

RESOLUTION NO. .

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA,
SITTING AS THE BOARD OF COMMISSIONERS FOR THE HOUSING AUTHORITY
OF THE COUNTY OF SAN MATEO**

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**RESOLUTION: A) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE HOUSING
AUTHORITY OF THE COUNTY OF SAN MATEO (HACSM) TO EXECUTE A
CERTIFICATE OF ACCEPTANCE FOR DAVID R. ROWE PARK ON BEHALF OF
HACSM; AND B) APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR
OF HACSM TO EXECUTE AND IMPLEMENT, AN AFFORDABLE HOUSING AND
PROPERTY DISPOSITION AGREEMENT WITH MP MIDWAY ASSOCIATES I, L.P.,
AND ANY AGREEMENTS AND/OR DOCUMENTS NECESSARY TO IMPLEMENT
THE SAME FOR (1) A LOAN OF UP TO \$12 MILLION TO MP MIDWAY
ASSOCIATES I, L.P., AND (2) THE GROUND LEASE OF A PORTION OF MIDWAY
VILLAGE AND DAVID T. ROWE PARK TO MP MIDWAY ASSOCIATES I, L.P. FOR
ITS DEVELOPMENT AND SUBSEQUENT OPERATION OF A RENTAL HOUSING
DEVELOPMENT**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo (“HACSM”), that

WHEREAS, Midway Village is a 150-unit affordable rental housing complex developed by HACSM on property located in the Bayshore neighborhood of Daly City; and

WHEREAS, HACSM owns the land upon which Midway Village is currently situated, and SAMCHAI, a California nonprofit public benefit corporation, owns the improvements on the Midway Village site; and

WHEREAS, in spring 2016, SAMCHAI executed a resolution approving HACSM's responsibility and authority to undertake the redevelopment of the Midway Village site, including selection of a developer; and

WHEREAS, the City of Daly City (the "City") owns and operates the approximately 3.8-acre David R. Rowe Park, more commonly known as Bayshore Park (the "Park Property"), a neighborhood park located adjacent to Midway Village; and

WHEREAS, prior to May 11, 2017, the Bayshore Elementary School District (the "District") owned a one-half acre parcel containing the Bayshore Child Development Center ("Childcare Center Property"), which parcel is located within the Midway Village site; and

WHEREAS, on March 29, 2016, the Board of Supervisors, sitting as the Board of Commissioners of HACSM, took action to: (a) affirm the concept of redeveloping the Midway Village site in order to provide new, high-quality affordable housing and associated amenities, and (b) authorize HACSM to enter into a four-party Memorandum of Understanding ("MOU") with the City, the County, and the District providing for the transfer of ownership of the Park Property and Childcare Center Property to HACSM in order to facilitate redevelopment of Midway Village, in consideration of HACSM providing specific forms of assistance to the City and the District; and

WHEREAS, the above-referenced four-party MOU was executed on March 31, 2016; and

WHEREAS, on October 18, 2016, the Board of Supervisors, sitting as the Board of Commissioners of HACSM, took action to, among other things, authorize HACSM to enter into an agreement with the City pursuant to which the City would grant to HACSM an option to purchase the Park Property in exchange for HACSM paying for certain obligations related to the clean-up of contaminated soils found at the Park Property (the “City/HACSM Option Agreement”); and

WHEREAS, the above-referenced agreement was executed on November 11, 2016; and

WHEREAS, on June 29, 2017, HACSM released a Request for Proposals (“RFP”) seeking experienced and qualified developers interested in redeveloping, owning, operating and managing affordable housing at the redevelopment site consisting of the Midway Village, Park Property, and Childcare Center Property, under a long-term ground lease with HACSM (the “Midway/Bayshore Redevelopment Project” or “Project”); and

WHEREAS, on January 23, 2018, the Board of Supervisors, sitting as the Board of Commissioners of HACSM authorized the Executive Director of HACSM to enter into an Exclusive Negotiations Agreement (“ENA”) with MidPen Housing Corporation (“MidPen”) to establish terms including the early predevelopment milestones to be achieved prior to execution of a Master Affordable Housing and Property Disposition Agreement (“Master AHPDA”), the use of certain Midway Village reserves to facilitate achieving these milestones, and the roles and responsibilities of the parties; and

WHEREAS, on March 21, 2018, HACSM and MidPen executed an Exclusive Negotiating Rights Agreement (Midway/Bayshore Redevelopment Project) for a term of 240 days, with the opportunity to extend two times, each for an additional 90-day period (“Negotiating Period”); and

WHEREAS, on May 14, 2019, the Governing Board authorized the Executive Director of the Housing Authority of the County of San Mateo to enter into a Master Affordable Housing and Property Disposition Agreement (“Master AHPDA”) between HACSM and Midpen Housing Corporation to undertake pre-development and development activities for the Midway /Bayshore Redevelopment Project; and

WHEREAS, on May 28, 2019, HACSM and Midpen executed the Master AHPDA, which contemplates that the Midway/Bayshore Redevelopment Project will be developed in four phases; and

WHEREAS, on August 10, 2020, HACSM notified the City that HACSM was exercising its option to acquire the Park Property pursuant to the City/HACSM Option Agreement, and the City and HACSM have opened an escrow for the purchase of the Park Property by HACSM; and

WHEREAS, execution of the Certificate of Acceptance by a duly authorized officer of HACSM is a prerequisite for recordation of HACSM’s real property interest in the Park pursuant to Government Code section 27281; and

WHEREAS, HACSM staff and MidPen have negotiated the terms of an Affordable Housing and Property Disposition Agreement for the first phase of the Midway/Bayshore Redevelopment Project (the “Phase 1 AHPDA”), which provides for, among other things, (1) HACSM to loan up to \$12 million in Midway Village project

reserves to MP Midway Associates I, L.P., a limited partnership established by Midpen (the "Partnership"), (2) HACSM to ground lease to the Partnership a portion of Midway Village and a portion of the Park Property, and, (3) the Partnership to develop and operate thereon a rental affordable housing development containing 147 rental dwelling units, with all but two of such units restricted for rental to and occupancy by income-restricted households and restricted rents.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors, County of San Mateo, State of California, acting as the Governing Board of Commissioners of the Housing Authority of the County of San Mateo, hereby (A) authorize the Executive Director of the Housing Authority of the County of San Mateo ("HACSM") to execute a Certificate of Acceptance for David T. Rowe Park on behalf of HACSM, and (B) approve the Phase I Affordable Housing and Disposition Agreement ("AHPDA,") and authorize the Executive Director of the Housing Authority of the County of San Mateo to execute and implement the AHPDA with MP Midway Associates I, L.P., and any agreements and/or documents necessary to implement the same for (1) a loan of up to \$12 million to MP Midway Associates I, L.P., and (2) the ground lease of a portion of Midway Village and David T. Rowe Park to MP Midway Associates I, L.P. for its development a subsequent operation of a rental housing development.

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