

RESOLUTION NO. HA-__

**A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY
APPROVING A HOUSING AND LOAN AGREEMENT AND RELATED
DOCUMENTS REGARDING CROSSINGS AT PALM DESERT
BETWEEN THE AUTHORITY AND A0358 MONTEREY, L.P., AND
TAKING RELATED ACTIONS**

RECITALS:

A. Pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011), the former Palm Desert Redevelopment Agency (the "**Former Agency**") was dissolved as of February 1, 2012, the Successor Agency to the Palm Desert Redevelopment Agency (the "**Successor Agency**"), as the successor entity to the Former Agency, was constituted, and a board of the Successor Agency (the "**Board**") was established.

B. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("**HSC**") (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the "**Dissolution Act**").

C. Pursuant to HSC Section 34176(b), the City Council of the City of Palm Desert (the "**City**") adopted Resolution No. 2012-07, electing for the City to not retain the responsibility for performing housing functions previously performed by the Former Agency, and determining that all of the assets, as allowed by law, and all rights, powers, liabilities, duties, and obligations associated with the housing activities of the Former Agency be transferred to the Palm Desert Housing Authority (the "**Authority**").

D. A0358 MONTEREY, L.P., a California limited partnership (the "**Developer**"), an affiliate of Urban Housing Communities, Inc., a California corporation ("**UHC**") intends to construct on a +/-11.8-acre parcel comprised of APNs 694-130-017, 694-130-018, 694-130-019, 694-130-020 (the "**Property**"), located on Dick Kelly Drive, Palm Desert, a 176-unit multi-family apartment community and known as the Crossings at Palm Desert Apartments for households with incomes up to 80% of the area median income in one phase (the "**Project**"). The Property is described in **Exhibit "A"**, attached hereto, and incorporated herein.

E. UHC submitted a funding request to the Authority to make a loan to UHC or its affiliate designee in the amount of Seven Million Two Hundred Thirty-Five Thousand Dollars (\$7,235,000.00) (the "**Loan**") to assist in the construction of the Project. The Loan would be disbursed by the Authority to pay for costs of the improvements (together with disbursements of the construction loan proceeds of the senior construction lender). The Project is intended to be funded by leveraging multiple funding sources including four percent (4%) tax exempt bonds, federal tax credits, state tax credits, and the Loan.

F. The Authority, as the housing successor to the Former Agency, on July 13, 2022, approved a Conditional Agreement regarding the Crossings at Palm Desert Apartments between

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the Authority and UHC (the “**Conditional Loan Agreement**”) which provides for the Authority to make the Loan subject to the terms and conditions therein.

G. UHC submitted an application, including the Conditional Loan Agreement, to the California Tax Credit Allocation Committee for an allocation of tax-exempt bonds, federal tax credits and state tax credits as described in the Conditional Loan Agreement.

H. UHC successfully received and has provided proof of financing commitments from all sources necessary to fund the entire Project and the Project is in the process of obtaining a conditional grading and building and safety permit ready approval.

I. UHC has formed A0358 MONTEREY, L.P. to take title to the Property from UHC and act as the borrower of the Loan and the developer of the Project.

NOW, THEREFORE, THE PALM DESERT HOUSING AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The above recitals, and each of them, are true and correct and are a substantive part of this Resolution.

Section 2. The Loan Agreement (“**Loan Agreement**”), and the Deed of Trust and Assignment of Rents (“**Deed of Trust**”), Secured Promissory Note (“**Note**”) and Housing Agreement (“**Housing Agreement**”), each attached to the Loan Agreement as Exhibits thereto, are hereby approved in substantially the forms attached hereto as **Exhibit “B”**. The Executive Director of the Authority is hereby authorized to execute, as appropriate, and deliver, for and in the name of the Authority, the Loan Agreement, Deed of Trust, Note and Housing Agreement in substantially the form attached hereto, with such changes thereto as the Executive Director, in consultation with the Authority legal counsel, may deem appropriate or necessary and consistent with the purposes of this Resolution (such approval to be conclusively evidenced by the execution and/or delivery thereof).

Section 3. The Director of Finance is hereby authorized to appropriate Seven Million Two Hundred Thirty-Five Thousand Dollars (\$7,235,000.00) from the Unobligated Housing Asset Fund Balance to the appropriate budget line item(s).

Section 4. The members of this Board, Executive Director and the staff of the Authority are hereby authorized, jointly and severally, to do all things and to prepare, execute and deliver such other documents and instruments which they may deem necessary or proper to effectuate the purposes of this Resolution, and any such actions previously taken are hereby ratified and confirmed.

