



**FOLLOW UP DISCUSSION ON
APPLICATION FOR PROJECT
HOMEKEY 2.0**

November 1, 2021

www.cityofpaloalto.org

Background: City Council Action on September 27, 2021

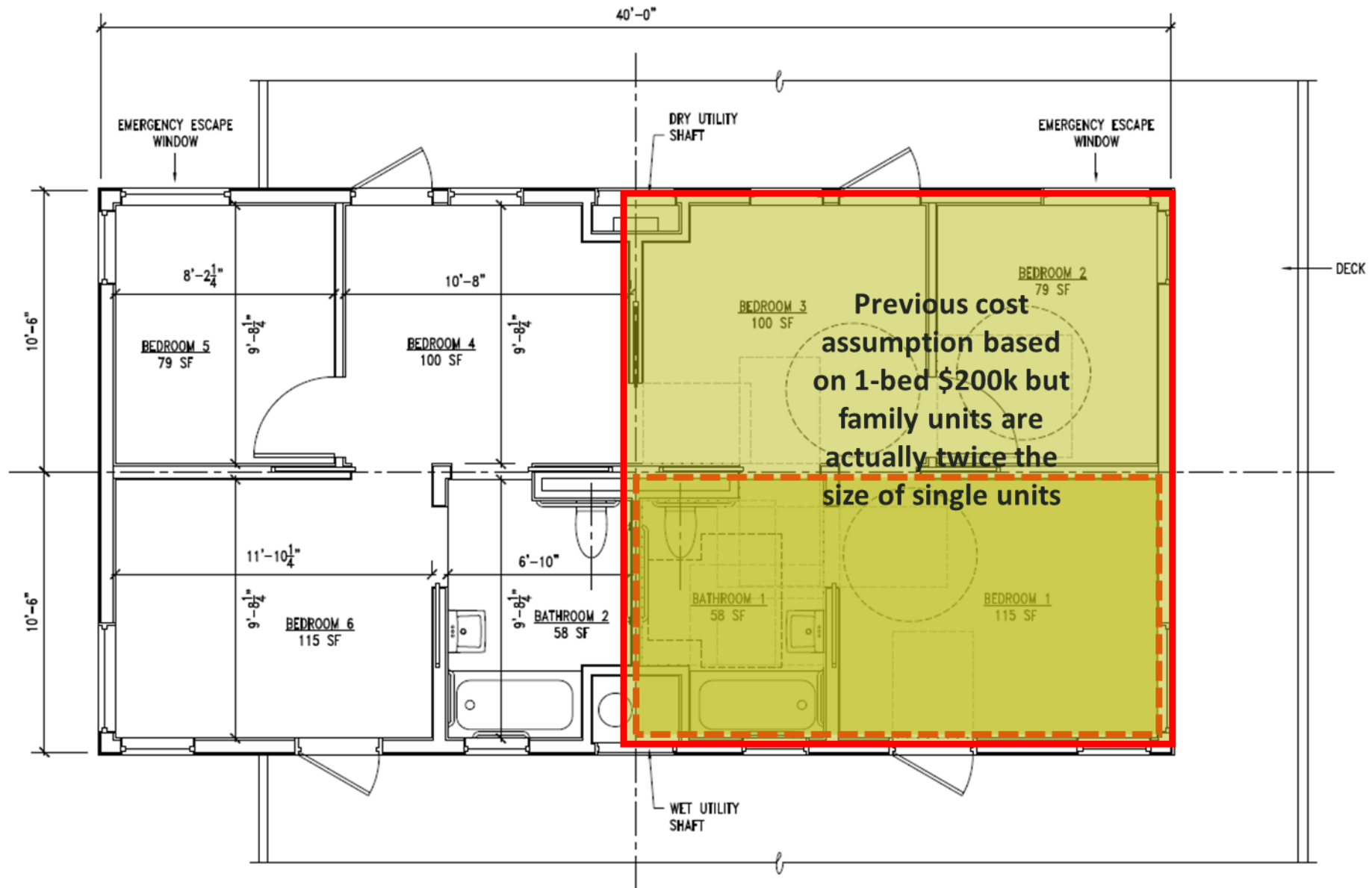
- A. Adopt Resolution 9992 declaring an emergency shelter crisis with a one-year deadline and return to City Council for discussion on renewal;
- B. Adopt a resolution authorizing the City Manager to apply for California Project Homekey funds in conjunction with LifeMoves for an 88-unit emergency shelter project at a portion of the LATP site (1237 North San Antonio Road);
- C. Direct Staff to complete due diligence necessary for the application;
- D. Direct Staff to return with necessary actions related to capital and operating costs for the project and include the City's portion of the operating expenses as part of the City's Long Range Financial Forecasting, taking into account the funding from LifeMoves as a partner as well as financial support from other agencies (e.g., the State, and Santa Clara County);
- E. Direct Staff to identify the costs associated with moving Green Waste operations within LATP Area C and to work with LifeMoves to identify funding sources for the relocation; and
- F. Direct Staff to continue to partner with Valley Water to identify a staging area in preparation for a purified water plant.



