



City Manager's Office

1010 10th Street, Suite 6100
Modesto, California 95354
209.577.5200
Modestogov.com

Press Release

Contact: Cameron Cramer
Communication & Media Relations Officer
ccramer@modestogov.com
209-412-1338

For Immediate Release

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City of Modesto Awarded Nearly \$18 Million for Permanent Supportive Housing Project

Modesto, CA — The City of Modesto has been awarded nearly \$18 million in Homekey+ funding from the State of California to create a transformative housing project that will convert a local motel into permanent supportive housing for individuals experiencing homelessness.

The award of \$17,906,992 will fund the acquisition and rehabilitation of the El Capitan Motel, located at 1121 Needham Street. Once completed, the project will transform the 49-unit property into 48 units of permanent supportive housing, plus one on-site manager's unit. An additional \$5 million in capital from City, County, and development partners will further support the project's construction. A portion of the funding will support the ongoing operations and services necessary to ensure long-term housing stability for residents.

The El Capitan development will serve individuals experiencing homelessness or at risk of homelessness, including:

- 24 veterans and 24 individuals with a serious mental illness or substance use disorder.

Key service and housing partners for the project include:

- Stanislaus County Behavioral Health and Recovery Services (BHRS)
- Catholic Charities SSVF Veteran Program
- Housing Authority of Stanislaus County, through the VASH program in partnership with the U.S. Department of Veterans Affairs

This initiative reflects the City's continued commitment to innovative, community-based solutions to homelessness. The El Capitan project will build on the success of the recently opened Jenny's Place, a converted motel providing 54 units of permanent supportive housing, and Grace Gardens, a new tiny home housing project slated to open later this summer.

"Real change is happening in our City!" says Mayor Sue Zwalen. "Modesto is prioritizing supportive housing that helps people rise up from homelessness. This significant State funding will create a lasting impact for our entire community."

For more information about the City's homelessness response and housing initiatives, visit <https://www.modestogov.com/2674/Projects-and-Programs>

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