

Costa Mesa receives \$10.7 million from State and County agencies to convert local motel to affordable housing

The City is pleased to announce the California Department of Housing and Community Development has awarded the County of Orange approximately \$10.7 million in Project Homekey funds to convert one of Costa Mesa's motels into permanent supportive housing for those experiencing homelessness.

"Costa Mesa is already a leader when it comes to addressing homelessness through our Bridge Shelter," Mayor John Stephens said. "This new project takes those efforts to the next level. To get 88 units of permanent supportive housing is a game changer in our efforts to eliminate homelessness in Costa Mesa. I'm grateful to Supervisor Foley and the county team for working with our City staff to secure this important funding."

Mayor Pro-Tem Andrea Marr, who represents District 3, where the motel project resides, also expressed her gratitude for the funding.

"We are grateful for the County's support while we work with motel operators in Costa Mesa," Marr said. "Providing a full-range of housing opportunities is a priority for our City; Project Homekey will allow us to serve Costa Mesans in great need of housing."

This project achieves one of the City Council's five Strategic Goals to "Diversify, Stabilize and Increase Housing to Reflect Community Needs" by exploring opportunities for potential motel conversions.

The money received from Project Homekey will be used to

convert the Motel 6 at 2274 Newport Blvd. into 88 units of affordable housing. These units will serve individuals experiencing homelessness who have been impacted by COVID-19, individuals with mental health conditions, veterans, and seniors.

In addition to the money received from the State, Costa Mesa is contributing \$2 million in local matching funds for the project, along with the County of Orange, which is also providing \$2 million towards construction of the project.

“I would like to thank our City Council for their leadership and vision. I would also like to thank the County Board of Supervisors, including District 5 Representative, Lisa Bartlett, and Chairman Chaffee specifically for their partnership and support,” said Assistant City Manager Susan Price, the lead staff person at the City of Costa Mesa for the project.

Project Homekey is administered by the California Department of Housing and Community Development (HCD) with approximately \$1.4 billion (FY 2021-22) in grant funding made available to local public entities, including cities, counties, or other local public entities, such as housing authorities or Tribal Entities within California.

Homekey is an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to permanent or interim housing.