

RESOLUTION NO. HA _____

A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY
DECLARING A HOUSING AUTHORITY-OWNED PARCEL LOCATED
OFF COUNTY CLUB DRIVE IN THE CITY OF PALM DESERT TO BE
EXEMPT SURPLUS LAND PURSUANT TO GOVERNMENT CODE
SECTION 54221(f)(1)(F)

RECITALS:

WHEREAS, pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal. 4th 231)(2011), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings and equipment of the former Palm Desert Redevelopment Agency (the "Former Agency") transferred to the control of the Successor Agency to the Palm Desert Redevelopment Agency (the "Successor Agency"); and

WHEREAS, by its Resolution No. 2012-07, the City Council of the City of Palm Desert elected that all assets, rights, powers, liabilities, duties, and obligations associated with housing activities of the Former Agency be transferred from the Successor Agency to the Palm Desert Housing Authority (the "Authority"); and

WHEREAS, by its Resolution No. HA-47, the Authority accepted the housing functions and assets of the Former Agency; and

WHEREAS, the Authority is the owner in fee simple of that certain real property in the City of Palm Desert located off Country Club Drive and described as APN No. 622-370-014 (the "Property"). The Property is described on Exhibit "A", which is attached hereto and incorporated herein by reference. The Property is currently vacant and is approximately 1.84 acres in size; and

WHEREAS, the Authority proposes to sell the Property to Chelsea Investment Corporation (or its designee) ("Chelsea") for the purpose of Chelsea constructing thereon 40 units of housing, 39 of which units (the "Affordable Units") will be made available at an affordable rent, as defined in Health and Safety Code Section 50053 ("Affordable Rent") for rental to qualified low income households whose income does not exceed 59% of the area median income for Riverside County adjusted for actual household size ("Low Income Households"), very low income households as defined in Health and Safety Code Section 50105 ("Very Low Income Households") and extremely low income households as defined in Health and Safety Code Section 50106 ("Extremely Low Income Households"), 10 of which units shall be designated for individuals with developmental disabilities and, one of which shall be used for on-site management (the "Affordable Housing Project"); and

WHEREAS, the Authority and Chelsea entered into a Disposition, Development and Loan Agreement, dated June 13, 2024, providing for the Authority to donate the

Property to Chelsea and for Chelsea to develop the Affordable Housing Project on the Property; and

WHEREAS, the Authority and Chelsea propose to enter into an amendment to the Disposition, Development and Loan Agreement (as amended, the "DDLA") to provide for the Authority to sell the Property to Chelsea; and

WHEREAS, the Authority has agreed to provide a loan to Chelsea pursuant to the DDLA to assist the Developer in financing the purchase of the Property and the construction of the Affordable Housing Project, and in connection therewith, the Authority requires Chelsea to execute a Housing Agreement and record it against the Property in the official records of Riverside County concurrently with the disposition of the Property to Chelsea; and

WHEREAS, in accordance with the DDLA, the Housing Agreement requires that the Property be developed with the Affordable Housing Project and that the 39 Affordable Units shall be continually available to and occupied by, or held vacant for occupancy only by Low Income Households, Very Low Income Households, and Extremely Low Income Households for a period of 55 years commencing on the date all the units in the Affordable Housing Project have been completed; and

WHEREAS, the Housing Agreement will run with the land and be binding upon the successors in interest and assigns of Chelsea and be enforceable by the Authority; and

WHEREAS, pursuant to Section 54221(b)(1) of the Surplus Land Act (Government Code Sections 54220-54234), the Housing Authority must declare the Property to be "surplus land" or "exempt surplus land" and not necessary for the Authority's use before the Housing Authority takes action to dispose of the Property; and

WHEREAS, for purposes of Government Code Section 54221(f)(2), the Property is not: (i) within a coastal zone; (ii) adjacent to a historical unit of the State Parks System; (iii) listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places; or (iv) within the Lake Tahoe region as defined by Government Code Section 66905.5; and

WHEREAS, pursuant to Government Code Section 54221(f)(1)(F) surplus land will qualify as "exempt surplus land" if it will be subject to a recorded covenant or restriction that runs with the land and is enforceable against the owner and any successors in interest, and that requires the land to be developed for housing in which 100% of the residential units will be restricted for low or moderate income households, with at least 75% of the residential units restricted to lower income households, as defined in Health and Safety Code Section 50079.5, with an affordable rent, as defined in Health and Safety Code Section 50053, for a minimum of 55 years, with the rents not higher than 20% below the median market rents for the neighborhood in which the Property is located; and

WHEREAS, the DDLA and the Housing Agreement will require the Property to be

developed for residential uses consistent with the affordability restrictions set forth in Government Code Section 54221(f)(1)(F).

