

**TO:** Andrew P. Powers, City Manager  
**FROM:** Ingrid Hardy, Assistant City Manager  
**DATE:** June 20, 2023  
**SUBJECT:** Project Homekey Update

**RECOMMENDATION:**

1. Adopt resolution authorizing the transfer of ownership of 12 Conejo Boulevard from Shangri-La LLC to 12 Conejo LP and approve amendment of the standard agreement for Homekey funds with the Department of Housing and Community Development to reflect said transfer.
2. Find that this action is not a project as defined under the California Environmental Quality Act (CEQA).

**FINANCIAL IMPACT:**

**No Additional Funding Requested.** Staff time to prepare required documents for the amendment is included in the Adopted FY 2022-23 General Fund Budget.

**BACKGROUND:**

The State of California has committed unprecedented financial resources to combat homelessness and support temporary and permanent supportive housing through the Project Homekey program.

On January 25, 2022, City Council authorized the City to jointly apply for Project Homekey grant funds in the amount of \$28,000,000 with Shangri-La Industries, LLC (SLI) and Step Up on Second Street, Inc. (Step Up) to convert the Quality Inn and Suites, located at 12 Conejo Boulevard, into 77 units of permanent supportive housing.

The City, SLI, and Step Up successfully secured the grant and, on September 2, 2022, entered into a Standard Agreement (21-HK-17425) for Homekey Funds totaling \$26,744,713 with the Department of Housing and Community Development (HCD).

**DISCUSSION/ANALYSIS:**

After execution of the standard agreement, SLI transferred ownership of the property to a Limited Partnership (12 Conejo LP). The exclusive business and purpose of the partnership is for the construction, ownership, financing, maintenance, and operation of the improvements located at 12 Conejo Boulevard.

Although the City is not a party listed in this Limited Partnership, we are a party to the standard agreement with HCD for the Homekey project. Since the ownership of the property was transferred after the execution of the Standard Agreement, HCD requires resolutions (Attachment #1) from each entity authorizing the transfer of the ownership and approval of the amendment to the Standard Agreement to add 12 Conejo LP as a party to that agreement. This is a clean-up item and does not represent any substantive change to any part of the project or the agreement.

**COUNCIL GOAL COMPLIANCE:**

Meets the following City Council goals:

A. Create a more equitable, accessible, safe, welcoming, and inclusive government and community regardless of race, color, ethnicity, religion, sex, physical or mental ability, sexual orientation, gender identity and expression, age, language, education, and/or socio-economic status.

B. Provide municipal government leadership which is open and responsive to residents, and is characterized by ethical behavior, stability, promoting public trust, transparency, confidence in the future, and cooperative interaction among civic leaders, residents, business representatives, and staff, while recognizing and respecting legitimate differences of opinion on critical issues facing the City.

C. Operate City government in a fiscally and managerially responsible and prudent manner to ensure that the City of Thousand Oaks remains one of California's most desirable places to live, work, visit, recreate, and raise a family.

D. Maintain strong commitment to public safety (including Police, Fire, Emergency Medical Services, and Emergency Management) to ensure City remains one of the safest Cities in the United States with a population over 100,000.

**PREPARED BY:** Ingrid Hardy, Assistant City Manager

Attachments:

Attachment #1 – Resolution