

# DignityMoves Presentation to Council February 14<sup>th</sup>



# DignityMoves: Rapid, Cost-Effective, scalable solutions to unsheltered homelessness

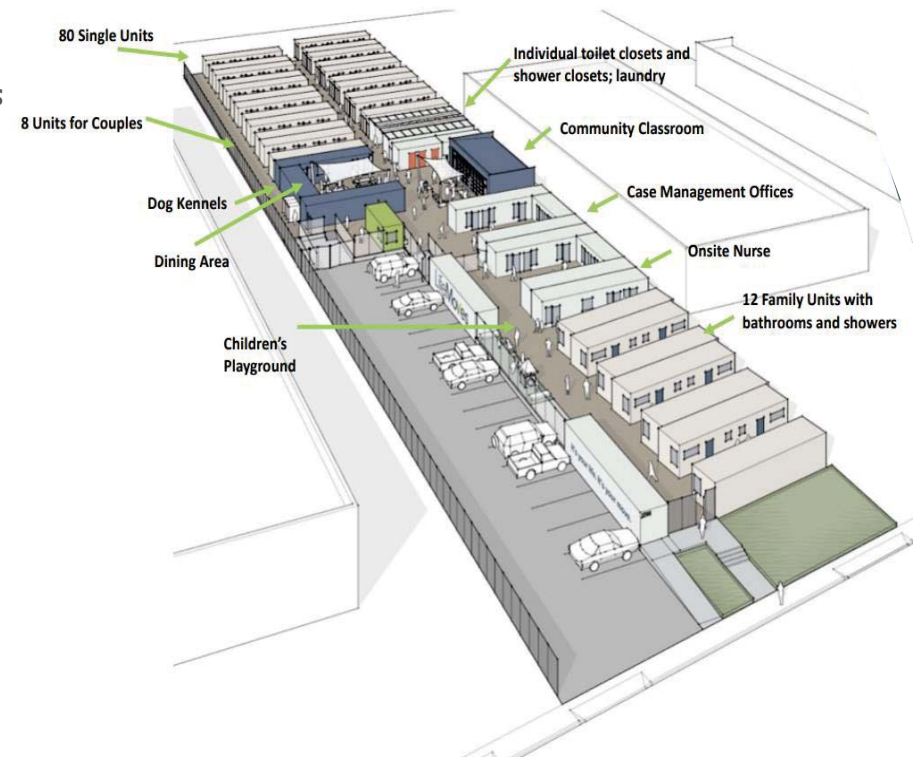
DignityMoves is a new, nimble nonprofit founded by business executives and serial entrepreneurs determined to bring Silicon Valley-style innovative solutions to a system in need of fresh approaches

- Modular and pre-fabricated building techniques for rapid, cost-effective construction
- Our value-add is bringing urgency, challenging the status-quo, and inspiring optimism that this crisis CAN be solved with the right community will and government leadership
- “Big tent” approach– partner with Gensler, Swinerton, corporations, community leaders for an “all-hands-on-deck” solution
- Community engagement is a part of the secret sauce: families “Adopt A Room”, prioritize people living and sleeping in the immediate area: We harness the powerful force of NIMBY and use it to our advantage

The old approaches have not been working: We keep spending more and more money,  
but the problem keeps getting worse. It’s time for out-of-the-box solutions

