



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

Board Meeting Date: 07/07/2020

Special Notice/Hearing: None
Vote Required: 4/5 Vote

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Agreement with the City of Redwood City for the Exchange of the County's Real Property Interest in Assessor Parcel Number 052-532-020, located at 1580 Maple Street, in Redwood City, for the City's interest in a portion of Assessor Parcel Number 052-392-590, located at 1402 Maple Street, in Redwood City

RECOMMENDATIONS:

Recommendation to:

A) Adopt a resolution authorizing:

1. The President of the Board of Supervisors to execute a Real Property Exchange Agreement with the City of Redwood City; exchanging County-owned real property located at 1580 Maple Street, in the City of Redwood City ("County Property") for a portion of the City-owned property located at 1402 Maple Street, in the City of Redwood City ("City Property"); and
2. The County Manager, or County Manager's designee, to execute on behalf of the County the Grant Deed, the Certificate of Acceptance, the City/County Leaseback Agreement, the Frontage Improvement and Development Fees Agreement; and any and all notices, consents, approvals, escrow instructions and documents needed to facilitate the Exchange Agreement; and

B) Approve an Appropriation Transfer Request (ATR) recognizing Unanticipated Revenue in the amount of \$1,425,000 from the Coronavirus Aid, Relief, and Economic Security Act funds awarded to the County for the emergency response to the COVID-19 pandemic.

BACKGROUND:

The two properties at issue are both located in the Inner Harbor area of Redwood City on the east side of the 101 freeway. The County currently owns the property located at 1580 Maple Street consisting of approximately two acres ("County Property"). The County Property includes the now

vacant women's jail and the Maple Street Homeless Shelter, an aging structure first constructed in the 1960's.

The City of Redwood City currently owns the property located at 1402 Maple Street. While the overall lot consists of approximately four-and-a-half acres, the portion at issue to be exchanged with the County consists of approximately three acres ("City Property"). The City Property is currently undeveloped, except for a modular unit currently occupied by the County's Project Development Unit under a License Agreement from the City. The City Property is located directly across the street from the County's Maple Street Correctional Center.

DISCUSSION:

Blomquist Street in the Redwood City Inner Harbor area runs east-west between Seaport Boulevard and Maple Street. Since 2015, the City of Redwood City has had plans to extend Blomquist Street west across Redwood Creek, thereby connecting the One Marina neighborhood to Seaport Boulevard. The planned extension would be located, in part, over a portion of the County Property and would require the eventual demolition of both the County's now defunct women's jail and the Maple Street Homeless Shelter. The City of Redwood City and the County have been negotiating a possible land swap to facilitate the City's acquisition of the land needed for the planned extension of Blomquist Street.

California Government Code section 25365(a) authorizes the County, by a four-fifths vote of the Board of Supervisors, to exchange real property with a city upon the terms and conditions as are agreed upon, where the real property to be acquired is required for County use.

Under the terms of the proposed swap, the City will immediately acquire the entire County Property, although the County will be entitled to continued rent-free use of the existing Maple Street Homeless Shelter for a period of two years. In exchange, the County will immediately acquire the City Property, an undeveloped parcel approximately 60% larger than the County Property. Following acquisition, a planning exercise for the City Property will be initiated that will evaluate potential County uses and programs to be located on the City Property, which may include immediate shelter resources needed as part of the COVID-19 response, a new permanent homeless shelter and associated services, transitional housing, and affordable housing. Although the specific facilities and programs to be developed on the City Property have not yet been determined, given the need for County-provided services in the area and the eventual loss of use of the County Property to the City, the City Property is required by the County to provide services to the community.

As part of the transaction, the County will also make a cash payment to the City of \$1,425,000 and will agree to pay certain water, wastewater, and sewer related development fees should any future development of the City Property exceed the associated utility capacities of the existing Women's Jail and Maple Street Homeless Shelter facilities.

The Redwood City Council will be considering the Exchange Agreement at its July 13 meeting.

County Counsel has reviewed the resolution and conveyance documents as to form.

FISCAL IMPACT:

The Appropriation Transfer Request will recognize Unanticipated Revenue in the amount of \$1,425,000 from the Coronavirus Aid, Relief, and Economic Security Act (CARES) funds awarded to

the county. Pursuant to the exchange agreement, the County must transfer \$1,425,000 into escrow prior to the closing date. The cash payment will be paid from CARES funds money awarded to the County for the emergency response to the COVID-19 pandemic.