Laguna Honda: Mercy Housing Project Analysis

August 11, 2025

Presented by:

Doug Shoemaker, Principal

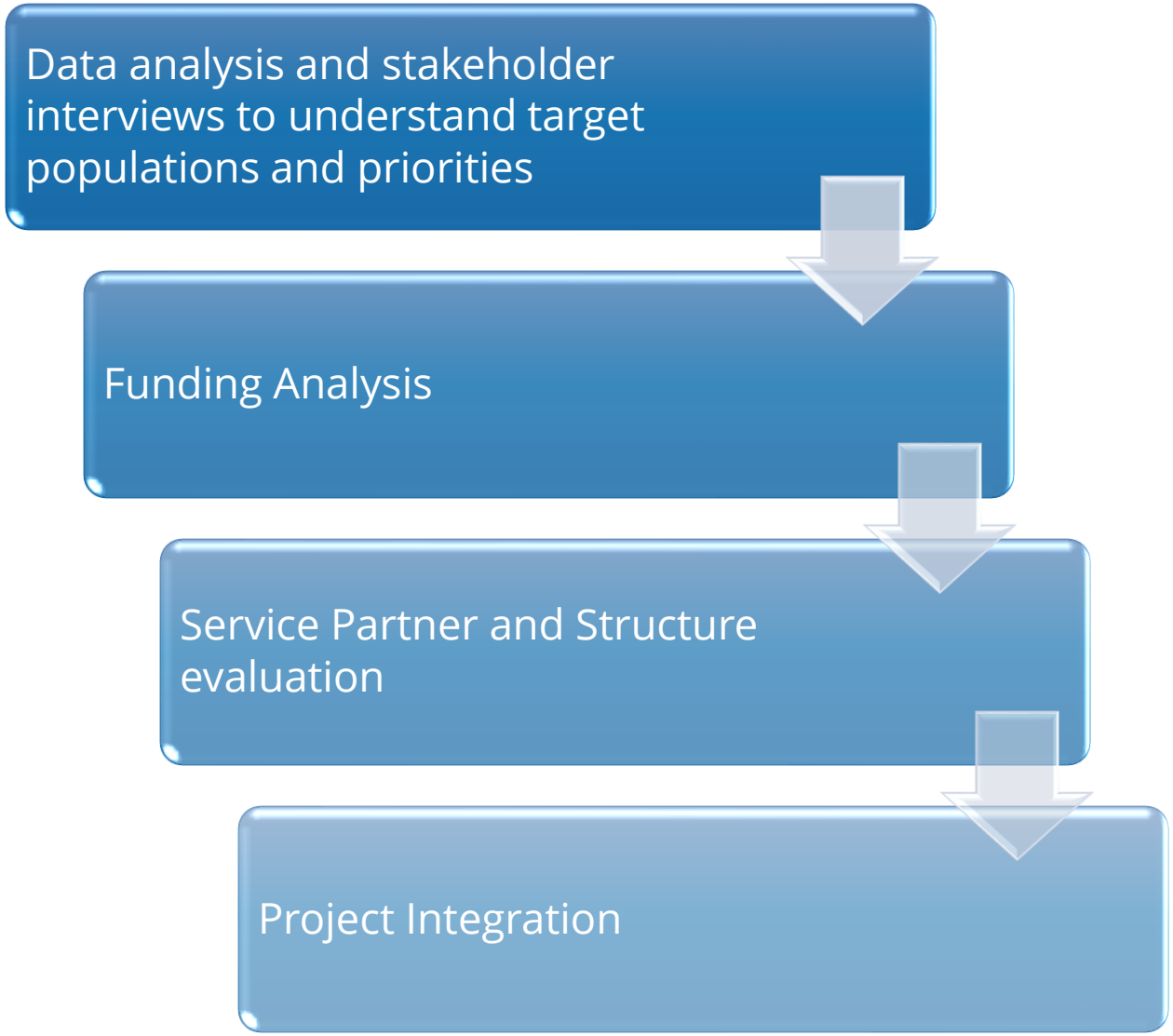
Agenda

LAGUNA HONDA HOSPITAL JOINT CONFERENCE COMMITTEE MEETING: 8/11/25

- Welcome and Introductions
- Process Review
- Target Populations and Services
- Service Providers
- On-site Senior Center
- Options for Affordable Assisted Living
- Questions and Next Steps

