Orange County
Continuum of Care Board
Special Meeting
December 9, 2021

Homekey Program Update and Recommendation

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Business Calendar – Item #1

Homekey Program Round 1

- Homekey Program Round 1 made $645 million in funding available across the state.

- The Southern California Region was allocated $55,577,540 in Federal Coronavirus Relief Funds and $ 5,052,504 in State General Funds.

- On August 26, 2020, the Orange County Continuum of Care (CoC) authorized the utilization of Homeless Housing, Assistance and Prevention (HHAP) Program Round 2 funding to provide the operating subsidies for Homekey Program proposals to operate as interim housing before developing into permanent supportive housing.

- Homekey Program Round 1 Projects:

    1. **Stanton Inn & Suites**
    Total number of units: 70 units of non-congregate shelter
    Partners: Jamboree Housing Corporation and American Family Housing
    Target population: vulnerable individuals who are age 65 and older and/or having underlying health conditions that pose high risk for severe COVID-19 illness

    2. **Tahiti Motel**
    Total number of units: 57 units of non-congregate shelter
    Partners: Jamboree Housing Corporation and American Family Housing
    Target population: vulnerable individuals who are age 65 and older and/or having underlying health conditions that pose high risk for severe COVID-19 illness

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Homekey Program Round 1

- Referrals into the Homekey Program ended on November 30, 2021.

- The Stanton Inn & Suites and Tahiti Motel Homekey Program sites are scheduled to begin site rehabilitation and develop into permanent supportive housing options starting in Spring 2022, with interim housing operations ending on March 31, 2022.

- With the Homekey Program interim housing operations ending at the Stanton Inn & Suites and Tahiti Motel sites, the following allocated HHAP Round 2 funding is no longer needed:

  o **County of Orange**: $2,909,070

  o **Orange County CoC**: $3,250,138

Homekey Program Round 1 Performance Metrics
Reporting Period: 11/25/2020 to 11/30/2021

Number of Participants Currently Enrolled	137
Total Number of Participants Served	219
Total Number of Participants Exited	82
Number of Participants who Exited to Permanent Housing Opportunities	53 (62%)
Number of Active Participants Currently Matched to Housing Opportunities	83 (61%)
Average Length of Stay	178 Days
Number of Participants Enrolled in SSI/SSDI Advocacy Programs	39
Number of Participants Enrolled in CalOptima Benefits	85%

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Homekey Program Round 2

- On September 2, 2021, the California Housing & Community Development announced the availability of approximately $1.45 billion in Homekey Program Round 2 funding through the release of the Notice of Funding Availability (NOFA).

- Summary of key items detailed in the NOFA:

  - **Capital Award Per Door** - $150,000 - $200,000. Award level must be justified by appraisal and other documentation.

  - **Capital Match** - 1:1 up to an additional $100,000 per door.

  - **Operating Award per Unit** - $1,000 -$1,400 per Assisted Unit per month. Award level must be justified by appraisal and other documentation.

  - **Operating Match** - Two (2) years if Applicant commits three (3) years of operating funding; three (3) years if Applicant commits four (4) years of operating funding.

  - **Capital Expenditure Deadline** - Eight (8) months from the date of the award, per statute.

  - **Operating Expenditure Deadline** - June 30, 2026

  - **Occupancy Deadline** - Within 90 days of construction or rehab completion.

  - **Bonus Awards** - For applications submitted by January 31, 2022; for expedited occupancy within eight (8) months of award.

Homekey Program Round 2 Project Proposals

The County of Orange, including OC Community Resources and Office of Care Coordination, has identified three Homekey Program Round 2 project proposals that will submit an application in advance of the January 31, 2022, deadline for the bonus award and geographic pools.

1. **Riviera Motel**
   Location: Stanton – North Service Planning Area
   Project description: Rehabilitation of motel into Permanent Supportive Housing
   Co-Applicant and Developer: Jamboree Housing Corporation
   Number of units: 20 units of Permanent Supportive Housing, one (1) unit for use by the property manager.
   Target Population: Individuals who are at-risk of homelessness, experiencing homeless or chronic homelessness earning no more than 30% of the Area Median Income (AMI) and who are MHSA eligible and/or veterans

2. **Motel 6**
   Location: Costa Mesa – Central Service Planning Area
   Project description: Rehabilitation of motel into affordable, permanent housing.
   Co-Applicant and Developer: Community Development Partners (CDP)
   Number of units: 94-unit motel property will be converted into 88 units of affordable housing.
   Target Population: Individuals who are experiencing homelessness and have been impacted individuals impacted by COVID-19, MHSA eligible individuals, veterans, and seniors

Homekey Program Round 2 Project Proposals

3. **Huntington Beach Oasis** (currently known as the Quality Inn)
   Location: Huntington Beach – Central Service Planning Area
   Project description: Property will operate as interim housing for a period of up to five years and will develop into Permanent Supportive Housing for individuals with low-income.
   Co-Applicants and Developers: American Family Housing and National Community Renaissance (National CORE).
   Number of units: 62 units of Permanent Supportive Housing, two (2) units for use by the property manager.
   Target Population: Individuals experiencing chronic homelessness

- The Huntington Beach Oasis project proposal requires a funding commitment of $7.3 million to operate as interim housing for up to five years. The County of Orange in partnership with the City of Huntington Beach, Co-Applicant and Developer have been working to identify available funding to provide operating subsidies for this project.

- Office of Care Coordination is recommending the use of **$1,250,000 in HHAP Round 2** funding allocated to the Orange County CoC to provide enough funding for up to three years of interim housing operations, along with additional funding identified by HCA.

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Recommended Action

- Approve the allocation $1,250,000 in Homeless Housing, Assistance, and Prevention (HHAP) Round 2 funding to the Huntington Beach Oasis, a Homekey Program Round 2 project application, if awarded by California Department of Housing & Community Development, during interim housing phase.