



Mission: Build partnerships and promote strong collaborative action to ensure all residents within the County have stable, safe, and healthy places to live.

**Santa Cruz County
Housing for Health Partnership (H4HP) Policy Board
Regular Meeting Agenda
February 9, 2026; 11am-1pm
420 Capitola Ave., Capitola – Capitola City Hall - Community Room**

Zoom Conference Link: <https://santacruzcounty-us.zoomgov.com/j/1613164177>

Call-In Number: +16692545252 Webinar ID#: 161 316 4177

Call to Order/Welcome/Introductions

Non-Agenda Public Comment

Brief Action Items {11:10 – 11:15 pm}

1. Approval of Regular Meeting Minutes: December 17, 2025

Discussion/Action Items {11:15 – 12:15 pm}

2. Coordinated Entry and Resource Collaborative – Discussion with United Way/2-1-1
3. Proposed Governance Charter Amendments

Lived Expertise Workgroup Updates {12:15 – 12:25 pm}

4. Status Update

Information/Potential Action Items {12:30 – 1:00 pm}

5. 2026 Point-in-Time (PIT) Count Update
6. Basic Needs and Connection Services Survey
7. Status of HHAP-6 and HUD CoC Funding
8. Updates on New Shelter/Transitional Housing Capacity
9. City of Watsonville Multi-Disciplinary Team Street Outreach Pilot



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Future Agenda Topics

- Strategic Plan Analysis and Next Steps
- Gaps and Needs Analysis
- CoC Funding NOFO

Board Member Announcements

Adjournment

Next Meeting: April 20, 2026, 11am – 1 pm

The County of Santa Cruz does not discriminate based on disability, and no person shall, by reason of a disability, be denied the benefit of the services, programs, or activities. This meeting is in an accessible facility. If you are a person with a disability and require special assistance to participate in the meeting, please call (831) 763-8900 (TDD/TTY- 711) at least 72 hours in advance of the meeting to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format. As a courtesy to those affected, please attend the meeting smoke and scent free.



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Housing for Health Partnership (H4HP) Policy Board Regular Meeting Minutes December 17, 2025; 3 pm

Call to Order/Welcome

Present: Courtney Lindberg, Dr. Faris Sabbah, Heather Rogers, Mali LaGoe, Manuel Caceres, Marni Sandoval, Radovan Radich, Shebreh Kalantari-Johnson, Serg Kagno, Susie O' Hara, Tom Stagg

Absent: Justin Cummings, Karen Kern, Kate Nester, Kyrolos Saad, Mars Nored, Monica Martinez, Rosie Garcia, Terence Concannon

Additions and Deletions to the Agenda: None

Non-Agenda Public Comment

A representative from the Santa Cruz Friends Meeting, affiliated with the Association of Faith Communities, expressed concern regarding the closure of day services and its impact on both service recipients and staff. The speaker noted that a lack of integration among services has contributed to staff demoralization and reduced effectiveness, despite recognition of broader challenges such as federal funding cuts. Reference was made to the need for a more coordinated, system-wide approach to services, both in the short term and long term, rather than fragmented or piecemeal solutions discussed at recent county and city meetings. The speaker emphasized the importance of collaboration among the county, city, North and South County providers, and community partners, including faith-based organizations, to support integrated services that address basic needs such as access to water and charging stations. The faith community expressed willingness to partner with and support local agencies in developing and implementing more integrated service solutions.

Action Items (vote required)

1. Approval of Regular Meeting Minutes: October 22, 2025
 - Discussion: None*
 - Public Comment: None*
 - Motion: Move to approve Regular Meeting Minutes: October 22, 2025*
 - Motion to Approve: Heather Rogers*
 - Motion Seconded: Dr. Faris Sabbah*
 - Abstentions: Serg Kagno*
 - Board Action: Motion passed*

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2. Approval of Special Meeting Minutes: November 25, 2025

Discussion: Request for Housing for Health staff to consider sending an email notification/ mailing list so people can receive meeting notices.

