

1 **RESOLUTION NO. 24-1586**

2 **A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY**
3 **OF DOUGLAS, COCHISE COUNTY, ARIZONA, AUTHORIZING**
4 **THE CITY OF DOUGLAS TO RATIFY THE SALE OF THE**
5 **RANCHO LA PERILLA APARTMENTS BY THE CITY OF**
6 **DOUGLAS COMMUNITY HOUSING CORPORATION AND**
7 **SETTLE THE OUTSTANDING NOTES OWED TO THE CITY OF**
8 **DOUGLAS.**

9 **WHEREAS,** the Rancho La Perilla Apartments are owned and managed by the City of Douglas
10 Community Housing Corporation (CHC) and the Mayor and Council created and appointed the members
11 of the CHC board; and

12 **WHEREAS,** the CHC has executed a purchase agreement with RLP II, LLC for the purchase of the
13 Rancho La Perilla Apartments (Assessor’s Parcel Number 410-09-004) and the Department of Housing
14 and Urban Development (HUD) mortgage loan has been approved for transfer to RLP II, LLC by HUD;
15 and

16 **WHEREAS,** the Community Housing Corporation has two outstanding notes owed to the City of
17 Douglas in the amount of \$772,972.47 and \$20,742.71 for capital improvement loans obtained to assist
18 the CHC in continuing to operate the 80-unit apartment complex; and

19 **WHEREAS,** the net proceeds from the sale expected to be approximately \$1,058,283.86 shall satisfy the
20 outstanding notes owed to the City of Douglas; and

21 **NOW, THEREFORE, BE IT RESOLVED,** by the Mayor and Council of the City of Douglas, Arizona,
22 as follows:

23 **Section 1.** Authorizing the ratification of the sale and transfer of the HUD mortgage loan by CHC of the
24 Rancho La Perilla Apartments and settling the notes owed by the CHC to the City of Douglas is accepted;
25 and

Section 2. The net sale proceeds expected at \$1,058,283.86 shall satisfy the repayment of the outstanding
notes owed to the City of Douglas and notes shall therefore be extinguished.

Section 3. The sale of the Rancho La Perilla Apartments is in the best interest of the City of Douglas that
provide the net proceeds of the sale to pay the outstanding notes and the Rancho La Perilla Apartments
continue offering market rate apartments in the City of Douglas by private owner RLP II, LLC.

PASSED AND ADOPTED by the Mayor and Council of the City of Douglas, Arizona, this 10th day of
January 2024.

Donald C. Huish, Mayor

Attest:

Approved as to Form:

Alma Andrade, City Clerk

Denis Fitzgibbons, City Attorney

Prepared by:
Luis Pedroza, Deputy City Manager