



**City Council Meeting**

Item #3 (21-933)  
Study Session on the California Department of Housing and Community Development's (HCD) Project HomeKey

July 13, 2021

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**Overview**

**BACKGROUND**

- In July 2020, HCD announced the Project HomeKey Program
- \$600 million to purchase and rehab housing, including hotels, motels, vacant apartment buildings, and convert them into interim housing
- The purpose of the program was to expand housing options for homeless persons who are at high-risk for serious illness
- By December 2020, Project HomeKey had resulted in the acquisition of 94 projects, representing 6,000 units of housing for individuals experiencing homelessness

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## Overview

### DISCUSSION

- In January of 2021, the Governor's proposed FY21-22 budget included another \$750 million allocation for Project Homekey 2.0
- Funding and Program Guidelines have yet to be approved; however, approval and a new call for applications is expected this Fall
- Study Session will provide an overview of Project HomeKey 1.0, focusing on a case study of the LifeMoves Mountain View project
- Staff is also seeking input on the City Council's potential interest for the City of Santa Clara to possibly participate in Project Homekey 2.0

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## Project HomeKey 1.0

### OVERVIEW

- Grant amounts: \$600 million total; \$91 million Bay Area (July 2020)
- Grant Funds must be expended by December 30, 2020
- Applicants: Cities, counties, or any other Local Public Entity (partner with housing development sponsor)
- Target Population: Households experiencing or at risk of homelessness and impacted by COVID19.
- Priority: Housing projects that can be occupied 90 days from the time the property is acquired

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## Project HomeKey 1.0

### TIMELINE

- Key Dates from 2020:
  - Priority application period: July 16th – August 13th
  - Final applications due: September 29th
  - Final Awards: October 2020
  - Close of Escrow: December 2020
- Grant Amounts:
  - Capital: \$100k-\$200k per door; Operating: \$1k per month per door<sup>5</sup>

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## Project HomeKey 1.0

### STRENGTHS

- SPEED (6 months, awards expended by December 30, 2020)
- COST EFFICIENCY (\$125 -\$150k per unit)
- SUBSIDY: All Projects can request up to \$100K per door; \$200k max
- LAND USE STREAMLINING
- INTERIM HOUSING SOLUTION
- VARIETY OF ELIGIBLE USES

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## **Project HomeKey 1.0**

### **CHALLENGES**

- LOCATION / PROJECT SITING
- TIMING
- COMMUNITY ENGAGEMENT
- NO REVENUE SOURCES
- OPERATING COSTS
- UNCLEAR LONG-TERM PLAN

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## **Next Steps**

### **LifeMoves Mountain View...**

- Case Study: 2566 Leghorn St. in Mountain View
- City Council feedback on potential interest for the City of Santa Clara
- Draft Resolution for Joint Application to HomeKey 2.0
- Wait for HomeKey 2.0 Program Approval / Guidelines
- Evaluate Developer proposals (Non-Exclusive)
- Community Engagement
- Source Funding for Operations

