



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 21-854

Board Meeting Date: 11/9/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager

Subject: Certificate of Acceptance for the Acquisition of the Stone Villa Inn, in the City of San Mateo

RECOMMENDATION:

Adopt a resolution authorizing the County Manager to execute the Certificate of Acceptance attached to this resolution, to consummate the County's purchase of the property located at 2175 S. El Camino Real, in the City of San Mateo, known as the Stone Villa Inn hotel, and as San Mateo County Assessor Parcel Number 039-073-040 ("Property"), from Dev Holdings, LLC.

BACKGROUND:

On October 19, 2021, the Board of Supervisors approved Resolution No. 078483, declaring the Board's intention to purchase the Property, located at 2175 S. El Camino Real, in the City of San Mateo, for a total purchase price of \$12,800,000, and authorized the President of the Board to execute a Purchase and Sale Agreement and Escrow Instructions ("Agreement"). The hotel will be used by the Human Services Agency's Center on Homelessness to provide safe shelter and case management services for vulnerable people experiencing homelessness. An application for funding to help support the County's acquisition of the hotel and provision of the services was submitted to the State of California Department of Housing and Community Development ("State HCD"), through the Homekey Program.

DISCUSSION:

The Property consists of one two-story building with approximately 17,000 square feet of space on a .59-acre lot, with 45 parking spaces. Staff has completed all due diligence on the facility and property. Escrow is anticipated to close by December 30, 2021, with recordation of the Grant Deed transferring title from Dev Holdings, LLC, to the County. The Certificate of Acceptance executed by the County is required to be attached to the recorded Grant Deed by California Government Code Section 27281. Notice of this action was published in accordance with California Government Code Sections 6063 and 25350.

FISCAL IMPACT:

The purchase price for the Property is \$12,800,000. Annual operational costs are estimated at \$1,403,058. In addition to any Homekey funding received, the County will apply any American

Rescue Plan funds available as budgeted by the Board, General Fund, and other appropriate funds.