# Homekey 1: LifeMoves Mountain View

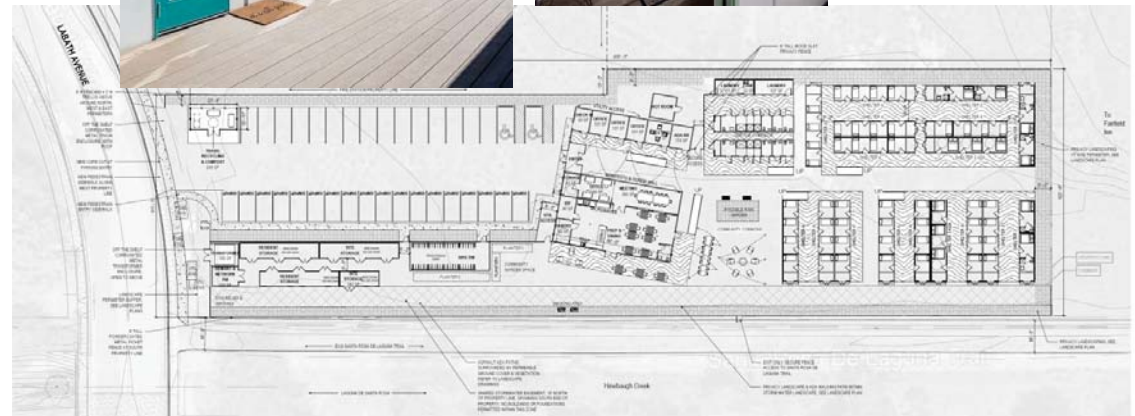
- A project of LifeMoves (leading services agency in Silicon Valley) and the City of Mountain View
- \$14.4m grant (\$12m for capital)
- Despite the NOFA's emphasis on purchasing hotels, we helped LifeMoves apply using an innovative idea: modular housing
- Submitted grant application in 72 hours!
- Successful application influenced HCD to include modular housing in future NOFA guidelines
- LifeMoves Mountain View:
  - 100 rooms (88 individuals/couples; 12 families)
  - Provides 10x Mountain View's previous year-round capacity
  - Completed start-to-finish in 6 months
- Used four different modular companies (Connect Homes, Indie Dwell, Falcon, Urban Bloc)
  - Allowed vendors to manufacture in parallel
  - Diversified risks
  - Provided the opportunity to compare vendors



A brief video tour of LifeMoves Mountain View: <https://youtu.be/pWojgmnCz58>

# Homekey 2: Labath Landing Rohnert Park

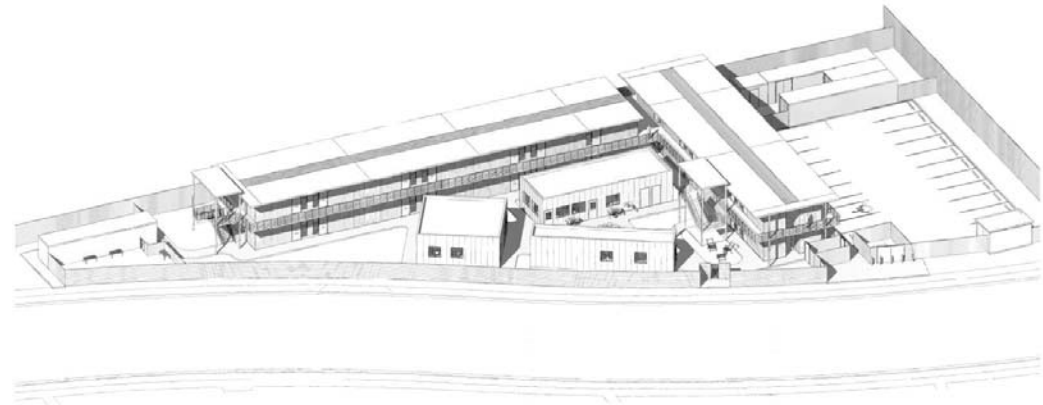
- Co-applicants: DignityMoves, the City of Rohnert Park and HomeFirst Services
- \$14.6m grant (\$11.4m for capital)
- 60 private rooms for individuals and couples (6 with private bathrooms)
- **The ONLY Homekey 2.0 new construction project to achieve 8-month early occupancy bonus**
- Construction completed in 4 ½ months
- Efficient and early application: one of the first 5 award recipients
- The first interim housing/shelter in the city of Rohnert Park



