



Housing and Homelessness Incentive Program (HHIP) Round 5: Notice of Funding Opportunity (NOFO)

CalOptima Health solicits capital grant requests to increase housing options for people experiencing homelessness with a focus on permanent, affordable and transitional housing.

Application Deadline — December 19, 2025, at 5 p.m. PST

Background

CalOptima Health's mission is to serve member health with excellence and dignity, respecting the value and needs of each person. With a goal of reducing health inequities, CalOptima Health is expanding programs and partnerships to better serve members, especially those at risk of poor health outcomes, including individuals experiencing homelessness. CalOptima Health's Board of Directors has shown strong support for addressing homelessness by allocating Board-reserved funds, which are key to the community investment strategy.

CalOptima Health also participated in the Department of Health Care Services' Housing and Homelessness Incentive Program (HHIP), earning additional funds to support health and housing services for Medi-Cal members experiencing homelessness or at risk of homelessness. This voluntary program incentivized managed care plans to actively reduce and prevent homelessness by supporting the delivery and coordination of health and housing services for Medi-Cal members.

CalOptima Health has directed investments to four priority areas:

1. Infrastructure to coordinate and meet member housing needs
2. Partnerships and capacity to support referrals for services
3. Delivery of services and member engagement
4. Innovation and implementation of strategic interventions

Together, the funds from CalOptima Health's Board and HHIP have supported meaningful investments across Orange County. This fifth funding opportunity will focus on capital projects to increase housing options for people experiencing homelessness, especially those who are from disproportionately impacted populations. **The application period is November 3 through December 19, 2025.**

Community Investment Strategy

CalOptima Health is prioritizing projects and programs that are trauma-informed, inclusive, nonresidency restricted, low-barrier and aligned with housing-first and harm-reduction principles. This includes ensuring the “voice of lived experience” is integrated into all phases: design, development, implementation and evaluation.

CalOptima Health is committed to the following:

- Working toward a cohesive, countywide approach to address and prevent homelessness.
- Developing equitable systems that distribute resources among a variety of community service providers across all three service planning areas.
- Promoting and facilitating innovation in data collection and sharing, with emphasis on greater integration across systems.
- Establishing and/or using best practices in providing care by meeting members where they are and increasing access to that care.
- Delivering culturally competent services to traditionally underrepresented populations (e.g., families, seniors, LGBTQIA+ and people of color).
- Investment and implementation of programs that add to the available affordable housing pool.

Description of Capital Project Grant Funding Opportunity

CalOptima Health is offering a Capital Project Grant Funding Opportunity to support the development or enhancement of housing for individuals experiencing homelessness. This funding is for capital projects only, such as construction, renovation, conversion, expansion, furnishing or opening of housing units.

Eligible applicants must demonstrate how their project will increase the number of people connected to permanent housing or add new housing units. Projects must also ensure access to supportive services that are culturally appropriate and informed by the lived experiences of those served.

This opportunity is intentionally broad to encourage innovative proposals from organizations across Orange County. CalOptima Health is especially interested in capital projects that are ready to move forward but may be stalled due to budget shortfalls.

Funding cannot be used for lobbying or rental assistance and is subject to prevailing wage requirements.

Project Requirements:

1. Applicants must provide or connect participants to accessible supportive services.
2. At least 90% of units must serve households earning $\leq 50\%$ of the Area Median Income (AMI), with rents affordable to those households (see [Orange County Rent Income Limits](#)).
3. Current CalOptima Health capital grantees with active projects may apply if they can clearly demonstrate unanticipated cost overruns or an unexpected funding gap, with explicit supporting documentation.
4. Projects must be located within the County of Orange.
5. Applicants must have EITHER (A) approved construction permits OR (B) site control AND a letter of support from the city manager that includes the project site address.
6. At least 50% of total project funding must be secured. This may include the cost of the property.
7. Site visits are required for applicants who advance in the process. CalOptima Health will schedule these visits for selected applicants during the month of January.
8. Applicants must also meet the general eligibility requirements listed below.

