

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION AUTHORIZING AND DIRECTING THE DIRECTOR OF THE DEPARTMENT OF HOUSING, OR DESIGNEE(S), TO EXECUTE AN AGREEMENT WITH THE HOUSING ENDOWMENT AND REGIONAL TRUST IN AN AMOUNT NOT TO EXCEED A TOTAL OF \$2,078,800 IN MEASURE K FUNDS TO DISBURSE UP TO \$2,000,000 IN LOANS TO QUALIFIED LOW-INCOME RESIDENTS RESIDING IN THE SEVEN MOBILE HOME PARKS LOCATED IN UNINCORPORATED SAN MATEO COUNTY FOR THE PURCHASE OF APPROVED NEW MOBILE HOME UNITS AND FOR AN ADMINISTRATIVE FEE NOT TO EXCEED \$78,800 FOR A TERM OF MARCH 12, 2024 THROUGH JUNE 30, 2026 AND GRANTING A WAIVER OF COMPETITIVE BIDDING PURSUANT TO COUNTY ADMINISTRATIVE MEMORANDUM B-1

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the County has taken extensive steps to preserve and develop permanent, long-term affordable housing in the County, and mobile homes are one part of the comprehensive set of affordable housing solutions the County is pursuing; and

WHEREAS, the County has implemented programs to address widespread health and safety issues caused by dilapidated, aging, or otherwise unsafe mobile home units located within the County's seven unincorporated mobile home parks, including a subsidized loan program for residents of Redwood Trailer Village and a subsidized repair program for low-income residents to correct high-priority safety issues identified by County compliance staff; and

WHEREAS, the replacement of aging or dilapidated existing mobile home units in mobile home parks in San Mateo County and increasing access to credit for vulnerable residents to help expand the stock of quality affordable housing serves a public purpose and provides public benefits to residents of the County as a whole; and

WHEREAS, building on the success of the County's prior loan program to provide financing for mobile home purchases at Redwood Trailer Village, County staff have coordinated to develop the San Mateo County Mobile Home Loan Program ("MHLP"), which will allocate an aggregate \$2,000,000 for at least 20 low-interest loans to qualifying low-income residents of all seven Mobilehome parks located in unincorporated San Mateo County to use toward the purchase of approved new units; and

WHEREAS, individual loan amounts under the MHLP would be capped at \$100,000 with no downpayment required, and interest would be fixed at rates not to exceed 3 percent per annum, or less, based on income levels, over a 30-year term; and

WHEREAS, to qualify for a loan under the MHLP, a borrower must already occupy a unit at a space in one of the seven mobile home parks in unincorporated San Mateo County as their primary residence, and after the purchase, continue to reside there for the duration of the loan, not have an outstanding loan through the Redwood Trailer Village loan program, and earn no more than 80 percent of Area Media Income; and

WHEREAS, in addition, borrowers under the MHLP must demonstrate adequate income to cover loan and unit space lease payments, and other household expenses, with the loan used to fund the purchase, delivery, and installation costs related to purchasing a new unit; and

WHEREAS, individual loan amounts under the MHLP will be determined on a case-by-case basis, as determined primarily by the borrower's income and purchase price of their new unit; and

WHEREAS, if a borrower under the MHLP sells or transfers their unit without proper notification and prior to loan maturity or defaults on material terms, the remaining principal and accrued interest will become immediately due and payable in full; and

WHEREAS, this Board has been presented with a proposed agreement with The Housing Endowment and Regional Trust ("HEART") to administer the MHLP and disburse loans to eligible borrowers (the "Agreement"); and

WHEREAS, under the proposed Agreement, the County will grant \$2,078,800 to HEART to be used for the sole purpose of (i) dispensing loans to qualifying low-income residents of County mobile home parks in connection with the MHLP in an aggregate principal amount not to exceed \$2,000,000; and (ii) administering the MHLP in accordance with the Agreement for an amount not to exceed \$78,800 for marketing, public outreach, and loan administration services for a term from March 12, 2024 through June 30, 2026; and

WHEREAS, after the loans funded by the MHLF have been administered, HEART will continue the program as a revolving loan fund providing affordable financing available to the more than 700 mobile home residents in unincorporated San Mateo County, or otherwise use the funds for purposes consistent with its mission to create and preserve affordable housing for low-and moderate-income families throughout San Mateo County; and

WHEREAS, as a joint powers entity organized as a nonprofit whose mission is to create and preserve affordable housing for low-and moderate-income families throughout San Mateo County, with extensive experience providing loans for housing developments, preservation, acquisition, and rehabilitation, HEART is uniquely positioned to assist the County with the MHLF; and

WHEREAS, as a joint powers entity, HEART is also subject to a waiver of competitive bidding pursuant to County Administrative Memorandum B-1, § IV(B)(2), and this Board desires to grant such a waiver; and

WHEREAS, this Board has reviewed the proposed Agreement and examined it as to form and content and desires to enter into the Agreement.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Director of the Department of Housing, or designee(s), is authorized and directed to execute the Agreement with HEART in an amount not to exceed a total of \$2,078,800 in Measure K funds to disburse up to \$2,000,000 in loans to qualified low-income residents residing in the seven mobile home parks in unincorporated San Mateo County

for the purchase of approved new mobile home units and for an administrative fee not to exceed \$78,800 for a term of March 12, 2024 through June 30, 2026.

BE IT FURTHER RESOLVED that the Director of the Department of Housing, or designee, is authorized to execute amendments to the Agreement which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

BE IT FURTHER RESOLVED that the Board finds and determines that granting a waiver of competitive bidding for the services provided under the Agreement is appropriate pursuant to County Administrative Memorandum B-1, § IV(B)(2), and the Board hereby grants such waiver.

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