# Homekey 2: Dignity Village Alameda

- Co-Applicants: DignityMoves, the City of Alameda and Five Keys
- \$12.3m grant (\$9.4m for capital)
- 47 private rooms for individuals and couples
  - all rooms have private ensuite bathrooms
  - Two stories allows greater density
  - Modular units by Factory OS (Vallejo)
- Anticipated completion April 2023

*DIGNITY VILLAGE*



# Project Homekey Overview

- **A program of California Housing and Community Development**
  - Provides the capital funding for cities to increase their low-income housing stock
  - Designed for very rapid timelines
  - Providing extensive streamlining provisions and exemptions
  - Can be used for interim housing, PSH, or low-income housing
  - Originally intended for purchasing hotels used during Project Roomkey, yet hotels are not purpose-built for the needs of the services agencies and the residents
  - Tight spending period precludes traditional ground-up construction
- **Round 1** issued **July 2020** (\$600m, increased to \$800m)
- **Round 2** issued **September 2021** (\$1.45b)
  - With our input, now specifically contemplates “manufactured housing” in the NOFA
- **Round 3** NOFA expected **March/April 2023** (approx. \$750m)
  - “First-come-first-serve” allocation: critical to prepare in advance and submit quickly

# Preparing for Homekey 3

Anticipated NOFA release March 2023. It's time to get started!

- **Draft site plans, development schedule, utilities plan, and capital budgets**
- **Agree on supportive services partner and program scope**
  - Our in-house expertise can help design the services plan to ensure the program is best-in-class
- **Community outreach**
  - We have experience ensuring these projects are well-accepted by the community
  - Soliciting input on the site plan and aesthetics from the neighbors
- **Funding:** Homekey capital budget is sufficient for construction, but ongoing supportive services funding needed
  - Consider project-based vouchers from housing authority
  - County funding will be needed to augment services budgets in later years particularly



**The goal is to have the application framework fully developed when NOFA is released this spring**

Don't underestimate the competitive race for these funds:  
smaller funding pool and many cities applying

# Homekey Application Process



- Homekey funding is “first-come-first-served”
- We ensure our projects are pre-planned and ready to be submitted as soon as possible after the NOFA is issued
- Our Rohnert Park application was one of the first received by HCD
- We manage the entire application process with co-applicants to ensure a timely and efficient submission
  - Have developed checklists, planning workbooks and templates
  - Content and structure can be reused making future applications more efficient
- Close relationship with HCD
  - Understanding of the nuances of Homekey requirements
  - Familiarity with HCD’s preferences and priorities, as well as its barriers and quirks

0. Application Planning

File Edit View Insert Format Data Tools Extensions Help Last edit was made on October 15, 2021 by Homelessness Roundtable