Public Comment: None

Motion: Move to approve Special Meeting Minutes: November 25, 2025

Motion to Approve: Susie O’Hara

Motion Seconded: Manuel Caceres

Abstentions: Serg Kagno, Dr. Faris Sabbah, Courtney Lindberg

Board Action: Motion passed

3. Approval of Governance Charter Review/ Proposed Changes

Discussion: The board reviewed and discussed the governance charter and proposed updates. Staff provided historical context, noting that the current charter evolved from the former Homeless Action Partnership. The board reaffirmed its practice of conducting an annual charter review, typically in December, to assess clarity, relevance, and compliance. Proposed changes included updating language related to policy board membership to use the term “community members,” correcting formatting issues, adding references to recent amendments to the Brown Act, and clarifying agenda topic parameters. The distinction between staff-led working groups and board-created formal groups was discussed, with clarification that any formally created groups may be subject to the Brown Act. The board also discussed whether the governance structure sufficiently supports inclusion of non-HUD and non–Continuum of Care service providers, particularly those involved in prevention, care management, and navigation services. Discussion focused on reducing duplication of effort across agencies, improving consistency of resource information, and exploring opportunities to align or enhance existing resource directories.

Public Comment: None

Motion: Move to approve the proposed changes to the Governance Charter.

Motion to Approve: Shebreh Kalantari-Johnson

Motion Seconded: Mali LaGoe

Abstentions: None

Board Action: Motion passed

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Lived Expertise Workgroup Updates

4. General Updates and Report Back

Discussion: The Lived Expertise groups will continue to accept external requests through an online form to support community partners seeking input from individuals with lived experience. Additionally, these groups have contributed to the County's 2032 Strategic Plan, helping shape county priorities. The Lived Experience Advisory Board (LEAB) is planning to host a peer space group in collaboration with community partners and is currently recruiting a new member. A flyer will be distributed, and board members are encouraged to share referrals. Manuel Caceres continues to serve as the liaison to the Policy Board. The Youth Lived-Expertise Action Board (YLEAB) is working with the Santa Cruz County Behavioral Health Division on the community planning process for 2026–2029. Kyro Saad serves as the policy board liaison for the YLEAB, while Nia Saleem is the liaison for the YLEAB Operations Committee.

Report/Discussion Items

5. County of Santa Cruz Strategic Plan 2025-32 Priorities Presentation and Discussion

Discussion: *The H4HP Board received a presentation and engaged in discussion regarding the County's Strategic Plan (2026-2032) priorities and development process. County staff reported that the strategic planning effort began with a review of the prior plan to assess successes and gaps, noting that coordinated work such as the Housing for Health Santa Cruz initiative has been effective in improving housing stability and reducing point-in-time counts. The presenter emphasized the intent to align the County's strategic plan with existing city, education, health, and housing plans to avoid duplication and build on successful models. Staff outlined the board-adopted focus areas for the next six years, including housing and infrastructure, community care and resilience, health and wellbeing, safety and justice, environment and sustainability, and economic vitality. The approach includes a health and equity lens, disaggregated data to identify vulnerable populations, fiscal sustainability, and an emphasis on moving from planning to implementation. Community engagement efforts include surveys and focus groups, with data made publicly available, followed by a board retreat, public roadshows, drafts, and final plan presentations in 2026. Board members and participants discussed the importance of alignment across jurisdictions, consistent measures of success, and collaboration with city partners, school districts, healthcare providers, and managed care organizations. Concerns were raised about funding instability and the need to clearly define county priorities based on*

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community values rather than funding availability alone. The discussion highlighted opportunities to improve coordination, leverage overlapping strategic plans for grant applications and advocacy, and potentially form a short-term working group to compare plans, identify gaps and overlaps, and support future analysis. Staff indicated that feedback from the board and the public will inform prioritized strategies and accountability measures within the plan, with the goal of providing a clear, consistent framework for county actions and sustained collaboration with local partners over the planning horizon.