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Project Homekey Estimated Capital

LifeMoves Family Units Vs: Singles



Homekey Capital Funding Estimates

CAPEX Funding	Palo Alto
Public and Private Funding	
CA BASE HomeKey Funding	\$16,200,000
Supplemental Homekey Match	\$4,891,104
Homekey Bonus Award (early app)	\$1,080,000
Private Donor	\$5,000,000
Total CAPEX Funding	\$27,171,104



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Project Homekey Estimated Operating

LifeMoves: Estimated Operating Budget – 7 Years

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Program Expense								
Program Salary & Benefits	\$ 1,523,786	\$ 1,599,975	\$ 1,679,974	\$ 1,763,973	\$ 1,852,171	\$ 1,889,215	\$ 1,926,999	\$ 12,236,092
Site Operating Costs	\$ 1,214,687	\$ 1,197,749	\$ 1,209,106	\$ 1,248,775	\$ 1,234,362	\$ 1,283,316	\$ 1,276,659	\$ 8,664,654
Operations Labor and Fringe	\$ 768,502	\$ 806,648	\$ 846,700	\$ 888,755	\$ 932,913	\$ 951,459	\$ 970,376	\$ 6,165,353
Total Program Expenses	\$ 3,506,975	\$ 3,604,372	\$ 3,735,780	\$ 3,901,502	\$ 4,019,446	\$ 4,123,990	\$ 4,174,034	\$ 27,066,099
Administration Expenses								
Administration Expenses	\$ 350,698	\$ 360,437	\$ 373,578	\$ 390,150	\$ 401,945	\$ 412,399	\$ 417,403	\$ 2,706,610
Total Administration Expenses	\$ 350,698	\$ 360,437	\$ 373,578	\$ 390,150	\$ 401,945	\$ 412,399	\$ 417,403	\$ 2,706,610
Total Expenses	\$ 3,857,673	\$ 3,964,809	\$ 4,109,358	\$ 4,291,652	\$ 4,421,390	\$ 4,536,389	\$ 4,591,437	\$ 29,772,709
Capital Costs - Van	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,000
Total Expenses Including Van	\$ 3,912,673	\$ 3,964,809	\$ 4,109,358	\$ 4,291,652	\$ 4,421,390	\$ 4,536,389	\$ 4,591,437	\$ 29,827,709



LifeMoves Staffing Plan

Position	FTE Count
Childrens Services Coordinator	2
Case Manager	5
Case Manager Veterans	1
Licensed Vocational Nurse Case Manager	2
Employment Specialist Case Manager	1.5
Housing Specialist	1.5
H&E Supervisor	0.2
Driver	1
Facility/Safety Manager	1
Associate Director	0.2
Program Director	1
Associate Program Director	1
MSW-Manager	0.2
BH-Manager	0.2
Sr. Director W&E	0.2
Director of Ed	0.2
Case Manager CONNECT	0.5
	18.7
Direct Labor	
Residential Services Cord. (RSC) - Day	4.2
RSC - Swing	4.2
RSC - Grave	4.2
Indirect Labor	
Consultants	
MSW, BH Intern	2

Budget – Estimated Operating Expenses

Operating expenses are projected to be supported by a variety of agencies, which could include: State (Homekey through Housing and Community Development Department), Santa Clara County, LifeMoves, Foundations, Private Donors, and the City of Palo Alto.

Committed Funds thus far:

- **Homekey (State):** \$3.89 million estimated total
- **Santa Clara County:** Commitment to \$2.4 million for operating
- **Santa Clara County Challenge Grant:** Could be up to \$4 million for operating
- **City of Palo Alto:** \$7 million committed for operating
- **LifeMoves:** \$7 million committed for operating
- **Palo Alto Community Fund:** \$100,000 committed for operating (over 2 years)
- **Operating Gap:** Estimated to be an operating gap. LifeMoves, Santa Clara County, and the City is committed to working together to recommend cost reductions and identify funding to solve for any operational gaps.
- **Donations:** Individuals can donate to unhoused services or this project (lifemoves.org).

Recommendation

1. Adopt the amended resolution authorizing the City Manager to apply for California Project Homekey funds in conjunction with LifeMoves for an 88-unit emergency shelter project at a portion of the LATP site (1237 North San Antonio Road).