

# NEWS

---

Sept. 12, 2023

For Immediate Release

## County to Purchase Two Hotels to Convert to Supportive Housing

### *Key step in County's "Functional Zero" Strategy*

**Redwood City** – The Board of Supervisors today voted to purchase two hotels, one in Millbrae and one in South San Francisco, as key elements in the County's strategy to combat homelessness.

The hotels together would make available about 120 units for permanent housing for people previously experiencing homelessness while providing an array of on-site services. Once the County finalizes the purchases through an escrow process and completes renovations, the properties would help keep otherwise vulnerable residents in stable housing with access to case management, counseling and health care clinicians.

"The acquisition of these facilities are an important step in our functional zero strategy to address homelessness," said Supervisor Dave Pine, president of the San Mateo County Board of Supervisors. "Permanent supportive housing changes people's lives."

The hotels are the La Quinta Inn & Suites at 1390 El Camino Real in Millbrae and the Ramada Limited Airport North at 721 Airport Blvd. in South San Francisco.

The Board voted 4 to 1 to [purchase the Millbrae property](#) for \$33 million. Board President Dave Pine, Supervisor Noelia Corzo, Supervisor Ray Mueller and Supervisor Warren Slocum voting yes. Supervisor David J. Canepa voted no.

As part of the approval, the Board agreed to provide the city of Millbrae with specific financial supports to make up for lost revenue to continue meeting with local officials to address other concerns as the property transitions to County ownership. The County also is committed to help displaced workers find training and alternate employment, if desired.

“We know the key to ending homelessness is housing, and these properties will provide safe and affordable housing for individuals and families who are members of our community,” said County Executive Mike Callagy. “We are looking forward to working with the city of Millbrae to make this a fabulous facility for families and seniors.”

In a separate action, the Board voted unanimously to [purchase the South San Francisco property](#) for \$11 million.

The County has applied to the state’s [Project Homekey](#) program to help support the County’s acquisition, rehabilitation and operation of both properties.

Once the sales are final, the County plans to remodel the properties to provide what’s called permanent supportive housing, a proven strategy to combat homelessness.

Unlike a temporary shelter, permanent supportive housing requires each tenant to enter into a lease of an individual apartment and pays rent based on a portion of income. Tenants have the same rights and responsibilities as would a tenant of any apartment building.

Residents at the Millbrae property will be families and seniors and will have been evaluated and screened for placement. ([Find additional information](#) on the cost, property management plan, resident selection process and other information.) Following renovations, the County estimates about 75 units will be available.

Residents at the 45-unit South San Francisco property will be individuals who have experienced homelessness and have been evaluated and screened for placement. ([Find additional information](#) on the cost, property management plan, resident selection process and other information.)

Plans call for both properties to be operated on a day-to-day basis by [Episcopal Community Services](#). On-site supportive services at both the Millbrae and South San Francisco sites would include case managers and health, mental health and other care.

Together, the two purchases are significant steps in the County’s pledge to [end homelessness](#) by achieving what’s called functional zero – that is every unsheltered homeless person has access to interim or permanent housing.

The two acquisitions support a “housing first” approach guided by the belief that people need basic necessities like food and a place to live before attending to anything less critical, such as getting a job, budgeting properly or attending to substance use issues.

To further this pursuit, the County applied for and received Project Homekey funds to acquire four hotels since December of 2020:

- Pacific Inn, located in Redwood City, now known as “Pacific Shelter,” a 74-unit interim housing site.
- Towneplace Suites, also located in Redwood City, now known as “Shores Landing,” a 95-unit permanent supportive housing site for extremely low income seniors who were previously homeless or at risk of homelessness.
- Comfort Inn, located in Redwood City, now known as “Casa Esperanza,” a 51-unit permanent supportive housing site for previously homeless individuals.
- Stone Villa Inn, located in San Mateo, with 44 units of interim housing.

The County has also acquired the Coast House, a 52-unit former hotel in Half Moon Bay that now provides interim housing and support services to families, couples and individuals. While no Project Homekey funds were utilized, the Coast House provides similar services as the four hotels purchased with Homekey funds.

Central in the effort to combat homelessness is the County’s Navigation Center, which [opened in April 2023 east of Highway 101 in Redwood City](#). The center provides 240 safe temporary living spaces for individuals and couples along with intensive on-site support services.

The County received \$55 million in Project Homekey funds to construct and operate the Navigation Center. This is the second-largest Homekey grant awarded across California.

**Additional Information:**

[Presentation to the Board on the Millbrae property.](#)

[Presentation to the Board on the South San Francisco property.](#)

###