100% 123+ Cells 10

Tab	Header	Text/Question	Type of Response	Required?	Responsible	Doc Completed?	Requires Review?	Requires Signature?	Ready to Upload?	Uploaded	Notes
2. Pre-screening	Project Overview	All fltable cells - co-applicants to review together	Doc upload	Yes	All						
2. Overview	Eligible Applicants	Applicant 1 Certification & Legal	Doc upload	Yes	City	Yes	No	Completed	Yes		
		Applicant 1 Resolution	Doc upload	Yes	City	Yes	No	Completed	Yes		
		Applicant 1 TIN Form	Doc upload	Yes	City	Yes	No	Completed	Yes		
	Co-Applicants	Co-Applicant 1 Certification & Legal	Doc upload	Yes	HF	Yes	No	Completed	Yes		
		Co-Applicant 1 Resolution	Doc upload	Yes	HF	Yes	No	Completed	Yes		
		Co-Applicant 1 Organization Documentation 1, Organization Documentation 2, etc...	Doc upload	Yes	HF	YES (3 docs)	No		Yes		
		Co-Applicant 1 Organization Chart	Doc upload	Yes	HF	Yes	No		Yes		
		Co-Applicant 1 Signature Block	Doc upload	Yes	HF	Yes	No		Yes		
		Co-Applicant 1 Payer Data Record	Doc upload	Yes	HF	Yes	No		Yes		
		Co-Applicant 2 TIN Form	Doc upload	No	Not required?	Yes	No		Yes		
		Co-Applicant 2 Certification of Good Standing	Doc upload	Yes	HF	Yes	No		Yes		
		Co-Applicant 2 Tax Exempt Status	Doc upload	Yes	HF	Yes	No		Yes		
		Co-Applicant 2 Certification & Legal	Doc upload	Yes	DM	YES	Completed		Yes		
		Co-Applicant 2 Resolution	Doc upload	Yes	DM	YES	Completed		Yes		
		Co-Applicant 2 Organization Documentation 1, Organization Documentation 2, etc...	Doc upload	Yes	DM	YES (3 docs)	No		Yes		
		Co-Applicant 2 Organization Chart	Doc upload	Yes	DM	YES	No		Yes		
		Co-Applicant 2 Signature Block	Doc upload	Yes	DM	YES	No		Yes		
		Co-Applicant 2 Payer Data Record	Doc upload	Yes	DM	YES	No		Yes		
		Co-Applicant 2 FISCAL TIN Form	Doc upload	No	Not required?	NA	NA		NA		
		Co-Applicant 2 Certification of Good Standing	Doc upload	Yes	DM	YES	No		Yes		
		Co-Applicant 2 Tax Exempt Status	Doc upload	Yes	DM	YES	No		Yes		
		Eligible Users	Fillable cells / NA	NA	Yes	NA	NA		NA		
		Award, Match, Revenue	Utility Allowance - All	NA	Yes	NA	NA		NA		
		Appraisal	Doc upload	Yes	City	Yes	Yes	No	Yes		"If land costs will be included in the Development Budget, attach an appraisal within 60 days of the application submittal date." Don't try to use site value match. Upload saying no Homekey funds for acquisition.
	Homekey Operating Subsidy Calculation	Operating Subsidy Confirmation	Doc upload	Yes		Yes	complete	complete	Yes		
	Development Sources	Enforceable Funding Commitment 1, Enforceable Funding Commitment 2, etc.	Doc upload	No		NA					"Documentation for the executed funding commitments."
3. Threshold Requirements	Threshold Requirements	Environmental Report 1	Doc upload	Yes	City	YES!!!	No	No	YES!!!!		
		Environmental Report 2	Doc upload	No	NA	NA			NA		
		CEQA 1-3	Doc upload	No	NA	Yes	No	No	Yes		CEQA is complete, City will certify.
		NEPA	Doc upload	No	NA				NA		
		Racial Demographics	Doc upload	Yes	City/HF	Yes	Yes	No	No		"Racial Demographic Data Worksheet, which reports CoC outcomes by race ethnicity. The worksheet on the Homekey webpage."
		Site Control 1, Site Control 2, etc.	Doc upload	Yes	City	Yes	Yes	No	Yes		"Provide documentation of the type of site control for each site above."
		Prelim 1, Prelim 2, etc.	Doc upload	Yes	City	No			Yes		"Provide current preliminary title report for each site above."
		Liability Insurance	Doc upload	Yes	All	In progress	No	No	No		"Proof of General Liability Insurance that meets the requirements in \$800k. Doc ready to upload - MISSING DIGNITYMOVES ONLY"
		Automobile Insurance	Doc upload	No	All	In progress	No	No	No		"Proof of Automobile Liability Insurance that meets the requirements in \$800k. City doc ready to upload - MISSING DIGNITYMOVES ONLY"
		Property Hazard Insurance	Doc upload	Yes	City	Yes	No	No	Yes		"Proof of property insurance that meets the requirements in \$800k."
		Development Plan	Doc upload	Yes	DM	In progress	Yes	No			
		Relocation Narrative	Doc upload	Yes	DM	Yes	No	No	Yes		
		Relocation Plan	Doc upload	No	NA	NA					
		Access & Non Discrimination	Doc upload	Yes	HF	Yes	Yes	No			"Provide a non-discrimination policy." - Add sentence about the site / build, being ADA accessible.

