

PROJECT OC-MAGIC

A Tech-Enabled HomeShare Sustainability Framework to Address Structural Lag and Fixed-Income Poverty

TO: The Honorable Board of Supervisors, County of Orange

FROM: Orange County Older Adults Advisory Commission (OAAC) - Ad-Hoc Committee on Housing Security

SUBJECT: Proposal for a Countywide Home-Sharing Framework

1. Statement of Purpose

The Orange County Older Adults Advisory Commission (OAAC) respectfully submits this strategic proposal to establish a scalable, provider-neutral municipal home-sharing framework: **Project OC-MAGIC** (Managed Arrangements for Guided Intergenerational Connection).

This proposal provides a comprehensive, "zero-construction" policy blueprint designed to activate underutilized existing housing stock to support vulnerable older adults. By transitioning traditional, staff-intensive housing placement models into a secure, automated digital infrastructure, Orange County can create a self-funded public utility that mitigates housing cost burdens, addresses social isolation, and protects county financial resources.

2. Strategic Justification: Structural Lag & Fixed-Income Poverty

Modern social safety nets are experiencing a severe mismatch between legacy infrastructure and unprecedented lifespans—a policy challenge known as **Structural Lag**. While regional systems were designed around shorter historical life expectancies, older adults are now living significantly longer. Orange County is home to approximately 400,000 residents aged 65 and older; while an estimated 72.2% are homeowners, an alarming number suffer from a distinct financial crisis: **Fixed-Income Poverty**.

Defining Fixed-Income Poverty

Fixed-Income Poverty describes a financial state where an individual or household relies entirely on a rigid, unchanging source of income—such as Social Security, fixed pensions, or structured annuities that fails to keep pace with localized cost-of-living increases, inflation, and non-discretionary housing expenses.

In municipal housing policy, this condition creates the **"Asset-Rich, Cash-Poor"** dilemma. Individuals experiencing fixed-income poverty possess substantial illiquid wealth, typically in the form of home equity, yet they lack the liquid cash necessary to maintain a basic, secure standard of daily living. Because traditional safety nets measure poverty based strictly on income or liquid cash assets, these individuals are completely disqualified from public assistance programs despite their severe daily financial distress.

Illustrative Case Example: The "Middle Group" Homeowner

To demonstrate how fixed-income poverty impacts the targeted **Middle Group** of older adult homeowners in Orange County, consider the following standard regional profile:

- **The Asset:** A 78-year-old retired resident purchased her home decades ago. The mortgage is fully paid off, and due to the local real estate market, the property is currently valued at over a million dollars. On paper, she is highly wealthy.
- **The Income:** Her sole source of liquid income is a fixed monthly check.

In reality, her fixed income is entirely consumed by the non-discretionary costs required to preserve that asset and maintain her health:

- **Property Taxes & Home Insurance Spikes:** [PLACEMARK - William Wong: Insert Average Monthly Tax & Insurance Baseline for OC]
- **Essential Structural Home Maintenance:** [PLACEMARK - William Wong: Insert Standardized Monthly Upkeep Cost Placeholder]
- **Basic Utilities (Gas, Water, Power):** [PLACEMARK - William Wong: Insert Average Monthly Senior Utility Allocation]
- **Out-of-Pocket Healthcare & Medications:** [PLACEMARK - William Wong: Insert Projected OC Senior Out-of-Pocket Medical Baseline]

The Economic Reality: After meeting these unavoidable obligations, she is left with an unsustainable, minor discretionary amount per day to cover food, groceries, transport, and unexpected emergencies. She cannot qualify for traditional bank refinancing or home equity lines of credit because her low monthly income fails strict debt-to-income lending ratios. Selling her home would displace her from her community into an unaffordable rental market. She is trapped living inside a valuable asset while struggling to afford basic nutrition.

The Win-Win: A Dual-Target Solution

Project OC-MAGIC provides an innovative remedy to this crisis by acting as a marketplace that solves two distinct municipal housing issues simultaneously:

1. **Protecting the At-Risk Homeowner:** Activating an underutilized bedroom within an older adult's home to securely host a renter generates a predictable monthly rental income. This completely transforms the homeowner's financial baseline, eradicating her Fixed-Income Poverty and allowing her to age in place safely with dignity.
2. **Protecting the At-Risk Older Adult Renter:** In addition to workforce and student pipelines, the framework provides a dedicated **Senior-to-Senior Peer Pipeline**. This offers a vital, immediately available pool of affordable rooms for independent older adults who do not own a home and are being priced out of the traditional Orange County rental market.

