

RESOLUTION NO. OB-2012-07

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY CONFIRMING THE TRANSFER OF A HOUSING ASSET OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY TO THE SUCCESSOR HOUSING AGENCY UNDER HEALTH & SAFETY CODE SECTION 34176

WHEREAS, in accordance with the provisions of the California Community Redevelopment Law (Health & Safety Code Section 33000, *et seq.* ("CRL"), the City Council of the City of Cathedral City previously established the Redevelopment Agency of the City of Cathedral City, a public body, corporate and politic ("Agency") to carry out the purposes of and exercise the powers granted to community redevelopment agencies in accordance with the CRL; and

WHEREAS, in accord with CRL Section 34172(a), the Agency was dissolved as of February 1, 2012 and its rights, powers, duties and obligations, other than the Agency's housing assets and functions, were transferred to a "successor agency" (as defined by CRL Section 34171(j)); and

WHEREAS, in accord with CRL Section 34173, the City of Cathedral City ("City") is the successor agency ("**Successor Agency**") to the former Agency and, as such, is vested with all authority, rights, powers, duties and obligations previously vested in the Agency by the CRL, except for the Agency's housing assets and functions, and except to the extent repealed, restricted or revised pursuant to provision of Assembly Bill X1 26 ("**AB 26**"); and

WHEREAS, the oversight board ("**Oversight Board**") for the Successor Agency was formed and exists in accord with CRL Section 34179; and

WHEREAS, in accord with CRL Section 34176, the City elected to act as the "housing successor" ("**Housing Successor**") to the Agency and thereby retained the Agency's housing assets and functions; and

WHEREAS, neither CRL Section 34176 nor any other provision of AB 26 requires the Oversight Board to approve the transfer of the Agency's housing assets and functions to the Housing Successor; and

WHEREAS, notwithstanding the lack of any such approval requirement, the State Department of Finance has informally opined that the transfers of former redevelopment agency housing assets to a housing successor require approval of the cognizant oversight board; and

WHEREAS, without conceding the correctness of the Department of Finance's position, the Housing Successor has asked the Oversight Board to approve the transfer to the Housing Successor of certain real property (the "**Subject Property**") which was held as an Agency housing asset consisting of approximately 12.75 acres of vacant land and as legally described in the attached Exhibit "A" and as depicted on the site map attached hereto as Exhibit "B"; and

WHEREAS, in March, 2010 the sole source of funds used to acquire the Subject Property was the Agency's low and moderate income housing fund ("LMIHF") established under CRL Section 33334.3; and

WHEREAS, by operation of CRL Section 34176, the Subject Property became a Housing Successor asset on February 1, 2012; and

WHEREAS, in December 2011, the Successor Agency and the Housing Successor entered into a Settlement Agreement with Tri-Millennium Cathedral City, LLC (the "**Settlement Agreement**") which included the transfer of the Subject Property as a component of the Settlement Agreement; and

WHEREAS, following its transfer, the Subject Property will continue to be restricted for use and occupancy by persons and families of low and moderate income as required by the CRL; and

WHEREAS, the Oversight Board desires (1) to confirm and approve the transfer of the Subject Property to the Housing Successor as a housing asset of the former Agency, and (2) to not object to the inclusion of the Subject Property in the Settlement Agreement with Tri-Millennium Cathedral City LLC.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD AS THE GOVERNING BOARD FOR THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY AS FOLLOWS:

Section 1. Based upon the oral and written evidence presented to the Oversight Board at the time of its consideration of this Resolution, the Oversight Board finds and determines as follows:

- (1) The sole source of the funds used by the Agency to acquire the Subject Property was the Agency's low and moderate income housing fund established pursuant to CRL Section 33334.3.
- (2) The Subject Property was a housing asset of the former Agency. The Subject Property became a Housing Successor asset on February 1, 2012.
- (3) Following the transfer of the property to Tri-Millennium Cathedral City, LLC, the Subject Property will continue to be restricted for use and occupancy by persons and families of low and moderate income as required by the CRL.
- (4) The Oversight Board does not object to the inclusion of the Subject Property in the Settlement Agreement.