Application Review - Application Online Portal Checklist - Application - Links to Dev Docs - Criteria - Pre App Questions - Project Cost - DignityMoves check - Explore



# DignityMoves Typical Role



## Coordinate Application

Ensure timely submission that has excellent chance of award



## Develop site plans

Recommend manufacturers for each component  
Design site plans to meet your needs



## Help you identify funding

Public grants  
Private philanthropy  
Foundations



## Oversee construction

Keep projects on schedule and budget  
Facilitate permitting



## Hire the team

Architect, General Contractor  
In-house Project Manager



## Partner with services agencies

Help conduct RFP  
Coordinate community outreach

# We “Quarterback” the entire process with you

**Advance work on the application needs to be done NOW. Funding is first-come-first-served**

- Coordinate with architect for site plans and schematics
- Develop a construction budget, schedule, and select consultants
- Assist the services agency in developing the services plan and budget
- Assist the CoC preparing details such as racial equity analysis and coordinated entry processes
- Advise on required Council resolutions, exemptions analysis
- Track the checklist of required documentation and manage the document files (insurance, prevailing wage certificates, bylaws...
- Community Engagement



Our goal is to do the “heavy lifting” for the team, and make the application process as painless as possible!



# Expertise using modular to meet Homekey's aggressive timelines and budget constraints

- **Early Occupancy Bonus** – important to find the right skill and experience to drive the construction schedule to ensure the City can reach its Early Occupancy Bonus, which can help fund services
- Consistent set of partners improves the effectiveness of coordination, for example:
  - Gensler (design) is a globally recognized leader in architecture, with extensive experience designing for these projects
  - Swinerton (general contractor) is exclusively union labor; can also serve as an advisor if a local GC is preferred
  - Five Keys is operator for Homekey Alameda and superior service provider; essential operator provides design input to ensure effectiveness of service program and optimal site layout.
- Modular Vendor selection
  - Used six different modular vendors and evaluated dozens of others
  - Select the right vendor to suit the specific needs and design requirements of each project
  - Strong vendor relationships ensure priority placement in factory availability
- Aggressive timeline and budget constraints require non-traditional processes and approaches

# DignityMoves also helps identify funding

DignityMoves can also help identify and secure the funding necessary to build a project; Cities/Counties pay for the ongoing supportive services.

- We have helped raised private philanthropy:
  - 33 Gough Street in San Francisco was 100% funded by philanthropy
  - Private philanthropy funded 60% of our Santa Barbara project
- Identify grant opportunities (Encampment Relief grants, Homekey)
- Designs available that meet the Housing Quality Standards for SRO or studio vouchers
  - Emergency Housing Vouchers must be issued before Sept 2023 or they disappear
- Impact investment funds finance construction, with a long-term lease agreement from the City, County, or supportive services agency
- Hospitals (such as Dignity Health, a strategic donor) recognize the business case for interim housing
- Veterans, Respite Care (Cal-Aim) programs

