

1 [Apply for Grant - California Department of Housing and Community Development -
2 Homekey+ Grant Program - 1035 Van Ness Avenue - Not to Exceed \$32,500,000]

3 **Resolution approving and authorizing the Department of Homelessness and**
4 **Supportive Housing to jointly apply with 1035Vets, LLC to the California Department of**
5 **Housing and Community Development for the Homekey+ Grant for the property located**
6 **at 1035 Van Ness Avenue in a total amount not to exceed \$32,500,000 or the maximum**
7 **award amount allowable under the Notice of Funding Availability, whichever is greater,**
8 **on behalf of the City and County of San Francisco.**

9
10 WHEREAS, The California Department of Housing and Community Development
11 (“HCD”) issued a Notice of Funding Availability (“NOFA”) dated November 26, 2024, and
12 Amended January 31, 2025, for grant funds under the Homekey+ Program authorized by
13 Health and Safety Code, Section 50675.1.3 (Assemb Bill No. 140 (2021-2022 Reg. Sess.),
14 § 20.); Health and Safety Code, Section 50675.1.5 (Assem. Bill No. 531 (2023-2024 Reg.
15 Sess.); Section 14184.402 of the Welfare and Institutions Code; Section 5891.5 of the
16 Welfare and Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance
17 and Prevention (HHAP) grant program. (Assem. Bill No. 129 (Chapter 40, Statutes 2023)
18 and Assem. Bill No. 166 (Chapter 48, Statutes 2024), (“Homekey+”); a copy of the NOFA is
19 on file with the Clerk of the Board of Supervisors in File No._____; and

20 WHEREAS, HCD is authorized to administer Homekey+ funds pursuant to the
21 Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of
22 Division 31 of the Health and Safety Code); and

23 WHEREAS, Since the inception of the Homekey grant program in 2024, the City has
24 been awarded approximately \$239,000,000 in Homekey grant funds that has supported the
25

1 acquisition and operation of approximately 897 new units of permanent supportive housing
2 serving adults, youth, and families; and

3 WHEREAS, Permanent supportive housing is the most effective, evidence-based
4 solution to ending chronic homelessness and, also prevents new incidents of
5 homelessness among highly vulnerable people with long experiences of homelessness;
6 and

7 WHEREAS, Homeless veterans comprise a significant proportion of homeless
8 individuals in San Francisco, and Swords to Plowshares provides housing and support
9 services to homeless veterans; and

10 WHEREAS, Additional permanent supportive housing furthers the City's commitment to
11 dismantling systemic racial inequities that disproportionately effect communities of color
12 and contribute to the loss of stable housing; and

13 WHEREAS, HSH has worked closely with Swords to Plowshares and the San
14 Francisco Veterans Administration Health Care System to significantly reduce the number
15 of homeless veterans in San Francisco; and

16 WHEREAS, Swords to Plowshares has formed 1035Vets, LLC, a California limited
17 liability company ("1035Vets LLC"); and

18 WHEREAS, Pursuant to that certain Purchase and Sale Agreement between 1035Vets
19 LLC and San Francisco Care Center, L.P. dated as of April 3, 2025, 1035Vets LLC intends
20 to acquire the real property and improvements located at 1035 Van Ness Avenue,
21 Assessor Parcel Number Block 0714, Lot 028 (the "Property"), for the purpose of operating
22 permanent supportive housing; and

23 WHEREAS, The Department of Homelessness and Supportive Housing ("HSH"), on
24 behalf of the City and County of San Francisco ("City" or "Applicant"), desires to jointly
25 apply for the Homekey+ grant funds with 1035Vets LLC for the purpose of acquiring,

1 rehabilitating and operating the Property in a total amount not to exceed \$32,500,000 or the
2 maximum award amount allowable under the NOFA, whichever is greater; and

3 WHEREAS, Upon completion of the rehabilitation, the Property would provide
4 approximately 124 units of permanent supportive housing to serve homeless veterans with
5 either serious mental illness or substance use disorder diagnosis; and

6 WHEREAS, HSH intends to submit an application jointly with 1035Vets LLC for
7 Homekey+ grant funds ("Application") to HCD for review and consideration; and

8 WHEREAS, In order to be considered for an award of Homekey+ grant funds, the
9 City must submit a Resolution approved by the Board of Supervisors authorizing the City to
10 apply for Homekey+ grant funds with the Application; and

11 WHEREAS, Homekey+ funding allocations are subject to the terms and conditions
12 of the NOFA, the Application, and upon award, the HCD approved STD 213, Standard
13 Agreement, and all other legal requirements of the Homekey+ Program; now, therefore, be
14 it

15 RESOLVED, That the Board of Supervisors hereby authorizes HSH and the HSH
16 Executive Director or their designee, on behalf of the City, to submit an Application to HCD
17 in response to the NOFA to apply for Homekey+ grant funds for capital and capitalized
18 operating funds in a total amount not to exceed \$32,500,000, or the maximum award
19 amount allowable under the NOFA, whichever is greater; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
21 Application is approved, HSH will seek Board of Supervisors approval to accept and
22 expend the Homekey+ grant funds and to authorize execution of a Standard Agreement,
23 and any other documents required or deemed necessary to secure the Project Homekey+
24 funds under the terms of the Project Homekey+ program guidelines.

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Daniel Adams

Mayor's Office of Housing and Community Development

Shireen McSpadden

Department of Homelessness and Supportive Housing