



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Project Homekey Authorizing Resolution

Board of Supervisors

Budget and Finance Committee

November 4, 2020

Project Homekey: Authorizing Resolution for 440 Geary Street

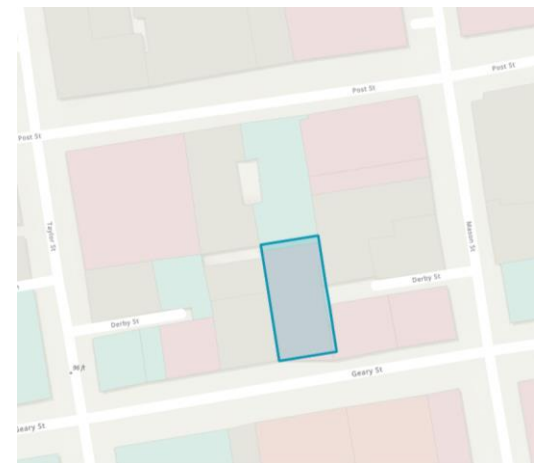
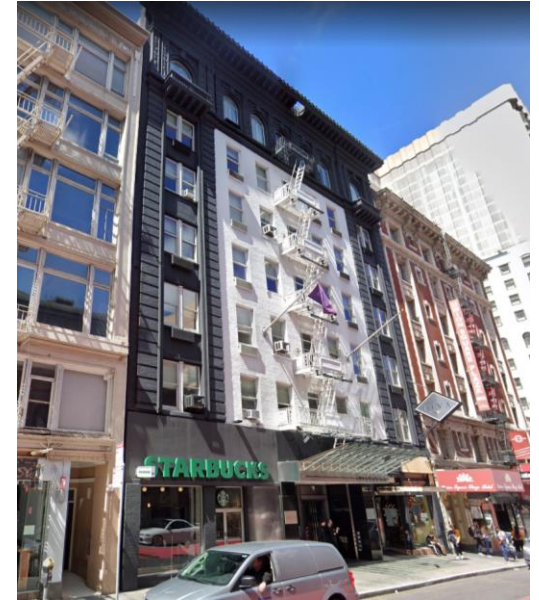
- Authorizes HSH to execute a Standard Agreement for up to \$30,000,000 of Homekey grant funds from the CA Department of Housing and Community Development (HCD)
- Authorizes HSH to commit approximately \$27,473,340 in City funds to satisfy local match and operational subsidy requirements
- Funds enable Episcopal Community Services (ECS) to acquire and rehabilitate The Diva Hotel, located at 440 Geary, for Permanent Supportive Housing

Project Homekey: Overview

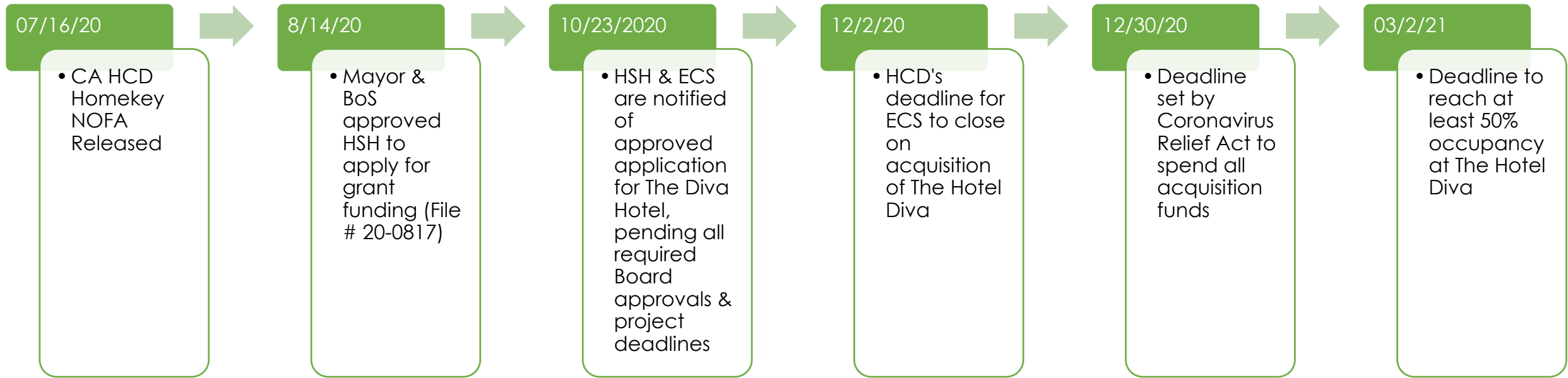
- On July 16, 2020, the California Department of Housing and Community Development (HCD) announced the availability of approximately \$600 million of Homekey Program grant funding--\$90 million designated for 9 Bay Area counties
- Funds provided from the federal CARES Act. Act requires state to expend all funds by December 30, 2020
- Project Homekey intended to sustain and expand housing for persons experiencing homelessness and impacted by COVID-19 statewide
- San Francisco Board of Supervisors approved HSH to apply for Project Homekey funds on August 11, 2020
- The City has submitted two Project Homekey applications for Project Homekey Funds. SF received an award from HCD for The Granada on September 21st and for Hotel Diva on October 23rd.

Project Homekey: Hotel Diva

- Located at 440 Geary Street, between Taylor Street and Mason Street
- 130 room Tourist Hotel, currently undergoing a change of use with the Planning Department to become 130 units of permanent supportive housing
- Currently being used as a Shelter In Place (SIP) hotel



Project Homekey: Timeline



Project Homekey: Services and Referrals

- Seller responded to a Request for Information (RFI) released in late July to identify potential Homekey sites. ECS selected through a separate RFQ for COVID-19
- HSH plans to execute an agreement later this year with ECS for ongoing housing services and operations at the site in order to meet the 50% occupancy requirement by early 2021
- Housing referrals to the site's Permanent Supportive Housing units will be made through Coordinated Entry to provide equitable access to resources to the most vulnerable and chronically homeless
- Coordinated Entry assesses people experiencing homelessness for housing based on vulnerability, chronicity, and barriers to housing to maximize the participation of historically excluded groups

Project Homekey: Fiscal Impact

- Leverages \$26 million in federal CARES Act funds for acquisition
- Provides \$3.2 million in state General Funds to cover two-years operating costs
- Commits approximately \$28 million in local matching funds for Homekey acquisition and rehab costs
- Requires ongoing City funding for operating and services

Sources	Amount
City Funds	\$27,473,340
HCD Homekey Grant	26,000,000
Total Sources	\$53,473,340
Uses	Amount
Proposed Acquisition*	\$48,000,000
Rehabilitation	520,000
Other Soft Costs	4,953,340
Total Uses	\$53,473,340
Please Note: Costs do not include possible seismic work.	
*Subject to marginal increase if commercial space is included in the final sale	



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Thank you.