# Homekey 3.0 Opportunity

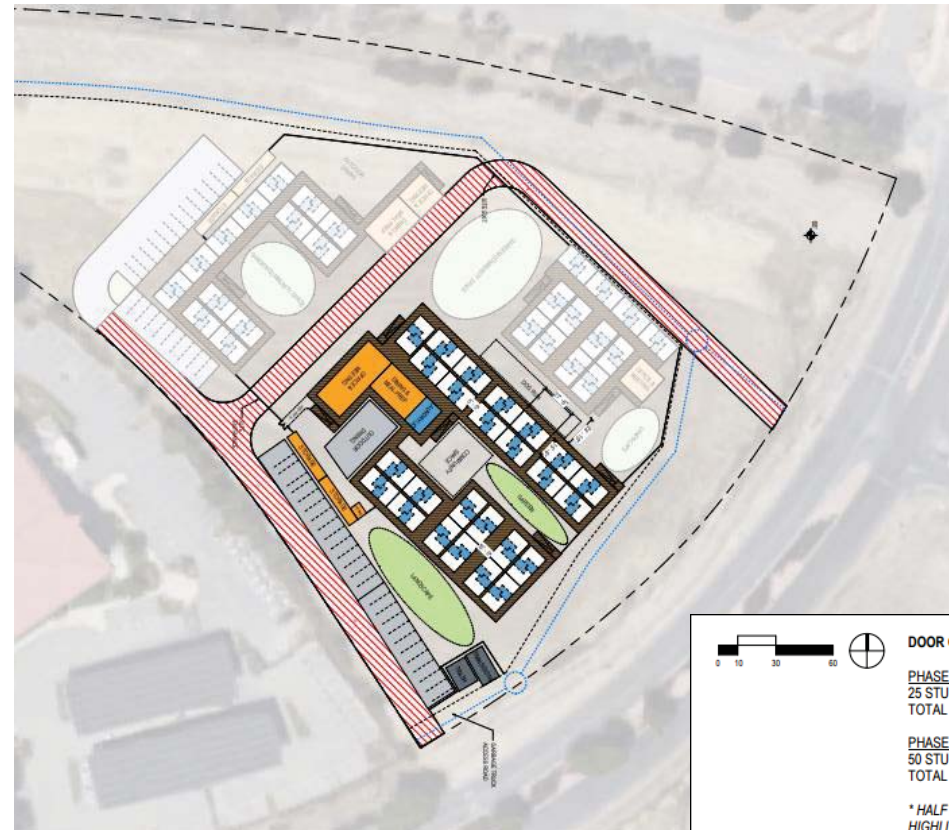
- **Not too late!**
- **Homekey 3.0 NOFA expected Spring 2023**
- **Project Size:** ~50-100 units, very flexible, opportunity to go smaller/larger
- **Project Type:** Interim Vs Permanent or Interim conversion to PSH in the future
- **Target Population:** extra funding for Chronically Homeless & Transitional Aged Youth (TAY)
- **Impact:** 75 interim units based on Antioch's PIT would serve 20% on day one; 65% annually
- **Lots of opportunity still!**

2019 & 2022 TOTAL UNSHELTERED POPULATION BY CITY & REGION		
City	2019	2022
EAST COUNTY		
Antioch	226	342

# Delta Fair – Site Plan Test-Fit (phase 1)

Great flexibility with modular models:


- Large 5 acre site
- 1-2 acres could be set aside for 50 units initially for interim housing use, but with housing quality standards that can qualify for vouchers and PSH in the future if the City desires.
- Alternatively, start with 75-100 units with optionality to add additional units in Phase 2.



# Delta Fair – Site Plan Test-Fit (phase 2)



0 10 30 60



**DOOR COUNT + AREA TOTALS:**

PHASE 1  
25 STUDIO MODULES: 50 DOORS  
TOTAL AREA: 21,800 SF

PHASE 2  
50 STUDIO MODULES: 100 DOORS  
TOTAL AREA: 41,304 SF

*\* HALFTONED REGION OF THE PLAN HIGHLIGHTS PHASE 2 OF PROJECT.*

RATIO OF TYPICAL TO ADA: 1:1

# Homekey Project Scenarios



Project Type	Interim	Interim to PSH	Permanent	Permanent
Number of Units	50	75	100	100
Target Population* <small>*Costa County Health Report 2021</small>	Chronic 25% TAY 20%	41/19/15	55/25/20	55/25/20
Estimate Project Cost	\$16M	\$24M	\$31.5M	\$31.5M
Homekey Capital Award	\$12M	\$12M	\$23.75M	\$23.75M
Capital Match	\$4M	\$5.7M	\$7.75M	\$7.75M
Operating Expenses	\$9M (5 years)	\$20M (10 years)	\$9M (5 years)	\$18M (10 years)
Homekey OPEX Subsidy	\$2M	\$3M	\$4.25M	\$4.25M
Gap Revenue Sources (various)	EOB, City, County, CDBG, philanthropy	City, County, CDBG EHVs, vouchers	Subsidies, EHVs, HCVs, Rent	Grants plus EHV/HCVs, Rent