Grant Budgets, Amounts and Duration

Grant Request Limits	Total Amount Available	Minimum # of Awards Available
Current CalOptima Health-funded projects: \$500,000 maximum For new applicants: \$5 million maximum	\$10 million	Two

Payment structure will be defined in the fully executed grant agreement for awarded grants.

Applicant Eligibility Requirements

1. Applicants must be a 501(c)(3) or equivalent in good standing with the IRS. Equivalent organizations may include tribes, public schools, universities, and local, state or federal government agencies and programs.
2. Applicants must propose projects that align with the funding priority described above.
3. Applicants who previously received funding from CalOptima Health must be in good standing with the terms of that contract or grant agreement to be eligible for new funding.
4. Funds must benefit actively enrolled CalOptima Health members.
5. Applicants are strongly encouraged to apply for funds when ready to implement their project.
6. Applicants must successfully complete an application and submit **all** necessary attachments and documentation by the deadline to be considered for funding.

Remember: Carefully review all priority-specific and general eligibility requirements. Applicants who fail to meet threshold requirements will be deemed ineligible.

Proposal Evaluation Criteria

Criterion		Maximum Points	Description of Basis for Assigning Points
1	CalOptima Health Core Value Alignment	5	Project is trauma-informed, inclusive, nonresidency restricted, low-barrier, person-centered and aligned with housing-first and harm-reduction principles.
2	Project Description	10	Applicants must clearly explain how their project aligns with the funding opportunity and specify how the project will benefit actively enrolled CalOptima Health members.
3	Project Implementation	15	Plan must be complete and include measurable objectives, logical and feasible activities, and clearly defined measures of success (such as SMART objectives). Timelines should be clear, realistic and well-structured.
4	Budget and Financial Management	15	- Project must demonstrate financial sustainability beyond this funding opportunity and should not rely on ongoing grant support. - Applicants must provide evidence of additional secured funding that meets or exceeds the minimum threshold: 5 points: 50%–80% of project funding secured. 15 points: 80% or more of project funding secured.
5	Readiness	15	Projects that can demonstrate viability and be fully operational soon after grant award will receive more points.
6	Experience	15	- Applicants must demonstrate experience in developing housing options for people experiencing homelessness in Orange County. - Organizations with a proven track record of successfully completing similar projects will receive additional points.
7	Capacity of Applicant	5	Ability to demonstrate financial and management capacity to carry out the project, as evidenced in the submission of required materials in the application portal.
8	Support Service Planning	10	- Demonstrate how people served at this project will have access or referral to supportive services. - Application packet includes a letter of commitment or attestation regarding the plan for support services.
9	Housing Type	10	- Provision of a housing service or type of housing that meets a need/fills a service deficit in Orange County. - Permanent and affordable housing projects that include many units designated for “extremely low income” (rent at 30% AMI or less) will receive more points.
10*	Bonus Points: Project Permitting	10	Projects that are already permitted, as evidenced through documentation, will receive these bonus points.
Total Earnable Points		110	

Application Timeline

Action	Date
Application Released/Portal Opens	November 3, 2025
Round 5 NOFO – Bidder’s Conference <i>* Q&A posted on the funding opportunity webpage by November 20, 2025</i>	November 18, 2025 at 1 p.m. PST
Application Deadline	December 19, 2025 at 5 p.m. PST
Internal Review <i>*Applicant site visits will begin mid-January</i>	December 20, 2025– February 20, 2026
CalOptima Health Board of Directors’ Meeting	March 5, 2026
Announcement of Approved Grants	March 6, 2026
Grant Start Date	April 1, 2026

Documents and Portal Access

All documents related to this NOFO and application portal access are available at this site:
<https://www.caloptima.org/en/About/CurrentInitiatives/CalAIM/FundingOpportunities>

Bidder’s Conference

Join our **Bidder’s Conference** for this funding opportunity by registering through the link below:

Date and Time: Tuesday, November 18, 2025, 1 p.m. PST

Link: https://us02web.zoom.us/webinar/register/WN_cGOF4_lvRPSkqf4Jyj1hTQ

Questions about the funding opportunity or application? Contact the CalAIM Grants team at calaimgrants@caloptima.org.