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**City Council Meeting**

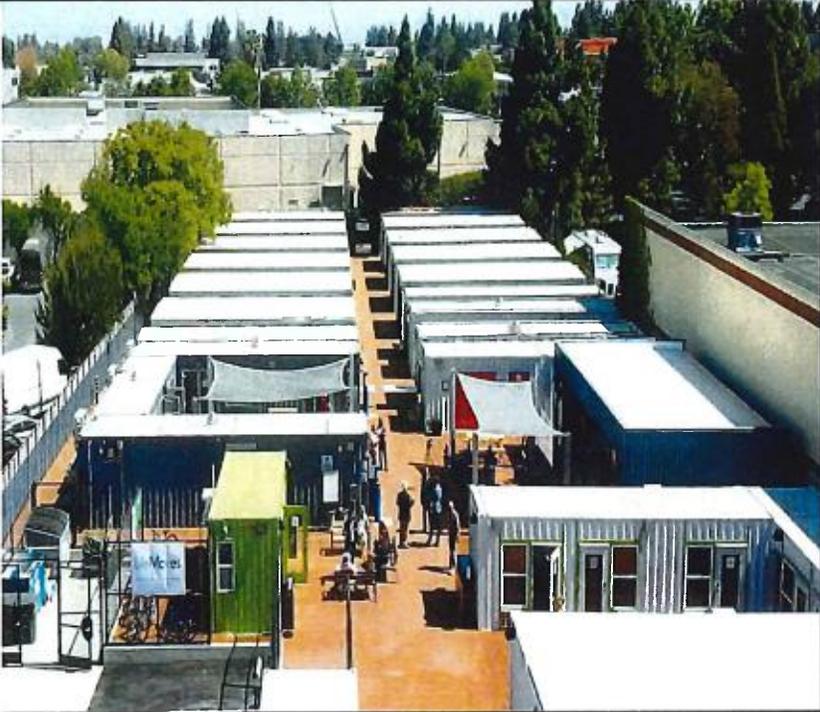
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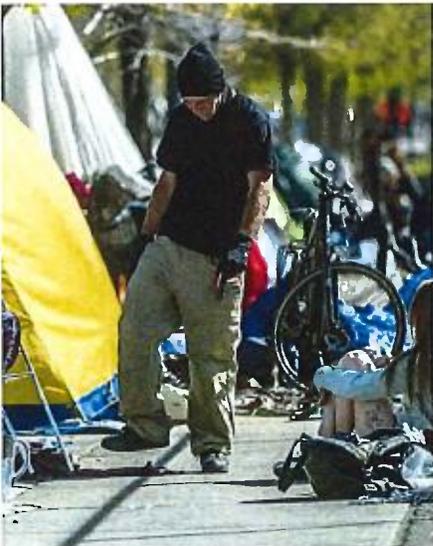
**LifeMoves  
Project Homekey 2.0**

Let's Partner to Solve  
Homelessness in Santa Clara





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## Urgent Need to Add Capacity

- Pre-pandemic, the homeless crisis continued to grow and became more visible
- COVID-19 compounded the challenges of homelessness
- Consider the potential wave of coming evictions
- Homekey 1.0 was an opportunity to increase interim supportive housing capacity in our communities
- Proof Point: LifeMoves and City of Mountain View awarded Project Homekey Aug. 2020 — Open now

**Will You Co-Apply with LifeMoves for a Project Homekey 2.0 in Santa Clara?**

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LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

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### 2019 Point in Time Count - Santa Clara

JURISDICTION	UNSHELTERED		SHELTERED		TOTAL		'17-'19 % CHANGE
	2017	2019	2017	2019	2017	2019	
<b>Total Incorporated</b>	<b>5,259</b>	<b>7,652</b>	<b>1,775</b>	<b>1,594</b>	<b>7,034</b>	<b>9,246</b>	<b>31%</b>
City of Campbell	94	74	0	0	94	74	-21%
City of Cupertino	127	159	0	0	127	159	25%
City of Gilroy	295	345	427	359	722	704	-2%
City of Los Altos	6	76	0	0	6	76	*
City of Los Altos Hills	0	2	0	0	0	2	*
Town of Los Gatos	52	16	0	0	52	16	*
City of Milpitas	66	125	0	0	66	125	89%
City of Monte Sereno	0	0	0	0	0	0	*
City of Morgan Hill	388	114	0	0	388	114	-71%
City of Mountain View	411	574	5	32	416	606	46%
City of Palo Alto	256	299	20	14	276	313	13%
City of San José	3,231	5,117	1,119	980	4,350	6,097	41%
City of Santa Clara	199	264	73	62	272	326	20%
City of Saratoga	12	10	0	0	12	10	*
City of Sunnyvale	122	477	131	147	253	624	147%

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### Proof Point: Homekey 1.0 | LifeMoves Mountain View



- 1 Acre
- 100 doors | 124 beds
- 30% supportive services space
- Cost: \$160K/door (including land purchase)
- 6 months to build (from HCD commit)
- Will serve 350 clients in the 1<sup>st</sup> year; 1,750 over 5 years
- Non-congregant

