



#### The Homeless Epidemic

#### The need is already critical....

- 151,278 homeless in California
- Over 60% of California's homeless are unsheltered

#### ...and about to get much worse

- Covid-19 job losses destined to create a surge
- Eviction moratorium won't last forever
- Need to move out of overcrowded shared apartments
- Congregate shelters at reduced capacity
- Project Roomkey expiring soon

Affordable housing is the ultimate *long-term* goal

- Both affordable and permanent supportive housing
- Costs an average of \$500k+ per unit, and takes 4 years

In the meantime, people need safe beds. Immediately.

- Temporary bridge housing, for transitional homelessness
- Bring people in off the streets where we can stabilize them
- Effective case management much easier when at a site, not scattered
- Help them exit homelessness by reuniting with family, relocating to a less expensive city, rent with the help of a voucher, or transfer to PSH for those who cannot be self-sustaining

We need out-of-the-box thinking



## The need: a bridge to adequate housing supply



Living in tent encampments, vehicles, or COVID Roomkey hotels

DignityMoves: transitional housing solution

Affordable Housing/Permanent Supportive Housing (PSH)



## Why isn't this easier?

#### Four reasons:

- 1. High building costs in California and long entitlement periods
- 2. Governments have annual operating budgets, not cash for up-front building costs
- 3. Land is not available
- 4. People don't want to attract homeless into their neighborhoods

#### UNTIL NOW.

# Prefabricated buildings: lower cost and fast



- Sleeping units are \$20k each, vs \$500k-\$750k
   for permanent
- With site development and dining, support buildings: under \$50k per unit
- Can manufacture hundreds per month; habitable almost immediately
- Do not require a foundation; light touch site development
- Dimensions of a shipping container so easily moved with transportation infrastructure
- Scalable and flexible: can do 3 units or 300
- Assembled on-site (can be volunteer labor)
- Continuing to improve our "product" (off-grid, solar, light-touch site development)



- Impact investment fund will buy the units, then lease them to cities, counties or non-profits
- 10-year fund pays back investors over time, with a fair return
- Secured against the units as well as the government contract
- Brings the discipline and insights of corporate governance to a traditionally non-profit field
- Harnesses the power of capitalism to solve one of the world's most pressing problems
- Huge savings to society if we can address transitional homelessness: Santa Clara County spends \$62,473 per homeless person per year (\$38m per year)
- Truly a public-private partnership, unlocking government funds
- Donated dollars can only go so far: we need investment capital to address this crisis

# 2. Governments need help with up-front costs

Designed to accept investments from DAFs through recoverable grants



#### 3. Land doesn't need to be available for long

- While land is underutilized, a higher and better use of vacant land
- Can literally borrow land from developers with projects tied up in entitlements
- People holding onto land for a future project can put it to better use
- Tax incentives create incentives for developers and land-owners, plus political goodwill

The long entitlement process in California becomes our friend.



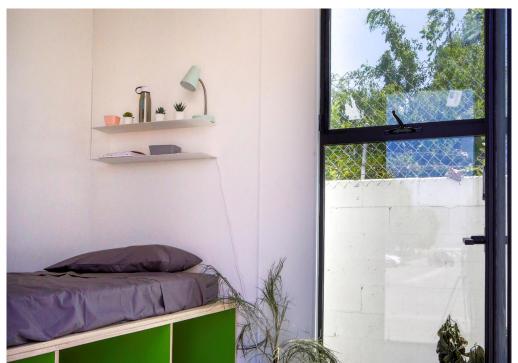
#### 4. Yes in My Backyard!

