

**Board Members**

Doug Verboon, District 3, Chairman  
Craig Pedersen, District 4, Vice Chairman  
Joe Neves, District 1  
Richard Valle, District 2  
Richard Fagundes, District 5



**Staff**

Rebecca Campbell, County Administrative Officer  
Lee Burdick, County Counsel  
Catherine Venturella, Clerk of the Board

## Board of Supervisors Special Meeting Agenda

**Date:** Monday, November 30, 2020  
**Time:** 2:00 p.m.  
**Place:** Board of Supervisors Chambers, Kings County Government Center  
1400 W. Lacey Boulevard, Hanford, California 93230

☎ (559) 852-2362 ❖ FAX (559) 585-8047 ❖ website: <https://www.countyofkings.com>

### **COUNTY OF KINGS PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19**

California Governor Gavin Newsom issued Executive Orders N-25-20 and N-29-20 on March 12, 2020 and March 17, 2020, respectively, relating to the convening of public agency meetings in light of the COVID-19 pandemic. The County of Kings hereby provides notice that it will convene its regularly scheduled public meetings of the Board of Supervisors by video and teleconference going forward, and will close its Board Chambers to the public generally, except as described below, until further notice.

Pursuant to the Executive Orders, and to maintain the orderly conduct of the meeting, Kings County will allow the Board Supervisors, County staff and interested members of the public to attend the meeting telephonically or by the Internet, and to participate in the meeting to the same extent as if they were present in the Board's Chambers. Only those members of the public who cannot participate virtually, due to a need for a special accommodation (vision, hearing, etc.), may attend the meeting in the Board Chambers. A maximum of 10 individuals will be allowed in the Chambers at a time. To secure the accommodation consistent with the American's with Disabilities Act and to attend in person, interested parties will need to contact the Clerk of the Board of Supervisors as directed below no later than 8:30 a.m. the morning of the meeting.

Members of the public who wish to observe the meeting virtually can do so via the worldwide web at:

<https://youtu.be/gzyX-WmlZlM> or go to [www.countyofkings.com](http://www.countyofkings.com) and click on the "Join Meeting" link.

Members of the public who wish to comment may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for Board consideration or action, and those comments will be entered into the administrative record of the meeting. To submit written comments by U.S. Mail or email for inclusion in the meeting record, they must be received by the Clerk of the Board of Supervisors no later than 9:00 a.m. on the morning of the noticed meeting. To submit written comments by email, please forward them to either [bosquestions@co.kings.ca.us](mailto:bosquestions@co.kings.ca.us). To submit such comments by U.S. Mail, please forward them to: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230

To comment during the meeting by telephone or the Internet, E-mail the Clerk of the Board at any time before or during the meeting at [bosquestions@co.kings.ca.us](mailto:bosquestions@co.kings.ca.us) for a phone number, access code and meeting link.

**I. 2:00 PM CALL TO ORDER**  
**ROLL CALL – Clerk of the Board**

**II. UNSCHEDULED APPEARANCES**

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Two (2) minutes are allowed for each item.*



**III. REGULAR AGENDA ITEMS**

**A. Human Services Agency – Sanja Bugay**

1. Consider the following options for Project Homekey:
  - a. Reconsider the motions brought before the Board on November 24, 2020 to:
    - i. Approve the purchase of the Stardust Motel at the negotiated price of \$1,450,000 for the Homekey Program; and
    - ii. Authorize the Human Services Director to complete any documentation necessary to complete the purchase; and
    - iii. Adopt the budget change **(4/5 vote required)**; or
  - b. Authorize the Human Services Agency Director to assign the Stardust Purchase Agreement to an Entity eligible to receive Homekey funds from the State and partner with the County in the Homekey Project.
2. Consider:
  - a. Approving the purchase agreement for APN 016-052-007-000 and APN 016-052-008-000 for a negotiated price not to exceed \$155,000; and
  - b. Authorizing the Human Services Agency Director to execute or assign the purchase agreement and transfer funds for the deposit and purchase to the escrow company as needed to complete the purchase.

