

**RESOLUTION NO. 2024-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
APPROVING A DISPOSITION AND  
DEVELOPMENT AGREEMENT BETWEEN THE  
CITY OF MERCED AND LINC I STREET APTS.  
LP AND MAKING CERTAIN FINDINGS AND  
APPROVALS UNDER SECTION 33433 OF THE  
CALIFORNIA HEALTH AND SAFETY CODE**

WHEREAS, the City of Merced (“City”) is the owner of certain real properties located at 1823 “I” Street (Assessor’s Parcel No. or “APN” 031-074-009), 1815 “I” Street (APN 031-074-010), 205 West 18th Street (APN 031-074-011), 211 W. 18th Street (APN 031-074-012), and 202 W. 19th Street (APN 031-074-008) (the “Properties”); and

WHEREAS, the Properties were purchased by the former Merced Redevelopment Agency (the “Agency”) with Low and Moderate Income Housing Funds in accordance with Community Redevelopment Law (Health and Safety Code or “HSC” Sections 33000 *et seq.*); and

WHEREAS, on June 29, 2011, the legislature of the State of California (the “State”) adopted Assembly Bill x1 26 (together with Assembly Bill 1484 and Senate Bill 107, the “Dissolution Law”), which dissolved redevelopment agencies in the State, including the Agency; and

WHEREAS, pursuant to the Dissolution Law, the City agreed to become the housing successor to the Agency; and

WHEREAS, the Properties were transferred to the City pursuant to a housing asset transfer form approved by the California Department of Finance on February 25, 2013; and

WHEREAS, after following the California Surplus Land Act, the City released a request for proposals for the sale of the Properties and desires to convey the Properties to Linc I Street Apts. LP (the “Developer”) for the purpose of developing the Properties to include fifty-three (53) multifamily residential rental units and one (1) manager unit, for a total of fifty-four (54) units. Of the fifty-four (54) units, twenty-two (22) units shall be restricted for extremely low to low-

income households earning 30% to 60% of the Area Median Income for Merced County (the “Project”); and

WHEREAS, the City and Developer have diligently negotiated the terms and conditions of a Disposition and Development Agreement and related documents (the “Agreement”) to convey the Properties to the Developer for a purchase price of \$5.00 (\$1.00 per property) for the purpose of developing the Project; and

WHEREAS, the City’s disposition of the Properties, and the construction, completion, and operation of affordable housing on the Properties pursuant to the terms of the Agreement, are in the vital and best interest of the City and the health, safety, and welfare of its residents, and will serve the public purpose in the City; and

WHEREAS, prior to approving the sale of the Properties, the City prepared and made available for public inspection a summary report in accordance with HSC Section 33433 (the “Summary Report”); and

WHEREAS, the City has made a copy of the Agreement and the Summary Report available for public inspection and issued a notice of public hearing in accordance with HSC Section 33433; and

WHEREAS, the City Council conducted a duly noticed public hearing on January 2, 2024, to confirm the purchase price of the Properties and to consider approval of the Agreement pursuant to HSC Section 33433; and

WHEREAS, the staff report accompanying this resolution and incorporated herein by reference provided the City Council with additional information in accordance with HSC Section 33433, upon which the findings and actions set forth in this resolution are based.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCED DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:**

**SECTION 1.** The City Council hereby accepts that the above recitals are accurate and have served together with the staff report accompanying this resolution and Summary Report as the basis for the findings and approvals set forth in this resolution.

SECTION 2. The City Council hereby accepts the Summary Report which provides supplemental information regarding the Agreement.

SECTION 3. The City Council hereby finds that the sale of the Properties will assist in the elimination of blight and achieve the goals of the redevelopment plans of the Agency by increasing the supply of affordable housing.

SECTION 4. The City Council approves the Agreement, all exhibits thereto, and all ancillary documents and contracts; authorizes the City Manager or their designee to execute such documents substantially in the form on file with the City Clerk, with such changes as are approved by the City signatory; authorizes the City Manager or their designee to implement the Agreement and related documents to effectuate their intent and to negotiate and execute amendments substantially in conformance of the intent of the Agreement as reasonably necessary to confirm to lender requirements.

SECTION 5. The City Clerk shall certify as to the adoption of this Resolution, which shall be in full force and effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Merced, at a regular meeting held on the \_\_\_ day of \_\_\_\_\_ 2024, by following called vote:

AYES                      Council Members:

NOES:                      Council Members:

ABSTAIN:                      Council Members:

ABSENT:                      Council Members:

APPROVED  
MATTHEW SERRATTO, MAYOR

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Mayor

ATTEST:  
D. SCOTT MCBRIDE, CITY CLERK

BY: \_\_\_\_\_  
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM  
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 12-20-2023  
City Attorney Date