

RESOLUTION NO.

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

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ADOPT A RESOLUTION:

- A. DECLARING THE BOARD OF SUPERVISORS' INTENTION TO PURCHASE THE COASTSIDE INN, LOCATED AT 230 S. CABRILLO HWY., IN HALF MOON BAY (ASSESSOR PARCEL NUMBER 056-141-610) ("PROPERTY") FROM PROPERTY OWNER KEET NERHAN FOR A TOTAL PURCHASE PRICE OF \$8,000,000; AND**
 - B. AUTHORIZING THE PRESIDENT OF THE BOARD OF SUPERVISORS TO EXECUTE A REAL ESTATE PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS ("AGREEMENT") FOR THE COUNTY'S ACQUISITION OF THE PROPERTY FOR A TOTAL PURCHASE PRICE OF \$8,000,000; AND**
 - C. AUTHORIZING AND DIRECTING THE COUNTY MANAGER, OR DESIGNEE, TO EXECUTE THE CERTIFICATE OF ACCEPTANCE ATTACHED TO THE RESOLUTION, TO CONSUMMATE THE COUNTY'S PURCHASE OF THE PROPERTY AS REQUIRED BY CALIFORNIA GOVERNMENT CODE SECTION 27281, AND ALL OTHER DOCUMENTS AND NOTICES REQUIRED TO FACILITATE THE ACQUISITION; AND**
 - D. AUTHORIZING AN ALLOCATION OF UP TO \$8,035,000 IN FEDERAL CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT FUNDS FOR THE PURCHASE OF THE PROPERTY PLUS CLOSING COSTS**
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RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the COVID-19 pandemic has exacerbated existing community needs and inequalities, including homelessness, which was already experienced disproportionately by minorities and other vulnerable groups; and

WHEREAS, persons experiencing homelessness are at a greater risk of infection and death due to COVID-19; and

WHEREAS, in response to COVID-19, San Mateo County has prioritized the preservation and acquisition of needed housing for the homeless and other vulnerable groups; and

WHEREAS, according to the “Coronavirus Relief Fund Guidance for State, Territorial, Local and Tribal Governments” updated by the Treasury on September 2, 2020, funding will come from the federal Coronavirus Aid, Relief and Economic Security (CARES) Act Coronavirus Relief Fund (“CARES Act funds”) may be used to pay “[e]xpenses of actions to facilitate compliance with COVID-19-related public health measures, such as . . . Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions”; and

WHEREAS, the Coastside Inn, located at 230 S. Cabrillo Hwy, in Half Moon Bay, (the “Property”) is a fifty-two-room hotel, located near access to groceries, a pharmacy, public transportation and medical services; and

WHEREAS, the County desires to acquire the Property because purchasing the Property will allow the County to provide a highly service-enriched interim housing program to people experiencing homelessness and who are highly vulnerable to the COVID-19 virus and to do so in a more cost-effective manner than by leasing the Property; and

WHEREAS, a manager/operator of the Property will be selected in advance of the acquisition to ensure that pre-screening of potential program participants shall commence on-site as soon as feasible by December 30; and

WHEREAS, the Property could potentially be converted to permanent affordable housing in the future depending on the County’s shelter and housing needs; and

WHEREAS, the U.S. Treasury's responses to Frequently Asked Questions, updated as of October 19, 2020, confirm that local governments may utilize CARES Act funds to acquire real property where, as with the Coastside Inn acquisition, (i) the use of such funds is consistent with the requirements of section 601(d) of the Social Security Act noted above; (ii) the local government is not able to meet the need arising from the public health emergency in a cost-effective manner by leasing property; and (iii) the acquisition is completed by December 30, 2020, and the property is put into use for the COVID-19 related purpose by December 30, 2020; and

WHEREAS, the President of the Board's execution of the Real Estate Purchase and Sale Agreement and Escrow Instructions ("Agreement") and authorization of the allocation of up to \$8,035,000 in CARES Act funds for the purchase of the Property plus closing costs will allow staff to complete satisfaction of the conditions to closing, and the County Manager or designee's execution of the Certificate of Acceptance and any other documents required to satisfy County's obligations under the Agreement will allow escrow to close and the Property to be vested in County.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors does hereby declare its intention to purchase the Coastside Inn, located at 230 S. Cabrillo Hwy., in Half Moon Bay (Assessor Parcel Number 056-141-610), for a total purchase price of \$8,000,000.

IT IS FURTHER DETERMINED AND ORDERED that the President of the Board of Supervisors be and is hereby authorized and directed to execute an Agreement for the County's acquisition of the Coastside Inn, located at 230 S. Cabrillo Hwy., in Half Moon Bay (Assessor Parcel Number 056-141-610) for a total purchase price of \$8,000,000.

IT IS FURTHER DETERMINED AND ORDERED that the County Manager, or designee, be and is hereby authorized and directed to execute the Certificate of Acceptance attached to this resolution upon the satisfaction of all conditions of escrow, to consummate the County's purchase of the Coastside Inn, located at 230 S. Cabrillo Hwy., in Half Moon Bay (Assessor Parcel Number 056-141-610) as required by California Government Code Section 27281, and all other documents and notices required to facilitate the acquisition; and

IT IS FURTHER DETERMINED AND ORDERED that the Board of Supervisors does hereby authorize the allocation of up to \$8,035,000 in federal Coronavirus Aid, Relief and Economic Security (CARES) Act funds for the purchase of the Coastside Inn, located at 230 S. Cabrillo Hwy., in Half Moon Bay (Assessor Parcel Number 056-141-610) plus closing costs.

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