



Weingart Center Association

The Beacon

Los Angeles, CA



Project Description

The Beacon is a 90-room interim housing facility located in Los Angeles' Westlake neighborhood, one of the most densely populated areas in the city of Los Angeles. According to the Los Angeles Homeless Services Authority 2020 Point in Time Count, Westlake has over 1,800 individuals in need of shelter. Originally constructed in 1960, the site was in substandard condition when acquired by Weingart Center Association (WCA), the owner and operator. The site functioned initially as a Project Roomkey (Roomkey) site through a different homeless services provider prior to WCA taking possession through the Homekey program.

WCA is one of the leading homeless service providers in the greater Los Angeles area. The organization's wraparound services engage homeless individuals in both interim housing and permanent supportive housing capacities with the long-term goal of stabilizing an individual's situation to find permanent housing. While WCA started as a service provider, it has staff highly experienced in developing permanent supportive housing (PSH).

SNAPSHOT

Project name:	The Beacon (formerly Hotel Solaire)
Owner:	Weingart Center Association
Number of units:	91 studio units (includes 1 manager's unit)
Target population served:	Homeless and Chronically Homeless Individuals
Building type:	Motel
Occupancy type (interim or permanent):	Interim
Total Homekey award:	\$13.7 million
Total interim-rehab cost per unit:	\$35,500
Expected conversion date:	2024



Site Selection, Acquisition, and Rehabilitation

The City of Los Angeles selected WCA through a competitive Request for Proposal (RFP) process to own and operate the Hotel Solaire, now the Beacon, as interim housing to be converted into PSH. Due to high COVID case rates County-wide and multiple COVID cases at the Solaire Roomkey site during the RFP period (pre-vaccine era), it was not feasible to conduct detailed site investigations prior to WCA's acquisition of the property and issuance of architectural drawings. The City delivered nearly ready to issue plans for the conversion from R-1 to R-2 occupancy and associated accessibility upgrades. While some additional design work and permit approvals were needed, the City was helpful in expediting and overall, City processing times were shorter for this Homekey site than WCA has experienced on other projects. WCA noted that relationship with the city fostered by Homekey's requirements has embodied strong and early partnership, including City assistance and involvement in all aspects of the development (design, permitting, and utilities).



Operations and Services

At the time of acquisition and prior to receiving the Homekey award, WCA operated nearly 1,167 beds through 13 different programs in five (5) different locations. The organization structured its operations at the Beacon with security, continual maintenance, daily housekeeping, and meal provisions.

The bed night rate for the Beacon is \$65, but the true cost of operations runs a range of \$85-\$100 per night, in part due to the acuity of participants as well as property conditions that require constant repairs. As a result, WCA is subsidizing property operations.

Additionally, unlike any of the other city-owned Homekey sites, the Beacon was fully occupied when WCA initially took possession of the property. Despite the best efforts to stabilize participants, nearly two-thirds of the original Roomkey participants that occupied the property when WCA took possession experienced turnover because they did not want to participate in intensive case management services once the site converted to the Homekey program. Consistent with feedback from other program operators, preparing for, and managing physical improvements at vacant properties is a preferred strategy, whether it is funded by Homekey or not.

With the plan for converting the Beacon to PSH still in the conceptual phase, WCA is working on advancing plans and obtaining funding, which will likely come through the Low-Income Housing Tax Credit program, for additional renovation needed for the PSH conversion. The shortage of project based rental vouchers, which are used to fund operations and leverage long-term debt, represent the most significant conversion barrier confronting WCA, at this time. Without such subsidy, PSH developments are not financially sustainable in the long-term.



Key Takeaways

The Beacon resulted in service supported housing units created significantly faster and at a much lower total up front capital cost than other models. Furthermore, as the applicant for Homekey funds, the city embraced its role as collaborator and partner with WCA and took responsibility for coordinating multiple departments to expedite the permitting and approval process to

facilitate occupancy. As WCA continues to operate the site as interim housing, it will need to continue to work closely with the City to increase the bed night rate and to secure long-term operating subsidy when it is time to convert the property to PSH.

About Enterprise

Enterprise is a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$44 billion and created 781,000 homes across all 50 states—all to make home and community places of pride, power and belonging. Join us at enterprisecommunity.org.

About the Weingart Center Association

The Weingart Center is a 501(c)(3) nonprofit agency that provides homeless individuals with the basic tools necessary to stabilize their lives, secure income, and find permanent housing. Our mission is to empower and transform lives by delivering innovative solutions to break the cycle of homelessness. Learn more at weingart.org.