6. Annual Needs and Gaps Analysis Preparation and Presentation

Discussion: The H4HP Board discussed preparation for the annual needs and gaps analysis, noting that while the Continuum of Care (CoC) is expected to conduct this analysis annually, the scope and format have not been clearly defined. Staff requested board input on what information would be most useful and actionable for policy decision-making, emphasizing that significant homelessness data already exists across multiple systems and agencies. The COC Board members emphasized the importance of balancing objective data, such as system performance measures and dashboards, with qualitative input from various stakeholders, including jurisdictions, service providers, schools, public safety officials, and representatives with lived experience. Members emphasized the value of contextualizing data to better understand geographic differences, service accessibility, and populations that may be less visible, such as students and families experiencing housing instability. The board also discussed aligning the needs and gaps analysis with existing strategic plans and policy priorities to support proactive planning, coordinated funding advocacy, and clearer articulation of shared needs to state and federal partners. Ideas discussed included using visual tools such as heat maps, clearer categorization of service demand, and centralized, up-to-date resource information to better illustrate service availability and gaps. Staff noted that technical assistance tools and modeling approaches are available to support gap analysis work and could be adapted to different geographies or populations, while cautioning that the scope should remain manageable.

7. Continuum of Care (CoC) Notice of Funding Opportunity (NOFO) Update

Discussion: The H4HP Board received an update on federal funding developments affecting homelessness programs. Concerns were raised that delays or changes to a federal Notice of Funding Opportunity could result in the loss of more than four million dollars in Continuum of Care funding. Lawsuits filed by multiple states and national nonprofit organizations led the U.S. Department of Housing and Urban

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Development to pause and revise the funding notice, with informal reports suggesting it may be reissued soon. Related local planning work has been paused pending the outcome of the court process. The board also discussed upcoming federal budget negotiations in January, when the United States Congress will revisit funding decisions. National advocacy efforts are focused on renewing existing grants and delaying major funding changes to avoid service disruptions. Members were encouraged to share advocacy information with relevant organizations where appropriate.

Information Items

8. 2026 Point-in-Time (PIT) County Planning and Volunteer Recruitment

Discussion: H4HP Staff provided updates on Point-in-Time (PIT) Count planning, noting a goal of recruiting at least 100 community volunteers. Outreach is underway through newsletters and community meetings held online since October, with strong participation reported. One additional volunteer training is planned after December, including a targeted youth-focused training in coordination with youth partners. Board members were encouraged to help promote volunteer sign-ups, as most volunteers typically register close to the January deadline.

9. Homeless Memorial

Discussion: The H4HP Staff announced the upcoming Homeless Memorial event, scheduled for Friday at 10:00 a.m. at the Portuguese Hall. The event will include reading first names and last initials only, along with community reflections, music, and clergy participation, in order to respect privacy and dignity. This approach reflects broader national discussions about the appropriate use of information and sensitivity to families.

10. Updates on New Shelter/Transitional Housing Capacity

Discussion: H4HP Staff reported that between January and March 2026, three new emergency and transitional housing projects are expected to open. Projects include a new shelter in Watsonville, HOPE Village (formerly known as Recurso de Fuerza); Live Oak Landing, a bridge housing program; and Casa Sankofa (also known as Freedom House), an 11-unit, 21-bed transitional housing program for youth experiencing homelessness. Additional information on opening dates and community events will be shared as available.

11. Status of HHAP-6 Funding Application



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Discussion: *H4HP Staff provided updates on the HAP Round 6 grant application. Staff reported completing requested amendments, including submission of a signed memorandum of understanding, clarification of key action timelines, minor budget adjustments, and alignment of prior grant funds with current key actions. It was noted that similar back-and-forth amendment requests are occurring statewide following a transition in state oversight of the funding program. Staff also shared that recent state guidance allows certain budget amendments to proceed without prior approval once submitted, providing increased flexibility after grant approval.*

Board Member Announcements

Tom Stagg will be leaving his position at Housing Matters effective December 31, but there is a possibility of his continued involvement in special projects. He intends to remain in Santa Cruz and continue working in the field.

Adjournment

Chair closed the meeting with holiday well-wishes.

Next Meeting: Monday, February 09, 2025, 11:00 am

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Discussion / Action Item 2: Coordinated Entry and Resource Collaborative

Proposed Action Item from:

Monica Lippi, Housing for Health Manager, Housing for Health Division
Adriana Vega, Senior Human Services Analyst, Housing for Health Division

Materials Prepared by:

Robert Ratner, Director, Housing for Health Division

Proposed Action(s)/Feedback Requested:

- 1) How to encourage/support a more centralized approach to updating resource directories and information?
- 2) How to meet felt need for agency-specific updated resource guides?
- 3) How to improve resource list and information available on 2-1-1 website?
- 4) How to improve 2-1-1 call center experience for those seeking services/resources?
- 5) How to more effectively harness the energy that goes into multiple agencies /programs maintaining their own resource directories?
- 6) How can this work be linked with “closed loop referral” efforts in the County?