Process Overview

Collaboration with HMA



Target Populations and Service Needs

Data

- Discharge data from LHH
- ADHC v. IHSS usage rates among Mercy Housing seniors
- Citywide demographic data including race, age, and income

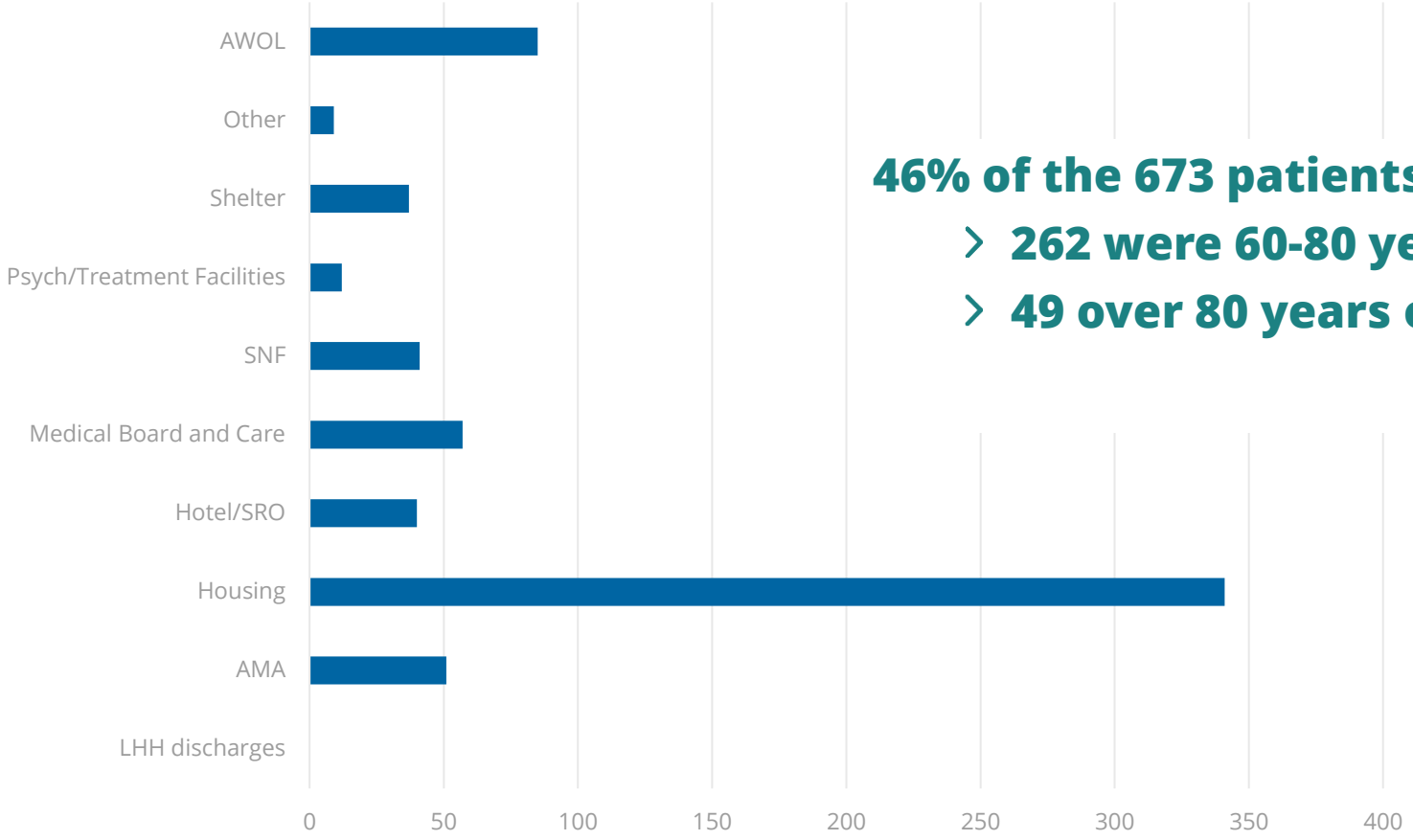
Stakeholder interviews

- DPH: Behavioral Health
- DPH: Laguna Honda Hospital
- DPH: San Francisco Health Network
- HSA: Disability and Aging Services
- SF Homelessness and Supportive Housing
- Mayor's Office of Housing and Community Development

Range of Service Needs

- Assistance with Daily Living
- Medication Management
- Care Management
- Limited clinical needs such as injections and wound care
- Complex care needs including SUD, SMI and chronic conditions

LHH Discharge Data by Placement Setting: 2018-2025 **

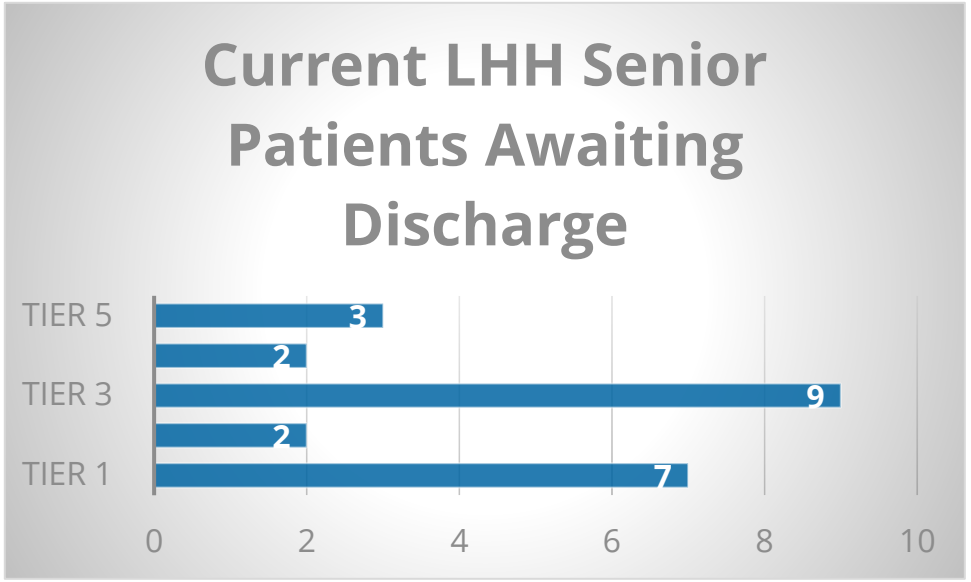


46% of the 673 patients were seniors

- **262 were 60-80 years old**
- **49 over 80 years old**

**DPH is analyzing additional data to refine this set for seniors and to make allowances for COVID-era anomalies and the LHH closure period.

Service Needs of Seniors Awaiting Discharge



78% of the seniors need Tiers 1-3 services for the Assisted Living Waiver Program

DPH staff are doing additional data analysis on the senior patients awaiting discharge from Chan Zuckerberg General Hospital and other DPH settings

Service Description		Services
Tier 1	Supervision	Residents in this tier may need reminders or cueing to perform activities of daily living (ADLs) or require minimal physical assistance.
Tier 2	Limited Assistance	Individuals in this tier require some assistance with ADLs.
Tier 3	Extensive assistance	Residents who need more significant help with ADLs, possibly including physical assistance with transfers or personal hygiene.
Tier 4	Total dependence	Residents in this tier require total assistance with most or all ADLs
Tier 5	Traumatic Brain Injury	This tier is for individuals with traumatic brain injuries who require specific services and support.