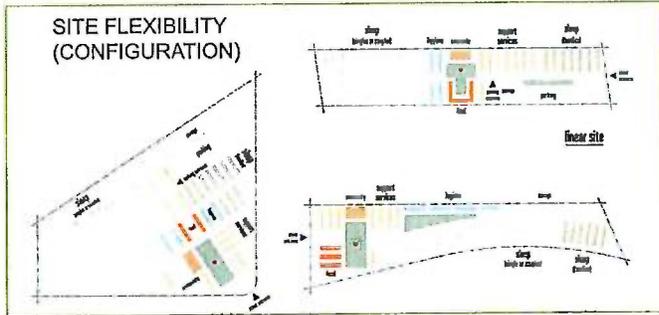
Visit the new site in Mountain View  
 Contact [awright@lifemoves.org](mailto:awright@lifemoves.org)

4 LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

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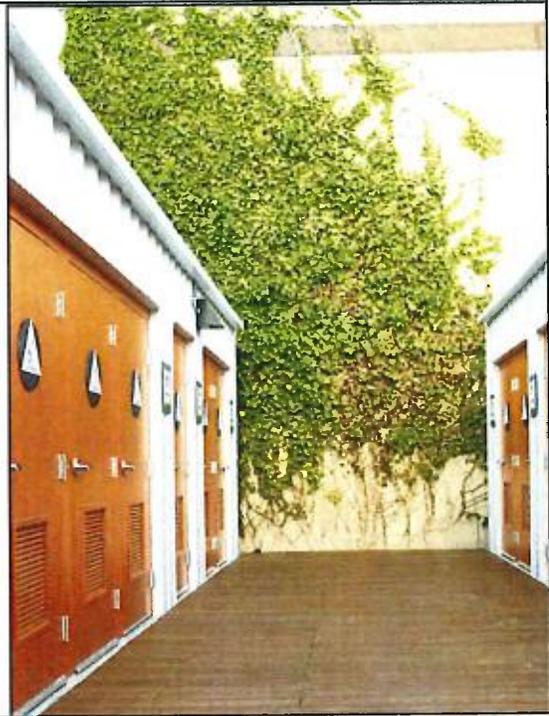
### Takeaways:

**Cost Efficient • Rapid Timeline**  
**Flexible Deployment • Immediate Impact**



**Is there one acre in Santa Clara  
for a LifeMoves | Project Homekey 2.0 site?**

5 LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS



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### Flexible Design



LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

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## Flexible Design



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## Budget\*: Homekey 2.0 | Template (100 doors)

### Capital Funds

Project Homekey awards cover all capital costs:

- Land \$5M
  - Buildings \$4M
  - Development \$8M
- Total: \$17M**

= \$170k/door based on 100 units

### Operating Funds

Annual Operating Cost: \$3.5M

Cost per bed/night: \$96

Potential sources of operating funds:  
A combination of Public and Private Funds.  
Federal, State, County, City, Corporate,  
Foundation and Individuals

\*Sample Budget. All sample data presented is taken from LifeMoves experience with Homekey 1.0, to build 100 units and program space.

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## 5 Key Ingredients for Successful Co-Application



- LifeMoves will:**
- Co-apply with the City of Santa Clara and complete the application with City's input
  - Provide an experienced real estate project management team

- City of Santa Clara will:**
- Co-apply with LifeMoves and provide input
  - Help ensure community acceptance
  - Expedite permits and processes