**IV. CLOSED SESSION**

- ♦ **Personnel Matters: [Govt. Code Section 54957]**  
*Public Employment*  
**Title: Public Works Director**

**V. ADJOURNMENT**

The next regularly scheduled meeting will be held on Decemeber 8, 2020, at 9:00 a.m. **The meeting for December 1, 2020 has been cancelled due to the observance of Thanksgiving on November 26-27, 2020.**

***FUTURE MEETINGS AND EVENTS***

December 8	9:00 AM	Regular Meeting
December 15	9:00 AM	Regular Meeting
December 22	9:00 AM	Regular Meeting

*Agenda backup information and any public records provided to the Board after the posting of the agenda will be available for the public to review at the Board of Supervisors office, 1400 W. Lacey Blvd, Hanford, for the meeting date listed on this agenda.*



# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM November 30, 2020

**SUBMITTED BY:** Human Services Agency – Sanja Bugay

**SUBJECT:** STARDUST HOMEKEY PROJECT EXECUTION OPTIONS

**SUMMARY:**

**Overview:**

The Human Services Agency (HSA) was granted approval to apply and accept the funds for the Homekey Project, execute the Standard Agreement with the State and any other documents necessary to receive the funds, and negotiate and execute a purchase agreement for the Stardust Motel for Project Roomkey within a set amount. On November 12, 2020, the HSA Director signed a purchase agreement for the Stardust Motel for \$1,450,000.00, and executed the documents on the County's behalf, pursuant to her delegated authority. On November 24, 2020, however, HSA did not receive enough votes to approve the budget adjustment necessary to fully execute the purchase, which means that the funds needed to be transferred to the Sellers to complete the purchase cannot be disbursed. HSA therefore now requests the Board to consider additional options that would allow execution of this project.

**Recommendation:**

**Consider the following two options for Project Homekey in Kings County:**

**Option 1:**

**Reconsider the motions brought before the Board on November 24, 2020 to:**

- 1. Approve the purchase of the Stardust Motel at the negotiated price of \$1,450,000 for the Homekey Program;**
- 2. Authorize the Human Services Director to complete any documentation necessary to complete the purchase; and**
- 3. Adopt the budget change. (4/5 vote required)**

(Cont'd)

**BOARD ACTION:**

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk to the Board

By \_\_\_\_\_, Deputy.

## **Agenda Item**

### **HOMEKEY PROGRAM PURCHASE AND ACQUISITION OF STARDUST MOTEL**

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#### **Option 2:**

**Authorize the Human Services Agency Director to assign the Stardust Purchase Agreement to an Entity eligible to receive Homekey funds from the State and partner with the County in the Homekey Project.**

#### **Fiscal Impact:**

There is no General Fund impact related to this agenda item.

Option 1 would increase appropriations and revenues by \$3,740,000, which would be comprised of \$240,000 from the Kings Tulare Homeless Alliance and the maximum award of \$3,500,000 from the State in Project Homekey funding. While the HSA does not anticipate expending the full amount, approving appropriations in the full award amount will ensure the HSA is reimbursed for all project related costs incurred prior to December 30, 2020.

Option 2 would allow the County to assign its interest in the current Purchase Agreement for the Stardust Motel to a partner entity that is eligible to receive Project Homekey funding from the State. This option is explicitly allowed under Section 1.1 of the Purchase Agreement. If granted, the partner entity would purchase the Stardust Motel under the current Purchase Agreement and become the owner of record of the property. The County, as the partner entity's local public entity partner, would record a 55 year restrictive use covenant against the property to restrict the use of the property to the provision of low income housing. The recordation of a restrictive covenant is a State requirement and is not negotiable. This covenant would run with the land and bind future purchasers or owners of the property if the partner entity decides at some point in the future to sell or transfer all or some of their interests in the property. In the event the land can no longer be used for low income housing, it would revert back to the State.