Section 2. The Oversight Board acknowledges that the Housing Successor's submission of the matters described in this Resolution to the Oversight Board for approval is done to avoid unnecessary delay in the transaction by which the Subject Property is to be transferred with restrictions to ensure that when developed, the Subject Property is used to increase the City's supply of affordable low and moderate income housing. The Oversight Board further acknowledges that the Housing Successor's submission of these matters to the Oversight Board does not constitute a waiver or an admission by the City, the Successor Agency or the Housing Successor that AB 26 or

any other legal provision requires the Oversight Board's approval for the transfer of any Agency housing asset from the Agency or the Successor Agency to the Housing Successor or from the Housing Successor to another party. The Oversight Board acknowledges that the City, the Successor Agency, and the Housing Successor reserve all rights, defenses and claims with respect to such matters.

Section 3. This Resolution will become effective in accord with CRL Section 34179(h).

The foregoing Resolution was duly and regularly adopted at a regular meeting of the Oversight Board to the Successor Agency of the Redevelopment Agency of Cathedral City held on June 14, 2012 by the following vote:

AYES: AGUIAR, DE ROSA, ENGLAND, HOWELL, HENRY, SCOTT.

NOES: \emptyset

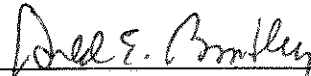
ABSENT: ELLIS

ABSTAIN: \emptyset



CHAIR

APPROVED:



City Manager of Successor Agency
on behalf of the Oversight Board

ATTEST:



Oversight Board Secretary

Exhibit "A"

(Legal Description)

All that certain real property situated in the County of Riverside, State of California, described as follows:

Parcel 1: (APN: 677-510-044)

That portion of the Westerly 65.94 feet of the West half of the Southwest quarter of the Southeast quarter of the Northeast quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian, being also shown as Lot 61 on Assessor's Map No. 45, on file in Book 2 of Assessor's maps, at Page 2, Records of Riverside County, California, lying Northerly of the following described line:

Beginning at a point on the West line of said Westerly 65.94 feet that is North $00^{\circ} 01' 38''$ West, 603.85 feet from the Southwest corner of the said Southwest quarter of the Southeast quarter of the Northeast quarter; thence Southerly along the arc of a curve concave to the right, whose tangent bears South $21^{\circ} 51' 23''$ East, having a radius of 33,000 feet, through a central angle of $00^{\circ} 18' 40''$, a distant of 179.19 feet to the East line of said Westerly 65.94 feet, said point being 436.97 feet North of and 65.94 feet East of the said Southwest corner.

Parcel 2: (APN: 677-510-037)

Parcel 1 of Lot Line adjustment no. 5-186 as described in the certificate of compliance recorded March 19, 1992 as Instrument No. 95083, and recorded again to correct assessor parcel numbers on the earlier instrument, on September 9, 1992 as Instrument No. 338027, both in said of Official Records, being more particularly described as follows:

That portion of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian, described as follows:

Beginning at the Northeast corner of said Section 17; thence South $89^{\circ} 38' 17''$ West along the North line of said Section 17, a distance of 923.60 feet to a point at the Northwest corner of Tract No. 24982, as shown by Map on file in Book 219, pages 7 through 10, inclusive of Maps, Records of Riverside County, California; thence South $00^{\circ} 08' 45''$ West along the West boundary of said Tract No. 24982, to a point 40 feet South of the North line of said Section 17; thence South $89^{\circ} 38' 17''$ West along a line 40 feet South and parallel with the North line of said Section 17, a distance of 98.93 feet to the True Point of Beginning; Thence South $00^{\circ} 08' 45''$ West a distance of 295.00 feet; thence South $89^{\circ} 38' 17''$ West, a distance of 98.93 feet; thence North $00^{\circ} 08' 45''$ East a distance of 295.00 feet to a point 40 feet South of the North line of said Section 17; thence North $89^{\circ} 38' 17''$ East along a line 40 feet South and parallel with the North line of said Section 17, a distance of 98.93 feet to the True Point of Beginning.

