November 10, 2020

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Purchase and Sale Agreement Between County of Marin and Dilipkumar Patel and Jayaben Patel for 1591 Casa Buena Drive, Corte Madera

Dear Board Members:

RECOMMENDATION:

1. Approve and authorize the President to execute the Purchase and Sale Agreement Between the County of Marin and Dilipkumar Patel and Jayaben Patel.

2. Approve and authorize the President to execute the Certificate of Acceptance of Grant of Interest in Real Property for the Grant Deed from Dilipkumar Patel and Jayaben Patel.

3. Approve budget adjustments as outlined in the Fiscal Impact section.

SUMMARY: On October 20, 2020, your board passed Resolution 2020-114 authorizing the issuance and publishing of the Notice of Intent to Purchase Real Property for 1591 Casa Buena Drive, Corte Madera. A copy of the staff report, Resolution and the Notice are attached for reference purposes. The Notice has been published in the Marin Independent Journal as required by California Government Code Section 25530 and 6063. At the direction of your Board, the Department of Public Works Real Estate Division, in concert with Community Development Agency staff, has negotiated the attached Purchase and Sale Agreement for a purchase price of $4,100,000.

The Agreement contains all terms and conditions of the sale including a closing date of no later than December 30, 2020 as required by California Housing and Community Development (HCD) Project Homekey Grant Funding (Homekey). County staff has conducted due diligence investigations including title research, appraisal, a facility needs assessment, and Americans with Disability Act Assessment. If the County completes the acquisition, the property will be occupied within 90 days as required by Project Homekey.

If the purchase is approved, the County will be making findings pursuant to the California Environmental Quality Act that the acquisition of the Property is
exempt from environmental review as set forth in Health and Safety Code Section 50675.1.2. County Counsel has reviewed and approved the Agreement including the Grant Deed and Certificate of Acceptance as to form.

**FISCAL IMPACT:** There will be no increase to General Fund net county cost as a result of your Board's actions. The purchase price, including fees is $4,125,000, which will be funded by a $2,755,000 grant from the Homekey program, as well as a $500,000 contribution from the Marin Community Foundation, $855,000 from the County's Whole Person Care fund and the remaining amount will come from the County’s Affordable Housing Fund.

Your Board's approval will increase HHS Whole Person Care Fund (2900) expenditure appropriations by $855,000, which is available within the current fund balance. Grant revenues will be deposited directly into the escrow account per the grant agreement with HCD. Expenditure appropriations in the Affordable Housing Fund are sufficient to provide the County’s remaining local match.

This plan will provide 18 housing units which are expected to qualify for project-based vouchers, and one manager's unit. Ongoing net operational costs are expected to begin at $576,640 per year and will increase each year thereafter. The majority of operating costs will be covered by revenue from project-based vouchers. Program staff in Health and Human Services are working to identify ongoing revenue sources to offset the remaining operational costs, which begin at $87,388 and increase each year. Likely sources will include the use of Whole Person Care housing funds to supplement voucher revenues.

**REVIEWED BY:**

- [ ] Human Resources
- [X] Department of Finance
- [X] County Counsel
- [X] County Administrator

Respectfully submitted,

Christy Voyles
Interim Chief Real Property Agent
Real Estate Division

Leelee Thomas
Planning Manager
Community Development Agency

Attachments: Staff Report dated October 20, 2020
Purchase and Sale Agreement
Certificate of Acceptance