COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
THURSDAY, JUNE 25, 2026

MINUTE ORDER NO. 2

SUBJECT: ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING A JOINT APPLICATION TO THE HOMEKEY+ PROGRAM (DISTRICT: ALL)

OVERVIEW

On November 26, 2024, the California Department of Housing and Community Development (HCD), in collaboration with the California Department of Veterans Affairs, announced the availability of $2.1 billion of Homekey+ program funds. Homekey+ is the permanent supportive housing component of Proposition 1 passed by California voters in March 2024 that supports the State goal to reduce homelessness and protect vulnerable populations through changes to the Mental Health Services Act. Homekey+ provides an opportunity for regional and local public entities to develop permanent supportive housing for Veterans and people living with a behavioral health challenge, including mental health and/or substance use challenges, who are at-risk of or experiencing homelessness.

In partnership with Wakeland Housing and Development Corporation and Wakeland Del Rey LP, the County of San Diego (County) Health and Human Services Agency will expand on prior Homekey+ efforts to ensure additional Homekey+ funding is secured for the region and leveraged to provide additional housing resources to the most vulnerable members of our community.

Today's actions request the San Diego County Board of Supervisors (Board) find that the proposed actions are exempt from the California Environmental Quality Act; adopt a resolution authorizing a joint application with Wakeland Housing and Development Corporation and Wakeland Del Rey LP to HCD for up to $20 million in Homekey+ program funding, to support the 96-unit Paseo del Rey affordable housing development located in the City of Chula Vista; execute documents related to the award of Homekey+ program funding for this development; and direct the Auditor and Controller to establish a trust fund in relation to the Homekey+ program.

This item aligns with the County Housing for All Initiative by ensuring the County continues to focus on housing stability by addressing root causes, such as permanent supportive housing and supports. Additionally, today's actions support the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe and thriving communities. This will be accomplished by ensuring vulnerable populations at risk of or experiencing homelessness have access to suitable living environments, as well as enhancing their quality of life by creating decent and safe affordable housing coupled with supportive services.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with Section 15060(c)(3) of the California Environmental Quality Act (CEQA) Guidelines, that the proposed actions described herein are administrative in nature and not a project as defined by the state CEQA Guidelines Section 15378(b)(5).

2. Adopt a Resolution entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING JOINT APPLICATION TO AND PARTICIPATION IN THE HOMEKEY+ PROGRAM.

3. Authorize the Deputy Chief Administrative Officer or Interim Deputy Chief Administrative Officer, Health and Human Services Agency, or designee to, if awarded funds, accept funds and enter, upon successful negotiations, into a partnership agreement with Wakeland Housing and Development Corporation or an affiliate thereof, and into a Standard Agreement with the California Department of Housing and Community Development (HCD) for the administration of Homekey+ funds.

4. Authorize the Deputy Chief Administrative Officer or Interim Deputy Chief Administrative Officer, Health and Human Services Agency, or designee to: execute agreements, amend agreements as needed to reflect changes to services and funding, execute certification forms, prepare and execute all necessary documents for the submittal, regulatory processing and implementation, and take any other actions necessary as required by HCD for Recommendation 3, as applicable.

5. Authorize and direct the Auditor and Controller to establish a trust fund in relation to the Homekey+ program grant for payment for Paseo del Rey multifamily rental housing development, with interest earnings allocated and distributed to the fund.

EQUITY IMPACT STATEMENT

The 2026 Point-in-Time Count (PITC) identified 9,803 individuals as living on the streets or in shelters throughout the county. There were approximately 359 unsheltered Veterans in the region as of January 2026 as well as 289 sheltered Veterans. According to a 2023 study by the Journal of American Medical Association Psychiatry, Veterans are at a higher risk of experiencing mental health challenges and substance use disorders, compared to the general population. Based on the latest behavioral health data collected in the 2026 PITC, of San Diego County's unsheltered homeless adults reporting behavioral health conditions, 34% are experiencing mental illness and 25% are experiencing substance use disorders, respectively. This underscores the critical need for integrated housing and behavioral health interventions tailored to this vulnerable population. The County of San Diego is committed to finding equitable solutions to prevent and end homelessness by providing supportive services and permanent supportive housing options.

SUSTAINABILITY IMPACT STATEMENT

Today's proposed actions advance the County of San Diego's Sustainability Goal #2 by promoting just and equitable access to housing. These actions ensure that affordable housing developments are reserved for individuals and families experiencing homelessness or chronic homelessness, while also strengthening partnerships with affordable housing developers and community organizations. This collaborative approach fosters collaboration grounded in a shared, mission-driven commitment to support communities disproportionately affected by poverty.

FISCAL IMPACT

Funds for this request are not included in the Fiscal Year (FY) 2026-27 CAO Recommended Operational Plan for the Health and Human Services Agency. If awarded and approved, this request will result in one-time costs and revenue of up to $20 million in FY 2026-27 for the Paseo del Rey affordable housing development. The funding source is State allocated funding from the Homekey+

Program. Upon award of the Homekey+ grant of up to $20 million, staff will return to the San Diego County Board of Supervisors with requests for approval of mid-year actions to adjust the budget if necessary. There will be no change in net General Fund costs and no additional staff years.

BUSINESS IMPACT STATEMENT
This proposal will have a positive impact on the business community, since the recommended actions will result in construction work to be performed at the property that is awarded funding. Contracts resulting from these recommendations may be executed with private sector firms and will involve a competitive bidding process.

ACTION:
ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Lawson-Remer, the Board of Supervisors took action as recommended, on Consent, and adopted Resolution No. 26-093, entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING JOINT APPLICATION TO AND PARTICIPATION IN THE HOMEKEY+ PROGRAM.

AYES: Aguirre, Anderson, Lawson-Remer, Montgomery Steppe, Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors

Signed
by Andrew Potter