

RESOLUTION NO. .

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

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RESOLUTION AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF HOUSING TO ISSUE A FULL FORGIVENESS AND RECONVEYANCE OF THE COUNTY LOAN ISSUED TO SAMARITAN HOUSE, INC. IN THE AMOUNT OF \$178,808, WHICH IT USED FOR THE ACQUISITION OF REAL PROPERTY LOCATED AT 19 W. 39TH AVENUE, SAN MATEO, CA, IN EXCHANGE FOR THE IMPOSITION OF A RESTRICTIVE COVENANT LIMITING THE USE OF THE PROPERTY FOR A PERIOD OF THIRTEEN YEARS, THE REMAINING TERM OF THE LOAN.

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

WHEREAS, on December 19, 2000, the Board of Supervisors authorized an agreement for the County to provide a Community Development Block Grant ("CDBG") loan in the amount of \$178,808 (the "Loan") to Samaritan House to assist with the acquisition of real property at 19 W. 39th Avenue, San Mateo, CA (the "Property"); and

WHEREAS, since 2001, the Property has operated as the Free Clinic of San Mateo; and

WHEREAS, the Free Clinic of San Mateo provides free medical and dental services, as well as homelessness prevention services to over 500 low-income individuals per month; and

WHEREAS, according to the terms of the Loan, Samaritan House is scheduled to begin making payments in 2031; and

WHEREAS, Samaritan House has formally requested the Director of the Department of Housing to fully forgive and reconvey the Loan in order to maintain funding eligibility for capital improvements on the Property; and

WHEREAS, Samaritan House has been a successful partner with the County for over decade, and relieving Samaritan House of this financial burden will help to ensure its success by making them more competitive for future funding rounds that it needs to continue its work, which is of tremendous benefit to the County's residents; and

WHEREAS, in exchange for the County's full forgiveness and reconveyance of the Loan, Samaritan House has agreed to execute a Declaration of Restrictive Covenant—Community Development Block Grant ("Restrictive Covenant"), which requires Samaritan House and any of its successors in interest to continue to use the Property as a medical and dental facility for low-income individuals and as a site to provide homelessness prevention services, or for a similar CDBG eligible use for period of 13 years, the remaining term of the loan; and

WHEREAS, in exchange for the County's full forgiveness and reconveyance of the Loan, Samaritan House has also agreed to subordinate any future mortgages on the Property to the Restrictive Covenant.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors hereby authorizes the Director of the Department of Housing to

issue a full forgiveness and reconveyance of the County loan issued to Samaritan House in the amount of \$178,808 which it used for the acquisition of real property located at 19 W. 39th Avenue, San Mateo, CA, In exchange for the imposition of a restrictive covenant limiting the use of the property for a period of thirteen years, the remaining term of the loan.

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