

HAYWARD CITY COUNCIL

RESOLUTION NO. 22-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND APPROVE A \$2 MILLION LOAN TO BAY AREA COMMUNITY SERVICES (BACS) FOR DOWN PAYMENT ASSISTANCE TO ACQUIRE ST. REGIS RETIREMENT CENTER

WHEREAS, in January 2022, the California Department of Health Care Services (DHCS) and the California Department of Social Services (CDSS) announced a joint Request for Applications (RFA) to expand the State's behavioral health infrastructure and address historic gaps in the long-term care continuum serving seniors, people with disabilities, and people with behavioral health needs; and

WHEREAS, under this joint RFA, the State made available \$518.5 million for launch ready behavioral health infrastructure projects through the Behavioral Health Continuum Infrastructure Program (BHCIP); and

WHEREAS, under this joint RFA, the State made available \$570 million to preserve and expand adult and senior care facilities through the Community Care Expansion (CCE) program; and

WHEREAS, BACS applied for both BHCIP and CCE funding to acquire the St. Regis retirement center located at 23950 Mission Boulevard and develop a holistic campus of behavioral health treatment and crisis services and supportive housing; and

WHEREAS, BACS did not receive BHCIP funding which left a \$7.9 million closing gap; and

WHEREAS, staff have identified funding \$627,554 in available Community Development Block Grant (CDBG) funds from FY2019, FY2021, and FY2023 to contribute to this closing gap; and

WHEREAS, this is an allowable CDBG expenditure under CDBG "Acquisition" and "Housing" project categories in previous Annual Action Plans authorized by Council;

WHEREAS, Eden Township Healthcare District has identified \$250,000 to grant towards this closing gap; and

WHEREAS, the County of Alameda has committed to fund the remainder of the closing gap;

WHEREAS, due to State delays announcing funding, it was necessary for BACS to request a closing extension from the property owner, changing the closing date from July 18th, 2022 to August 29th, 2022; and

WHEREAS, as part of the extended closing date, BACS agreed to pay a \$5 million down payment to the property owner, of which BACS has already paid \$500,000 to the property owner and will pay an additional \$2.5 million at closing on August 29, 2022; and

WHEREAS, on July 28, 2022, the City of Hayward received a request from BACS for a \$2 million loan for the remainder of the down payment; and

WHEREAS, should BACS receive CCE funding, the \$2 million loan will be repaid to the City by December 31, 2022; and

WHEREAS, staff will work with BACS to identify a reasonable repayment plan should there be a delay in CCE funding for the St. Regis project.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward authorizes the City Manager to negotiate and approve a \$2 million loan to BACS for down payment assistance to acquire St. Regis retirement center.

FURTHER IT BE RESOLVED, that the City Council for City of Hayward authorizes the amendment to the budget resolution, Resolution 22-146, for the FY 2023 Operating Budget, increasing the budget appropriation by \$2 million in the General Fund.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2022

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward