

RESOLUTION NO. \_\_\_\_\_

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

**RESOLUTION AUTHORIZING AND DIRECTING THE DIRECTOR OF THE DEPARTMENT OF HOUSING OR THE DIRECTOR'S DESIGNEE, AS THE COUNTY'S OFFICIAL REPRESENTATIVE, TO SUBMIT AN APPLICATION AND AMENDMENTS THERETO AND ALL UNDERSTANDINGS AND ASSURANCES THEREIN, TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR A LOAN OF UP TO \$10 MILLION FROM THE SECTION 108 LOAN GUARANTEE PROGRAM, AND TO PROVIDE SUCH ADDITIONAL INFORMATION AS MAY BE REQUIRED**

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

**WHEREAS**, the County's Department of Housing (DOH) manages a yearly allocation from the U.S. Department of Housing and Urban Development (HUD) from the Community Development Block Grant (CDBG) Program in the amount of approximately \$2.35 million; and

**WHEREAS**, DOH receives additional CDBG funding in the form of program income each year ranging from about \$300,000 to \$900,000; and

**WHEREAS**, DOH has experienced waning interest from the development community with regard to federal CDBG funding due to constraints put on those funds, thereby impairing DOH's ability to meet the HUD requirement that the County timely use CDGB fund allocations; and

**WHEREAS**, HUD's Section 108 Loan Guarantee Program (Section 108) enables the County to access low-cost, long-term financing for identified economic and

community development projects secured by the County's future CDBG fund allocations; and

**WHEREAS**, DOH has identified projects currently needing funding that would qualify for Section 108 loan funding and could put those funds to immediate use; and

**WHEREAS**, the County's Section 108 funds would be put into a loan pool that could be accessed by DOH to fund those projects; and

**WHEREAS**, the projects identified for Section 108 loan funding are public facilities serving very low-income populations and repayment through program income would be fiscally infeasible and will instead require DOH to repay the Section 108 loan through payments from future CDBG fund allocations; and

**WHEREAS**, Section 108 loan repayments from future CDBG fund allocations would work toward ensuring DOH's compliance with HUD's requirement that those funds be timely used; and

**WHEREAS**, funding from the loan pool would support construction of public facilities serving low-income populations in San Mateo County, such as, potentially, childcare and homeless shelter facilities; and

**WHEREAS**, DOH's Section 108 loan application will be made available for public review prior to submission to HUD.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Director of the Department of Housing or the Director's designee, as the County's official representative, is hereby authorized and directed to submit an application and

amendments thereto and all understandings and assurances therein to the U.S.

Department of Housing and Urban Development for a loan of up to \$10 million from the Section 108 Loan Guarantee Program, and to provide such additional information as may be required.

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