

RESOLUTION NO. .

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

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RESOLUTION: A) AUTHORIZING AND ALLOCATING AN ADDITIONAL \$3,000,000 FROM THE GENERAL FUND OR OTHER AVAILABLE SOURCES TO FUND THE REHABILITATION AND ASSOCIATED COSTS OF THE 721 AIRPORT, SOUTH SAN FRANCISCO PROPERTY FOR CONVERSION TO PERMANENT SUPPORTIVE HOUSING; AND

B) AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF HOUSING, OR DESIGNEE(S), ACTING IN CONSULTATION WITH THE COUNTY ATTORNEY, TO NEGOTIATE AND EXECUTE ANY AND ALL AGREEMENTS, DOCUMENTS, CERTIFICATES AND AMENDMENTS AS MAY BE NECESSARY AND ADVISABLE TO EFFECTUATE THE DELIVERY OF THE ADDITIONAL ALLOCATED FUNDING AUTHORIZED PURSUANT TO THIS RESOLUTION

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

WHEREAS, this Board has authorized numerous actions in connection with the County's participation in the State Homekey program, which supports the creation of permanent supportive housing for people experiencing homelessness; and

WHEREAS, with this Board's authorization, the County used Homekey funds to acquire the former Ramada Hotel located at 721 Airport Blvd., South San Francisco, with the intention of rehabilitating the property and converting it to permanent supportive housing (the "Project") and has committed other funds to the development of the Project; and

WHEREAS, pursuant to this Board's authority, in December 2024, the County entered into a loan agreement with 721 Airport LLC to fund rehabilitation of the Project with \$7,350,000 in federal American Rescue Plan Act monies, provided in the form of a

loan, secured by a deed of trust and subject to a regulatory agreement to ensure the Project would remain continuously affordable for the target population for 55 years; and

WHEREAS, since development of the initial budget for the rehabilitation and following further design development and review of guaranteed maximum pricing proposals, the cost to complete the rehabilitation and pay for costs incurred has increased by an additional \$3,000,000, which costs are generally attributed to changes in the population served from adults to seniors (in all cases the target population are households experiencing or at risk of homelessness) and requisite architectural design and unforeseen conditions in the existing building and added necessary structural reinforcements; and

WHEREAS, the Board desires to authorize an allocation of an additional \$3,000,000 to close the gap in funding necessary to complete the rehabilitation of the Project and pay for associated costs, and to authorize the Director of the Department of Housing, or designee(s), in consultation with the County Attorney, to negotiate and execute such agreements and amendments necessary and advisable to effectuate the delivery of the additional allocated funding; and

WHEREAS, the Board finds that the development and allocation of additional funding of the Project is in the public interest and will serve the long-term protection of a critical affordable housing asset, consistent with the County's housing goals to preserve affordability, safeguard public investment, and expand permanent housing opportunities for households experiencing or at risk of homelessness.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors authorizes and allocates an additional \$3,000,000 from the general fund or other available sources to fund the rehabilitation and associated costs of the 721 Airport, South San Francisco property for conversion to permanent supportive housing.

BE IT FURTHER RESOLVED that the Board hereby authorizes the Director of the Department of Housing or designee(s), acting in consultation with the County Attorney, to negotiate and execute any and all agreements, documents, certificates and amendments as may be necessary and advisable to effectuate the delivery of the additional allocated funding authorized pursuant to this resolution.

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