Parcel 3: (APN: 677-510-036)

Parcel 2 of Lot Line Adjustment No. 5-186 as described in the Certificate of Compliance recorded March 19, 1992 as Instrument No. 95083 and recorded again to correct assessors parcel numbers on the earlier instrument, on September 9, 1992 as Instrument No. 338027, both in said Of Official Records, being more particularly described as follows:

That portion of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian, described as follows:

Beginning at the Northeast corner of said Section 17; thence South $89^{\circ} 38' 17''$ West along the North line of said Section 17, a distance of 923.60 feet to a point at the Northwest corner of Tract No. 24982, as shown by map on file in Book 219 at Pages 7 through 10, inclusive of Maps, Records of Riverside County, California; thence South $00^{\circ} 08' 45''$ West along the West boundary of said Tract No. 24982, a distance of 40 feet to the True Point of Beginning; thence continuing South $00^{\circ} 08' 45''$ West along said West tract boundary a distance of 295.00 feet; thence South $89^{\circ} 38' 17''$ West, a distance of 98.93 feet; thence North $00^{\circ} 08' 45''$ East, a distance of 295.00 feet to a point 40 feet South of the North line of said Section 17; thence North $89^{\circ} 38' 17''$ East along a line 40 feet South and parallel with the North line of said Section 17, a distance of 98.93 feet to the True Point of Beginning.

Parcel 4: (APN: 677-510-038)

Parcel 3 of Lot Line Adjustment No. 5-186 as described in the Certificate of Compliance recorded March 19, 1992 as Instrument No. 95083, and recorded again to correct assessor parcel numbers on the earlier instrument on September 9, 1992 as Instrument No. 338027, both in said of Official Records, being more particularly described as follows:

Beginning at the Northeast corner of said Section 17; thence South 89° 38' 17" West along the North line of said Section 17, a distance of 923.60 feet to a point at the Northwest corner of Tract No. 24982, as shown by map on file in Book 219 at Pages 7 through 10, inclusive of Maps, records of Riverside County, California; thence South 00° 08' 45" West along said West tract boundary a distance of 355.00 to the True Point of Beginning. Thence continuing South 00° 08' 45" West along the West Boundary of said Tract 24982, a distance 327.11 feet to a point on the centerline of Diane Lane, as shown on said Map of Tract No. 24982; thence South 89° 39' 44" West, along the prolongation of the centerline of Diane Lane, as distance of 197.86 feet; thence North 00° 08' 45" East, a distance of 327.03 feet; thence North 89° 38' 17" East, a distance of 197.86 feet to the True Point of Beginning.

Parcel 5: (APN: 677-510-039)

The East 65.94 feet of the Westerly 329.70 feet of the Southwest quarter of the Northeast quarter of the Northeast quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian. Also shown as Lot 25 of Assessor's Map No. 45 on file in Book 2 of Assessor's Maps, at page 2, records of Riverside County, California.

Parcel 6: (APN: 677-510-040)

The Easterly 65.94 feet of the Westerly 263.76 feet to the Southwest quarter of the Northeast quarter of the Northeast quarter of Section 17, Township 4 South, Range 5 East, Bernardino Meridian.

Also shown as Lot 24 of Assessor's Map No. 45 on file in Book 2 of Assessors Maps, at page 2, records of Riverside County, California.

Parcel 7: (APN: 677-510-041 & 056)

Parcel B as shown on Certificate of Compliance Lot Line adjustment no. 2008-450, as evidenced by document recorded December 1, 2008 as Instrument No. 2008-0630882 of Official Records, being more particularly described as follows:

All that portion of the Southwest one-quarter of the Northeast one quarter of the Northeast one quarter of Section 17, Township 4 South, Range 5 East San Bernardino Meridian, described as follows:

Commencing at the Southwest corner of the Southwest one-quarter of the Northeast one-quarter of the Northeast one-quarter of said Section 17, thence North 89° 41' 12" East, along the South line of said Southwest one quarter a distance of 85.94 feet to the True Point of Beginning;

Thence continuing North 89° 42' 12" East a distance of 111.88 feet; Thence North 00° 03' 08" East a distance of 662.01 feet to the North line of said Southwest one quarter.