On-site Senior Center Recommendation

Mercy Housing Analysis of Adult Day Health Center (ADHC) Usage

- Mercy Housing previously engaged a consultant to analyze the use of ADHC and IHSS by Mercy Housing residents in multiple locations including two co-location sites
- Determined that **only 8%-12% of Mercy Housing senior residents** in these locations used ADHC services.
- Majority of residents opted for In-Home Supportive Services (IHSS) even in the co-located sites

ADHC Decision Factors

Development of an Adult Day Health Center (ADHC) was identified in the original RFP

An ADHC existed on-site prior to reconstruction of LHH, but was not rebuilt due to financial considerations

HMA and Mercy Housing do not view ADHC as a strong complement to the service needs of the future residents given previous experience and stakeholder input

DPH staff indicated that a community-facing senior center could prove valuable to LHH because it will bring more people to the campus and make them aware of available services

Recommendation: Shift to Social Day Program

- Supervisor and others are interested in a space that serves the community

- Mercy recommends that the ADHC be replaced with Social Day program
  - **ADHCs** are generally geared towards those who need more **medical care**
  - **Social Day** programs focus on **socialization, recreation, and a noon meal**

- Social Day programs have more flexible eligibility criteria

- **Next steps:**
  - Assess funding options
  - Assess best fit of service providers
  - Determine optimal program and size of space needed
    - Providing 3,500 SF space within the Phase II building fits well into the site plan.

Service Provider Analysis (DRAFT)

Services for Residents	Mercy Housing	Home-bridge	Self-Help for the Elderly	Cardea Health	Stepping Stone	Curry Senior Services	Insitute on Aging	On Lok
Clinical care				■				
PACE/FQHC level services				■			■	■
Meal/Food Services			■			■		■
Care Management	■	■	■	■	■	■	■	■
Medication Management		■	■	■				
Personal Care		■	■					
Tenancy supports	■	■		■		■	■	

Community-facing Services								
Social Day Program			■			■		
Adult Day Health Care			■		■			

Housing Funding Analysis and Recommendations

Housing Affordability

MOHCD Project goal/commitment:

- 100% of new housing opportunities will serve lower-income people (meaning people with incomes at 60% of SF AMI or lower)

Medicaid Eligibility for CA

Family Size	138% Poverty Level	as a % of SF AMI
1	21,597	20%
2	29,187	23%

Housing Affordability

Percent of Building	Area Median Income	One Person Income limit	Medicaid Eligibility	Rent Subsidy Source	Referral Source
40%	15-20% AMI	15%: $16,375 25%: $21,825	yes	Senior Operating Subsidy	MOHCD
25%	20% AMI	$21,825	yes	TBD	DPH (proposed)
35%	40-60% AMI	$43,650-$65,450	no	None required	MOHCD

Housing Affordability Funded in Two Ways

Capital funding:

- Mayor's Office of Housing and Community Devt. (Committed)
- State sources: CA Tax Credit Allocation Committee and Dept of Housing and Community Development (Competitive Funding)

Rental Subsidies:

- Operating subsidies to cover costs for 40%-65% of the units to serve extremely low-income seniors
- These seniors are very likely Medicaid-eligible

Funding Framework for "Assisted Living" Options

	Residential Care Facility for the Elderly	Affordable Senior Housing
Licensing	Licensed model	Unlicensed independent living
Capital Funding Sources	• No capital subsidy program in CA specifically for "affordable" RCFEs. • Challenges with state and federal housing funding	Well established capital funding model using mix of local, state and federal (if available) funding sources
Services Funding	Assisted Living Waiver Program (ALWP) can fund services (Limited availability)	CalAIM and locally funded services available to support seniors that can live independently
Rental subsidies/ Room and Board Funding	Community Living Fund funds "room and board" subsidies for extremely low-income seniors (Limited availability, limited time period of subsidy)	Need for rental/operating subsidy for extremely low-income seniors

Recommendation: Affordable Housing with Enhanced Services

- Development of an affordable housing with enhanced services is more financially feasible than an affordable licensed residential care facility for the elderly (RCFE)
- Medicaid-funded health and personal care services are available to enable the affordable housing model to address the health needs of seniors with Tier 1-3 needs
- These services could be augmented by ground floor health services and off-site clinical services

