RESOLUTION - ACTION REQUESTED 2020-642

MEETING: October 27, 2020

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: Resolution of Intention to Purchase the Yosemite Inn

RECOMMENDATION AND JUSTIFICATION:

Adopt a Resolution of Intention to Enter into an Agreement to Purchase the Real Property Identified as Assessor’s Parcel Number (APN) 013-062-010-0, Commonly Known as Yosemite Inn, for Housing Related to California Project Homekey.

The State of California has made funds available through the California Department of Housing and Community Development (HCD) for cities and counties to purchase and rehabilitate housing including hotels, motels, vacant apartment buildings, and convert them into interim or permanent, long-term housing. This housing effort, known as Project Homekey, includes an award of up to $4.1 million for Mariposa County.

Housing, and particularly low income housing, is a priority within the Mariposa County Strategic Plan and the General Plan Housing Element. The latter document, in particular, calls for 78 new units to accommodate low, very low and extremely low income households earning less than $52,400 on average. This number may be impacted by additional development. In addition, the Housing Element calls for 90 units in collaboration with Yosemite National Park and its concessionaire for full-time and seasonal staff. Purchase of Yosemite Inn represents an opportunity to meet the immediate housing need in a short time frame while other projects are developed.

Staff contacted several hotel owners earlier this year to gauge interest in selling property for remodel into housing. One property owner, Yah 901, LLC, was willing to discuss the possibility with the County. As funds have become available, staff has re-engaged Yah 901, LLC, to discuss possible sale of the Yosemite Inn.

Yosemite Inn is a 27-room, two star hotel located on 0.49 acres near the corner of Jones Street and Highway 140 in Mariposa. The property is within walking distance of services including grocery stores, pharmacies, recreation and government offices. It has been successfully used for Project Roomkey, which has provided quarantine rooms for individuals who were unable to quarantine on their own, since April of this year.

If acquired through Project Homekey, the County would be required to operate the property as housing for five years, own the property for ten years and have a plan for
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the property for the next 55 years. Purchase and remodel must also be completed prior to the end of the calendar year.

Concerns expressed to staff about this purchase have primarily focused on the prospect of this site as a homeless shelter. These concerns include noise, possible trespassing, public nuisance, and so on. Project Homekey does not require the housing to be for the homeless, though it does allow for that. Permanent housing can also be focused on low and very low rents to prevent future homelessness.

If the Board does not authorize the purchase of the Yosemite Inn, Yah 901, LLC, is prepared to remodel and re-brand the hotel for ongoing use as a transient rental. The owners of Yah 901, LLC, have expressed an understanding of the need for housing in the community that has limited their ability to move forward on other projects and a willingness to work together on shared priorities. While Yah 901, LLC, seeks to be a good corporate citizen of our community, it should be noted that the State is the primary driver of this project and that the County's interest is based upon an identified need and an available revenue source.

Given the concerns already expressed, staff is grateful for this opportunity for community input on this project. Staff is prepared to move forward at the direction of the Board at the conclusion of the public comment period. If the Board decides to continue with a purchase, approval of this resolution will start a notification period. A closed session will follow this item to discuss the terms of purchase. The Board would need to approve an agreement on November 24, 2020, to begin the purchase process.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
On August 4, 2020, the Board approved Resolution 2020-478 authorizing staff to submit a grant application for Project Homekey.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve this resolution. The County will not buy this property or staff will require additional direction. The closed session to follow may not be needed.

ATTACHMENTS:
Yosemite Inn Resolution of Intention (PDF)
Public Comment - Letter from Molly Stephens (PDF)
Public Comment - Email from Lisa Rhudy (PDF)
Public Comment - Email from Janette Gamble (PDF)
Public Comment - Email from Jim Evans (PDF)
Public Comment - Email from Andrea Canapary (PDF)
Public Comment - Email from Eliza Kerr (PDF)
Public Comment - Email from Caroline Fruth (PDF)
Public Comment - Email from Michael Ross (PDF)
Public Comment - Email from Phyllis Weber (PDF)
Public Comment - Email from Stephen Bulfer (PDF)
Public Comment - Email from Sally Martinez (PDF)
Public Comment - Email from Scott Seymour (PDF)
Public Comment - Letter from Karen Smith (PDF)
Public Comment - Letter from Alison Tudor (PDF)
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Public Comment - Letter from Cassandra May  (PDF)
Public Comment - Letter from Denise Cloward  (PDF)
Public Comment - Letter from Christina Thorpe  (PDF)
Public Comment - Letter from Kristen Fiester  (PDF)
Public Comment - Webform submission from Carolin Frank  (PDF)
Letter from Bradley Link regarding Project Homekey  (PDF)
Public Comment - Letter from Jim Dulcich  (PDF)

RESULT:  ADOPTED [4 TO 1]
MOVER:  Rosemarie Smallcombe, District I Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Rosemarie Smallcombe, Merlin Jones, Kevin Cann, Miles Menetrey
NAYS: Marshall Long
MARIPOSA COUNTY RESOLUTION 20-642

RESOLUTION OF INTENTION TO PURCHASE REAL PROPERTY

WHEREAS, Government Code Section 25350 requires the Board of Supervisors to provide notice of its intention to purchase real property in excess of $50,000; and

WHEREAS, the Board of Supervisors has determined that it is in the public interest to purchase real property located in Mariposa, California, and identified as Assessor’s Parcel Number 013-062-010-0 (the “Property”), commonly known as Yosemite Inn, for housing related to California Project Homekey; and

WHEREAS, the owners of the property, Yah 1901, LLC, desire to sell the Property to the County for the price of Three Million Two Hundred Thousand ($3.2 million); and

WHEREAS, the purchase is contingent upon securing financing and Board approval.

NOW THEREFORE, BE IT RESOLVED that the Mariposa County Board of Supervisors hereby gives notice of its intention to enter into a Commercial Property Purchase Agreement (“Agreement”) to purchase the Property upon the terms and conditions set forth in the Agreement, a copy of which is available for inspection at the office of the Clerk of the Board located at 5100 Bullion Street, Mariposa, California.

BE IT FURTHER RESOLVED that a public meeting shall be scheduled on Tuesday, November 24, 2020, at 9:00 AM or as soon thereafter as the matter may be heard in the Board of Supervisors meeting room located at 5100 Bullion Street, Mariposa, California, for the Board of Supervisors to consider entering into the Agreement.

BE IT FURTHER RESOLVED that, pursuant to Government Code sections 25350 and 6063, this Notice of Intention shall be published in a newspaper of general circulation in the County of Mariposa once a week for three successive weeks prior to the time the Board of Supervisors meets to consider entering into the Agreement.

PASSED AND ADOPTED this 27th day of October, 2020, by the following vote:

AYES: SMALLCOMBE, JONES, CANN, MENETRY
NOES: LONG
ABSENT: NONE
ABSTAIN: NONE

Kevin Cann, Board Chair

ATTEST: APPROVED AS TO FORM:
Rene LaRoche, Clerk of the Board

Steven W. Dahlem, County Counsel