Thence South 89° 39' 45" West along the North line of said Southwest one quarter a distance of 111.88 feet;

Thence South 00° 03' 08" West a distance of 661.97 feet to the True Point of Beginning.

Parcel 8: (APN: 677-522-015-3)

The West half of the Northwest quarter of the Southeast quarter of the Northeast quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian.

Excepting therefrom the Easterly 65.95 feet thereof; Also except therefrom the Westerly 197.82 feet thereof. Also shown as Lot 44 of Assessor's Map No. 45 on file in Book 2 of Assessor's Maps, at page 2, Records of Riverside County, California.

Parcel 9: (APN: 677-522-014-2)

The Easterly 65.98 feet of the West half of the Northwest quarter of the Southeast quarter of the Northeast quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian. Also shown as Lot 45 of Assessor's Map NO. 45 on file in Book 2 of Assessor's Maps, at Page 2, Records of Riverside County, California.

Parcel 10:

A non-exclusive, perpetual easement for construction and maintenance of an irrigation line created pursuant to section 1.5 of the Reciprocal Easement Agreement (REA), which recorded on July 30, 1999, as Instrument No. 1999-343205, of official records, in the County of Riverside, located over and across an irrigation line five (5') feet in width, measured at right angles, lying Westerly and adjacent to the following described line:

All that portion of Lot 1 of Tract No. 26598-1 as recorded in Map in Book 242, at Pages 14 through 17 inclusive, records of Riverside County, California and a portion of the Northeast one-quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Base and Meridian, also being a portion of Lots 61 through 64 inclusive of Assessor's Map No. 45 on file in Book 2 at Page 2 of Assessors Maps, Riverside County described as follows:

Commencing at the Southeast corner of said Lot 1 of Tract No. 26598-1, thence North 89° 43' 53" East a distance of 223.12 feet to a point on a non tangent curve concave Northeasterly and having a radius of 33,000.00 feet and the Easterly line of the Coachella Valley County Water District Flood Control Right of Way and the True Point of Beginning, a radial bearing passes through said point bears North 69° 18' 34" East; Thence Northwesterly along said curve through a central angle of 03° 23' 19" and a length of 1951.70 feet to the terminus of said easement.

Parcel 11:

Intentionally deleted

Parcel 12: (677-510-045 and a portion of 677-510-046)

Parcel B of Certificate of Compliance Lot Line Adjustment No. 2011-462, recorded October 20, 2011 as Instrument No. 2011-0462944 and recorded April 26, 2012 as Instrument No. 2012-0188795 both of Official Records, more particularly described as follows:

Those portions of the West half of the Southwest Quarter of the Southeast Quarter of the Northeast Quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Base and Meridian, and the Westerly 65.94 feet of the East half of the Southwest Quarter of the Southeast Quarter of the Northeast Quarter of said Section 17, being portions of Lots 62, 63, 64, 65 and 66, as shown on Assessor's Map No. 45, on file in Book 2, Page 2 of Assessor's Maps, Records of Riverside County, described in two parcels as follows:

Parcel 1:

That certain Parcel 2 as described in the Certificate of Compliance for Lot Line Adjustment No. 98-269, recorded on November 25, 1998 as Instrument No. 512704, of Official Records of Riverside County, California.

Excepting therefrom the following described portion thereof;

Commencing at the Southeast corner of the said West half of the Southwest Quarter of the Southeast Quarter of the Northeast Quarter of Section 17, said point also being the Southeast corner of said Lot No. 65, and the Southwest corner of said Lot 66;

Thence, North 00°05'10" East along the West line of said Lot 66, a distance of 30.00 feet;

Thence, North 89°43'53" East, along a line parallel with and distant 30.00 feet Northerly, measured at right angles, from the South line of the said West half of the Southwest Quarter of the Southeast Quarter of the Northeast Quarter of Section 17, a distance of 65.94 feet to the East line of said Assessor's Lot 66;

