement should be interpreted to prohibit legally authorized public health services that are not funded by CoC Program funds and are not conducted by or on property under the control of a CoC-funded housing project, unless otherwise required by law or HUD.

Certifications and Documentation

FY26 CoC housing project applicants may be required to certify compliance with this statement as part of the local CoC competition, project application, supplemental certification process, grant agreement, subrecipient agreement, monitoring process, or other applicable CoC procedure.

The CoC may request documentation necessary to confirm compliance with this statement, including documentation related to corrective action if a potential violation is identified.

References Reviewed

This statement was developed with reference to the following sources:

- U.S. Department of Housing and Urban Development, FY26 Continuum of Care Program Notice of Funding Opportunity, including Section V.2.b., “Advancing Recovery by Prohibiting Illicit Drug Enablement.”
- 24 CFR Part 578, Continuum of Care Program regulations.
- SAMHSA Dear Colleague Letter, “Executive Order on Ending Crime and Disorder on America’s Streets,” July 29, 2025.

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- U.S. Department of Health and Human Services overdose prevention and opioid overdose response resources.
- California Health and Safety Code Section 121349.1, regarding authorization of clean needle and syringe exchange projects.
- California Department of Public Health, Office of AIDS, syringe services program information and resources.
- SLO Bangers publicly available program information regarding syringe exchange, naloxone, harm reduction supplies, testing information, and recovery-related referrals.
- County Counsel guidance regarding the applicability of HUD requirements to CoC-funded projects, property, staff time, funding, formal partnerships, and neutral referrals.

Effective Date and Duration

This statement applies to housing projects submitted by the San Luis Obispo County CoC in the FY26 CoC Program Competition and remains in effect for the applicable FY26 award cycle unless amended or rescinded by the CoC.

Adopted by the San Luis Obispo County Continuum of Care on July 15, 2026.



HOMELESS SERVICES DIVISION

FY26 CoC-Funded

Street Outreach Policy

July 15, 2026

Why Develop a Street Outreach Policy?



- Align with the Five-Year Plan
- FY26 CoC NOFO places greater emphasis on Street Outreach
- Opportunity to establish consistent local expectations



Policy Development Process



What Successful Outreach Looks Like in San Luis Obispo County

- We build relationships.
- We meet people where they are.
- We connect them to housing and services.
- We work together.
- We do it with dignity and professionalism.



What the Policy Does

The policy establishes:

- ✓ Purpose
- ✓ Applicability
- ✓ Five Guiding Principles
- ✓ Expectations for CoC-funded street outreach
- ✓ Community partnerships



Guiding Principles

Relationship-Based Engagement	Street outreach is founded on respectful, consistent, and honest engagement that builds trust over time. Outreach workers should follow through on commitments, communicate transparently, and maintain relationships even when immediate housing or service opportunities are unavailable.
Meeting People Where They Are	Effective street outreach begins by engaging individuals where they are, both physically and in terms of their unique circumstances. Outreach workers should proactively engage individuals in places not meant for human habitation while recognizing each person's strengths, needs, goals, and readiness to engage. Engagement should be flexible, respectful, and responsive to individual needs.
Housing-Focused and Recovery-Oriented Services	Outreach should promote pathways to safe and stable housing while supporting connections to healthcare, behavioral health services, substance use treatment, public benefits, employment resources, and other services that contribute to long-term stability and self-sufficiency.
Collaboration and Continuity of Care	Effective street outreach requires collaboration among outreach providers, healthcare providers, behavioral health providers, emergency shelters, housing providers, first responders, law enforcement, and other community partners.
Respect, Dignity, and Professionalism	All individuals will be treated with dignity, professionalism, and respect. Outreach services shall be delivered in accordance with applicable federal and state nondiscrimination requirements and should be accessible to all eligible individuals regardless of personal characteristics or circumstances.



Recommendation

Staff Recommendation

Adopt the proposed CoC-Funded Street Outreach Policy.



HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)
ACTION ITEM
July 15, 2026

AGENDA ITEM NUMBER: 4.1.5

ITEM: Consideration of Adoption of the San Luis Obispo County Continuum of Care (CoC)-Funded Street Outreach Policy

ACTION REQUIRED: Vote to adopt the attached San Luis Obispo Continuum of Care (CoC)-Funded Street Outreach Policy.

