

ORANGE COUNTY  
CONTINUUM OF CARE BOARD  
SPECIAL MEETING  
Thursday, December 9, 2021  
4 p.m. – 5 p.m.

**Webinar:**  
<https://ocgov.webex.com/ocgov/j.php?MTID=m21e74887c75a3bf0859658ec818c88af>

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## AGENDA

### Board Members

Jeanne Awrey, OC Dept. of Education  
Matt Bates, City Net  
Judson Brown, City of Santa Ana  
Natalie Bui, Veteran Affairs CRRC  
Donald Dermit, The Rock Church  
Becks Heyhoe, OC United Way [Secretary]  
Tim Houchen, Hope4Restoration  
Patti Long, Mercy House

Dawn Price, Friendship Shelter  
Albert Ramirez, City of Anaheim  
Maricela Rios-Faust, Human Options [Vice Chair]  
Soledad Rivera, Families Together of OC  
George Searcy, Jamboree Housing  
Tim Shaw, Individual [Chair]  
Christina Weckerly Ramirez, Health Care Agency

Call to Order – Tim Shaw, Chair

Board Member Roll Call – Becks Heyhoe, Secretary

Public Comments: Members of the public may address the Continuum of Care (CoC) Board on items listed within this agenda or matters not appearing on the agenda so long as the subject matter is within the jurisdiction of the CoC Board. Members of the public may address the CoC Board with public comments on agenda items in the business calendar after the CoC Board member discussion. Comments will be limited to three minutes. If there are more than five public speakers, this time will be reduced to two minutes.

To address the CoC Board, members of the public are to enter their name and agenda item number in the WebEx chat box to be placed in a queue. CoC Board staff will call your name in the order listed in the chat box.

### CONSENT CALENDAR

*All matters are approved by one motion unless pulled by a Board Member for discussion or separate action. The CoC Board requests that only pertinent information be discussed during this time.*

No Consent Calendar Items

## **BUSINESS CALENDAR**

1. **Homekey Program Update and Recommendation** – Zulima Lundy, CoC Manager and Karen Betances, Shelter Manager
  - a. Update on Homekey Program Round 1
  - b. Overview of Homekey Program Round 2 and Proposed Projects
  - c. 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.

**Next Meeting:** Wednesday, December 15, 2021, from 10 a.m. to 12 p.m.

**Date:** December 9, 2021

**Subject:** Homekey Program Update and Recommendation

**Recommended Actions:**

- a. Update on Homekey Program Round 1 funding
- b. Overview of Homekey Program Round 2 and Proposed Projects
- c. 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.

**Background and Analysis**

**Homekey Program Round 1**

Homekey Program is the next phase in the state’s response to protecting Californians experiencing homelessness who are at high risk for serious illness and are impacted by COVID-19. Under the Homekey Program, local entities will partner with the state to acquire and rehabilitate a variety of housing types, including (but not limited to) hotels, motels, vacant apartment buildings, and residential care facilities in order to serve people experiencing homelessness or who are also at risk of serious illness from COVID-19.

Homekey Program Round 1 made \$645 million in funding available across the state. The state is divided into eight regions for funding allocations; Orange County is in the Southern California Region (without Los Angeles) along with Imperial, Riverside, San Bernardino, and Ventura Counties. 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 authorized the utilization of Homeless Housing, Assistance and Prevention (HHAP) Program Round 2 funding to provide the operating subsidies of Homekey Program proposals as submitted to the California Department of Housing & Community Development (State HCD), pending award, and request the Orange County Housing Authority match ten (10) mainstream vouchers to the three Homekey Projects.

The County of Orange was awarded funding for two Homekey Projects – Stanton Inn & Suites and Tahiti Motel. The two Homekey Program sites started operating as an interim housing option, providing 132 units of non-congregate shelter to vulnerable individuals who are age 65 and older and/or having underlying health conditions that pose high risk for severe COVID-19 illness. Jamboree Housing Corporation and American Family Housing partnered to operate the sites, providing program participants with wrap around services and linkages to community resources.

The two Homekey Program sites are scheduled to begin their site rehabilitation and develop into permanent supportive housing options starting in Spring 2022, and interim operations will end on March 31, 2022. As such, referrals into the Homekey Program ended on November 30, 2021. The HHAP Round 2 funding that was allocated, including \$2,909,070 from the County of Orange and \$3,250,138 from the

Orange County CoC, is no longer needed for operating subsidies at the Stanton Inn & Suites and the Tahiti sites, and will become available for use by the Orange County CoC. As such, the County of Orange acting as the Administrative Entity for the Orange County CoC is looking to identify additional opportunities to best utilize the allocation of the HHAP Round 2 funding that effectively address homelessness for persons in Orange County.

### Homekey Program Round 2 Overview

On September 2, 2022, the State HCD announced the availability of approximately \$1.45 billion in Homekey Program Round 2 funding through the release of the Notice of Funding Availability (NOFA). This significant investment continues a statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness, and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic.

The County of Orange, including OC Community Resources and the Health Care Agency (HCA) Office of Care Coordination, have been working diligently to identify potential projects by working with cities, developers, and non-profit service providers to respond to the Homekey Program Round 2 NOFA. The following is a summary of the key items detailed in the NOFA:

- **Capital Award Per Door** - \$150,000 - \$200,000. Higher level of support for Homeless Youth or Youth At Risk of Homelessness, Chronically Homeless, and Family Units. 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. Higher level of support for Homeless Youth or Youth At Risk of Homelessness and Chronically Homeless. 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.

The County of Orange 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. The following is a brief summary of the three Homekey Program Round 2 project proposals.

#### 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, of which 10 units are designated for Mental Health Services Act (MHSA) eligible individuals, and 10 units are for veterans eligible for the HUD-VASH. One (1) unit is designated 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. The 88 units of affordable housing include 40 Homekey Program-funded units to serve individuals experiencing homelessness who have been impacted by COVID-19 and the remainder 48 units will be affordable housing for seniors. Of the 40 Homekey Program-funded units, 10 units will be set-aside for individuals experiencing homelessness or at-risk of homeless individuals who meet the MHSA eligibility criteria and 30 units for veterans who meet the HUD-VASH criteria.

**Target population:** Individuals who are experiencing homelessness and have been impacted individuals impacted by COVID-19, MHSA eligible individuals, veterans, and seniors.

## 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 or homelessness.

The County of Orange has been working with the co-applicants, developers, and cities to identify various funding sources for the operational subsidies, rehabilitation and construction needs, as well as ongoing rental subsidies. The County of Orange will be taking an Agenda Staff Report to the Board of Supervisor's detailing the various funding commitments that make these projects competitive and viable.

The County of Orange has identified a funding gap for operational subsidies for the Huntington Beach Oasis project proposal to operate as interim housing for up to five years. As such, the Office of Care Coordination is recommending the use of \$1,250,000 in HHAP Round 2 funding allocated to the Orange County CoC to support in making this project whole. This funding allocation, along with additional funding identified by HCA will provide enough funding for up to three years of interim housing operations.

Recommended Action C supports the continuous build out of the System of Care and providing interim and permanent housing options to those experiencing homelessness in the North and Central Service Planning Areas. It will also support the competitive application of one Homekey Program Round 2 project application to State HCD supported by the City of Huntington Beach. The Homekey Program provides an immediate opportunity to impact those experiencing homelessness by providing the permanent housing needed across the System of Care for those served by the CoC.