



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: March 8, 2016

Approved

D. D. SYL

Date

3/9/16

COUNCIL DISTRICT: 3

SUPPLEMENTAL

**SUBJECT: CONDITIONAL GRANT COMMITMENT AND LEASE AGREEMENT
FOR THE PLAZA HOTEL TO HOUSE HOMELESS INDIVIDUALS**

REASON FOR SUPPLEMENTAL

In a memorandum dated February 22, 2016, Housing Department staff indicated that a County lien is recorded against the Plaza Hotel and the acquisition cannot be completed until the lien is released.

ANALYSIS

A tentative agreement has been reached between JP Morgan and the County regarding the distribution of the sales proceeds from the sale of the Plaza Hotel. The proposed agreement will allow JP Morgan and the County to remove their liens upon the sale of the property. Both the SARA Board and the Oversight Board will need to approve the proposed agreement. It is anticipated that the City will be able to acquire the Plaza Hotel in May 2016. Construction will begin soon after the acquisition is completed which will ensure the project is completed before the end of the year.

/s/

JACKY MORALES-FERRAND
Director of Housing

For questions, please contact Patrick Heisinger, Senior Development Officer, at (408) 975-2647.