



AGENDA REPORT

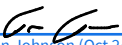
TO: Jestin D. Johnson
City Administrator

FROM: Emily Weinstein
Director, Housing and
Community Development

SUBJECT: 2025 California Department of
Housing and Community
Development Homekey+ Resolutions

DATE: October 16, 2025

City Administrator Approval


Jestin Johnson (Oct 24, 2025 07:49:44 PDT)

Date: Oct 24, 2025

RECOMMENDATION

Staff Recommends That City Council Adopt The Following Resolutions:

1. **Resolution Amending and Restating Resolution No. 90640 C.M.S. Authorizing The City of Oakland To Apply For, Accept, And Appropriate Funds As A Local Agency Joint Partner Under The California Department Of Housing And Community Development's Homekey + Program For The Mark Twain Homes Affordable Housing Project At 3525-3539 Lyon Avenue In An Amount Not To Exceed \$35,000,000 And Making Related California Environmental Quality Act Findings; And**
2. **Resolution Amending and Restating Resolution No. 90642 C.M.S. Authorizing The City of Oakland To Apply For, Accept, And Appropriate Funds As A Local Agency Joint Partner Under The California Department Of Housing And Community Development's Homekey + Program For The 34th And San Pablo Affordable Housing Project at 3419-3431 San Pablo Avenue In An Amount Not To Exceed \$35,000,000, And Making Related California Environmental Quality Act Findings; And**
3. **Resolution Amending and Restating Resolution No. 90643 C.M.S. Authorizing The City of Oakland To Apply For, Accept, And Appropriate Funds As A Local Agency Joint Partner Under The California Department Of Housing And Community Development's Homekey + Program For The Maya Affordable Housing Project At 4715 Telegraph Avenue In An Amount Not To Exceed \$8,500,000, And Making Related California Environmental Quality Act Findings; And**

CED Committee
October 28, 2025

4. Resolution Authorizing The City of Oakland To Apply For, Accept, And Appropriate Funds As A Local Agency Joint Partner Under The California Department Of Housing And Community Development's Homekey + Program For 3135 San Pablo Affordable Housing Project At 3135 San Pablo Avenue And 967 32nd Street In An Amount Not To Exceed \$13,000,000 And Making Related California Environmental Quality Act Findings

EXECUTIVE SUMMARY

The Homekey+ program expands the California Department of Housing and Community Development (State) Homekey program. This program finances the acquisition and rehabilitation of hotels, motels, and other structures to provide permanent supportive housing (PSH) for individuals or households with an individual who is homeless, chronically homeless, or at risk of being homeless and who also live with a behavioral health challenge.

The City of Oakland (City) has submitted 5 applications to the State Homekey+ program since the NOFA was released November 26, 2024; resolutions must be passed for each individual project application. Three proposals have received awards, one was denied, and one is awaiting an award determination. The three projects that have received Homekey+ awards are: The Maya (District 1), Mark Twain (District 5), and 34th & San Pablo (District 3). The City has submitted project-specific resolutions to the State for these projects; however, the State is requiring minor edits before finalization. The final project, 3135 San Pablo, is awaiting a Homekey+ award determination, and the City has not yet submitted a project-specific resolution.

Resolution No. [89976](#) authorizes the City Administrator to apply as a local agency partner for funds for affordable housing development grants from the State program through the City's Homekey/Rapid Response Homeless Housing (R2H2) RFP. The Maya was selected to apply for Homekey+ through the City's RFP process and two additional projects – Mark Twain Homes and 34th & San Pablo—were selected and awarded through prior City HCD New Construction Notices of Funding Availabilities (NOFAs).

Adopting these proposed resolutions would allow the City to comply with the State's requirements and expedite application submissions for review and consideration for Homekey+ funding awards. The City's Housing and Community Development (HCD) staff recommends that the Council adopt four (4) resolutions, one per project.

BACKGROUND / LEGISLATIVE HISTORY

The Homekey program has been effective in increasing the stock of housing for people experiencing homelessness, or those who are at-risk of becoming unhoused. The City has won nine awards across three rounds of Homekey funding totaling \$104M. With these awards, the City has transformed motels, college dorms, and single-family homes into approximately 468 units of PSH serving homeless seniors, veterans, transition-age youth, and formerly incarcerated individuals. Each site is intended to offer shelter and stability with shared common spaces, kitchenettes, and supportive services that assist residents retain their housing. **Table 1** and **Figure 1** below summarizes the nine Homekey projects with their respective unit counts.

the Behavioral Health infrastructure Bond ACT, part of Proposition 1 passed by California voters in March 2024. The State released a NOFA for approximately \$2.145 billion of Homekey+ grant funding. Homekey+ will support the development of PSH for Veterans and individuals with mental health or substance use disorder challenges who are at risk of or experiencing homelessness. The program requires Housing First, an evidenced-based model that connects individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry or continued tenancy, such as sobriety, treatment, or service participation requirements.