Section 5. The Secretary shall certify the adoption of this Resolution and the same shall take effect and be in force immediately.

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PASSED, APPROVED and ADOPTED on this 24th day of August, 2023, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

KATHLEEN KELLY, CHAIRMAN

ATTEST:

ANTHONY J. MEJIA, MMC,
SECRETARY

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EXHIBIT "A"

The Land referred to herein below is situated in the City of Palm Desert, County of Riverside, State of California, and is described as follows:

PARCEL A AS SHOWN ON CERTIFICATE OF COMPLIANCE (WAIVER OF PARCEL MAP PMW 06-03), AS EVIDENCED BY DOCUMENT RECORDED OCTOBER 25, 2006 AS INSTRUMENT NO. 2006-0782511 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A PORTION OF PARCELS 1 AND 2 OF PARCEL MAP WAIVER NO. 99-15, RECORDED OCTOBER 15, 1999, AS INSTRUMENT NO. 1999-457541, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, IN THE SOUTHWEST QUARTER (SW1/4) OF SECTION 29, TOWNSHIP 4 SOUTH, RANGE 6 EAST OF THE SAN BERNARDINO MERIDIAN, CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST ONE QUARTER (W1/4) CORNER OF SECTION 29, TOWNSHIP 4 SOUTH, RANGE 6 EAST OF THE SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING ON THE CENTERLINE OF MONTEREY AVENUE; THENCE N89°58'35"E ALONG THE EAST-WEST ONE QUARTER (E-W 1/4) SECTION LINE OF SAID SECTION 29 AND THE NORTHERLY LINE OF PARCEL 2 OF PARCEL MAP WAIVER NO. 99-15, RECORDED OCTOBER 15, 1999, AS INSTRUMENT NO. 1999-457541, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, A DISTANCE OF 1314.94 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING N89°58'35"E ALONG THE EAST-WEST ONE QUARTER (E-W 1/4) SECTION LINE OF SAID SECTION 29, THE NORTHERLY LINE OF SAID PARCEL 2 AND CONTINUING ALONG THE NORTHERLY LINE OF PARCEL 1 OF SAID PARCEL MAP WAIVER NO. 99-15, A DISTANCE OF 1314.61 FEET TO THE CENTER ONE QUARTER (C1/4) CORNER OF SAID SECTION 29, SAID POINT BEING ALSO THE NORTHEAST CORNER OF SAID PARCEL 1;

THENCE S00°09'04"E ALONG THE NORTH-SOUTH ONE QUARTER (N-S 1/4) SECTION LINE OF SAID SECTION 29 AND THE EASTERLY LINE OF SAID PARCEL 1, A DISTANCE OF 489.00 FEET TO THE NORTHEAST CORNER OF THAT PARCEL OF LAND CONVEYED TO THE PALM SPRINGS UNIFIED SCHOOL DISTRICT BY GRANT DEED, RECORDED APRIL 28, 2006, AS INSTRUMENT NO. 0308440, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA;

THENCE S89°58'35"W ALONG THE NORTHERLY LINE OF THAT PARCEL OF LAND DESCRIBED IN SAID INSTRUMENT NO. 0308440, A DISTANCE OF 1270.59 FEET TO THE NORTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED IN SAID INSTRUMENT NO. 0308440, SAID POINT BEING ALSO A POINT ON A NON TANGENT

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CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1700.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS $576^{\circ}44'54''$ W;

THENCE NORTHWESTERLY AND NORTHERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 392.48 FEET THROUGH A CENTRAL ANGLE OF $13^{\circ}13'40''$;

THENCE $N00^{\circ}01'26''$ W, A DISTANCE OF 100.00 FEET TO THE POINT OF BEGINNING.

