



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** GOVERNING BOARD

**File #:** 22-211

Board Meeting Date: 3/22/2022

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors  
**From:** Raymond Hodges, Director, Department of Housing  
**Subject:** Certificate of Acceptance for the Acquisition of Comfort Inn & Suites in Redwood City

**RECOMMENDATION:**

Adopt a resolution authorizing the County Manager, or designee, to execute the Certificate of Acceptance attached to the resolution to consummate the County's purchase of the property located at 1818 El Camino Real in Redwood City, known as Comfort Inn & Suites and as San Mateo County Assessor Parcel Number 053-122-160, from Bhas Inc., as required by California Government Code section 27281.

**BACKGROUND:**

In response to the COVID-19 pandemic, the County has coordinated with numerous hotels in the County to provide shelter for first responders, as well as for members of our most vulnerable populations, including the homeless. Staff has also been coordinating with the State of California Homekey Program ("Homekey") to purchase hotels for conversion to affordable housing units.

Homekey, administered by the California Housing and Community Development Department ("State HCD"), provided funding to rapidly sustain and expand the inventory of housing for people experiencing homelessness or who are at risk of homelessness and impacted by COVID-19. Homekey presented 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 COVID-19 pandemic.

With authorization from your Board, the Department of Housing ("DOH"), on behalf of the County, submitted an application to State HCD for Round 2 of Homekey funds and was awarded \$15,978,323 to help finance the acquisition, rehabilitation and operation of Comfort Inn & Suites Hotel, a 51-unit hotel located at 1818 El Camino Real in Redwood City (Assessor Parcel Number 095-222-230) (the "Property").

The Property consists of 0.98 acres which includes the 29,300 square foot hotel and 49 dedicated parking spaces. In addition to the 51 guest rooms, the hotel facility has one laundry room, elevator, a guest lobby, and guest breakfast room. The County's Department of Housing has determined the

best use of the Property is to provide affordable housing for San Mateo County residents.

**DISCUSSION:**

On January 4, 2022, your Board authorized the President of the Board of Supervisors to execute a Real Estate Purchase and Sale Agreement and Escrow Instructions for the County's acquisition of the Property for a total purchase price of \$17,000,000 for the purpose of providing permanent affordable housing to some of the County's most vulnerable residents, including chronically homeless and homeless households. Escrow is anticipated to close by early April of 2022.

A Notice of Intent to Purchase was posted on February 28, 2022. Staff is recommending that the Board authorize and direct the County Manager to execute a Certificate of Acceptance to consummate the County's purchase of the Property from Bhas Inc. as required by California Government Code section 27281.

County Counsel has reviewed and approved the CoA as to form.

**FISCAL IMPACT:**

The purchase price for the Property is \$17,000,000. In addition to the \$15,978,323 awarded through Homekey, the County will apply any American Rescue Plan funds available as budgeted by the Board, General Fund, and other appropriate funds as well as up to \$1,344,492 from the Redwood City HOME Investment Partnerships-American Rescue Plan (HOME-ARP) Allocation Plan.