

## RESOLUTION NO. .

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

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ACTING AS THE GOVERNING BOARD OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN MATEO, RESOLUTION (A) AUTHORIZING THE TRANSFER FROM THE CITY OF DALY CITY TO SAN MATEO COUNTY HOUSING AUTHORITY, INC. (SAMCHAI), A NON PROFIT AFFILIATE OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN MATEO ("HACSM"), OF FEE TITLE TO BAYSHORE PARK IN DALY CITY IN EXCHANGE FOR HACSM PAYING FOR CERTAIN OBLIGATIONS RELATED TO THE CLEAN-UP OF CONTAMINATED SOILS FOUND AT BAYSHORE PARK AND MIDWAY VILLAGE; AND (B) AUTOHRIZING THE EXECUTIVE DIRECTOR OF HACSM, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, TO EXECUTE A CONTRACT WITH THE CITY OF DALY CITY FOR ACQUISITION OF BAYSHORE PARK THAT IS MATERIALLY CONSISTENT WITH THE TERMS SET FORTH IN ATTACHMENT A TO THIS RESOLUTION

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

**WHEREAS**, Midway Village is an aging, 150-unit affordable rental housing development located on approximately 12 acres in the Bayshore neighborhood of Daly City that was built by the Housing Authority of the County of San Mateo ("HACSM") in the mid-1970's and has been continuously owned and operated by HACSM and recently its nonprofit affiliate, San Mateo County Housing Authority, Inc. ("SAMCHAI") ; and

**WHEREAS**, HACSM plans to engage an affordable housing developer to redevelop Midway Village in order to better utilize the site to provide an increased number of critically-needed new homes affordable to households with a range of incomes, along with a new childcare center to replace the current Bayshore Child Development Center facility (the "Midway Village Redevelopment Project"); and

**WHEREAS**, since 1977 the City of Daly City (“Daly City”) has continuously owned and operated Bayshore Park (also known as “David R. Rowe Park”), which is a neighborhood park located adjacent to Midway Village and consists of APNs: 005-330-390 and 005-330-330; and

**WHEREAS**, HACSM seeks to acquire the Bayshore Park site for the purposes of creating a better overall site plan for the Midway Village Redevelopment Project and providing better public access and parking for a new public park space that will replace the current Bayshore Park; and

**WHEREAS**, on or about November 12, 2008, the California Department of Toxic Substance Control (“DTSC”) entered into a release and settlement agreement (the “Settlement Agreement”) with the City, the United States of America, HACSM, and Pacific Gas & Electric in response to DTSC’s claims against each of them under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § § 9601-9675 for recovery of certain costs it allegedly incurred in response to the release or threatened release of hazardous substances at Bayshore Park (“Response Costs”); and

**WHEREAS**, on or about October 27, 2008, the City, HACSM and the then-existing Daly City Redevelopment Agency entered into a separate Memorandum of Understanding (“MOU”) for the purpose of identifying Daly City and HACSM’s respective responsibilities in meeting the timelines and financial contributions to be made to DTSC pursuant to the Settlement Agreement; and

**WHEREAS**, under paragraph 4.3 of the Settlement Agreement, Daly City and HACSM agreed to jointly and severally pay the Response Costs payment to DTSC; and

**WHEREAS**, under paragraph 4.4 of the Settlement Agreement, Daly City and HACSM agreed to jointly and severally pay DTSC a “carrying charge” of \$24,000 per year (“Carrying Charges”) until the Response Costs payment according to the graduated payment schedule set forth in paragraph 4.3 is made; and

**WHEREAS**, to date, Daly City has paid DTSC \$84,000 in Carrying Charges, and HACSM has paid DTSC \$96,000 in Carrying Charges, but neither Daly City nor HACSM has made any Response Costs payment to DTSC; and

**WHEREAS**, according to the graduated payment schedule set forth in paragraph 4.3 (d) of the Settlement Agreement and Section D. (4.3) of the MOU, the total amount of Response Costs due to DTSC, if paid on or before October 27, 2016, is \$720,000; and

**WHEREAS**, section E. (7) (a) of the MOU provides that “if HACSM pays, or otherwise assumes or undertakes, all of Daly City’s payment obligations and responsibilities to DTSC under the Settlement Agreement, and pays to the City those payments made by the City as “Carrying Charges,” “Response Costs”, and the prior incurred costs to the City of up to \$295,094.92, then, in consideration of such payment, undertaking or assumption, the City shall, subject to acceptance by [HACSM], transfer fee title to Bayshore Park to HACSM, or San Mateo County or a designee of [HACSM]. . .”; and

**WHEREAS**, section E. (1) of the MOU states that “[HACSM], City and the Agency anticipate the eventual transfer of ownership and probable redevelopment of both the Midway Village Site and of the Bayshore Park site. . .”; and

**WHEREAS**, Daly City and HACSM have negotiated the terms of the transfer of Bayshore Park, which are stated in the draft term sheet attached as Attachment A to this resolution.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board of Supervisors, sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo, authorize: (A) the transfer from the City of Daly City to San Mateo County Housing Authority, Inc. (SAMCHAI), a nonprofit affiliate of the Housing Authority of the County of San Mateo (“HACSM”), of fee title to Bayshore Park in Daly City in exchange for HACSM paying for certain obligations related to the clean-up of contaminated soils found at Bayshore Park and Midway Village; and (B) the Executive Director of HACSM, or the Executive Director’s designee, to execute a contract with the City of Daly City for acquisition of Bayshore Park that is materially consistent with the terms set forth in Attachment A to this resolution.

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