EXCEPT PARCEL NO. 2004-02.12 ("C" STREET), PARCEL NO. 2004-02.11 (AVENUE 35) AND A PORTION OF PARCEL NO. 2004-02.10 (GATEWAY DRIVE), ALL CONVEYED TO THE CITY OF PALM DESERT BY GRANT DEED, RECORDED JUNE 7, 2007, AS INSTRUMENT NO. 2007-0374053, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST ONE QUARTER (W1/4) CORNER OF SECTION 29, TOWNSHIP 4 SOUTH, RANGE 6 EAST OF THE SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING ON THE CENTERLINES OF MONTEREY AVENUE AND AVENUE 35; THENCE $N89^{\circ}58'35''$ E ALONG THE EAST-WEST ONE QUARTER (E-W 1/4) SECTION LINE OF SAID SECTION 29 AND THE CENTERLINE OF SAID AVENUE 35, A DISTANCE OF 1314.94 FEET TO THE CENTERLINE INTERSECTION OF SAID AVENUE 35 AND GATEWAY DRIVE; THENCE CONTINUING $N89^{\circ}58'35''$ E ALONG THE EAST-WEST ONE QUARTER (E-W 1/4) SECTION LINE OF SAID SECTION 29 AND THE CENTERLINE OF SAID AVENUE 35, A DISTANCE OF 71.07 FEET; THENCE $S00^{\circ}01'25''$ E, A DISTANCE OF 54.00 FEET TO THE SOUTHERLY LINE OF PARCEL NO. 2004-02.11 (AVENUE 35) CONVEYED TO THE CITY OF PALM DESERT BY GRANT DEED, RECORDED JUNE 7, 2007, AS INSTRUMENT NO. 2007-0374053, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING 54.00 FEET SOUTHERLY OF THE CENTERLINE OF SAID AVENUE 35, AS MEASURED AT RIGHT ANGLES THERETO, SAID POINT BEING ALSO THE TRUE POINT OF BEGINNING;

THENCE $N89^{\circ}58'35''$ E ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2004-02.11 (AVENUE 35), A DISTANCE OF 782.06 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 946.00 FEET;

THENCE EASTERLY AND SOUTHEASTERLY ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2004-02.11 (AVENUE 35) AND THE ARC OF SAID CURVE, A DISTANCE OF 220.33 FEET THROUGH A CENTRAL ANGLE OF $13^{\circ}20'40''$ TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1054.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS $S13^{\circ}19'14''$ W;

THENCE SOUTHEASTERLY ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2004-02.11 (AVENUE 35) AND THE ARC OF SAID CURVE, A DISTANCE OF 185.57 FEET THROUGH A CENTRAL ANGLE OF $10^{\circ}05'15''$;

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THENCE 552°30'03"E ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2004-02.11 (AVENUE 35), A DISTANCE OF 27.78 FEET TO THE WESTERLY LINE OF PARCEL NO. 2004-02.12 ("C" STREET) CONVEYED TO THE CITY OF PALM DESERT BY GRANT DEED, RECORDED JUNE 7, 2007, AS INSTRUMENT NO. 2007-0374053, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA;

THENCE S00°09'04"E ALONG THE WESTERLY LINE OF SAID PARCEL NO. 2004-02.12 ("C" STREET), A DISTANCE OF 365.78 FEET TO THE NORTHERLY LINE OF THAT PARCEL OF LAND CONVEYED TO THE PALM SPRINGS UNIFIED SCHOOL DISTRICT (P.S.U.S.D.) BY GRANT DEED, RECORDED APRIL 28, 2006, AS INSTRUMENT NO. 2006-0308440, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA;

THENCE 589°58'34"W ALONG THE NORTHERLY LINE OF THAT PARCEL OF LAND DESCRIBED IN SAID INSTRUMENT NO. 2006-0308440 (P.S.U.S.D.), A DISTANCE OF 1176.61 FEET TO THE EASTERLY LINE OF PARCEL NO. 2004-02.10 (GATEWAY DRIVE) CONVEYED TO THE CITY OF PALM SPRINGS BY GRANT DEED, RECORDED JUNE 7, 2007, AS INSTRUMENT NO. 2007-0374053, OF OFFICIAL RECORDS (O.R.) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING ALSO A POINT ON A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1646.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS S76°15'06"W;

THENCE NORTHWESTERLY AND NORTHERLY ALONG THE EASTERLY LINE OF SAID PARCEL NO. 2004-02.10 (GATEWAY DRIVE) AND THE ARC OF SAID CURVE, A DISTANCE OF 392.80 FEET THROUGH A CENTRAL ANGLE OF 13°40'23";

THENCE N00°04'31"W ALONG THE EASTERLY LINE OF SAID PARCEL NO. 2004-02.10 (GATEWAY DRIVE), A DISTANCE OF 28.94 FEET TO THE SOUTHERLY LINE OF SAID PARCEL NO. 2004-02.11 (AVENUE 35);

THENCE N44°57'02"E ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2004-02.11 (AVENUE 35), A DISTANCE OF 24.05 FEET TO THE POINT OF BEGINNING.

APN: 694-130-017 (Affects a portion of the land);

694-130-018 (Affects a portion of the land);

694-130-019 (Affects a portion of the land); and

694-130-020 (Affects a portion of the land)

EXHIBIT "B"

**FORMS OF LOAN AGREEMENT, DEED OF TRUST
NOTE AND HOUSING AGREEMENT**