

ATTACHMENT 3

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST PURSUANT TO GOVERNMENT CODE SECTION 54221 DECLARING THAT CERTAIN REAL PROPERTY LOCATED AT 20702 EL TORO ROAD #35 (APN 938-741-79) IS EXEMPT SURPLUS LAND, AND FINDING THAT SUCH DECLARATION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the City of Lake Forest (“City”) and South County Outreach (“SCO”) are parties to two purchase and sale agreements (“PSA”); and

WHEREAS, under the first PSA, the City is purchasing one residential condominium unit from SCO for fair market value. The condominium unit is located at 20702 El Toro Road #35 and is referred to herein as the “Property.” The Property is more particularly described in Exhibit “A,” attached hereto and incorporated herein; and

WHEREAS, under the second PSA, the City is selling the Property back to SCO for \$1 and an associated regulatory agreement that requires the Property to be rented to very-low income households for a period of 30 years. The regulatory agreement will be recorded against the Property’s title; and

WHEREAS, the above transactions are anticipated to close on the same day or as soon as possible thereafter; and

WHEREAS, although the City will own the Property for a short period of time, as a public agency it must comply with the Surplus Land Act (Gov. Code, § 54220 *et seq.*, the “SLA”) before conveying the Property back to SCO; and

WHEREAS, under the SLA, the City must declare property as “surplus land” or “exempt surplus land” before disposing of it. (Gov. Code, § 54221(b)(1)); and

WHEREAS, the SLA’s definition for “exempt surplus land” includes, among other things, land transferred by the City pursuant to Government Code section 37364. (Gov. Code, § 54221(f)(1)(A)). Section 37364 authorizes the City to convey property for less than fair market value to facilitate its use as affordable housing for at least 30 years. Here, this exemption fits because the City will be conveying the Property to SCO for \$1 and a regulatory agreement restricting its use as affordable housing for very low income households for 30 years; and

WHEREAS, none of the characteristics listed under Government Code section 54221(f)(2) apply to the Property; and

WHEREAS, the City Council has reviewed this Resolution and now desires to declare the Property as exempt surplus land under the SLA, based on the findings and justifications contained in this Resolution; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lake Forest as follows:

SECTION 1: Incorporation. The above recitals are true and correct and are a substantive part of this Resolution and findings of the City Council.

SECTION 2: CEQA. The mere designation of the Property as as exempt surplus land and authorization for the City Manager to comply with the SLA are exempt from the California Environmental Quality Act (“CEQA”) because it can be seen with certainty that there is no possibility that these activities may have a significant effect on the environment. (State CEQA Guidelines, § 15061(b)(3).) The City’s actions do not authorize any new development or other action that has the potential to significantly impact the environment.

SECTION 3. Exemption Declaration; Findings. Given the foregoing, the City Council hereby declares that the Property is exempt from the SLA as exempt surplus land pursuant to Government Code section 54221(f)(1)(A), based on the findings contained in this Resolution, namely: (i) the Property is no longer necessary for the City’s use; (ii) the City intends to transfer the Property to SCO; (iii) SCO will record a regulatory agreement restricting the use of the Property to affordable housing for very low income households

for 30 years; (iv) the regulatory agreement will result in the Property being 100% affordable to very low income households (as the Property consists of a single condominium unit that will be subject to the regulatory agreement); and (v) none of the characteristics listed under Government Code Section 54221(f)(2) apply to the Property.

SECTION 4: City Manager Authorization. The City Manager or her designee is hereby authorized and directed to send a copy of this Resolution to the California Department of Housing and Community Development in accordance with the requirements of the SLA Guidelines.

SECTION 5: Severability. If any section, subsection, paragraph, sentence, clause or phrase of this Resolution is declared by a court of competent jurisdiction to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this Resolution.

SECTION 6: Certification. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Lake Forest at a regular meeting held on the 2nd of July 2024, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Mark Tettemer, Mayor

ATTEST:

Lisa Berglund, City Clerk

EXHIBIT "A"

Property Description

LEGAL DESCRIPTION

Real property in the City of Lake Forest, County of Orange, State of California, described as follows:

A CONDOMINIUM COMPRISED OF:

PARCEL A:

UNIT 35, AS SHOWN AND DEFINED ON THAT CERTAIN CONDOMINIUM PLAN RECORDED FEBRUARY 11, 1982 AS INSTRUMENT NO. [82-050571](#) AND AS AMENDED MAY 18, 1982 AS INSTRUMENT NO. [82-171220](#) BOTH OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA.

PARCEL B:

AN UNDIVIDED 1/160TH INTEREST IN AND TO LOT 1 OF TRACT NO. 9667, IN THE CITY OF LAKE FOREST, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 475, PAGES 33 TO 39](#) OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, TOGETHER WITH ALL IMPROVEMENTS THEREON, EXCEPTING THEREFROM CONDOMINIUM UNITS 1 THROUGH 160 INCLUSIVE, LOCATED THEREON.

PARCEL C:

AN EXCLUSIVE EASEMENT APPURTENANT TO EACH UNIT FOR THE USE AND OCCUPANCY OF THOSE PORTIONS OF THE COMMON AREA DESIGNATED IN THE DECLARATION OF RESTRICTIONS RECORDED IN [BOOK 14049, PAGE 1933](#) OF OFFICIAL RECORDS, AND ANY AMENDMENTS THERETO, AS SHOWN ON THE CONDOMINIUM PLAN FOR EACH UNIT.

APN: 938-741-79