Background

The Housing for Health Division partners and contracts with the United Way of Santa Cruz County / 2-1-1 to support a centralized access point for individuals at-risk of or currently experiencing homelessness. HUD Continuum of Care (CoC) coordinated entry funds support the role of United Way/2-1-1 within the CoC system of housing and service programs. Designated staff at United Way have access to the local Homeless Management Information System (HMIS) to help with care coordination and referrals. The United Way team provides the following:

- Serves as a central point of contact for individuals at-risk of or currently experiencing homelessness in the County via the 2-1-1 phone number and online request form.
- They manage an online Connection Services Request form - [Requesting Connection Services - 211 Santa Cruz County](#) and maintain a list of individuals experiencing or at-risk of homelessness requesting services and supports from Connectors in the local coordinated entry system.
- Conduct follow-up with individuals that requested connection services to link them with at least one potentially useful resource when Connector-level services are not available.
- They maintain weekly resource availability information on shelters, sober living, and safe parking and monthly updates on affordable housing opportunities - [Housing Resources - 211 Santa Cruz County](#)
- They maintain a searchable web-based resource directory for individuals and service providers seeking supportive resources in specific areas. The website also offers printable resources.

Discussion / Action Item 3: Proposed Governance Charter Amendments

Proposed Action Item from:

Justin Cummings, District 3 Supervisor, Santa Cruz County Board of Supervisors
Serg Kagno, Executive Director, Stepping Up Santa Cruz, CoC Board alternate

Materials Prepared by:

Robert Ratner, Director, Housing for Health Division, County of Santa Cruz Human Services Department

Proposed Action

Amend the Santa Cruz County Housing for Health Partnership Governance Charter updated on December 17, 2025, to include the following changes outlined in red below:

p.7 – Operations Workgroup Section

“The Operations Workgroup should have appropriate representation of key CoC housing and service providers. The size of the group may vary over time but should not be too large to preclude inclusive discussions and collaborative decision-making. Participants in the group should make commitments to remain active in the group for a period of at least two years and must represent a cross-section of expertise in program types and subpopulations as well as geographic diversity. Participants must represent the relevant organizations and projects serving homeless populations, such as persons with substance use disorders, persons with HIV/AIDS, veterans, persons who are chronically homeless, families with children, unaccompanied youth, persons with serious mental illness, and survivors of domestic violence, dating violence, sexual assault, and stalking.

Participants in the group will ~~be recruited by CoC staff members to ensure active involvement among~~ include key housing and service provider organizational members of the CoC. Organizations that receive HUD CoC ~~and other local, non-CoC/ESG agencies which provide services to the same populations through other funding streams to allow providers to benefit from shared learning and discussions of best practices. and ESG funding and agencies that use the Homeless Management Information System (HMIS) will be strongly encouraged to participate.~~ Individuals from the CoC lived expertise working groups will be strongly encouraged to participate as well. CoC staff shall work to create a group with diverse perspectives, roles, and experiences according to the representation parameters described above.”

p. 10 – Coordinated Entry Connectors Workgroup Section

“a. Responsibilities

The Coordinated Entry Connectors Workgroup meets to receive regular updates and information on the CoC’s coordinated entry system. The meeting provides an opportunity for networking among CoC staff members and Connectors. Participants have an opportunity to

provide advice and support to others in similar roles and to offer input to CoC staff members on opportunities for improving Coordinated Entry within the CoC.

b. Membership

The Coordinated Entry Connectors Workgroup includes CoC staff involved with managing Coordinated Entry and designated Housing for Health Coordinated Entry Connectors within the CoC **and those interested from other local agencies working with the same populations to improve all services in our community.**

Rationale for Proposed Changes

- It would benefit our community to train all providers, regardless of funding source, to do the job as best as possible.
- It doesn't take much work to have more people on a Teams call or in a training which already has a dozen or two people.
- Many CalAIM providers are not in the Operations Workgroup or Coordinated Entry Collaborative yet and would benefit from it.
- Housing for Health and Coordinated Entry have been doing this work longer {than Health Improvement Partnership (HIP) and CalAIM providers} and have resources, knowledge, and best practices that would benefit members of the CalAIM PATH collaborative and HIP. HIP lacks subject matter expertise in housing.