The list of eligible uses are as follows:

- A. Acquisition or rehabilitation, or acquisition and rehabilitation of motels, hotels, hostels, apartments or homes, assisted living residents, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to Permanent Supportive Housing (PSH).
- B. Master leasing of properties for PSH.
- C. Conversion of units from nonresidential to residential PSH (i.e. adaptive reuse) and conversion of interim housing to PSH.
- D. New construction of dwelling units.
- E. Gap financing.
- F. The purchase of affordability covenants and restrictions for units.

Changes to the State Homekey program include the gap financing pathway that three prior City New Construction NOFA awardees will pursue. This financing pathway allows new construction projects that have existing local and state funding commitments but are unable to secure competitive funds to pursue resources instead through the Homekey+ program. This allows the projects to move forward, accelerating housing production.

Homekey+ projects are supported by laws that allow for a streamlined, ministerial approval process, provided certain conditions are met. In addition to aiding individuals experiencing homelessness, Homekey+ allows for the rapid and cost-effective production of housing through adaptive reuse.

Resolution No. 89976 was authorized on November 7, 2023 and permitted the City to issue an Request for Proposals (RFP) to solicit applications to jointly apply with Qualified Sponsors for Round 4 Homekey grant funds. Staff evaluated submitted proposals in response to the City Homekey RFP for threshold scoring requirements. From this RFP, one proposal, The Maya, was chosen to move forward to co-apply with the City to the Homekey+.

Resolution No. [90643](#) (The Maya), Resolution No. [90642](#) (34th & San Pablo), and Resolution No. [90640](#) (Mark Twain Homes), were each approved February 18, 2025 and authorized the City to apply for, accept, and appropriate funds and act as a local agency partner under the Homekey+ program. Each project received a Homekey+ award, and the State is requiring minor edits to these resolutions for the projects to receive funding.

ANALYSIS AND POLICY ALTERNATIVES

The service-enriched housing produced through the Homekey and Homekey+ program reaches the deepest levels of affordability by providing urgently needed homes for unhoused residents; the stewardship of these projects by responsible and experienced sponsors is a direct investment in holistic community safety. By 2031, 3,750 of Oakland's newly developed units must be affordable to low-income households making between 50 and 80 percent of AMI and 6,511 units must be affordable to very low-income households earning between 0 and 50 percent of AMI. The adoption of these resolutions will aid in the City's ability to produce more units of housing for individuals experiencing homelessness. Homekey projects demonstrate the City's commitment to acting as a responsive, trustworthy government by its quick process to leverage all available resources.

Table 2 below provides information on each of the Homekey+ applications that have received an award and are under consideration and submission to the State Homekey+ Program.

Table 2: Homekey+ Applicant Information

Project Name	Address	Council District	Project Sponsor	City Awarded Funds	Total Units	# of Homekey+ Assisted-PSH Units
1. Mark Twain	3525 Lyon Avenue	5 - Gallo	MPI Homes, Inc.	\$13,000,000	109	107
2. 34th and San Pablo	3419 San Pablo Avenue	3 - Fife	East Bay Asian Local Development Corporation (EBALDC)	\$9,733,256	60	30
3. The Maya Hotel	4715 Telegraph Ave	1 - Unger	Danco Communities and Operation Dignity	\$8,679,642	23	22
4. 3135 San Pablo	3135 San Pablo	3- Fife	Satellite Affordable Housing Associates (SAHA)	\$10,500,000	73	25
Total Units					264	
Total HK+ PSH Units						184

Project descriptions:

1. **Mark Twain Homes** is an acquisition/rehabilitation and new construction project aimed at serving homeless, chronically homeless, and at-risk populations at or below 20% AMI. The project consists of four buildings with 102 existing special-needs units currently serving vulnerable residents at or below 30% AMI. At the time of acquisition, the physical conditions of the buildings presented health and safety risks with some units identified as fire hazards; therefore, a major rehabilitation of the project is required. The project will maintain the 102 existing units and add 7 new special-needs units including 64 studios and 43 one-bedroom units. The Housing Consortium of the East Bay (HCEB) will provide supportive services. The total development costs are approximately \$46 million including \$13 million in funding from the City's R2H2 program and a Homekey+ award worth \$33 million. The State award request will not exceed \$35 Million.