SUMMARY NARRATIVE: The San Luis Obispo Countywide Plan to Address Homelessness 2022-2027, which was adopted by the County of San Luis Obispo Board of Supervisors on August 9, 2022, identifies strengthening supportive services, housing navigation, coordinated outreach, and regional collaboration as key strategies for reducing unsheltered homelessness. Specifically, Line of Effort 2 calls for expanding housing-focused case management and outreach, coordinating outreach strategies across multiple agencies, strengthening partnerships with first responders, creating multidisciplinary outreach teams, and increasing behavioral health outreach in the field. The Plan also emphasizes engaging people with lived experience of homelessness in system design and implementation and strengthening regional collaboration to improve system effectiveness.

Development of the Street Outreach Policy represents one component of the Homeless Services Division's ongoing implementation of the Five-Year Plan. The policy establishes a shared framework for relationship-based, housing-focused, and collaborative street outreach that reflects the strategic direction established in the Plan while positioning the Continuum of Care to pursue new Street Outreach funding opportunities through the FY2026 CoC Program Competition.

The U.S. Department of Housing and Urban Development (HUD) annually publishes a Notice of Funding Opportunity (NOFO) that establishes priorities and requirements for the Continuum of Care (CoC) Program Competition. The FY26 CoC NOFO places increased emphasis on street outreach as a critical component of the local homelessness response system. In addition to expanding funding opportunities for new Supportive Services Only (SSO) Street Outreach projects, the NOFO emphasizes coordinated engagement with individuals experiencing unsheltered homelessness, multidisciplinary partnerships, and stronger connections to housing and supportive services.

Although the San Luis Obispo County CoC has not historically funded street outreach projects through the CoC program, the FY26 NOFO provides an opportunity to establish consistent expectations for future CoC-funded street outreach activities, while at the same time helping our application to be competitive. The proposed policy aligns local practice with current federal priorities while reflecting the strengths, experience, and needs of the local homelessness response system.

Staff conducted a comprehensive review of the FY26 CoC NOFO, applicable federal regulations, and recognized best practices. Based on that review, staff developed a draft policy framework and conducted targeted stakeholder engagement to ensure the policy reflected local experience and operational realities.

Stakeholder engagement included outreach providers, frontline outreach staff, individuals with lived experience of homelessness, and individuals representing law enforcement and first responder perspectives. Participants were asked a consistent series of questions regarding effective outreach strategies, barriers to engagement, partnerships, desired policy expectations, and opportunities to strengthen the local outreach system.

A detailed summary of stakeholder engagement is included as Attachment B.

The proposed policy establishes a clear purpose and applicability for CoC-funded street outreach projects. The policy also establishes the CoC's expectations for effective street outreach through five guiding principles: relationship-based engagement, proactive field outreach and progressive engagement, housing-focused and recovery-oriented services, multidisciplinary collaboration, and respectful professional practice.

The policy is intended to establish consistent expectations for CoC-funded street outreach projects while allowing providers flexibility in implementing outreach strategies that best meet the needs of their participants.

Summary of Proposed Changes

The approval of the proposed policy will establish a consistent framework for CoC-funded street outreach services that reflect federal requirements, recognize best practices, and local stakeholder input.

BUDGET/FINANCIAL IMPACT: The proposed policy would have no financial impact. CoC-funded Street Outreach projects will implement the policy through grant administration, monitoring, and project oversight processes.

STAFF COMMENTS: Staff recommend adoption of the proposed Street Outreach Policy.

The policy establishes consistent expectations for CoC-funded Street Outreach projects while recognizing that effective outreach is grounded in relationship-building, collaboration, and participant-centered engagement. Throughout development, staff intentionally sought input from outreach providers, individuals with lived experience of homelessness, and community partners to ensure the policy reflects both federal priorities and the practical realities of street outreach in San Luis Obispo County.

The resulting policy provides a durable framework to guide CoC-funded street outreach services while remaining flexible enough to support future innovation and evolving community needs.

Purpose

The San Luis Obispo (SLO) County Continuum of Care (CoC) CoC-Funded Street Outreach Policy establishes consistent expectations for street outreach projects funded through the U.S. Department of Housing and Urban Development's (HUD) CoC program. This policy seeks to promote effective engagement with individuals and families experiencing unsheltered homelessness and support housing stability through coordinated, relationship-based outreach. This policy aligns local stakeholder input and practice with HUD requirements.

