

RESOLUTION NO. 023

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE TERMINATION OF A SUBLEASEHOLD INTEREST IN A 9.62 ACRE PORTION OF BUSINESS LEASE 315 (PSL 315) PURSUANT TO AN ORDER OF THE STATE CONTROLLER AND THE CALIFORNIA DEPARTMENT OF FINANCE.

WHEREAS, the Community Redevelopment Agency of the City of Palm Springs ("Redevelopment Agency") was a redevelopment agency in the City of Palm Springs ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, in 2007, the Community Redevelopment Agency of the City of Palm Springs acquired a subleasehold interest in certain real property (the "Leasehold") within Merged Project Area No. 2, generally being 9.62 acres located at the intersection of Amado Road and Avenida Cabelleros. The City of Palm Springs, a California charter city ("City"), is the Master Lessee under Business Lease No. PSL 315 ("Original Lease"), which is on file with the Bureau of Indian Affairs ("BIA"), which lease affects certain Sublease Land as more particularly described in said lease ("Master Lease Property"). The Master Lease has been amended pursuant to: 1) Amendment No. 1 to PSL-315 approved by the BIA on October 13, 1995; 2) the First Amendment to Business Lease-315, dated April 7, 2004, and approved by the BIA on May 26, 2004; and 3) the Second Amendment to Business Lease No. PSL-315, dated February 9, 2006, and approved by the BIA on February 9, 2006. The Original Lease as amended by the three amendments is collectively referred to in this Agreement as the "Master Lease"; and

WHEREAS, AB X1 26 and AB X1 27 were signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law, including adding Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the California Health and Safety Code which effectively dissolves the Redevelopment Agency ("Dissolution Act"); and

WHEREAS, under the Dissolution Act, the term "successor agency" was defined to refer to the dissolved redevelopment agency's sponsoring community (the city, county or city and county that formed the Dissolved RDA), unless the sponsoring community adopted a resolution electing not to serve in that capacity; and

WHEREAS, as part of the Dissolution Act, agencies were required to dispose of all real property assets in a timely manner, though the Act did create an exception to the disposition requirement for governmental use properties, defined in HSC section 34181(a); and

WHEREAS, though the State has mostly narrowly construed governmental use properties to be only those specifically included in Section 34181(a), and rejected a number of former Redevelopment Agency properties to be considered governmental use, the California Department of Finance ("Finance") determined that the Convention Center is part of the Leasehold Agreement that the City has with the Bureau of Indian Affairs (Bureau), and did not object to the PSL 315 sublease returning to the City since the City is the primary lessee; and

WHEREAS, the Department of Finance further directed that any subleases that the former Redevelopment Agency was a party to should be amended to remove the former Redevelopment Agency, since agreements between the City and its former Redevelopment Agency are no longer enforceable pursuant to HSC section 34171(d)(2), thereby merging the Master Lease interest and sublease interest.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS AS FOLLOWS:

SECTION 1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct, and incorporates them herein by reference.

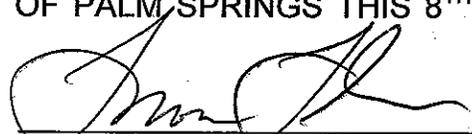
SECTION 2. The Oversight Board approves the termination of a sublease over a 9.62 acre section of PSL 315, acquired by the former Redevelopment Agency in 2007 pursuant to Section 33445 of California Redevelopment Law, from PS Venture Caballeros/Amado, LLC, the previous sublessee.

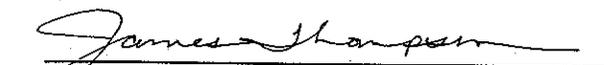
SECTION 3. The sublease interest and leasehold interest in the 9.62 acre parcel is hereby merged.

SECTION 4. This Resolution shall take effect three days after its adoption.

PASSED, APPROVED AND ADOPTED BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS THIS 8TH DAY OF MAY, 2014.

ATTEST:


THOMAS FLAVIN, CHAIRMAN


JAMES THOMPSON, Clerk/Secretary

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF PALM SPRINGS)

I, James Thompson, Secretary of the Oversight Board of the Successor Agency of the Palm Springs Community Redevelopment Agency hereby certify that Resolution No. 023 was adopted by the Oversight Board at a Special Meeting held on the 8th day of May, 2014, and that the same was adopted by the following vote:

AYES: Board Members Arthur, Marshall, Ready, Van Horn, and Chairman Flavin.
NOES: None.
ABSENT: Board Member Foat and Vice Chair Howell.
ABSTAIN: None.



JAMES THOMPSON
OVERSIGHT CLERK/SECRETARY
City of Palm Springs, California