NOW, THEREFORE, BE IT RESOLVED by the Housing Authority Board of the Palm Desert Housing Authority, as follows:

SECTION 1. The above recitals are true and correct and are a substantive part of this Resolution.

SECTION 2. The Authority hereby declares pursuant to Government Code Sections 54221(b) and 54221(f)(1)(F) that the Property is not necessary for the Authority’s use and is exempt surplus land because the Property will be used pursuant to the DDLA and Housing Agreement to provide rental housing for Lower Income Households, Very Low Income Households and Extremely Low Income Households at an Affordable Rent in accordance with the requirements of Government Code Section 54221(f)(1)(F).

SECTION 3. Staff is hereby authorized and directed to provide a copy of this Resolution to the Department of Housing and Community Development (“HCD”) in the manner required by HCD.

SECTION 4. The staff and officers of the Authority are hereby authorized, jointly and severally, to take such actions as they deem necessary or proper to effectuate the purposes of this Resolution and all actions previously taken are hereby ratified.

SECTION 5. The Authority Secretary shall certify as to the adoption of this resolution.

ADOPTED ON _____.

JAN C. HARNIK
CHAIRPERSON

ATTEST:

ANTHONY J. MEJIA
SECRETARY
PALM DESERT HOUSING AUTHORITY

I, Anthony J. Mejia, Secretary of the Palm Desert Housing Authority, hereby certify that Resolution No. HA-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the Authority Board of the Palm Desert Housing Authority on _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____.

ANTHONY J. MEJIA
SECRETARY

EXHIBIT A

LEGAL DESCRIPTION OF LAND

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALM DESERT, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1A

THE SOUTHERLY 323.50 FEET OF THE WEST 7-1/2 ACRES OF THE WEST 15 ACRES OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 5 SOUTH, RANGE 6 EAST, OF THE SAN BERNARDINO MERIDIAN, IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO AN OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE.

PARCEL 2A

AN EASEMENT FOR PEDESTRIAN AND VEHICULAR ACCESS FOR CONSTRUCTION AND EMERGENCY ACCESS PURPOSES OVER THAT PORTION OF THE WEST 7-1/2 ACRES OF THE WEST 15 ACRES OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 5 SOUTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO AN OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE, DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST 1/16 CORNER OF SAID SECTION 8, SAID CORNER BEING ON THE CENTERLINE OF COUNTRY CLUB DRIVE, SAID CORNER ALSO BEING THE NORTHWEST CORNER OF THE WEST 7-1/2 ACRES OF THE WEST 15 ACRES OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 8;

THENCE ALONG THE WEST LINE OF THE WEST 7-1/2 ACRES OF THE WEST 15 ACRES OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 8, S 0° 10' 27" W 124.00 FEET;

THENCE S 89° 49' 33" E 33.88 FEET TO THE EAST LINE OF THAT CERTAIN EASEMENT TO THE CITY OF PALM DESERT FOR PUBLIC ROADWAY PURPOSES DESCRIBED IN DOCUMENT NO. 2003-461172 RECORDED JUNE 23, 2003, RECORDS OF SAID COUNTY OF RIVERSIDE, AND TO THE TRUE POINT OF BEGINNING;

THENCE S 89° 49' 33" E 30.28 FEET;

THENCE S 0° 13' 14" B 874.45 FEET TO A LINE PARALLEL WITH AND 323.50 FEET NORTHERLY OF THE SOUTH LINE OF THE WEST 7-1/2 ACRES OF THE WEST 15 ACRES OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 8;

THENCE ALONG SAID PARALLEL LINE S 89° 41' 04" W 24.00 FEET;

THENCE N 0° 13' 14" W 831.65 FEET;

THENCE N 89° 49' 33" W 8.74 FEET TO THE EAST LINE OF SAID EASEMENT TO THE CITY OF PALM DESERT PER DOCUMENT NO. 2003-461172 AND TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 187.50 FEET, A RADIAL LINE THROUGH SAID BEGINNING OF CURVE BEARS S 81° 07' 08" E;

THENCE NORTHERLY 28.49 FEET ALONG SAID EAST LINE AND ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 8° 42' 25";

THENCE CONTINUING ALONG SAID EAST LINE N 0° 10' 27" E 13.62 FEET TO THE TRUE POINT OF BEGINNING.

APN: 622-370-014