

## **RESOLUTION 2025-###**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO DECLARING CITY-OWNED PROPERTY LOCATED AT 1820 RUMRILL BOULEVARD WITH APN 411-041-009 TO BE EXEMPT SURPLUS PROPERTY UNDER THE SURPLUS LAND ACT**

WHEREAS, the property at 1820 Rumrill Boulevard with APN 411-041-009 (the “Property”) is a City of SanPablo (the “City”) owned housing asset site;

WHEREAS, on April 7, 2025, the City Council adopted a City Council Priority Workplan, which included a major policy goal to expand housing options;

WHEREAS, on February 7, 2022, the City Council reviewed and selected Novin Development Corporation as the preferred developer, authorizing the City Manager to execute an Exclusive Negotiations Agreement (the “ENA”) and begin negotiations with Novin Development Corporation (the “Developer”) toward an agreement for the sale and development of the property;

WHEREAS, the City and the Developer have negotiated a proposed Disposition and Development Agreement (the “DDA”) providing for a 45-unit multifamily 100% affordable housing development (the “Project”) with rents that do not to exceed 60% of the Area Median Income;

WHEREAS, the proposed Project will be financed with equity generated through the syndication of 4% low-income housing tax credits (LIHTC), a permanent amortizing tax-exempt bond loan through the California Debt Allocation Committee (CDLAC), as well as a \$1,000,000 gap loan provided by the City from the Low-to-Moderate Income Housing Asset Fund (“LMIHAF”) and a loan for the fair market value of the Property;

WHEREAS, with certain exceptions the Surplus Land Act (SLA), originally enacted in 1968 and modified in 2020 (AB 1486), requires public agencies that want to sell or lease a property go through a structured sale disposition process that first requires exposing the property to a state published list of affordable housing developers and other interested parties with certain exceptions;

WHEREAS, under Government Code Section 54221(f)(b) “surplus land that is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes” is exempt from the structured sale disposition process set forth in the SLA;

WHEREAS, the Property is 21,619 square feet and less than one half acre in area, or 21,780 square feet, and it is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes; and

WHEREAS, the City no longer has any alternative use for the Property and desires to facilitate the development of affordable housing on the Property.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of San Pablo hereby resolves and declares that the Property is no longer necessary for the City's use and is exempt surplus land as defined under Government Code Section 54221(f)(1)(B); and

BE IT FURTHER RESOLVED that adoption of this resolution satisfies the California Department of Housing and Community Development requirement to declare the property exempt from the Surplus Land Act at least thirty (30) days prior to disposition of the property. Once the developer has acquired all of the necessary funding for development, the City expects to execute a loan agreement for the fair market value of the Property and to commit \$1,000,000 of the City's Low and Moderate Income Housing Asset Fund 250 to the Project, for disbursement at the commencement of Project construction. Both loans have a repayment period of 30 (or possibly 55) years based on 75% of the project's residual receipts.

\* \* \* \* \*

ADOPTED this 21<sup>st</sup> day of April, 2025, by the following votes:

AYES: COUNCILMEMBERS:  
NOES: COUNCILMEMBERS:  
ABSENT: COUNCILMEMBERS:  
ABSTAIN: COUNCILMEMBERS:

ATTEST:

APPROVED:

\_\_\_\_\_  
Dorothy Gantt, City Clerk

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Arturo Cruz, Mayor