H4H Staff Reasons for NOT Supporting Proposed Changes

- Both groups utilize our principles for who is part of the CoC System of Care – (1) HUD CoC or ESG grant recipients; (2) Entities with contracts or formal agreements with the Housing for Health Division; (3) Entities that collect data in HMIS.
- The Operations Workgroup and Coordinated Entry Collaborative focus on policies, procedures, information sharing, data quality improvement, care coordination, and other system support work beyond training and education. The activities of these groups are centered around supporting staff and organizations formally part of the CoC provider network.
- Participants are expected to meet certain expectations to remain active in both groups, e.g., adhere to CoC policies/procedures, HMIS standards, etc.
- The resources provided for participating groups provide an incentive for the *voluntary* participation of some organizations and staff that may not otherwise participate in the CoC system of care. Members influence CoC decisions, receive direct support from CoC staff, and have visibility into system planning and resource alignment. Their involvement also benefits the system by ensuring decisions are informed by the parties responsible for implementing system standards. Opening participation more broadly would dilute that incentive and shift these spaces away from their intended purpose.

- The Operations Workgroup has been kept relatively small to allow for “inclusive discussions and collaborative decision-making.”
- CalAIM and Medi-Cal service providers are represented in both the Operations Workgroup and Coordinated Entry Collaborative.
- Physical space, staff time, and financial resources are limited. The Housing for Health Division does not currently have the resources to provide training and support to all entities that work with individuals experiencing housing-related challenges.
- The CoC will continue to host at least two community meetings and training sessions per year open to broad participation.
- HIP and other agencies throughout the state receive funding to support CalAIM providers with their work, including housing-related work.
- The Housing for Health Division is currently in contract negotiations with the Central California Alliance for Health and Kaiser Permanente to support management of a Medi-Cal transitional rent benefit and to actively participate in bridging gaps between the CoC and Medi-Cal managed care plans and their contracted providers.

Lived Expertise Workgroup Update (4) & Information Items 5-9

4. Lived Expertise Workgroup Update

The Lived Expertise Workgroups have been temporarily paused due to changes in the status of contracts that supported the work of these groups. One of the contractors (Goodwill Industries) involved decided to end their work in this area at the end of 2025. Housing for Health Division staff are working on securing alternative support so this work can start again as soon as possible.

5. 2026 Point-in-Time (PIT) Count Update

On Thursday, January 29, 2026, over 100 volunteers supported the collection of data for a federally required Point-in-Time (PIT) Count of individuals experiencing homelessness within Santa Cruz County. Monterey and Santa Cruz County conducted the count on the same day to avoid double-counting of individuals on different days. The count involves four main components: (1) A visual survey and tally of people experiencing unsheltered homelessness (on January 29th between 5 am – 10 am); (2) A survey of youth experiencing homelessness, later in the day on January 29th; (3) A survey of a random sample of people experiencing homelessness (conducted 2-3 weeks after the visual survey); and (4) A count of people experiencing homelessness in shelters and transitional housing on the night of January 28, 2026 using Homeless Management Information System (HMIS) data and agency-specific surveys. This information is combined to develop an estimate of the number and characteristics of people experiencing homelessness on a single day. The final PIT count report is expected to be completed in the next three to four months. Prior reports can be found on the Housing for Health Partnership website - [Point-in-Time \(PIT\) Counts](#). *Thank you to Applied Survey Research, Sheryl Norteye, Alan Villatuya, and the hundred plus volunteers that make this count possible.*

6. Basic Needs and Connection Services Survey

The City of Santa Cruz and County recently released an online survey to gather community input and specific proposals related to helping people experiencing homelessness meet basic needs – restrooms, clean water, showers, etc. The March 31, 2026, planned closure of “day services” at the Housing Matters campus in the City of Santa Cruz coupled with the unplanned closure of services provided by the Mental Health Client Action Network (MHCAN) in August of 2025 prompted a collaborative planning effort and the desire for this survey. The survey was distributed to Housing for Health Division newsletter subscribers and will be posted on the Housing for Health website. Board members are encouraged to complete the survey and help distribute it to others that may have ideas and proposals to share. Surveys will initially be collected through February 13, 2026.

