

## **RESOLUTION NO.**

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

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### **RESOLUTION ACCEPTING HOMEKEY PROGRAM FUNDS IN THE AMOUNT OF \$13,081,126 FOR THE ACQUISITION, REHABILITATION, AND OPERATION OF STONE VILLA INN, A 44-UNIT HOTEL IN THE CITY OF SAN MATEO**

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

**WHEREAS**, in 2020, the State of California created the Homekey Program (“Homekey”), administered by the California Department of Housing and Community Development (“State HCD”), to provide funding to rapidly sustain and expand the inventory of housing for people experiencing homelessness or at risk of homelessness and impacted by COVID-19; and

**WHEREAS**, Homekey has created an opportunity for local public agencies to purchase hotels, motels and a broad range of other housing types in order to increase community capacity to respond to homelessness and the ongoing COVID-19 pandemic; and

**WHEREAS**, on September 9, 2021, State HCD issued a second round (or Round 2) Notice of Funding Availability (“NOFA”) for \$1.45 billion of Homekey funding, of which \$1.2 billion is derived from the State’s direct allocation of the federal Coronavirus State Fiscal Recovery Fund, which was established by the American Rescue Plan Act of 2021 (“ARPA”), and \$250 million is derived from the State’s General Fund to supplement the acquisition of, and to provide initial operating subsidies for, Homekey sites; and

**WHEREAS**, the planned uses of Homekey funds are (1) to acquire one or more hotels, motels, or other eligible housing types to continue providing shelter (also known as interim housing) to vulnerable people experiencing homelessness with a linkage to rapid rehousing services in order to support a transition into permanent housing, or to provide service-enriched permanent affordable housing to people experiencing homelessness, and (2) to construct new dwelling units to provide interim housing to vulnerable people experiencing homelessness with a linkage to rapid rehousing services in order to support a transition into permanent housing; and

**WHEREAS**, by Resolution Nos. 078452 and 078470, this Board authorized the County to submit one or more applications for Homekey funds and authorized the County Executive, or designee(s), to negotiate and execute on behalf of the County all appropriate agreements with the State and other forms and documents required by the State, and take any and all other actions necessary for the County to apply for Homekey Program funding through its Round 2 NOFA, and authorized an allocation of local funds from the County as a match in the event the County's application for Homekey Program funding for the Stone Villa Inn ("Stone Villa") was approved; and

**WHEREAS**, on December 15, 2021, State HCD announced a Homekey award of \$13,511,126 for the acquisition, rehabilitation, and operation of Stone Villa to be used as interim housing, and on March 7, 2022, the County entered into a Standard Agreement with State HCD for the Homekey award; and

**WHEREAS**, of the \$13,511,126 Homekey award funds, \$430,000 is a conditional bonus award that will be disbursed by State HCD upon the full occupancy of Stone Villa by November 2022; and

**WHEREAS**, staff requests that the Board accept \$13,081,126 at this time from State HCD to be used for the acquisition, rehabilitation, and operation of Stone Villa.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board adopt a resolution accepting Homekey program funds in the amount of \$13,081,126 for the acquisition, rehabilitation, and operation of Stone Villa Inn, a 44-unit hotel in the City of San Mateo.

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