# Homekey Project Scenarios (example only)



Project Type - Interim (5 years)				Interim to PSH (10 years)				Permanent (5 years)				Permanent (10 years)			
			# units				# units				# units				# units
Number of Units		50	50		75	75		100	100		100	100		100	100
Target Population*	General	27	55%	General	41	55%	General	55	55%	General	55	55%	General	55	55%
	Chronic	13	25%	Chronic	19	25%	Chronic	25	25%	Chronic	25	25%	Chronic	25	25%
	TAY	10	20%	TAY	15	20%	TAY	20	20%	TAY	20	20%	TAY	20	20%
<b>CAPITAL</b>				<b>CAPITAL</b>				<b>CAPITAL</b>				<b>CAPITAL</b>			
Estimate Project Cost	~unit cost	\$320,000	\$ 16,000,000	~unit cost	\$320,000	\$ 24,000,000	~unit cost	\$315,000	\$ 31,500,000	~unit cost	\$315,000	\$ 31,500,000	~unit cost	\$315,000	\$ 31,500,000
Homekey Capital Subsidy	General	\$235,000	\$ 6,345,000	General	\$235,000	\$ 9,693,750	General	\$ 230,000	\$ 12,650,000	General	\$ 230,000	\$ 12,650,000	General	\$ 230,000	\$ 12,650,000
	Chronic	\$260,000	\$ 3,250,000	Chronic	\$260,000	\$ 4,875,000	Chronic	\$ 255,000	\$ 6,375,000	Chronic	\$ 255,000	\$ 6,375,000	Chronic	\$ 255,000	\$ 6,375,000
	TAY	\$250,000	\$ 2,500,000	TAY	\$250,000	\$ 3,750,000	TAY	\$ 245,000	\$ 4,900,000	TAY	\$ 245,000	\$ 4,900,000	TAY	\$ 245,000	\$ 4,900,000
Homekey Capital Award			\$ 12,095,000			\$ 18,318,750			\$ 23,925,000			\$ 23,925,000			\$ 23,925,000
Capital Match Required			\$ 3,905,000	Capital Match Required		\$ 5,681,250	Capital Match Required		\$ 7,575,000	Capital Match Required		\$ 7,575,000	Capital Match Required		\$ 7,575,000
<b>OPEX</b>				<b>OPEX</b>				<b>OPEX</b>				<b>OPEX</b>			
Annual OPEX Expenses	per night	\$100	\$ 1,825,000	per night	\$75	\$ 2,053,125	per night	\$50	\$ 1,825,000	per night	\$50	\$ 1,825,000	per night	\$50	\$ 1,825,000
5yr Commitment (only need 4 to qualify)		5	\$ 9,125,000	10yr Commitment (5/5)	10	\$ 20,531,250	5yr Commitment	5	\$ 9,125,000	10yr Commitment	10	\$ 18,250,000	5yr Commitment	5	\$ 9,125,000
Homekey OPEX Subsidy (3 yrs)		36	\$ 2,106,000	Homekey OPEX Subsidy	36	\$ 3,186,000	Homekey OPEX Subsidy	36	\$ 4,248,000	Homekey OPEX Subsidy	36	\$ 4,248,000	Homekey OPEX Subsidy	36	\$ 4,248,000
Monthly Rate	General	\$1,000	\$ 972,000	General	\$1,000	\$ 1,485,000	General	\$ 1,000	\$ 1,980,000	General	\$ 1,000	\$ 1,980,000	General	\$ 1,000	\$ 1,980,000
