



SAN DIEGO
HOUSING
COMMISSION

We're About People

San Diego Housing Commission (SDHC)
Authorization to Apply for State of California Homekey Program
Grant Funds – 3737-3747 Midway Drive
Presentation to the SDHC Board of Commissioners
May 12, 2023

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Homekey Application – Pacific Village

Introduction

- Homekey is a statewide program designed to rapidly produce housing for people experiencing homelessness or at risk of homelessness.
- California Department of Housing and Community Development (HCD) administers Homekey.
- March 29, 2023: HCD issued a Homekey Program Notice of Funding Availability (NOFA).
 - \$736 million available statewide
 - \$34 million set aside for San Diego region’s local geographic pool
 - San Diego region may also apply for a competitive statewide pool of funds.



Homekey Application – Pacific Village

Homekey Requirements

- Eligible uses for Homekey funds:
 - Acquisition or Rehabilitation, or Acquisition and Rehabilitation, of motels, hotels, hostels, or other sites and assets to be converted to Permanent Housing or Interim Housing
 - Conversion of nonresidential properties into residential units
 - New construction
 - Master leasing of properties for non-congregate housing
 - The purchase of affordability covenants and restrictions for units
 - Relocation costs for individuals who are being displaced as a result of the Homekey Project
 - Capitalized operating subsidies for units purchased, converted, constructed or altered with funds provided pursuant to California Health and Safety Code section 50675.1.3
- Homekey Key Performance Requirements:
 - All Homekey funds are to be spent within 8 months of award.
 - All construction / rehabilitation must be completed within 12 months of award letter.
 - Full occupancy must be achieved by 15 months from date of award letter.



Homekey Application – Pacific Village

Estimated Project Timeline

Milestone	Date
Homekey Application Submission	May 2023
Homekey Award Announcement	August 2023
Acquisition Closing Date	September 2023
Homekey Funds 100% Expended	April 2024
Construction Completion	August 2024
Full Occupancy of Assisted Units	November 2024

**This timeline is contingent on the dates HCD awards and disburses funds.*



Homekey Application – Pacific Village Project Summary

Ramada Inn – to be known as Pacific Village 3737-3747 Midway Drive, 92110 Council District 2

- Midway / Sports Arena
- Constructed circa 1959
- 64 existing rooms (post-rehab 62 units)
- 1 Building – two-story walk-up



Homekey Application – Pacific Village

Completed Due Diligence

- Preliminary Title Report
- Appraisal
- Peer Appraisal
- Physical Needs Assessment
- Phase 1 Environmental Report
- Market Study
- American Land Title Association Survey
- Construction Cost Assumptions
- Financial Review
- California Environmental Quality Act /
National Environmental Policy Act
- Other Physical Inspections



Homekey Application – Pacific Village

Summary of Homekey Funds to be Requested

Sources and Uses	
Sources	Amount
State Homekey Program Funds	Up to \$18,000,000
Uses	Amount
Acquisition and Partial Rehabilitation	Up to \$18,000,000
TOTAL SOURCES	Up to \$18,000,000
TOTAL USES	Up to \$18,000,000



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Summary of Proposed Services