Applicability

This policy applies to all street outreach projects that are funded through HUD's CoC program.

Guiding Principles

The following guiding principles establish the foundation for CoC-Funded Street Outreach services in SLO County. They are grounded in federal requirements, informed by recognized best practices, and reflect input received through local stakeholder engagement conducted during the development of this policy.

Principle	Definition of Principle
Relationship-Based Engagement	Street outreach is founded on respectful, consistent, and honest engagement that builds trust over time. Outreach workers should follow through on commitments, communicate transparently, and maintain relationships even when immediate housing or service opportunities are unavailable.
Meeting People Where They Are	Effective street outreach begins by engaging individuals where they are, both physically and in terms of their unique circumstances. Outreach workers should proactively engage individuals in places not meant for human habitation while recognizing each person's strengths, needs, goals, and readiness to engage. Engagement should be flexible, respectful, and responsive to individual needs.
Housing-Focused and Recovery-Oriented Services	Outreach should promote pathways to safe and stable housing while supporting connections to healthcare, behavioral health services, substance use treatment, public benefits, employment resources, and other services that contribute to long-term stability and self-sufficiency.
Collaboration and Continuity of Care	Effective street outreach requires collaboration among outreach providers, healthcare providers, behavioral health providers, emergency shelters, housing providers, first responders, law enforcement, and other community partners. Providers should coordinate services whenever possible to improve continuity of care and reduce duplication of effort.

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Respect, Dignity, and Professionalism	All individuals will be treated with dignity, professionalism, and respect. Outreach services shall be delivered in accordance with applicable federal and state nondiscrimination requirements and should be accessible to all eligible individuals regardless of personal characteristics or circumstances.
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Street Outreach Expectations

CoC-Funded Street Outreach projects are expected to:

- Conduct proactive, field-based outreach to individuals and families experiencing unsheltered homelessness.
- Build relationships through consistent, respectful and reliable engagement.
- Meet individuals where they are and tailor engagement strategies to individual circumstances and readiness.
- Facilitate connections to housing, shelter, healthcare, behavioral health services, substance use treatment, public benefits, employment resources, and other appropriate community services.
- Support participants in obtaining identification, vital documents, and other items necessary to access housing and services.
- Coordinate with community partners to support continuity of care and reduce duplication of effort.
- Maintain awareness of participant safety and staff safety during outreach activities.

Community Partnerships

All CoC-Funded Street Outreach projects are expected to collaborate with community partners, including, but not limited to healthcare, behavioral health, first responders, law enforcement, shelters, hospitals, and faith-based organizations. Collaboration with first responders and law enforcement should support coordinated engagement, appropriate referrals, and connections to housing and services while maintaining the primary outreach focus on relationship-building and participant engagement.

Policy Review

This policy shall be reviewed at least annually by the Continuum of Care to ensure continued alignment with federal requirements, evolving best practices, and local community needs. Revisions should consider input from outreach providers, individuals with lived experience of homelessness, first responders, and other relevant stakeholders.

Stakeholder Engagement Summary

San Luis Obispo County Continuum of Care

FY2026 CoC-Funded Outreach Policy

Purpose

As part of the development of the San Luis Obispo (SLO) Continuum of Care (CoC)-Funded Street Outreach Policy, staff conducted targeted stakeholder engagement to gather local perspectives on effective street outreach practices, community partnerships, barriers to engagement, and opportunities to strengthen outreach services.

The purpose of this engagement is to ensure that the policy reflects local experience and expertise while aligning with applicable federal requirements and recognized best practices.

Stakeholder Engagement Process

Stakeholder engagement occurred during development of the policy and included individuals representing multiple perspectives within the local homelessness response system.

The following stakeholder groups were consulted:

- Street outreach providers and frontline outreach staff.
- Individuals with lived experience of homelessness, including individuals currently working in street outreach.
- Law enforcement representatives.

Participants were asked a consistent set of questions regarding:

- Effective outreach practices.
- Barriers to engagement.
- Collaboration among community partners.
- Desired policy expectations.
- Priority outcomes for street outreach.
- Opportunities to improve the local outreach system.

Stakeholder Engagement Summary

San Luis Obispo County Continuum of Care

FY2026 CoC-Funded Outreach Policy

Key Themes

Relationship-Based Engagement

Participants consistently identified trust as the foundation of effective street outreach.