Thence, North 00°02'46" East, along said East line a distance of 258.33 feet to the true point of beginning, said point also being a Southeast corner of the above described Parcel 2 of the said Certificate of Compliance;

Thence, continuing along said East line of Lot 66, North 00°02'46" East, 160.00 feet;

Thence, South 89°43'53" West, parallel with the said South line of the said West half, a distance of 123.00 feet;

Thence, South 00°02'46" West, parallel with the said East line of said Lot 66, a distance of 160.00 feet to a point on a South line of Parcel 2, as described in the Certificate of Compliance for Lot Line Adjustment No. 98-269, recorded on November 25, 1998 as Instrument No. 512704, in Official Records of Riverside County, said South line is described in the written description of said Parcel 2 in said Certificate of Compliance as "North 89°43'53" East, 126.50 feet";

Thence, North 89°43'53" East along said South line, 123.00 feet to the true point of beginning.

Parcel 2:

All of the West half of the Southwest Quarter of the Southeast Quarter of the Northeast Quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Base and Meridian, according to Government Survey thereof;

Excepting therefrom the Easterly 197.86 feet and the Westerly 65.94 feet thereof;

Also excepting the Southerly 30 feet thereof reserved for road purposes.

Also excepting therefrom that portion thereof conveyed to the Coachella Valley Water District, formerly the Coachella Valley County Water District by Grant Deed recorded on June 2, 1960 in Book 2706, at Page 404, as Instrument No. 49370, of Official Records of Riverside County, California.

Parcel 13:

Intentionally deleted

Parcel 14:

Intentionally deleted

Parcel 15: (APN: 677-510-052 & 677-510-057)

Parcel Y as shown on Certificate of Compliance Lot Line Adjustment No. 2008-451, as evidenced by document recorded December 1, 2008 as Instrument No. 2008-0630883 of Official Records, being more particularly described as follows:

All that portion of the Northwest One Quarter of the Southeast One Quarter of the Northeast One Quarter of Section 17, Township 4 South, Range 5 East, San Bernardino Base and Meridian, described as follows:

Commencing at the Northwest corner of the Northwest West One Quarter of the Southeast One Quarter of the Northeast One Quarter of said Section 17;

Thence North 89°41'12" East along the North line of said Northwest One Quarter a distance of 85.94 feet to the true point of beginning.

Thence continuing North 89°42'12" East a distance of 111.88 feet;

Thence South 00°03'08" West a distance of 662.07 feet to the South line of said Northwest One Quarter;

Thence South 89°42'29" West along the South line of said Northwest One Quarter a distance of 111.88 feet;

Thence North 00°03'08" East a distance of 662.03 feet to the true point of beginning.

Parcel 16:

A non-exclusive, perpetual easement for Driveway Purposes created pursuant to section 1.2 of the Reciprocal Easement Agreement ("REA"), which recorded on July 30, 1999, as instrument no. 1999-343205, of official records, in the County of Riverside, is located over and across all that portion of Parcel 1 of Lot Line Adjustment LLA 98-269 as shown on the Certificate of Compliance recorded on November 25, 1998 as Instrument No. 512704 of Official Records of Riverside County, California, described as follows:

Commencing at the Northeast corner of said Parcel 1 of LLA 98-269, thence South 89° 43' 53" West along the North line of said Parcel 1 of LLA 98-269, a distance of 6.83 feet to the True Point of Beginning.

Thence, continuing along said North line South 89° 43' 53" West a distance of 25.00 feet;

Thence South 00° 02' 46" West, a distance of 248.61 feet to the North line of McCallum Way, as described in the grant of easement recorded on March 12, 1999 as Instrument No. 100639 of Official Records, Riverside County, California;

Thence South 72° 13' 55" East, along said North line of McCallum Way, as described in said Grant of Easement, a distance of 26.25 feet;

Thence North 00° 02' 46" East a distance of 256.74 feet to the True Point of Beginning.

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL MAP NOT CORRELATE WITH LOCAL LOT-BUILDING OR BUILDING SITE ORDINANCES.

