



County of San Mateo

Inter-Departmental Correspondence

Department: HOUSING

File #: 21-275

Board Meeting Date: 4/6/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Raymond Hodges, Director, Department of Housing

Subject: Approval of Agreement with Our Common Ground, Inc. to Lease County Property at 750 El Camino Real in Belmont

RECOMMENDATION:

Adopt a resolution authorizing and directing the Director of Department of Housing, or designee, to execute an agreement with Our Common Ground, Inc. to lease County owned property located at 750 El Camino Real in Belmont ("Property") for a monthly payment of \$100 and for a term of two years from the date of execution of the agreement, with an option to extend the term an additional two years, provided that the Property is used and occupied only for therapeutic community residential care for persons with substance abuse history and for no other purpose without the County's prior written consent.

BACKGROUND:

On December 15, 2020, the County acquired fee interest in the property located at 750 El Camino Real, in Belmont (Assessor Parcel Number 044-222-160) ("Property"), improved with a twelve-bedroom, five-bathroom house on the Property fronting on El Camino Real, together with a separate one-bedroom cottage in the back of the Property, fronting on Middle Road (together the "Premises"), subject to an existing lease with Our Common Ground, Inc ("OCG").

OCG is a provider of transitional housing and related services at several sites in San Mateo County. OCG has provided residential and outpatient treatment services to over 3,000 individuals with substance abuse and mental health problems in San Mateo County and the greater San Francisco Bay Area since 1988.

OCG has been operating a transitional housing project at the Property for more than 32 years pursuant to a lease from County's predecessor in interest. The transitional housing project on the Property currently houses 21 tenants who have very low-incomes, many of whom formerly experienced homelessness.

Over the past year, the COVID-19 pandemic has exacerbated existing community needs and inequalities. In many communities, minorities and other vulnerable groups already disproportionately

experienced homelessness. Persons experiencing homelessness are at a greater risk of infection and death due to COVID-19. In response to COVID-19, the County has prioritized the preservation and acquisition of needed housing for the homeless and other vulnerable groups.

Accordingly, the County acquired the Property to help ensure the continued provision of transitional housing for low-income San Mateo County residents in OCG's programs, many of whom would likely experience homelessness again and be at greater risk of infection from COVID-19 had the Property been sold to another party.

DISCUSSION:

The County and OCG desire to replace the existing lease, which was assumed by the County by operation of law upon acquisition of the Property, with a new lease agreement, to provide for the continued operations of OCG, while reducing OCG's monthly payments and allowing OCG to build a reserve to help finance building retrofits, repairs, and improvements to the Property.

County desires to lease to OCG, and OCG desires to receive from the County, the Property, including the Premises, for a monthly payment of \$100 and for a term of two (2) years from the date of execution of the new lease agreement, with an option to extend the term for an additional two years, subject to the terms and conditions contained herein, including that the Premises shall be used and occupied only for therapeutic community residential care for persons with substance abuse history and for no other purpose without the County's prior written consent.

The lease agreement was drafted by Real Property. County Counsel has reviewed and approved the Resolution and the lease agreement as to form.

FISCAL IMPACT:

There is no Net County Cost associated with the County executing this lease agreement with OCG.