



Homekey Round 2 NOFA Fact Sheet

As a part of the California Comeback Plan, Governor Gavin Newsom allocated \$2.75 billion in total funding to expand Homekey. This is one of the largest single investments in homeless housing in California history and is expected to support the creation of up to 14,000 new housing units for people experiencing homelessness or at risk of homelessness.

Eligible applicants include Tribal Entities, cities, counties, cities and counties, and all other state, regional, and Local Public Entities. Applicants may apply independently or jointly with a nonprofit or for-profit corporation.

Homekey funds must be used for the Target Population of individuals and families experiencing or at risk of Homelessness, who are inherently impacted or at increased risk for medical diseases or conditions due to the COVID-19 pandemic.

Homekey funds will be available on a continuous, Over-the-Counter basis. Applications will be available from September 30, 2021 through May 2, 2022 or until funds are exhausted, whichever occurs first.

Funding

\$ 1.45 Billion

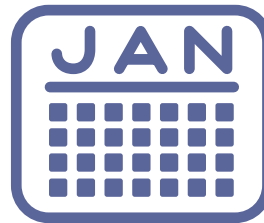
Homekey NOFA Round 2 grant funds

\$ 1.2 Billion

From the Coronavirus State Fiscal Recovery Fund (CSFRF)

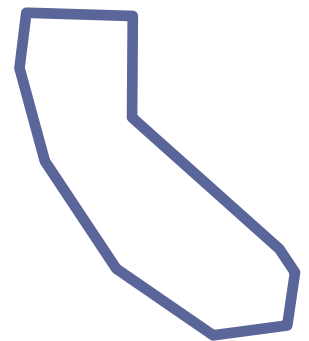
\$ 250 Million

From the State General Fund



8 Geographic Regions
available for funding on basis
of need until Jan 31, 2022

February 1, 2022
Statewide availability of funds



In addition to geographic allocations, Homekey funds have been set aside as follows:

- 5% of total funds for Tribal Entities
- 8% of total funds for Homeless Youth
- 20% of total funds for Discretionary Reserve
- 5% of total funds for State Administrative Costs



Eligible Uses

Include, but are not limited to the following:

- Multifamily rental housing projects
- Shared or scattered site housing
- Manufactured housing
- Excess state-owned properties
- Acquisition and/or rehabilitation of sites for permanent or interim housing
- Master leasing for non-congregate housing
- Converting units from nonresidential to residential
- New construction of dwelling units
- Purchase affordability covenants and restrictions
- Relocation costs for people who are displaced by the Homekey Project
- Capitalized operating subsidies



Grant Award

Capital Funds

- The maximum capital grant is calculated on a per door basis by unit size or sub population served. Up to \$200,000 per door award for projects with no local match. Projects with local match may be eligible for an additional \$100,000 per door.
- The Department may pay up to one-half of the relocation costs per door.
- Capital awards must be expended within 8 months of the award and all applicable construction and/or rehabilitation must be completed within 12 months of award.

Operating Funds

- Operating subsidy available for Assisted Units ranging from \$1,000 - \$1,400 per unit per month for two to three years, depending on local match.
- Operating funds must be fully expended by June 30, 2026.
- Subject to Department's written approval, capital awards may be used toward operating costs and operating awards may be used to fund capital expenditures.

Bonus Award

\$10,000 bonus per Assisted Unit for each of the following:

- Timely submission of application on or before January 31, 2022 (may be used for capital or operating costs).
- Expedited occupancy, where Assisted Units are fully occupied within 8 months of the date of award (bonus may only be used for operating costs).

Other Program Requirements

- Projects must be fully occupied within 90 days of completion of construction and/or rehabilitation.
- Projects may be a mix of Homekey Assisted Units and non-Homekey Assisted Units.
- Interim Housing Projects shall have an affordability restriction for 15 years and Permanent Housing Projects shall have an affordability restriction for 55 years.
- All projects shall employ the core components of Housing First, including local Coordinated Entry System (CES) prioritization protocols.
- All projects shall support local Continuum of Care (CoC) participation in statewide Homeless Data Integration System (HDIS) and Homeless Management Information System (HMIS).
- Existing Homekey Assisted units will not be eligible for funding under the Round 2 NOFA.