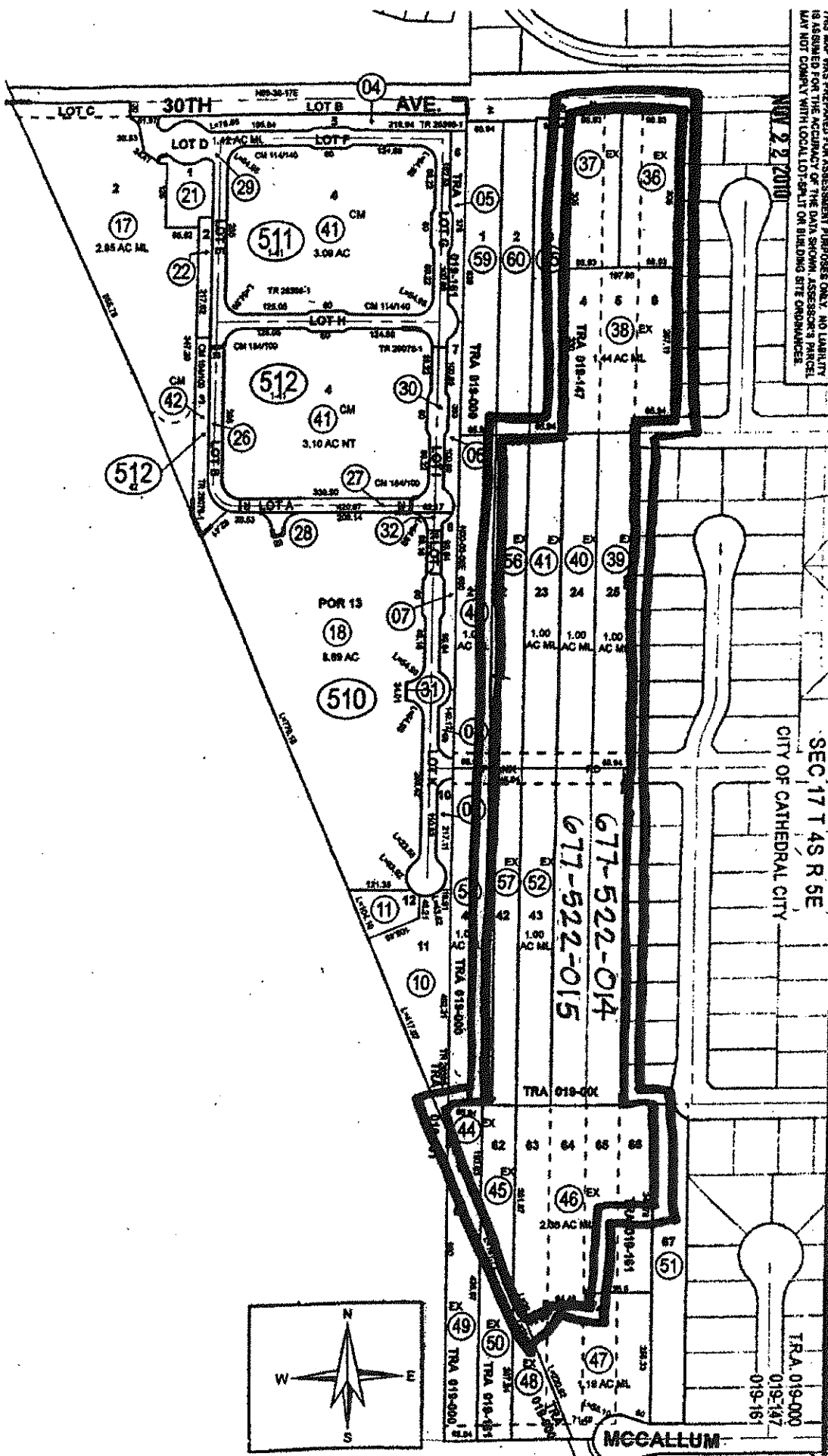
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CITY OF CATHEDRAL CITY

677-51

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MCCALLUM



ASSESSOR'S MAP BK677 PG. 51
Riverside County, Calif.

A Vatcharopass

October 2010