#### **BACKGROUND:**

On November 10, 2020, The Board approved an Authorizing Resolution for the application and participation in the Homekey program for the Stardust Motel project. This resolution authorized the Director of Human Services Agency to sign and execute the Standard Agreement with the State and all other program documents as required to secure up to \$3,500,000 in Homekey funds.

On October 20, 2020, and October 27, 2020, the Board of Supervisors appointed Human Services Director as the negotiator for the Stardust Motel purchase and authorized the HSA Director to sign all documentation necessary to execute the purchase.

On November 24, 2020, the Board of Supervisors voted on HSA's motions to approve the purchase of the Stardust Motel at the negotiated price of \$1,450,000 and authorized the Human Services Director to complete all documentation necessary to complete the purchase with its motion to approve the necessary budget allocation, which required a 4/5 vote. The vote was 3-2 in favor of the motions. However, because the motions were voted as one motion and the budget allocation required a 4/5 vote, all three motions failed due to insufficient votes. Accordingly, the Board did not approve the purchase agreement, authorize the HSA Director

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### **HOMEKEY PROGRAM PURCHASE AND ACQUISITION OF STARDUST MOTEL**

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to complete any further paperwork as necessary to complete the purchase, or adopt the budget change that would increase the budget appropriations sufficiently in the appropriate accounts to execute this transaction.

Based on the results of the November 24, 2020 vote, the Purchase Agreement cannot be executed unless either of the recommended actions are approved:

- 1) The Board reconsiders and approves the motions brought before it on November 24, 2020, with a 4/5 vote;  
or
- 2) The Board authorizes the Human Services Director to assign the Stardust purchase agreement to an entity that can accept the funds and become the owner of the Stardust Motel.

The Homekey applications require a governmental entity to be a sponsor or an owner of the project. Due to circumstances beyond the County's control, its application for the Homekey Stardust project has been adjusted multiple times to accommodate changes in partnerships and co-applicants from Upholdings and RH Community Builders to Kings Community Action Organization (KCAO). While non-governmental entities could not apply for Homekey Projects on their own, they can be co-applicants, owners of the property, and recipients of funds. Originally, Kings County chose to apply as the primary applicant, purchase the property, and then transfer the ownership via a deed, which would incorporate the required use restriction to use the property as intended (i.e., to provide low income housing) by the Homekey application. However, the County can choose to work with a single or multiple partners that meet the Homekey application requirements for co-applicants and support their application and direct receipt of funds for this project. While the reimbursement process for the County's incidental costs (County staff time, counsel time, structural engineering reports, appraisal, additional property costs) are more efficiently processed if the County is the recipient of the funds, because the County will be a signatory on the State's Standard Agreement along with its co-applicants, all of these costs remain reimbursable if co-applicants accept the funds and are actively participating in the project.

The current Stardust Purchase Agreement has designated the Buyer as 'County of Kings, or Assignee' and has been signed by Sanja Bugay, Human Services Director. The assignment of the Stardust purchase agreement would allow another entity that can accept funds to execute this project.

In the process of outreach and vetting this project, multiple agencies, organizations, and individuals in the community have written letters, expressed support, or voted in the support of the project. Formal letters of support or organizational votes taken at noticed meetings to support the project have been received from:

1. Hanford City Council (letter of support)
2. Kings Tulare Homeless Alliance (KTHA Board vote to support the project and allocate funding)
3. Kings County Homeless Collaborative (vote to support the project)
4. Parker Sever, Chief, Hanford Police Department
5. Todd Barlow, Kings County Superintendent of Schools

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Finally, given the conversion of this property from its current transient use to intended permanent housing use with the addition of services, improvements, and security on-site, the County has received correspondence in writing (as well as via phone and in person conversation) from individuals, including neighborhood residents, that support this project.

Support was also received from the Hanford Chamber of Commerce and the greater Kings County Chamber of Commerce.

Given the overall interest that has been raised over the project, the benefits, and the potential of such significant funding loss to execute the project, multiple organizations have reached out to the Human Services Agency to offer additional support in execution of this project. Option 2 as presented in the agenda item would allow for the project to be executed as approved by the Board without the County's budget adjustment and receipt of State funds or the possibility of the County having to operate the resulting low income housing facility if the County's partner proves unable to do so.



# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM November 30, 2020

**SUBMITTED BY:** Human Services Agency – Sanja Bugay

**SUBJECT:** PURCHASE OF PROPERTY LOTS APN 016-052-007 AND 016-052-008 IN HANFORD, FOR ADDITIONAL PARKING FOR STARDUST PROJECT HOMEKEY SITE

**SUMMARY:**

**Overview:**

The Human Services Agency (HSA) was notified on October 9, 2020, that it was approved for a reservation for funds for its COVID-19 Project Homekey proposal involving the purchase, renovation, and use of the property located at 8595 Lacey Boulevard, in Hanford, California, i.e., the Stardust Motel, for an affordable permanent housing project. In order to ensure sufficient parking for the Homekey Stardust Motel site, HSA is requesting your Board’s approval to purchase additional properties for project execution.

**Recommendation:**

- a. Approve the purchase agreement for APN 016-052-007-000 and APN 016-052-008-000 for a negotiated price not to exceed \$155,000; and
- b. Authorize the Human Services Agency Director to execute or assign the purchase agreement and transfer funds for the deposit and purchase to the escrow company as needed to complete the purchase.

**Fiscal Impact:**

There is no General Fund impact related to this agenda item. The negotiated purchase price not to exceed \$155,000 will be covered by funding received from the California Department of Housing and Community Development as part of Project Homekey providing the Stardust project is executed.

(Cont’d)

**BOARD ACTION:**

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk to the Board

By \_\_\_\_\_, Deputy.

## **Agenda Item**

### **PURCHASE OF PROPERTY LOTS APN 016-052-007 AND 016-052-008 IN HANFORD, FOR ADDITIONAL PARKING FOR STARDUST PROJECT HOMEKEY SITE**

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#### **BACKGROUND:**

The Department of Housing and Community Development (HCD) received authority under Assembly Bill 83 to fund the Multifamily Housing Program, which is the statutory basis for the Homekey program. Homekey grant funds are derived primarily from Coronavirus Relief Fund (CRF) established by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Six hundred (\$600) million in grant funding has been made available to local entities within California to purchase and rehabilitate housing including hotels, motels, and vacant apartment buildings, and convert them into interim or permanent, long-term housing.

It is planned that HSA, in partnership with Kings Community Action Organization (KCAO), will utilize Project Homekey funds to acquire the Stardust motel, a 22-room motel located in Hanford, CA that will convert to the affordable permanent housing apartment complex. At the Board's direction, the Human Services Agency pursued acquisition of the two vacant lots next to the Stardust motel and sought approval from the State to amend the Homekey Application and include the lots into the funding request. The State approved the application amendment and addition of these lots to be included in the Homekey funding on November 5, 2020.

On November 24<sup>th</sup> the Board appointed the Human Services Director as the County's negotiator to negotiate for project Homekey the purchase of property lots for APN 016-052-007-000 and 016-052-008-000 in Hanford and authorized her to sign all the necessary documentation to execute the purchase with the use of Motel Specialist, Inc. as the real estate broker to handle the purchase. The Purchase agreement is subject to the following additional provisions:

1. Buyer may terminate the agreement at any time prior the closing date if, in buyers' sole determination, Buyer a) fails to obtain entitlements to develop the property; and b) there is a successful legal challenge of the environmental review; and c) fails to obtain desired financing to develop the property; and d) no longer desires to proceed with the purchase of the property.
2. The purchase is subject to the discretionary approval of the Kings County Board of Supervisors, to be given within thirty (30) days.
3. The following requirements must be met: a) the Property to be free and clear of all Hanford Municipal code violations; b) the Buyer to obtain approval from the City of Hanford to utilize the property for its specific use; c) Property to be free and clear of all litigation.

In order to ensure sufficient parking for the Homekey Stardust Motel site, the HSA is requesting Board approval to purchase of the lots at the negotiated price not to exceed \$155,000.

County Counsel has reviewed and approved the Purchase agreement as to form.