Successful outreach was described as:

- Building rapport over time.
- Maintaining consistent contact.
- Follow through on commitments.
- Communicating honestly.
- Continuing engagement even when immediate housing or services are unavailable.

Stakeholders emphasized that meaningful engagement often requires multiple contacts before individuals are ready to accept housing or services.

Policy Response

The policy establishes Relationship-Based Engagement as a guiding principle and emphasizes consistent, respectful, and honest engagement practices.

Meeting People Where They Are

Stakeholders consistently emphasized that outreach should occur in the field and should be responsive to each person's individual circumstances.

Participants noted that effective outreach requires:

- Meeting individuals where they are physically.
- Recognizing individual strengths, needs, and goals.
- Understanding that readiness to engage varies.
- Bringing services to individuals whenever possible.

Participants also emphasized that many unsheltered individuals are reluctant to leave their belongings or established locations, reinforcing the importance of proactive field-based outreach.

Policy Response

The policy establishes Meeting People Where They Are as a guiding principle and describes expectations for proactive, field-based outreach.

Stakeholder Engagement Summary

San Luis Obispo County Continuum of Care

FY2026 CoC-Funded Outreach Policy

Housing and Recovery as Complementary Goals

Stakeholders consistently described housing as one component of successful outreach rather than the sole objective.

Participants emphasized the importance of connecting individuals to:

- Housing.
- Healthcare.
- Behavioral health services.
- Substance use treatment.
- Public benefits.
- Vital documents.
- Employment resources.

Recovery was broadly described as improving overall health, stability, and well-being rather than solely participation in treatment.

Policy Response

The policy adopts a Housing-Focused and Recovery-Oriented approach that recognizes the importance of connecting participants with housing and supportive services that promote long-term stability.

Collaboration and Continuity of Care

Stakeholders consistently identified multidisciplinary partnerships as essential to effective outreach.

Examples included:

- Community Action Team (CAT).
- Mobile Crisis Unit (MCU).
- Behavioral health providers.
- Healthcare providers.
- Emergency shelters.
- Law enforcement.
- Faith-based organizations.
- Regular multidisciplinary meetings.
- Warm handoffs between providers.

Stakeholder Engagement Summary

San Luis Obispo County Continuum of Care

FY2026 CoC-Funded Outreach Policy

Participants emphasized that collaboration should improve continuity of care and reduce duplication of services.

Policy Response

The policy establishes Collaboration and Continuity of Care as a guiding principle and encourages coordinated service delivery among community partners.

Respect, Dignity, and Professionalism

Stakeholders emphasized that outreach should be conducted with dignity and professionalism.

Participants noted the importance of:

- Respectful communication.
- Honest expectations.
- Maintaining trust.
- Recognizing participant choice.
- Treating every individual with dignity.

Individuals with lived experience also emphasized that outreach workers with lived experience or peer support can strengthen trust and engagement.

Policy Response

The policy establishes Respect, Dignity, and Professionalism as a guiding principle for all CoC-funded outreach services.

Future System Improvement Opportunities

Although outside the scope of this policy, stakeholders identified several opportunities to strengthen the local homelessness response system, including:

- Expanded behavioral health services.
- Increased street medicine and healthcare access.
- Expanded seven-day multidisciplinary outreach coverage.
- Improved communication and follow-up among outreach providers, behavioral health, and first responders.
- Continued expansion of multidisciplinary models.
- Additional recovery centers and day centers.

Stakeholder Engagement Summary

San Luis Obispo County Continuum of Care

FY2026 CoC-Funded Outreach Policy

- Warming centers.
- Storage options for individuals during encampment cleanups.
- Additional crisis response resources throughout the county.
- Expanded diversion training.
- Streamlined navigation across agencies and service systems.
- Greater countywide coordination and warm handoffs among providers.
- Increased use of peer support and individuals with lived experience in outreach.
- Improved communication between housing providers and outreach teams when individuals are at risk of returning to homelessness.

These recommendations may inform future CoC planning and policy development efforts.

Conclusion

Stakeholder engagement consistently demonstrated that effective street outreach depends on building trust through consistent, field-based engagement; connecting individuals to housing and supportive services; and coordinating efforts across healthcare, behavioral health, housing, outreach, and public safety partners.

The final policy reflects these themes while aligning with HUD requirements and the priorities identified in the FY2026 Continuum of Care Program Notice of Funding Opportunity.