3. Core Components of the Operational Framework

To maximize public safety and program sustainability, the proposal coordinates four interconnected operational strategies developed through extensive discovery by the Ad-Hoc Committee:

- **Stakeholder Engagement & Cultural Safety Thresholds:** Engaging community members to identify emotional, cultural, and technological roadblocks regarding home-sharing. This strategy establishes personalized lifestyle matching parameters (such as dietary rules, daily routines, and privacy boundaries) and

structures standardized "Living Together Agreements" to govern daily expectations and protect the property rights of independent homeowners.

- [PLACEMARK - Bilquis Manjra: Insert Core Narrative Text on Community Outreach & Cultural Parameter Mapping]
- **Research on Existing Program Best Practices:** Investigating national, global, and "Blue Zone" models to identify what keeps shared living arrangements stable over the long term. This strategy focuses on translating companionship and social health data into the matching process to actively counter the public health epidemic of senior isolation and promote healthy longevity across both homeowners and older adult seekers.
- [PLACEMARK - Kristen Maahs: Insert Core Narrative Text on Longevity Models, Global Benchmarks, & Social Health Integration]
- **Systems Alignment & Liaison to County Resources:** Mapping out regional care systems, nonprofit networks, and local healthcare entities (such as CalOptima and Kaiser) to embed this framework into the county's existing infrastructure. This strategy ensures the initiative avoids duplication of services, leverages external non-county funding, and coordinates with broader platforms like *OC Navigator*.
- [PLACEMARK - Mario Ortega: Insert Core Narrative Text on Healthcare Integrations, Non-Profit Networks, & Regional Assets]
- **Plan Assembly & Technology Framework:** Serving as the principal architect to compile the committee's collective research into this vendor-agnostic blueprint. This strategy designs the underlying digital architecture and manages the development of secure, closed-loop tenant pipelines to ensure the operational safety, automated workflow, and scalability of the program.
- [PLACEMARK - William Wong: Insert Core Narrative Text on Technical Architecture & Provider-Neutral Specifications]

4. Operational Efficiency Analysis: Legacy vs. Tech-Enabled Models

Traditional home-sharing programs rely heavily on manual, paper-driven case management, creating high administrative overhead, low match volumes, and permanent

dependency on public grants. **Project OC-MAGIC** replaces manual inefficiencies with an automated, provider-neutral software model where administrative costs drop proportionally as community adoption increases.

Framework Metric	Legacy Manual Models	OC-MAGIC (Generic Platform Framework)
<p>Annual Public Operating Budget</p>	<p>[PLACEMARK - William Wong: Manual Budget]</p>	<p>[PLACEMARK - William Wong: Platform Budget]</p>
<p>Average Matches Per Year</p>	<p>[PLACEMARK - William Wong: Manual Match Vol]</p>	<p>[PLACEMARK - William Wong: Platform Match Vol]</p>
<p>Administrative Cost Per Match</p>	<p>[PLACEMARK - William Wong: Manual Cost Per Match]</p>	<p>[PLACEMARK - William Wong: Platform Cost Per Match]</p>

Framework Metric	Legacy Manual Models	OC-MAGIC (Generic Platform Framework)
Renter Acquisition Source	Public Classifieds (High-Risk)	Dual Closed-Loop Pipelines (Pre-Vetted)
Intake & Matching Method	Staff-Intensive Verification	Automated Compatibility Algorithm
Long-Term Sustainability	100% Public/Grant Dependent	Self-Funded, Permanent Utility

5. Risk Mitigation & Closed-Loop Security Infrastructure

To ensure the absolute protection of vulnerable homeowners in the middle group, this framework explicitly prohibits open public listings. Instead, the technology architecture operates a strictly restricted, closed-loop network fed by two verified pipelines:

1. **The Institutional Pipeline:** Restricts workforce/student applications to verified students, graduate researchers, and incoming healthcare staff from participating local academic institutions and medical employment pipelines.

