



County of San Mateo

Inter-Departmental Correspondence

Department: HOUSING

File #: 20-608

Board Meeting Date: 8/4/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Raymond Hodges, Director, Department of Housing
Subject: Authorization to apply for Project Homekey Funds from the State of California Department of Housing and Community Development

RECOMMENDATION:

Adopt a resolution authorizing the County Manager or the Director of the Department of Housing to prepare and submit one or more applications for Homekey Program funding to the State of California Housing and Community Development and to execute on behalf of the County of San Mateo all relevant documents related to the Homekey Program including any and all notices, options, consents, approvals, letters of intent and purchase and sale agreements with potential sellers, escrow instructions, as well as one or more applications for Homekey Program funding and any other documents needed to facilitate the County's participation in the Homekey Program.

BACKGROUND:

The COVID-19 pandemic has exacerbated existing community needs and inequalities. In many communities, homelessness was already experienced disproportionately by race and other protected classes, and persons experiencing homelessness are at great risk of infection and death due to COVID-19.

In response to COVID-19, San Mateo County, in partnership with community-based homeless service providers, implemented new homeless shelter services in the form of hotel-based non-congregate shelter programs, to provide additional shelter capacity for vulnerable people experiencing homelessness during COVID-19 who are at risk of severe illness if they were to contract COVID-19. The State has provided some funding and technical assistance related to non-congregate shelter programs via an initiative known as Project Roomkey.

In San Mateo County, there are two Project Roomkey non-congregate shelter programs serving vulnerable people experiencing homelessness.

The Offsite Temporary Shelter Program provides shelter to up to 94 households at various hotel sites throughout the County. Clients in this program receive case management and other supportive services from one of the homeless shelter providers, LifeMoves, Project WeHOPE or Samaritan

House. This program includes individuals who had been staying in one of the congregate shelters and were moved into this program in order to have a safer sheltering environment and allow the existing shelter sites to reduce the number of clients being served at the shelter location and thus, facilitate social distancing at all shelters.

The second Project Roomkey program is Bayfront Station. Bayfront Station is a non-congregate shelter program located at a local hotel that provides up to 83 rooms. Bayfront Station is coordinated by HSA and is operated by Samaritan House. Clients residing at Bayfront Station receive case management, wrap-around services, case management services, and on-site security.

In order to ensure integration with the overall homeless crisis response system and to ensure that eligible vulnerable clients are served in these programs, these programs are accessed via the County's Core Service Agencies, as the coordinated entry points for homeless services.

DISCUSSION:

The Homekey Program, administered by the California Housing and Community Development Department (State HCD), will provide funding to rapidly sustain and expand the inventory of housing for people experiencing homelessness or at risk of homelessness and impacted by COVID-19. Homekey is an opportunity for local public agencies to purchase motels and a broad range of other housing types in order to increase community capacity to respond to homelessness and the ongoing COVID-19 pandemic. Homekey is designed to build off the success of Project Roomkey, although applications are not limited to Project Roomkey sites.

State HCD is authorized to provide approximately \$550 million in Homekey funding derived from the State's direct allocation of federal Coronavirus Relief Fund (CRF) and \$50 million in State General Fund to assist local public agencies in the acquisition of, and provide initial operating subsidies for, Homekey sites to promote project feasibility.

State HCD has issued a Notice of Funding Availability (NOFA) for \$600 million in Homekey Program funding, with an application deadline of August 13, 2020 for Tier 1 projects, which are projects that: (1) can be occupied within 90 days from the date of acquisition; and (2) are permanent housing or will result in permanent housing. Homekey Program funding from the CRF for the acquisition of said sites will have an expenditure deadline of December 20, 2020.

Working in collaboration, the County Human Services Agency, Department of Housing and Real Property Services intends to submit one or more applications to State HCD for Homekey Program funding to acquire one or more motels, hotels, hostels, or other eligible housing types. The goal of this program is to provide interim housing for persons experiencing homelessness or who are at risk of homelessness and who are currently being housed in Project Roomkey temporary hotel/motel rooms or otherwise impacted by homelessness and the COVID-19 pandemic. The interim housing will provide safe harbor to impacted individuals with the intent to utilize resources made available through the County Rapid Rehousing Program and other resources to connect to appropriate affordable rental housing and/or permanent supportive housing. The County will evaluate each property acquired through the Homekey awards for the feasibility to be converted to affordable rental housing and/or permanent supportive housing.

Project Homekey Planned Use

The planned use of Project Homekey funds is to acquire one or more motels, hotels, hostels, or other eligible housing types to continue providing shelter (also known as interim housing) to vulnerable people experiencing homelessness with a linkage to rapid rehousing services in order to support a

transition into permanent housing. Some of the individuals currently residing in Project Roomkey programs will be transitioned into the Project Homekey programs, where they will continue to receive shelter services and will receive intensive support on their individualized plans to return to housing as quickly as possible.

County Counsel has reviewed and approved the resolution as to form.

FISCAL IMPACT:

As, this action only authorizes the County to apply for Homekey funding, there is no net County cost. However subsequent action by the Board to accept an award of Homekey funding would likely require an as yet to-be-determined amount of matching funds, which would also require Board approval.