

Attachment 2: Homekey Program -- Eligible Uses and Projects

1. Eligible Uses Awarded funds must be used to provide housing for individuals and families experiencing homelessness or at risk of experiencing homelessness and who are impacted by the COVID-19 pandemic. With respect to the list of eligible uses below, an Eligible Applicant may choose to target Project Roomkey properties, or other, non-Project Roomkey properties. The list of eligible uses for the CRF \$550 million allocation and the \$50 million state General Fund allocation is as follows:

- i. Acquisition or rehabilitation of motels, hotels, or hostels.
- ii. Master leasing of properties. Department of Housing and Community Development
- iii. Acquisition of other sites and assets, including purchase of apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, and other buildings with existing residential uses that could be converted to permanent or interim housing.
- iv. Conversion of units from nonresidential to residential in a structure with a certificate of occupancy as a motel, hotel, or hostel.
- v. The purchase of affordability covenants and restrictions for units.
- vi. Relocation costs for individuals who are being displaced as a result of rehabilitation of existing units.
- vii. Capitalized operating subsidies for units purchased, converted, or altered with funds provided pursuant to Health and Safety Code section 50675.1.1.*

*Projects seeking capitalized operating subsidies for units purchased, converted, or altered will be awarded with funds from the \$50 million state General Fund allocation. The \$550 million in Homekey derived from the CRF is not permitted to be used for this purpose. Section 302.

2. Eligible Projects

- i. Nonresidential structures with a certificate of occupancy as a motel, hotel, or hostel.
- ii. Adult residential facilities, residential care facilities for the elderly, manufactured housing, and other buildings with existing residential uses.
- iii. Multifamily rental housing projects with five or more housing units.
- iv. Shared housing or scattered site housing is permitted as long as the housing has common ownership, financing, and property management, and each household signs a lease. For example, A single-family home is one unit, a duplex is two units, a triplex is three units, et cetera.

The above list of eligible projects is not exhaustive. The Department welcomes and will consider a variety of other forms of housing as eligible projects. Interested Applicants should discuss other projects types with the Department during the pre-application consultation.