



FOR IMMEDIATE RELEASE

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*****PRESS RELEASE*****

**SAN FRANCISCO RECEIVES \$18.2 MILLION PROJECT
HOMEKEY GRANT TO SUPPORT ADDING NEW
PERMANENT SUPPORTIVE HOUSING**

Homekey funds, which have allowed the City to expand permanent supportive housing by nearly 900 units in the last three years, will cover the purchase and operating costs of 685 Ellis Street

San Francisco, CA - This week, the California Department of Housing and Community Development (HCD) announced that San Francisco was awarded \$18.2 million in capital and operating funds from the state's Project Homekey to purchase the 74-room property at 685 Ellis Street to operate as Interim Housing, and eventually convert to Permanent Supportive Housing (PSH) for adults exiting homelessness.

Governor Gavin Newsom launched Project Homekey in 2020 as an innovative strategy for addressing homelessness by providing local public jurisdictions with critical federal and state funding to develop a broad range of housing types, including hotels, motels, and hostels into permanent housing for those experiencing, or at risk of, homelessness.

This most recent Project Homekey award is the seventh given to San Francisco since the program started three years ago. In total, San Francisco has been awarded \$230 million in Homekey Grants to expand permanent supportive housing by 873 units for adults, families, and young adults across seven properties.

San Francisco provides shelter and housing to nearly 16,000 homeless and formerly homeless individuals every night; 13,000 of these people are in City-supported housing programs. The new homes at 685 Ellis Street will add to the City's permanent supportive housing portfolio, which is larger than any county in the Bay Area, and the second highest per capita among any city in the country.

"San Francisco has dramatically expanded the amount of housing we have available to help people off the street over the last three years, and Project Homekey has been a huge part of that success," **said Mayor London Breed**. "This latest project on Ellis Street will help us to stabilize people indoors where they can get the support they need, instead of leaving them out on the streets in our neighborhoods. I want to thank Governor Newsom for this critical support. Addressing homelessness requires all levels of government pushing forward solutions and working together."



In May 2022, the Board of Supervisors and Mayor Breed authorized the Department of Homelessness and Supportive Housing (HSH) to acquire the hotel at 685 Ellis Street for approximately \$20 million and add to the City's adult shelter portfolio which has helped over 10,000 people exit homelessness since 2018. This property operated as a Shelter-in-Place Hotel during the height of the COVID-19 pandemic in 2020.

The building, which is currently operating as an adult shelter through a partnership with Five Keys Schools and Programs, will require rehabilitation before being converted to permanent supportive housing.

“We are grateful to the Mayor and Governor for their commitment to expand interim and permanent housing to address homelessness,” **said Shireen McSpadden, Executive Director of the Department of Homelessness and Supportive Housing.** “State funds are a key component in growing our permanent supportive housing portfolio and advancing our goal to reduce unsheltered homelessness by 50% in the next 5 years.”

“Five Keys is excited to hear of the Homekey award for the Ellis St. property and continues to be a proud partner with HSH to provide housing solutions to the unsheltered in San Francisco,” **said Steve Good, President and CEO of Five Keys.**

San Francisco's Five-year Strategic Homeless Plan, Home By the Bay, sets a goal of cutting unsheltered homelessness in half over the next five years. This builds on the 15% reduction in unsheltered homelessness San Francisco has seen since 2019.

For more information on San Francisco's five-year strategic strategy to address homelessness, please visit [this link](#).

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