9501-A 5-20-25

(R-2025-562)

RESOLUTION NUMBER R- 316225

DATE OF FINAL PASSAGE MAY 2 3 2025

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO DECLARING THE CITY-OWNED REAL PROPERTY LOCATED AT 1401 IMPERIAL AVENUE, SAN DIEGO, CALIFORNIA, EXEMPT SURPLUS LAND UNDER GOVERNMENT CODE SECTION 54221(f)(1)(F)(i).

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

- A. The City of San Diego (City) owns the real property located at 1401 Imperial Avenue, San Diego, California, specifically identified in the staff report included in the docket materials accompanying this Resolution (Property).
- B. The Surplus Land Act (California Government Code sections 54220 through 54234) is generally intended to make a local agency's surplus land (i.e., land not needed for the local agency's use) available for potential acquisition by affordable housing sponsors or other local public entities.
- C. California Government Code (Government Code) section 54221(b)(1) requires the Council to take formal action at a regular public meeting to declare the Property surplus land or exempt surplus land, as supported by written findings, before the City may take any action to dispose of the Property.
- D. The written findings supporting an exempt surplus land declaration must be provided to the California Department of Housing and Community Development (HCD) for review at least 30 days before the City's disposition of the land under section 400(e) of HCD's Surplus Land Act Guidelines (SLA Guidelines).

- E. In February 2024, the City issued a request for proposals (RFP) to purchase and redevelop the Property as a 100 percent affordable multi-family rental housing development.
- F. The City received two responses to the RFP and selected the proposal from S.V.D.P. Management, Inc., a California non-profit public benefit corporation.
- G. S.V.D.P. Management, Inc., formed 1401 Imperial, LP, a California limited partnership (Developer), to act as the developer for the proposed purchase and redevelopment of the Property as a 100 percent affordable multi-family rental housing development comprised of 162 rent restricted affordable rental housing units and two manager's units that are not rent restricted.
- H. The City negotiated a Disposition and Development Agreement (Agreement) with the Developer, a copy of which is included in the docket materials accompanying this Resolution. The Agreement provides for the Developer to purchase the Property from the City and redevelop the Property as a multi-family rental housing development that restricts 100 percent of the residential units to persons and families of low or moderate income, with at least 75 percent of the residential units restricted to lower income households, as defined in California Health and Safety Code (Health and Safety Code) section 50079.5, with an affordable rent, as defined in Health and Safety Code section 50052.5 or 50053, for 55 years. The maximum affordable rent level will not be higher than 20 percent below the median market rents for the neighborhood in which the Property is located. The Agreement further provides, as required by Government Code section 54221(f)(1)(F)(i), that these income and rent restrictions for residential units on the Property will be contained in a regulatory agreement recorded against the Property.

- I. The City's sale of the Property to the Developer under the terms of the Agreement qualifies the Property as exempt surplus land under Government Code section 54221(f)(1)(F)(i) because the City will be selling the Property with the requirement that the Property be redeveloped as a multi-family affordable rental housing development that restricts 100 percent of the residential units to occupancy by persons and families of low or moderate income, as described in Recital H above.
- J. Declaring the Property exempt surplus land, contingent upon the City's sale of the Property to the Developer, does not require that the City sell the Property to the Developer.
- K. This declaration that the Property is exempt surplus land is contingent upon the City's sale of the Property to the Developer under the terms of the Agreement. If for any reason the City does not sell the Property to the Developer under the terms of the Agreement, the Council does not intend for this exempt surplus land declaration to have any force or effect.
- L. Redeveloping the Property as a 100 percent affordable multi-family rental housing development serves the public purpose of creating more affordable housing for City residents.
- M. Government Code section 54221(f)(2) identifies several narrow circumstances in which, notwithstanding an exempt surplus land declaration under Government Code section 54221(f)(1), a local agency must issue a notice of availability of the land (with the exception of certain land granted by the State of California to a local agency in trust) solely for open-space purposes if the land is any of the following: (a) within a coastal zone; (b) adjacent to a historical unit of the State Parks System; (c) listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places; or (d) within the Lake Tahoe region as defined in Government Code section 66905.5. The City's sale of the Property to

the Developer does not involve any of the circumstances identified in Government Code section 54221(f)(2), and therefore, the City is not required to issue a notice of availability of the Property for open-space purposes if the Property is declared exempt surplus land.

N. The Office of the City Attorney prepared this Resolution based on information provided by City staff, including information provided by third parties and verified by City staff, with the understanding that this information is complete, true, and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

- 1. The requirement in Council Policy 700-10 that a clearance notification for the Property be transmitted by email to all asset-owning City department directors, the Independent Budget Analyst, all City Council offices, and the Office of the Mayor regarding whether the Property is needed for a City project or purpose is waived.
- 2. The Property is declared exempt surplus land under Government Code section 54221(f)(1)(F)(i) based on the facts and reasons described in this Resolution, contingent upon the Council's future discretionary approval of the Agreement for the sale of the Property to the Developer and the completion of the sale of the Property to the Developer under the terms of the Agreement.

APPROVED: HEATHER FERBERT, City Attorney By Delmar G. Williams Senior Deputy City Attorney DGW:amt 05/06/2025 Or. Dept: EDD Doc. No. 4041113 2 I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on MAY 20 2025 **DIANA J.S. FUENTES** City Clerk Vetoed: TODD GLORIA, Mayor (date)

City staff is directed to provide a copy of this Resolution to HCD.

3.

Passed by the Council of The City	of San Diego.on	MAY 2 0 2025	, by the following vote:
Councilmembers Joe LaCava Jennifer Campbell Stephen Whitburn Henry L. Foster III Marni von Wilpert Kent Lee Raul A. Campillo Vivian Moreno Sean Elo-Rivera	Yeas N	Nays Not Prese	ent Recused
Date of final passage	n is approved by		
AUTHENTICATED BY:	-		D GLORIA of San Diego, California.
(Seal)		City Clerk of The City	S. FUENTES y of San Diego, California.
	Offic	ce of the City Clerk, S	acters 7. Deputy an Diego, California