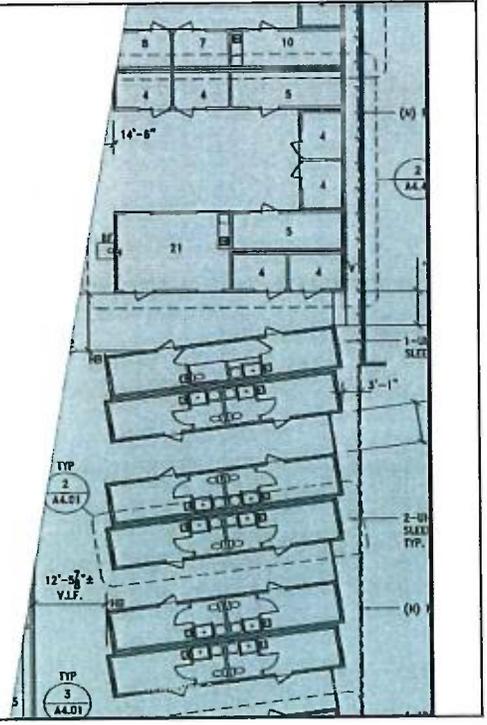
## Santa Clara | A Willing Municipality

The annual cost of leaving a persistently unsheltered person on our streets is \$83,000\*. According to the 2019 point-in-time count, the City of Santa Clara **had 264 unsheltered people**, incurring a share of that cost burden each year.

Communities making real progress on lowering the homeless population all have one thing in common -- **Commitment of leadership.**

Public (and private) **leaders must see ending homelessness as an important goal**, speak about it publicly, encourage collaboration and commitment from the community at large.

\*Source: 2015 Economic Roundtable Report, "Home Not Found: the Cost of Homelessness in Silicon Valley."



## LifeMoves | A Proven Provider of Services and Programs



Real estate department with experience in these projects who will carry the heavy load with the project team

Physical structure designs are critical from the start and throughout the project. LifeMoves will provide:

- Program design
- Staffing patterns
- Human user interface

Program spaces are designed with the case manager and clients firmly in focus at all times as they are the ultimate "consumers" of the project.

A plan or roadmap for exiting homelessness and achieving housing is created by the case manager and the client.

**11** LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

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## About LifeMoves

86% of families in shelters and 67% of all those engaging in LifeMoves programs successfully secured housing and returned to self-sufficiency



**26 Shelter & Service Sites**

**1,333 Clients per Night**

**237,300 Nights of Shelter**

**14 Emergency Shelter Sites**

**3 Temporary Housing Sites**

**3 Permanent Housing Sites**

**6 Service Sites**

**12** LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

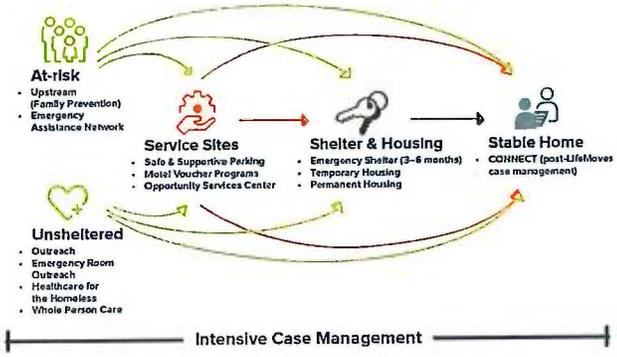
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## How We Do It

LifeMoves provides a holistic, client-centric program with intensive case management to address the specific needs of each of our clients.

We provide safe and clean living spaces, nutritious food, counseling and mental health support services, therapeutic childcare, after-school activities, employment services, and housing assistance to our clients.



**13** LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

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## Intensive Case Management

Intensive, holistic support services are foundational to all LifeMoves programs. Clients work 1:1 with a case manager to assess their needs and provide tailored wraparound services to best support our clients in their return to stable housing.

- Housing and Employment**
  - Rapid Re-Housing and Housing Specialists
  - Employment & Benefits Specialists
- Education Programs and Workshops**
  - Financial Literacy Programs
  - Health & Wellness Workshops
  - Summer Camp
- Therapy and Behavioral Health Services**



**14** LIFEMOVES | BREAKING THE CYCLE OF HOMELESSNESS

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**Let's get started!**  
Together we can dramatically, visibly and measurably impact homelessness in Santa Clara



**Homekey Application**  
Due August 2021



**Download**  
**THE PLAYBOOK**  
for modular,  
supportive  
interim housing  
[lifemoves.org/playbook](http://lifemoves.org/playbook)

**Present to Santa Clara**  
**City Council**



**Find**  
**One Acre of Land**

