



Factsheet on Prop 1 Bond:

Permanent Supportive Housing Program Guidance

Department of Housing and Community Development,
in partnership with CalVet

Sept 19, 2024

This Program Guidance is for the Proposition 1 Bond construction funding for new permanent housing with services for people with mental health and substance use challenges.

- Proposition 1, which was passed by voters in May 2024, includes two parts: a \$6.4 billion Behavioral Health Infrastructure Bond for treatment settings and housing with services, and reform of the Behavioral Health Services Act to focus on people with the most serious needs.
- These funds are for the purpose of creating more than **4,000 new permanent housing units paired with supportive services**, through conversion of existing buildings.
- HomeKey+ housing is for people with mental health or substance use challenges who are homeless or at risk of homelessness.
 - Half of the new housing is reserved for Veterans.
- HomeKey+ is modeled on HomeKey, which quickly created more than 15,000 permanent housing units by converting existing buildings. The added “+” indicates the behavioral health support paired with these units. HomeKey+ is also based on the Veterans Housing and Homeless Program (VHHP), which created more than 5,500 housing units that are helping drive down homelessness among California veterans.
- [Public feedback](#) on this guidance is requested, and accepted through September 30.

This funding will total up to \$2.2 billion for new permanent housing paired with services.

- This funding is available to local public entities, such as cities, counties, and public housing authorities. They may co-apply with a housing developer.
- Tribal entities will be able to apply for funding open only to tribal entities, totaling approximately \$120 million.
- The primary funding source is the **entire \$2 billion** from Prop 1 for new permanent housing for people with mental health and substance use challenges.
- To create more housing faster, an **additional \$250 million** is being made available, from the State's Housing and Homeless Housing, Assistance, and Prevention (HHAP) HomeKey Supplemental programs.
 - These funds are only available to local jurisdictions building housing in compliance with the housing element of the state's general plan.

The Request for Application (RFA) will be available November 2024.

- Applications will then be accepted by the California Department of Housing and Community Development on a rolling basis.
- **Awards will be distributed beginning March 2025** and continue until funds are exhausted.
- All construction must be done within 12 months of award.

Key requirements for all HomeKey+ projects:

- Housing must be permanent and can include: Conversion of nonresidential structures, commercially zoned structures, or buildings with existing residential uses; new construction of multifamily rental housing projects; scattered site housing; and shared housing.
- Supportive services are required, such as: Case management; 24/7 online, telephone or in person support; Behavioral health services, e.g. assessments, crisis counseling, individual or group therapy, peer support groups available on site or upon referral basis to residents; Links to other healthcare, e.g. preventative care, dental, medication management, wellness services; and Benefits Counseling and advocacy, e.g. education or employment services, life skill training, legal assistance.

- Homeless or at-risk youth up to age 25 will be the target of 8% of funds available for both Veterans and all Californians. There is not a target in the funds for tribal entities.
- All projects must have a plan for sustainable operations - including using behavioral health funds unlocked by Prop 1 and California's Behavioral Health Transformation.

Accountability: State investments in housing for homeless people, including chronically homeless people and veterans, are already having an impact in communities statewide.

- You can see how [many housing units the State has already funded and have opened](#) through both HomeKey for chronically homeless and the Veterans Housing and Homeless Prevention Program.
- For specifics on local awards, you can see the [HomeKey dashboard](#) and the [Veterans Housing and Homeless Prevention report](#)

What's Next for Prop 1 and California's Behavioral Health Transformation?

- BOND FOR TREATMENT SITES: **Applications due by December 13** for [Prop 1 Behavioral Health treatment settings \(BHCIP Round 1: Launch Ready\)](#). Awards will begin in May 2025. BHCIP Round 2: Unmet needs will become available in mid-2025.
- WORKFORCE: [BH State Workforce Strategy](#) released in September 2024.
- TREATMENT FOR SERIOUSLY ILL: [CARE Court statewide](#) in all counties by Dec 1, 2024.
- COUNTY PLAN for ALL BH SERVICES: First guidance by end of 2024, go-live July 1, 2026.