The survey can be found here - <https://forms.office.com/g/Hfh5FbU1Cb> and can be completed online or via a smart phone –



7. Status of HHAP-6 and HUD CoC Funding

HHAP-6

On January 30, 2026, the Housing for Health Division received notification from the California Housing and Community Development Department (HCD) that our County and CoC were approved for a HHAP-6 award of just under \$4.4M. Staff are working with HCD to execute the contract for this funding. HHAP funding primarily supports shelter operations within the County. HHAP funds also support outreach/connector services, flexible financial assistance, housing search/landlord incentives, and permanent supportive housing services.

HUD ESG and CoC Funding

On February 3, 2026, Congress approved, and the President signed into law a consolidated appropriations bill that included FY 2026 funding for HUD programs. The bill provides a total of **\$4.417 billion** for Homeless Assistance Grants, which is up **12% over the FY 2025 level**, but still insufficient according to the National Alliance to End Homelessness (NAEH) to meet all needs for renewal projects, recovery from FY 2025 losses, cost-of-living adjustments (COLA) for front-line staff, fair market rate (FMR) adjustments, and new projects to meet critical needs of priority populations.

In addition, the bill firmly **rejects earlier Trump Administration proposals** that would have disastrously cut and block granted the Continuum of Care (CoC) program, and it **partially rejects some of HUD's debilitating policies** that allowed unlimited program and contracting delays and would have *capped* Tier 1 (locally prioritized projects) at 30% of a CoC's overall award. Rather, the **bill set a Tier 1 floor of 60% of the CoC's overall award** and provides extensive direction to HUD requiring the timely non-competitive award of FY 2025 renewals.

Finally, the language of the bill appears to reflect a **status quo approach** to Homeless Assistance Grants, making **no references to HUD's more pernicious proposals** (e.g., cutting permanent housing, ending Housing First and Harm Reduction, and prioritizing transitional housing [TH] and treatment services at the expense of permanent housing), but also not explicitly rejecting those HUD proposals.

Below are further section-by-section details:

ESG Program Funding

The bill provides **\$290 million** for formula Emergency Solutions Grants (ESG). This is the same amount as in all recent years.

CoC Program Funding

The bill allocates **\$4.01 billion** for the Continuum of Care (CoC) program (a welcome increase from \$3.54 billion in FY 2025, but as still insufficient). The amount includes the following status quo set-asides:

- **\$52 million** for *new* domestic violence projects, including rapid rehousing (RRH) and coordinated entry; and
- **\$10 million** for the National Data Analysis Project.

YHDP Program Funding

The bill further provides **\$107 million** for the Youth Homelessness Demonstration Program (YHDP) competitive grants for up to 25 new communities (at least 8 rural), including the following set-asides:

- **\$25 million** for youth homelessness system improvement grants (it appears we may be eligible to apply); and
- **\$10 million** for technical assistance.

Additional Provisions of Interest

- The bill provides **reasonable COLAs** for CoC Program front-line staff.
- The bill continues HUD's **emphasis on reallocation** of lower performing grants to higher performing projects.
- The bill requires that HUD select at least **60% of each CoC's projects** based upon the CoC's own project rankings (i.e., providing a 60% Tier 1 floor).
- The bill continues HUD flexibility to set **CoC Planning grants at 5%** of the CoCs annual renewal demand (ARD), which is above 3% set in the McKinney-Vento Act.
- The bill continues HUD's authority to **competitively or non-competitively renew or replace existing YHDP grants** using CoC program funds.
- The bill requires HUD to issue the FY 2026 CoC/YHDP NOFO no later than **June 1, 2026** and make awards no later than **December 1, 2026**.
- The bill allows CoC funding recipients to set **preferences for elderly, families, disabled persons** or families experiencing homelessness.
- The bill clarifies that persons at **imminent risk of homelessness** may be served by **joint TH/RRH** projects.
- The bill continues the policy of allowing **1-year transition grants** for applicants wanting to change from one project type to another.

