

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: October 23, 2025

PREPARED BY: Mariela Salazar, Management Analyst
Martin Alvarez, Director of Economic Development

SUBJECT: APPROVAL OF THE FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS WITH BLIEU COMPANIES, LLC

RECOMMENDATION:

1. Approve the First Amendment to the Purchase and Sale Agreement and Escrow Instructions with Blieu Companies, LLC, for the property located at the northeast corner of Desert Willow Drive and Country Club Drive, known as Lot E.
2. Authorize the City Manager or designee to execute all documents, agreements, amendments, and related instruments necessary to implement and carry out the intent of this item.

BACKGROUND/ANALYSIS:

On June 12, 2025, the City Council approved a Purchase and Sale Agreement and Escrow Instructions ("Agreement") with Blieu, LLC, now correctly identified as Blieu Companies, LLC ("Buyer"), for the sale of approximately 8.0 acres of City-owned property located at the northeast corner of Desert Willow Drive and Country Club Drive (APNs 620-370-002, 620-370-003, 620-370-004, 620-370-017, 620-370-018, 620-370-020, 620-370-033, and 620-370-043) for the development of a multi-family affordable rental housing project.

During the implementation of the Agreement, it was identified that certain provisions created ambiguity regarding the timing of contingencies and related effective dates. As noted by Buyers, the lack of clarity could create uncertainty in processing entitlement, funding, and escrow-related deadlines.

Strategic Plan:

The proposed First Amendment to the Purchase and Sale Agreement ("Amendment") addresses these issues by:

Clarifying the Effective Date	The Amendment establishes July 8, 2025, as the Effective Date of the Agreement, ensuring consistency across all sections of the Agreement.
Correcting Buyer's Name	The Amendment clarifies that the correct legal entity is Blieu Companies, LLC, and all references to "Blieu, LLC" in the agreement shall be deemed to mean Blieu Companies LLC.
Affirming Full Force and Effect	Except as specifically modified, the Agreement remains in full force and effect, with no defaults by either party as of the Effective Date.

These changes are administrative in nature and do not alter the material terms of the transaction, including the purchase price, property description, or the City's affordable housing requirements. Instead, the purpose of the amendment is to provide clarity, eliminate ambiguity, and avoid potential disputes regarding the timing of contingencies.

FINANCIAL IMPACT:

There is no fiscal impact associated with this action. All other terms of the Agreement remain unchanged.

ATTACHMENTS:

1. First Amendment to the Blieu Companies, LLC, Purchase and Sale Agreement-Desert Willow Lot E