2. **34th and San Pablo** is a 60-unit affordable housing development that will contribute to the revitalization of the San Pablo corridor. The East Bay Asian Local Development Corporation (EBALDC) also owns and manages the adjacent California Hotel housing—a national historic landmark—to the north and the People’s Garden, a community garden powered by People’s Grocery, to the west. This housing design aims to better connect the three sites together, creating a cohesive community from these resources. The goal is for the new housing to have measurable positive impacts on the health of the West Oakland community. Of the units, 30 Homekey+ Assisted PSH will serve individuals experiencing homelessness at 30% AMI, and the remaining 30 units will be offered at 60% AMI serving individuals and families. Additionally, there is community-serving commercial space to be leased below market rate to non-profit organizations and/or arts and cultural users and will aim to help revitalize the surrounding neighborhood. Supportive services will be provided by the East Bay Asian Local Development Corporation (EBALDC). The total development costs are estimated at \$64,256,371, with \$9,733,256 in City funding. The State award request will not exceed \$35 Million.
3. **The Maya** is an acquisition and rehabilitation consisting of 22 studio units that will serve households with incomes at or below 30% AMI. The project is approximately ½ mile from the McArthur Bart Station and is close to public parks, a farmer’s market, and other retail establishments. Operation Dignity will provide supportive services. The total development costs are estimated at \$12.5 million, with \$8,679,642 in City funding. The State award request will not exceed \$8.5 million.
4. **3135 San Pablo** will provide 73 new homes for seniors including 25 PSH units. The project will provide thoughtfully designed common spaces, private offices for meetings, and resident services offices; robust intensive case management services will be provided by St. Mary’s Center. 25 units are targeted to households experiencing homelessness earning 20% and 30% of the Area Median Income. Total development costs are estimated at \$78,603,000 with \$10,500,000 in funding for the City. The State award request will not exceed \$13,000,000. This project is awaiting a Homekey+ award determination.

FISCAL IMPACT

The City has received three awards from the State Homekey+ Program totaling \$46,680,250. If awarded funds for the 3135 San Pablo project, the City will receive an additional \$11,250,000 in Homekey+ program grant funds. The allocations are indicated in **Table 3** below.

Table 3: State Homekey+ Project Allocations

Project Name	Address	Project Award Status	Homekey + Grant Amount
Mark Twain Homes	3525 Lyon Avenue	Awarded Funds	\$ 32,975,000
34 th and San Pablo	3419 San Pablo Avenue	Awarded Funds	\$ 6,650,000
The Maya Hotel	4715 Telegraph Avenue	Awarded Funds	\$ 7,055,250
3515 San Pablo	3135 San Pablo	Awaiting Award	\$ 11,250,000
		TOTAL	\$ 57,930,250

Funding will be accepted and allocated to California Housing and Community Development Fund (2144), Project(s) To Be Determined (TBD).

PUBLIC OUTREACH / INTEREST

No direct public outreach was conducted in the completion of this report.

COORDINATION

This item was reviewed by the Budget Bureau and the Office of the City Attorney.

SUSTAINABLE OPPORTUNITIES

Economic: The homelessness crisis has an ongoing fiscal impact on the City through an increased demand on public safety, health, and public works services. Transitioning unhoused residents into permanent housing will ultimately reduce the cost of street services and other costs associated with homeless encampments.

Environmental: No significant environmental impacts are expected from this action.

Race and Equity: According to the 2024 Point in Time count, Oakland has 5,055 people experiencing homelessness, 52% of whom are Black (compared to Black representation in Oakland's general population at 21.8%). The creation of new, permanent housing for people exiting homelessness directly addresses this racial disparity and helps move people off of the street. Oakland's other Homekey projects have a population that is approximately 60% Black, demonstrating equitable access.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Under CEQA, the City is required to review possible environmental impacts of all projects before a definitive commitment of funding unless the project is exempt from CEQA review. The acquisition of existing facilities is exempt from CEQA pursuant to Health and Safety Code section 50675.1.4. This statute exempts projects using Homekey+ grant funds from CEQA review and satisfies the specified conditions and the CEQA Guidelines 15301 (existing facilities) and 15326 (housing acquisition).

NATIONAL ENVIRONMENTAL PROTECTION ACT (NEPA)

For any projects receiving federal funds, the execution of grant documents or other documents legally committing the City to fund the projects shall be expressly conditioned on compliance with the requirements of NEPA, as certified by the City Administrator.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That City Council Adopt The Following Resolutions:

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For questions about this report, please contact Shalawn Garcia, Homeless Housing Development Manager, at 510-238-3715 or by email at sgarcia3@oaklandca.gov.

Respectfully submitted,



Emily Weinstein (Oct 23, 2025 16:57:10 PDT)

Emily Weinstein, Director, Housing and
Community Development

Prepared by:

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