	Chronic	\$1,400	\$ 630,000	Chronic	\$1,400	\$ 945,000	Chronic	\$ 1,400	\$ 1,260,000	Chronic	\$ 1,400	\$ 1,260,000	Chronic	\$ 1,400	\$ 1,260,000
	TAY	\$1,400	\$ 504,000	TAY	\$1,400	\$ 756,000	TAY	\$ 1,400	\$ 1,008,000	TAY	\$ 1,400	\$ 1,008,000	TAY	\$ 1,400	\$ 1,008,000
OPEX Gap			\$ 7,019,000	OPEX Gap		\$ 17,345,250	OPEX Gap		\$ 4,877,000	OPEX Gap		\$ 14,002,000	OPEX Gap		\$ 14,002,000
Annual OPEX Gap over 5yrs		5	\$ 1,403,800	Annual OPEX Gap over 10yrs	10	\$ 1,734,525	Annual OPEX Gap over 5yrs	5	\$ 975,400	Annual OPEX Gap over 10yrs	10	\$ 1,400,200	Annual OPEX Gap over 5yrs	5	\$ 975,400
<b>Potential Revenue Sources over 5 years</b>				<b>Potential Revenue Sources over 10 years</b>				<b>Potential Revenue Sources over 5 years</b>				<b>Potential Revenue Sources over 10 years</b>			
Early Occupancy Bonus		10,000	\$ 500,000	Early Occupancy Bonus	10,000	\$ 750,000	Early Occupancy Bonus	10,000	\$ -	Early Occupancy Bonus	10,000	\$ 1,000,000	Early Occupancy Bonus	10,000	\$ 1,000,000
City (\$300k/yr)	Varies		\$ 1,500,000	City (\$500k/yr)	Varies	\$ 5,000,000	City	Varies	\$ -	City (\$100k/yr)	Varies	\$ 1,000,000	City	Varies	\$ 1,000,000
County (\$300k/yr)	Varies		\$ 1,500,000	County (\$500k/yr)	Varies	\$ 5,000,000	County	Varies	\$ -	County (\$100k/yr)	Varies	\$ 1,000,000	County	Varies	\$ 1,000,000
CDBG	Varies		\$ 1,319,000	CDBG (\$250k/yr)	Varies	\$ 2,500,000	CDBG	Varies	\$ -	CDBG	Varies	\$ 2,066,800	CDBG	Varies	\$ 2,066,800
Housing Vouchers (25%)	\$1,600	\$ 1,200,000	\$ 1,200,000	HCV (25%, 5yrs)	\$1,600	\$ 1,800,000	HCV (25%, 5yrs)	\$1,600	\$ 2,400,000	HCV (25%, 10yrs)	\$1,600	\$ 4,800,000	HCV (25%, 10yrs)	\$1,600	\$ 4,800,000
Restricted Unit Rents	\$250	\$ 250,000	\$ 250,000	Restricted Unit Rent (5yrs)	\$250	\$ 1,125,000	Restricted Unit Rent (5yrs)	\$300	\$ 1,800,000	Restricted Unit Rent (10yrs)	\$300	\$ 3,600,000	Restricted Unit Rent (10yrs)	\$300	\$ 3,600,000
Philanthropy, other	Varies		\$ 1,000,000	Philanthropy, other	Varies	\$ 1,170,250	Philanthropy, other	Varies	\$ 677,000	Philanthropy, other	Varies	\$ 535,200	Philanthropy, other	Varies	\$ 535,200
Estimated Revenue			\$ 7,019,000	Estimated Revenue		\$ 17,345,250	Estimated Revenue		\$ 4,877,000	Estimated Revenue		\$ 14,002,000	Estimated Revenue		\$ 14,002,000
Remaining Gap			\$ -	Remaining Gap		\$ -	Remaining Gap		\$ -	Remaining Gap		\$ -	Remaining Gap		\$ -

# Thank You Q&A