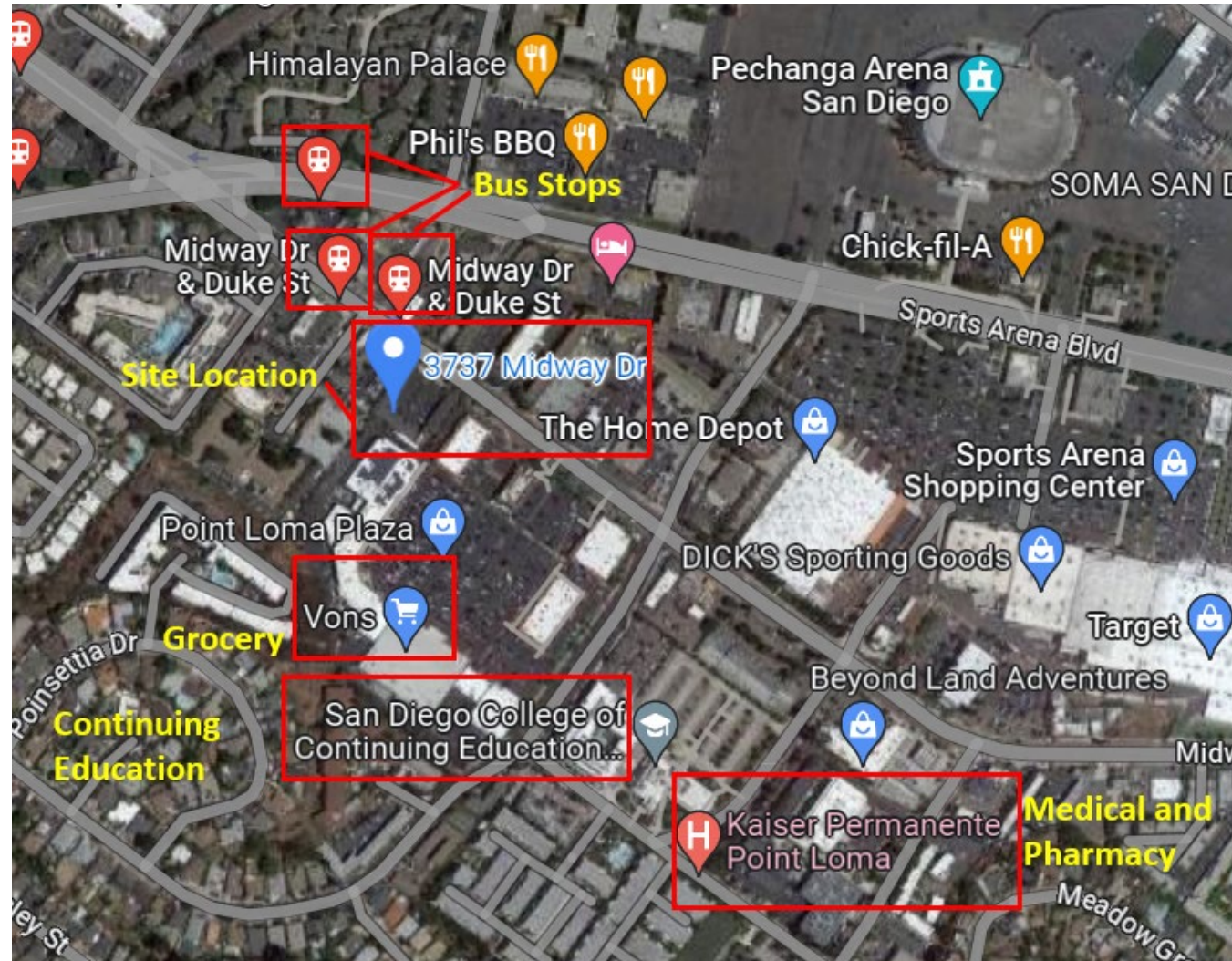
- Supportive services to be offered for residents:
 - Outreach and Engagement
 - Mental Health Services
 - Healthcare/Physical Health Services
 - Behavioral Health Services
 - Substance Use Services
 - Case Management
 - Care Coordination
 - Life Skills Training
 - Education Services
 - Employment Assistance
 - Assistance obtaining benefits and essential documentation
 - Transportation Services
- Residents would be identified through referrals from the Coordinated Entry System.
- Populations Served:
 - Experiencing Literal Homelessness*
 - Experiencing Chronic Homelessness*
 - Transition Aged Youth

**Of those experiencing literal and chronic homelessness, 15 people will be veterans.*



Homekey Application – Pacific Village

Location and Community Amenities



Homekey Application – Pacific Village

Staff Recommendations

That the SDHC Board of Commissioners take the following actions:

- 1) Authorize and direct SDHC to submit an application to the State of California Department of Housing and Community Development (Department) Homekey Program for grant funds in an amount up to \$18,000,000 in accordance with the March 29, 2023, Notice of Funding Availability (NOFA) for the Homekey Program for the acquisition and rehabilitation of the Ramada Inn at 3737-3747 Midway Drive, San Diego, CA 92110, to be known as Pacific Village.
- 2) If the application is approved and the proposed project is subsequently approved by the Housing Authority of the City of San Diego, authorize and direct SDHC to enter into, execute, and deliver a Standard Agreement in a total amount up to \$18,000,000 and any and all other documents required or deemed necessary or appropriate to secure Homekey Funds from the Department, and to participate in the Homekey Program, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner.



Homekey Application – Pacific Village Staff Recommendations (Continued)

SDHC acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.

- 3) Authorize Jeff Davis, SDHC's Interim President & Chief Executive Officer, or designee, to execute the application and the Homekey Program documents on behalf of the SDHC for participation in the Homekey Program.
- 4) Authorize SDHC's Interim President & CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals. provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner.



Questions & Comments