2. [PLACEMARK - William Wong: Insert Verified University, College, and Hospital Network Integration Protocols]
3. **The Senior-to-Senior Peer Pipeline:** Restricts older adult renter applications to individuals referred and pre-screened directly by trusted county networks, local senior centers, aging-service non-profits, and local housing authorities.
4. [PLACEMARK - Mario Ortega: Insert Designated County Sourcing Pipelines, Senior Centers, & Agency Partners]

Automated Safety Layers:

- **Identity Verification:** Employs automated biometric facial scanning and government-issued ID verification.
- **Background Screening:** Mandates automated, immediate 50-state criminal and sex-offender background checks.
- **Accountability:** Sourcing renters exclusively through institutional partners or formal senior-service networks ensures all participants remain fully accountable to an established academic body, employer, or case-management system.
- **Contractual Protections:** Generates automated, California-compliant digital agreements that clearly protect the property rights of the homeowner.
- [PLACEMARK - Bilquis Manjra: Insert Baseline Rules and Guidelines for Standardized Living Together Agreements]

6. Fiscal Justification & Path to a Self-Funded Utility

Building custom government software is cost-prohibitive and introduces significant development delays. This proposal advocates for licensing an existing, proven software framework that is not tied to any single company. This approach protects public capital, lowers implementation risks, and allows for immediate deployment.

The model is structured to achieve full financial independence over a three-year cycle:

- **Year 1 (Setup):** Public seed investment is used strictly to establish the licensed technology platform and execute formal Memorandums of Understanding (MOUs) with regional university pipelines and senior-service networks to complete the initial secure matches.

- [PLACEMARK - William Wong: Insert Year 1 Public Seed Funding Requirement]
- **Year 2 (Scaling):** The platform expands outreach to middle-group older adults across all five supervisorial districts, expanding volume while significantly reducing the administrative cost per match.
- [PLACEMARK - William Wong: Insert Year 2 Target Match Volume & Administrative Overhead Breakdown]
- **Year 3 (Sustainability):** As matching volume scales, the program sustains itself entirely through low, automated "at-cost" success fees processed safely through the digital utility, requiring **zero ongoing public taxpayer subsidies**.
- [PLACEMARK - William Wong: Insert Year 3 Success Fee Architecture & Operational Break-Even Threshold]

Implementation Schedule

- **Months 1–3:** Secure generic technology framework licensing; complete formal MOU tenant-pipeline drafts with target regional academic and health centers.
- **Months 4–12 (Year 1 Deliverable):** Launch local awareness campaigns through senior centers and city offices to onboard early-adopter homeowners; finalize first cohort of secure matches.
- **Year 2 Focus:** System optimization, district-wide scaling, and infrastructure integration with county-wide resource directories.
- **Year 3 Focus:** Complete transition to a self-funded, permanent public resource.

7. Municipal Benchmarks

The deployment of an automated home-sharing platform represents a proven national model for increasing affordable housing inventory without construction overhead. Similar frameworks (such as the *Nesterly* architecture) have been successfully implemented by municipal entities across varying demographics:

- **The City of Los Angeles, CA:** Successfully implemented digital home-sharing protocols to safely connect aging local homeowners with university students in high-cost areas.

- **San Mateo County, CA:** Leveraged automated vetting tools to lower municipal administrative overhead and expand housing inventory for older adults.
- **The City of Boston, MA:** Utilized automated matching software to scale safe, intergenerational and peer-to-peer home-sharing, significantly reducing matching timelines.

8. Summary of Requested Action

By approving this framework, the Board of Supervisors can position Orange County at the forefront of innovative, fiscally responsible housing policy for older adults. This initiative converts underutilized housing stock into a "Zero-Construction Infrastructure."

It expands critical housing availability for the county's workforce and students, while simultaneously offering a safe, affordable, peer-to-peer residential option for older adult renters. Most importantly, it secures financial stability, safety, and life-extending social connection for the county's house-rich, cash-poor older adult homeowners.

Proposal Credits & Development

This framework proposal was developed and compiled for the Board of Supervisors by the Orange County Older Adults Advisory Commission (OAAC) Ad-Hoc Committee on Housing Security:

- **William Wong, MS, RCFE** — *Committee Chair & Technology Framework Lead*
- **Bilquis Manjra** — *Stakeholder Engagement & Cultural Safety Lead*
- **Kristen Maahs** — *Existing Program Best Practices Lead*
- **Mario Ortega** — *Systems Alignment & Regional Resource Liaison*
- **Rachel Owens** — *OAAC Commission Chair (Ex-Officio)*