



**County of Santa Cruz Board of Supervisors**  
**Agenda Item Submittal**  
**From:** Human Services Department  
**Subject:** Project Homekey Contract Amendments  
**Meeting Date:** June 10, 2025

**Formal Title:** Approve amendments to four Project Homekey project agreements with the California Department of Housing and Community Development, and take related actions

**Recommended Actions**

1. Approve amendments to Project Homekey project agreements with the California Department of Housing and Community Development (HCD) between the County and respective developers to address the disposition of interest earned on Homekey funds for the following projects:
  - a. Park Haven Plaza, contract number 23W4223, located at 2838 Park Avenue in Soquel;
  - b. Veteran's Village, contract number 23W4161, located at 8705 Highway 9;
  - c. Casa Azul, contract number 23W4242, located at 801 River Street in Santa Cruz; and
  - d. Freedom House, contract number 25W4277, at 2716 Freedom Boulevard, which includes an updated site plan.
2. Adopt resolution accepting unanticipated revenue in the amount of \$16 from interest income on Homekey funds for Veteran's Village, as detailed in the attached AUD 60; and
3. Authorize the Human Services Department (HSD) Director and designees to make minor, non-substantive, and periodic updates, as needed, to these Project Homekey project agreements with approval as to form from County Counsel.

**Executive Summary**

The County of Santa Cruz Human Services Department (HSD) has sponsored investments in new housing units for individuals experiencing homelessness through the California Department of Housing and Community Development (HCD) Project Homekey Program. This program requires the approval of project agreements, which outline the roles and responsibilities of HSD and HCD as well as details of each project.

**Discussion**

Through prior Board action, the Board has approved support for Project Homekey development within Santa Cruz County. The supported projects include Freedom House, Park Haven Plaza, Casa Azul, and Veteran's Village. These projects were supported with Project Homekey funding managed by HCD.

These agreements are being brought to the Board today for amendments to incorporate a provision that allows for disposition of the interest that has been earned on the Homekey funds. Additionally, the amendment to the Freedom House project agreement also updates the site plan attachment. Finally, the resolution AUD 60 accepts and appropriates \$16 in interest income for the Veteran's Village project into the Fiscal Year 2024-25 budget.

Given that these project agreements may require additional, non-substantive changes, HSD also requests authorization of the HSD Director and designees to make these minor changes, as needed, with approval as to form by County Counsel.

**Financial Impact**

There is no General Fund impact associated with approving the amendments related to interest earnings for the various Homekey projects.

**Strategic Initiatives**

Operational Plan - Attainable Housing

**Submitted By:**

Randy Morris, Director of Human Services

**Recommended By:**

Carlos J. Palacios, County Executive Officer

**Artificial Intelligence Acknowledgment:**

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.