Additional Provisions Regarding FY 2025 CoC/YHDP Funds

The bill requires that, prior to awarding any funds under a FY 2025 NOFO, HUD must **non-competitively renew for one 12-month period all projects expiring during the first quarter of 2026** (including YHDP and Shelter Plus Care projects). Also, if HUD has not yet made FY 2025 awards by April 1, 2026, HUD must also **non-competitively renew for one 12-month period all such projects expiring during the second quarter of 2026**. Finally, if HUD has not yet made FY 2025 awards by July 1, 2026, HUD must also **non-competitively renew for one 12-month period all such projects expiring during the third and fourth quarters of 2026**.

The bill requires upward adjustments of **FY 2025 renewals** amounts to account for **FMR increases and COLAs** for front-line staff.

The bill requires HUD to issue a **competitive CoC/YHDP NOFO** for any **FY 2025 amounts not renewed** through the process above.

What does this mean locally?

Our community receives close to \$8M/year in HUD CoC and ESG funding. The appropriations bill increases the probability that current grant recipients will have their grants renewed for at least one year within the next few months. This is a significant improvement from expected dramatic cuts and changes to the funding program described in HUD's initial FY 2025 Notice of Funding Opportunity announcement.

The timing of grant renewals depends on the actions that HUD takes in response to the appropriations bill and the federal court injunction currently in place. Our CoC will likely need to conduct an application rating and ranking process in the first half of 2026. HUD CoC grants within Santa Cruz County that expired in December 2025, or January 2026 have been renewed.

Our CoC has a permanent supportive housing rental assistance grant that expires at the end of February 2026. This program provides rental assistance to more than fifty formerly homeless seniors and people with disabilities living in master leased units in the private rental market. Housing for Health Division staff will be reaching out to HUD staff and CoC grant recipients to push for renewal of this and other expiring grants as quickly as possible.

8. Updates on New Shelter/Transitional Housing Capacity

- (1) HOPE Village (formerly known as "Recurso de Fuerza") – a 34-bed low-barrier navigation center, modular new construction project in Watsonville. A collaborative project with Monterey County and the Central California Alliance for Health. Initial target population is unsheltered individuals living in camps near the Pajaro River. Longer-term plan is to serve homeless individuals with significant health care needs referred from health care partners. Operator is Community Action Board (CAB). Project opened on Monday, February 2nd! Clients will be enrolled in the program in phases to

ensure the facility functions well and staff have time to engage and support new residents as they enter.

- (2) Live Oak Landing (formerly known as the Santa Cruz Inn) – a former 20-room hotel in Live Oak acquired by Housing Matters with financial support from the County and City of Santa Cruz. Will serve as a 24-bed emergency housing program for unsheltered individuals with behavioral health conditions living in or formerly living in camps in the Harvey West neighborhood. Population will shift over time to serve homeless individuals with behavioral health challenges. Operator is Housing Matters. Scheduled to open in March/April 2026.
- (3) Bridge House - a 32-bed low-barrier navigation center, modular new construction project in Soquel. Funded with one-time state behavioral health dollars. Will serve individuals experiencing homelessness with behavioral health conditions. Operator is Housing Matters. Scheduled to open in March 2026.
- (4) Casa Sankofa (property name is Freedom House) - a 11 unit, 21-bed capacity transitional housing program for youth experiencing homelessness. Funded with state Homekey and HHAP funding. Will serve youth between the ages of 18-24 y/o experiencing homelessness. Operator is Bill Wilson Center. Scheduled to open in April 2026.

9. City of Watsonville Multi-Disciplinary Team Street Outreach Pilot

The City of Watsonville in partnership with the Housing for Health Division, Community Action Board (CAB), and County Behavioral Health are working to develop a Multi-Disciplinary Team street outreach pilot program within the City of Watsonville. The concept includes a community service officer from the Watsonville police department working with a CAB outreach referral/connection specialist to link people experiencing homelessness with useful resources that help them on a path to stable housing and support. CAB will also have two full-time staff providing more intensive outreach, engagement, and care management services for unsheltered individuals with higher-level needs. County Behavioral Health Division mental health liaisons and mobile crisis staff will be included in team planning/coordination conversations with members of this team. The Housing for Health Division received approval from HUD for technical assistance support to help launch this new team effort. The team structure will utilize state laws related to “Homeless multidisciplinary personnel teams” that create structures and guidance for cross-system collaboration and information sharing.