- Prioritize those already living within 2 miles of the site
- Rather than attracting more homeless, clean up the plight that is already in their neighborhood
- Tent camps have already made homelessness much more visible- people want answers
- Wrap-around services provide case management helping them build their lives, find jobs and housing
- Because these sites are temporary, can mitigate objections
- With dozens of sites, each city does its part for its own homeless
- Mitigates what people consider "ugly" about homelessness: showers, security, mental healthcare



## **Privacy and Dignity**

- Everyone gets their own private room, with a door that locks
- Individually controlled heating and cooling, a desk, bed, Wi-Fi... ample and comfortable
- Private rooms mean they can bring their pets and belongings stay safe
- Enables Covid-19 precautions and social distancing

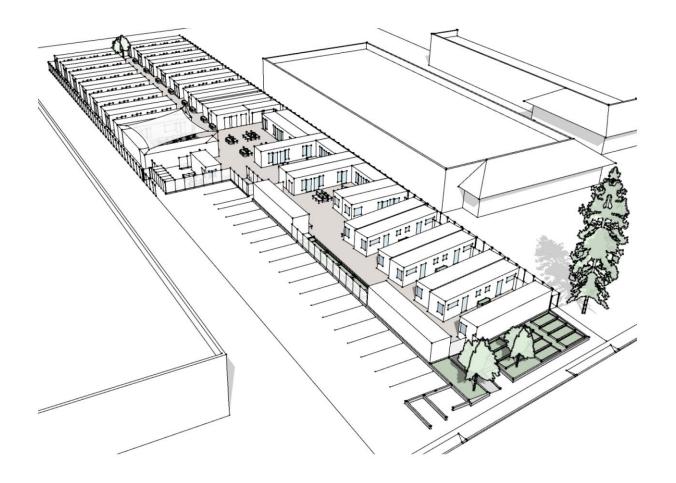






## A True Community

- Indoor/outdoor living for dining and recreation (Covid-19 safe)
- Rooms for case management, seminars and trainings, childcare
- Laundry facilities, smoking area, dog kennels, gardens





# Service Provider Agencies are the Secret Sauce

- Case managers work closely with the clients to address the underlying causes of homelessness
- Classes, training, job placement support, mental and physical healthcare
- LifeMoves in Silicon Valley is our co-founder and first partner
  - Largest provider of homelessness services in Silicon Valley: 23 sites, 1000+ beds
  - Exceptional success rate: 86% of families who go through the LifeMoves program graduate to sustainable housing
- Future partners include Skid Row Housing Trust, PATH and others, depending on region



# The First DignityMoves: Homekey Mountain View

- State's Project Homekey (funded by federal CARES Act) \$600m
- Rooms for 88 individuals and 12 families (up to 136 people) on 1 acre
- Partnership with LifeMoves and the City of Mountain View
- 10x Mountain View's current year-round shelter capacity
- With 606 homeless in MV and LifeMoves intensive case management model that moves people through the program in 4-5 months, can cut MV's homelessness in HALF in the first year alone



#### The Team

- Ed Chan: C. Pacific Foods
- Christina Dickerson: Corium
- Jessica Hawthorne-Castro: Hawthorne Advertising
- Bryan Henson: BevyHouse
- Linda Hothem: Pacific American Group
- Deanna Kangas: Cosmetics industry executive
- Ron Miller: StartEngine
- Viken Ohanesian: BOSS Houses
- Matt Riley: ENGIE
- Eric Schiffer: 99 Cents Only Stores
- Avanthi Shah: NextBrick Solutions
- Adam Waldman: The Refinery
- Smoke Wallin: Vertical Wellness
- Mark Weinstein: MJW Investments
- Brian Weinder: Onyx Tower Management
- Amy Wright: LifeMoves
- Jon Vein: Special appointment to Mayor Garcetti

#### Elizabeth Funk: Chair

- 20-year career managing impact investment funds
- Most recent fund, DevEquity, specializes in lowincoming housing in Latin America
- Served 8 years on the board of Glide's Community Housing, including as Chairman
- Started career in tech (Microsoft and Yahoo!)
- Stanford undergrad, Harvard Business School
- Recently joined the board of LifeMoves after starting this project



# Ways You Can Help



- DignityMoves.org: raising philanthropic funds to seed each new project, continue product development and capacity building
- DignityMoves Fund: investment capital to rapidly deploy sites across California (10-year fund, 6% return secured against the buildings and government contracts)
- Help spread the word about the importance of transitional housing solutions