

RESOLUTION NO. 2022-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MERCED, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF MERCED AND CC915 MERCED, INC., AND MAKING AND APPROVING 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 property located at 73 South “R” Street in Merced, California, with Assessor’s Parcel Number 059-256-004 (the “Property”); and

WHEREAS, the Property was 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 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 Property was 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 Property and desires to convey the Property to CC915 Merced, Inc. (the “Developer”) for the purpose of developing the Property to include twenty (20) studio units, to be rented to extremely low income homeless veterans, and one (1) manager unit, for a total of twenty-one (21) units (the “Project”); and

WHEREAS, the City and Developer, as co-applicants, were awarded a grant of Homekey funds from the California Department of Housing and Community Development in a maximum amount of \$4,420,000 for the purpose of developing 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 Property to the Developer for a purchase price of \$1.00 for the purpose of developing the Project; and

WHEREAS, the City's disposition of the Property, and the construction, completion, and operation of affordable housing on the Property 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 Property, the City prepared and made available for public inspection a summary report in accordance with Section 33433 of the Community Redevelopment Law (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 Section 33433 of the Community Redevelopment Law; and

WHEREAS, the City Council conducted a duly noticed public hearing on August 15, 2022 to confirm the purchase price of the Property and to consider approval of the Agreement pursuant to Section 33433 of the Community Redevelopment Law; and

WHEREAS, the staff report accompanying this resolution and incorporated herein by reference provided the City Council with additional information in accordance with Section 33433 of the Community Redevelopment Law, 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 4. The City Council hereby finds that the sale of the Property 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 6. 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 7. 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 _____ 2022, by following called vote:

AYES Council Members:

NOES: Council Members:

ABSTAIN: Council Members:

ABSENT: Council Members:

APPROVED

BY _____
Mayor

ATTEST:

BY: _____
City Clerk

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM

BY:  9/9/2022
City Attorney Date