

from HOTEL to HOME

In this third installment of CSH's "from Hotel to Home" series, we lay out a checklist to guide states, cities, and counties through successfully leveraging hotels, motels, and/or other residential and commercial properties to expand access to affordable and supportive housing by using existing state resources and federal American Rescue Plan Act (ARPA) funding.

Hotel Conversion Checklist



Evaluate Unit Need

- Determine unit needs based on current hotel use and anticipated future need.
- If the jurisdiction currently uses hotels for shelter, conduct an inventory of remaining hotel beds and other real estate properties that could also be converted to add additional capacity.
- Determine costs to develop the number of units needed.
- Determine the housing needs of residents being sheltered in hotels and those experiencing unsheltered homelessness.



Identify Permanent Funding Sources

- If necessary, assess availability of federal funding (CARES, American Rescue Plan Act, etc.) or acquisition and permanent financing sources (such as Low-Income Housing Tax Credits or other long-term state financing mechanisms) for affordable housing.
- Work with allocating state/local agency to secure sufficient funding for acquisition and permanent sources (permanent sources are needed if acquisition sources need to be repaid or rehabilitation dollars are needed).
- Evaluate property rehabilitation needs and determine if costs necessitate demolition and new construction.



Establish Operating Funding Source

- Assess the availability of long-term operating subsidies, such as housing voucher programs, or evaluate the potential to allocate new funding for this purpose.
- Determine whether there are sufficient vouchers in your system to cover the unit needs identified in Step One.
- If necessary, create a plan for increasing vouchers to match the unit need or establishing project-specific operating reserves.



Identify Service Funding

- Determine availability of services funding or jurisdictional interest to establish long-term service funding for supportive housing units.
- If necessary, create a plan for increasing funding and expanding to multi-year models.
- Identify opportunities to leverage federal funding.



Identify Experienced Developers

- Identify experienced and culturally responsive development partners with interest and capacity to take on moderate rehabilitation projects (possibly with tenants in-place)
- Establish a model for acquiring and offloading the sites to developer partners.



Assess Political Will & Establish Buy-In

- Secure stakeholder buy-in and assemble a multi-disciplinary team to address zoning, entitlements, and other challenges as they arise.
- Based on real estate types selected for the project(s), determine whether there will be zoning, entitlements, or other impediments and establish a plan to proactively address the challenges should they surface.



Identify Experienced Providers

- Identify culturally responsive supportive service and/or shelter providers for support during the interim and permanent period.
- Determine whether sites will be operated as temporary shelter in the short-term or be converted immediately to permanent housing.
- Identify interim operators for the property when property is being used as interim shelter.

Leveraging Federal Funding for Conversion

Costs	CARES	ARPA	CDBG	HOME
Capital	✓	✓	✓	✓
Operating	✓	✓	✓	✗
Services	✓	✓	✓	✗
			ANNUAL	ANNUAL

Which stakeholders should be at the table?

<p>Funding and Entitlement Agencies</p> <p>Funding and entitlement agencies with an interest in expanding access to high-quality supportive housing.</p>	<p>Housing Developers</p> <p>Culturally responsive, affordable, and supportive housing developers with capacity and interest in creating high-quality supportive housing.</p>	<p>People with lived expertise</p> <p>People with lived expertise to help drive strategy that expands access to supportive housing and shapes quality services.</p>	<p>Service Providers</p> <p>Culturally responsive supportive housing and emergency shelter providers with an interest and capacity to deliver high-quality housing and services.</p>
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For more information on how to leverage federal funding to expand access to supportive housing through hotel conversion, contact consulting@csh.org.

CSH is a national 501c3 and champion for supportive housing that has helped communities create over 335,000 permanent homes for people who need them. Contact us today to design a strategy customized to meet your community's needs.