DPH referral pathway:

- 25% of the units could be set aside for referrals from DPH settings including Laguna Honda and Chan Zuckerberg General Hospital
- Requires a 15-year funding commitment from the City
- Potential funding vehicles
  - **Community Living Fund**: Scattered Site Housing and Rental Subsidy Administration (SSHRSA) program. SSHRSA provides housing options for individuals in skilled nursing facilities in San Francisco, or individuals who are at imminent risk for nursing home or institutional placement but are willing and able to live in the community with appropriate support
  - **Local Operating Subsidy Program**: Currently only used for the Department of Homelessness and Supportive Housing (HSH) referrals of people that are currently homeless and referred through Coordinated Entry.

Questions?

Preliminary Schedule for Monthly JCC Updates

Monthly meeting schedule:	**JCC Monthly Meeting #4 (August 2025)** - Services Planning Update - Ongoing updates **JCC Monthly Meeting #5 (September 2025)** - Review options of City of San Francisco Jurisdictional Control – maintaining DPH jurisdictional control or making jurisdictional transfer to MOHCD - Pros / Cons of jurisdictional Transfer - Ongoing updates **JCC Monthly Meeting #6 (October 13, 2025)** - No JCC meeting due to CCSF observed Indigenous People's Day **JCC Monthly Meeting #6 (November 2025)** - Follow up on City of San Francisco Jurisdictional Control - Overview of Draft MOU (between MOHCD, DPH/LHH, Mercy Housing) **JCC Monthly Meeting #6 (December 8th 2025)** - Recommendation on City of San Francisco Jurisdictional Control - Endorsement of draft MOU
Full Health Commission	**Full Health Commission = Dec 15th (this is the Annual LHH focused meeting)** - Recommendation on City of San Francisco Jurisdictional Control - Endorsement of draft MOU
2026	Further follow up and regular schedule for updated TBD

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HMA 40 YEARS

Appendix

Terminology

Service-Enriched Housing	▪ Permanent, basic rental housing in which social services are available on-site or by referral through a supportive services program or service coordinator
Residential Care Facility for the Elderly (RCFE)	▪ Age Range: Typically, 60 + but can include younger individuals with similar needs. ▪ Provides care and supervision for seniors who need help with ADLs ▪ Services include meals, housekeeping, medication management, and social activities. ▪ Not a Skilled Nursing Facility - RCFEs do not provide 24-hour skilled nursing care.
Assisted Living	▪ Includes both RCFEs and Adult Residential Facilities (ARFs), which provide similar services – ARFs serve adults ages 18-59

Assisted Living Waiver Program (ALWP)

- ALWP is a program funded by Medi-Cal that allows eligible seniors and individuals with disabilities to receive care in community-based settings as an alternative to nursing homes

- ALWP can be used in RCFEs and “publicly subsidized housing”

- Proposed affordable senior housing would meet criteria for “publicly subsidized housing”
  - Residents get AL services through Home Healthcare Agency
  - Highly flexible model that enables “aging in place”
  - Requires that DHCS approve the agency and the setting

Stakeholder Feedback

	DPH	HSA	HSH	LHH	Mercy Housing	MOHCD
Target Populations	Aging BH needs, mobility issues	Intermediate care, low-income	Homeless/at-risk seniors	SNF discharge, younger disabled	Independent seniors	Seniors with TBI, BH
Service Needs Mentioned/Prioritized	Dialysis, wound care, psychiatry	PAs/PC-OT, 24/7 support	Case mgmt., step-up housing	ADLs, harm reduction	Limited medical; wellness nurse	TBI; harm reduction
Adult Day Health Care	Community-facing, city priority	Community-facing	Not central	Mixed views	Not preferred	Essential component
Models Discussed	Assisted Living for Behavioral Health	Affordable Assisted Living	Permanent Supportive Housing and services	Enhanced independent	IL (Phase 1), AL (Phase 2)	Enhanced IL