



# COUNTY of VENTURA

## COUNTY EXECUTIVE OFFICE

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March 14, 2023

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**Subject: Approve an Allocation of \$5,500,000 as Homekey 3.0 Match Funding in Response to a Letter of Interest Submitted by the Housing Authority of the City of San Buenaventura for the Creation of Permanent Supportive Housing; Approve an Allocation of \$3,500,000 as Homekey 3.0 Match Funding in Response to a Letter of Interest Submitted by the City of Camarillo for the Creation of Permanent Supportive Housing and Interim Shelter; and Find that the Recommended Projects are Exempt from the California Environmental Quality Act.**

### **Recommendations:**

It is recommended your Board:

1. Approve an allocation of \$5,500,000 as Homekey 3.0 match funding in response to the Letter of Interest submitted by the Housing Authority of the City of San Buenaventura for the creation of Permanent Supportive Housing;
2. Approve an allocation of \$3,500,000 as Homekey 3.0 match funding in response to a Letter of Interest submitted by the City of Camarillo for the creation of Permanent Supportive Housing and interim shelter;
3. Find that the Recommended Projects are categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 and that no unusual circumstances or other exceptions set forth in CEQA Guidelines section 15300.2 preclude use of this exemption.

### **Background:**

Building upon the success of California's statewide Homekey program in 2020, the County anticipates the third and final round of Homekey funding to be released by the California Department of Housing and Community Development ("HCD"). The Notice of Funding Availability ("NOFA") for Homekey Program Round 3 funding is anticipated to be

released in late March or April 2023. The purpose of Homekey is to expand housing and interim shelter opportunities for persons experiencing homelessness or at-risk of homelessness, and who are thereby inherently impacted by or at increased risk for medical diseases. Homekey funding is anticipated to be available on a continuous, over the counter basis (rather than on a competitive basis), until all funding is allocated or until the Homekey deadline as specified in the NOFA, whichever occurs first.

On December 13, 2022, your Board approved the use of General Funds, to replace the use of American Rescue Plan Act (“ARPA”) funds, to fund all the programs and projects previously identified as ARPA-funded projects. Match funding proposed in this letter is sourced from the ARPA-funded project list, including the remaining funds in the “Project Homekey – Transitional and Other Supportive Housing” and “Affordable Housing construction and Loan Capital Homekey Match” Set-Asides.

**Discussion:**

In response to the NOFA, the County Executive Office Community Development Division (CEO-CDD) released a Request for Letters of Interest (Exhibit 1) from qualified partners and local cities to collaborate with the County on efforts to leverage Homekey program funds for the creation of new permanent supportive housing and transitional housing.

An evaluation committee consisting of representatives from local cities, past Homekey awardees, non-profits, County staff and the Ventura County Continuum of Care (collectively, “Committee”) was created for the purpose of reviewing responses and recommending development teams to collaborate with the County on Homekey projects.

Thirteen initial Letters of Interest were submitted, with six final Letters of Interest received, reviewed, scored by staff, and recommended for support by the Committee in time to be considered at this March 14th Board meeting. The following two top scoring projects were recommended for approval by the Committee:

<b>Name of Submitting Entity and Partners</b>	<b>Name of Property (if applicable)</b>	<b>Project Location</b>	<b>County’s Role</b>	<b>County Match</b>
Housing Authority of the City of San Buenaventura	La Quinta Inn	Ventura	Lender	\$5,500,000
	Project Description: La Quinta Inn is a 142-unit hotel. The project scope entails acquisition of the property and renovations, including installation of kitchenettes in each room, conversion of the commercial laundry to a self-serve laundry facility, redevelopment of the pool area into an outdoor courtyard, updates to the elevators, and site improvements. The project would result in 136 units of Permanent Supportive Housing for persons experiencing or at-risk of homelessness, with two resident manager’s units. This project represents an integral component of the County’s successful			

	<p>transition of Project Roomkey and is expected to provide permanent homes for many Project Roomkey residents from the City of Ventura.</p> <p>The Housing Authority of the City of San Buenaventura proposes to provide 30 project-based Section 8 vouchers and is also committed to providing a sponsor loan of \$1,000,000. The City of Ventura provided a letter of support for the project indicating that it will recommend to its City Council commitment of \$1,369,513 in HOME-American Rescue Plan Act funding and \$1,448,180 in Permanent Local Housing Allocation funding towards the development and operations of this project. Only a portion of this funding is anticipated to be fully committed in time for the Homekey application with the remaining funds coming in later in the development process.</p>
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<b>Name of Submitting Entity and Partners</b>	<b>Name of Property (if applicable)</b>	<b>Project Location</b>	<b>County's Role</b>	<b>County Match</b>
City of Camarillo and Jamboree Housing Corporation	Days Inn	Camarillo	Homekey Lead Applicant and Lender	\$3,500,000
	<p>Project Description: The Days Inn is an 83-unit, two-story walk-up hotel. The project scope entails acquisition of the property and renovations, including installation of kitchenettes in each room and site improvements. The project would result in 62 units of Permanent Supportive Housing for persons experiencing homelessness, one resident manager's unit and a 20 bed Navigation Center. The City is also exploring opportunities to provide some interim housing for Transition Aged Youth at the site, which, if realized, would reduce the number of Permanent Supportive Housing units ultimately provided.</p> <p>The City of Camarillo responded directly to the County's LOI and is considering a contribution of \$5,400,000 towards the development and operations of the site. This funding would be committed by City Council prior to submission of a Homekey application to the state.</p>			

Staff and the Committee evaluated the likelihood of proposed projects to move forward as part of the evaluation criteria; however, project partners still need to finalize site control documentation, complete due diligence and applications for funding, and secure other funding commitments, including Homekey funds, before project sites can be acquired and converted to housing. Match funding from the County is conditioned upon receipt of each project's Homekey award.

Staff has determined that each of the recommended projects described above is exempt from environmental review under CEQA Guidelines section 15301, which applies to minor alterations of existing structures and facilities, because each project consists of acquiring and renovating existing hotels to make them suitable for permanent occupancy. Staff has also determined that no unusual circumstances or other exceptions set forth in CEQA Guidelines section 15300.2 preclude use of the exemption.

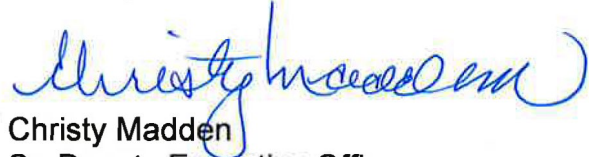
Staff will return to your Board with a Homekey resolution for the project in which we are serving as the lead applicant. Additionally, upon receipt of Homekey award(s), staff will return to your Board with grant and/or loan agreements related to each match allocation.

**Conclusion:**

It is recommended that your Board: (1) approve the allocations of Homekey 3.0 match funding for the two projects recommended in this letter; and (2) find that the Recommended Projects are exempt from the California Environmental Quality Act.

This item has been reviewed by the offices of County Counsel and the Auditor Controller. Should you have any questions please contact Tracy McAulay at 805-662-6792.

Sincerely,



Christy Madden  
Sr. Deputy Executive Officer



Sevet Johnson, PsyD  
County Executive Officer

Exhibit 1: Request for Letters of Interest