

CITY OF SANTA ROSA AND SANTA ROSA SCHOOL DISTRICT

FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING FOR THE FIR RIDGE SITE

Joint Meeting of the City Council and
Santa Rosa City Schools Board of Education
October 14, 2019



David Guhin
Assistant City Manager

Rick Edson
Deputy Superintendent

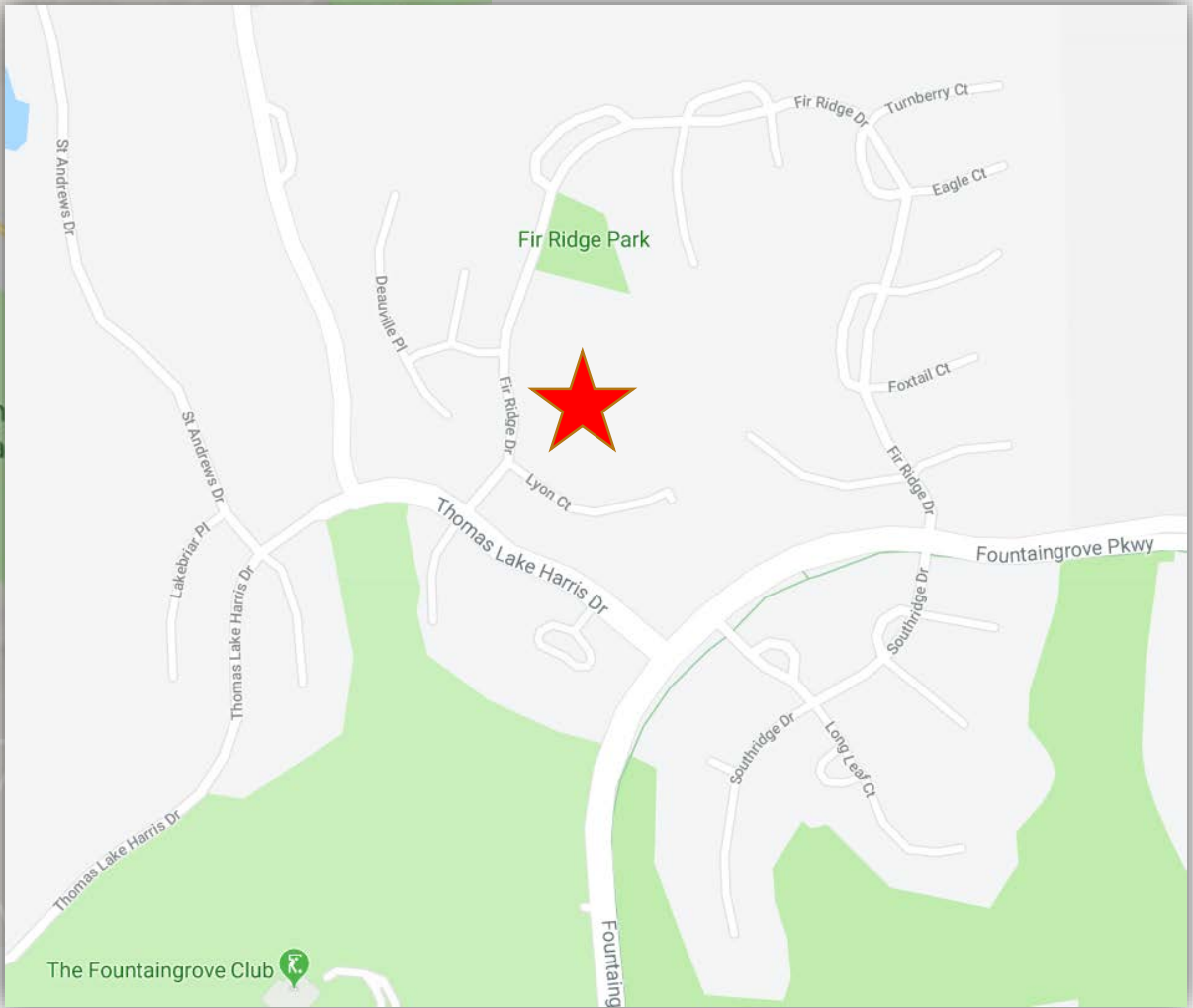
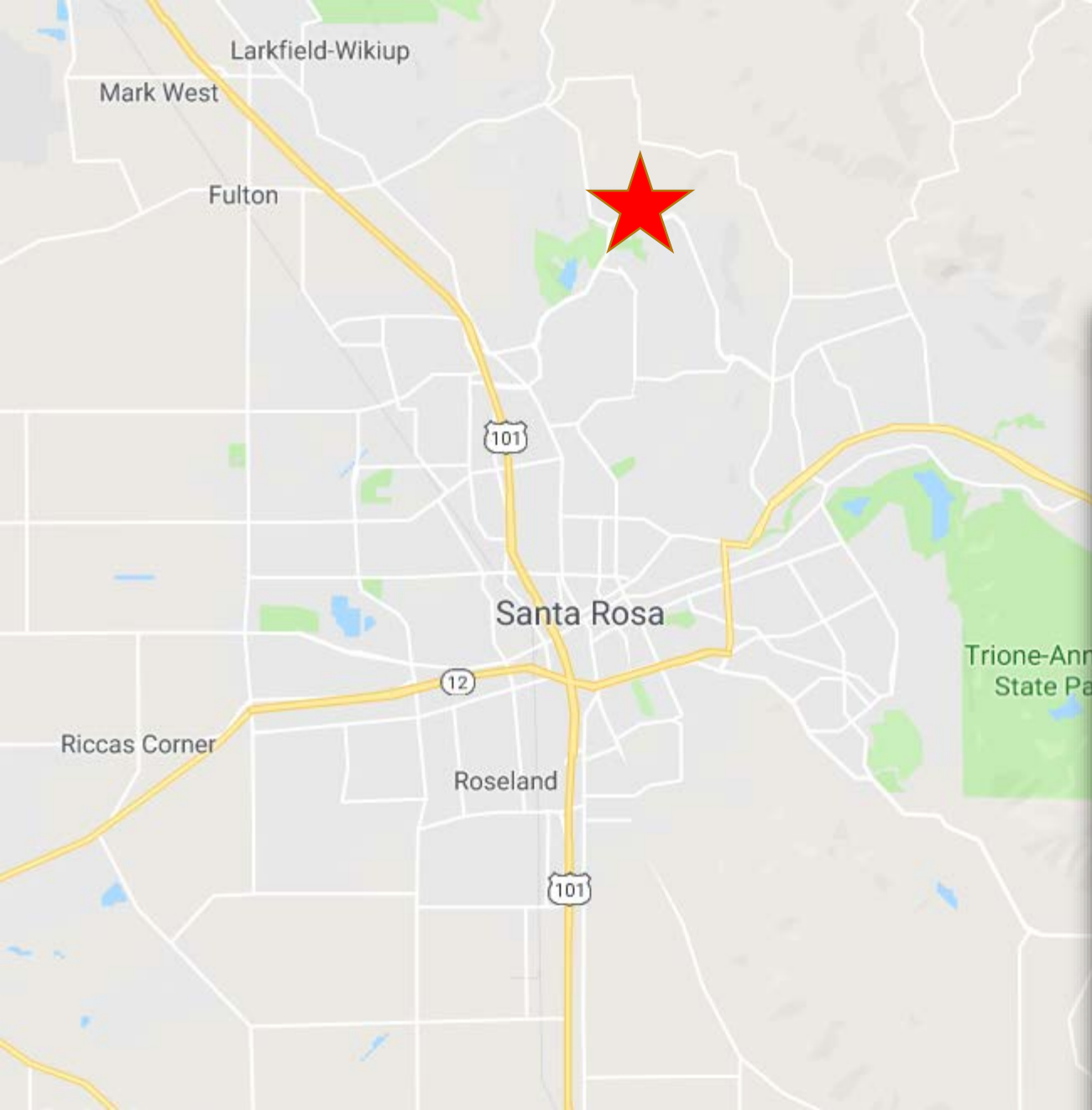
FIR RIDGE SITE HISTORY

HOLDING AGREEMENT APPROVED BY COUNCIL APRIL 26, 1988

- Agreement was established between City and subdivision developer
- Site to be held for construction of school, or low and/or moderate income housing
- 4-year negotiation period for School District to purchase Site from developer, or City to dedicate Site to School District
- 10-year timeline for School District to begin construction of school, or Site reverts to City.
- 5-year timeline for City to enter into an agreement for construction of affordable housing.
- If City timeline expires, developer has the right to recover title with no further obligation for dedication of the Site.

FIR RIDGE SITE HISTORY

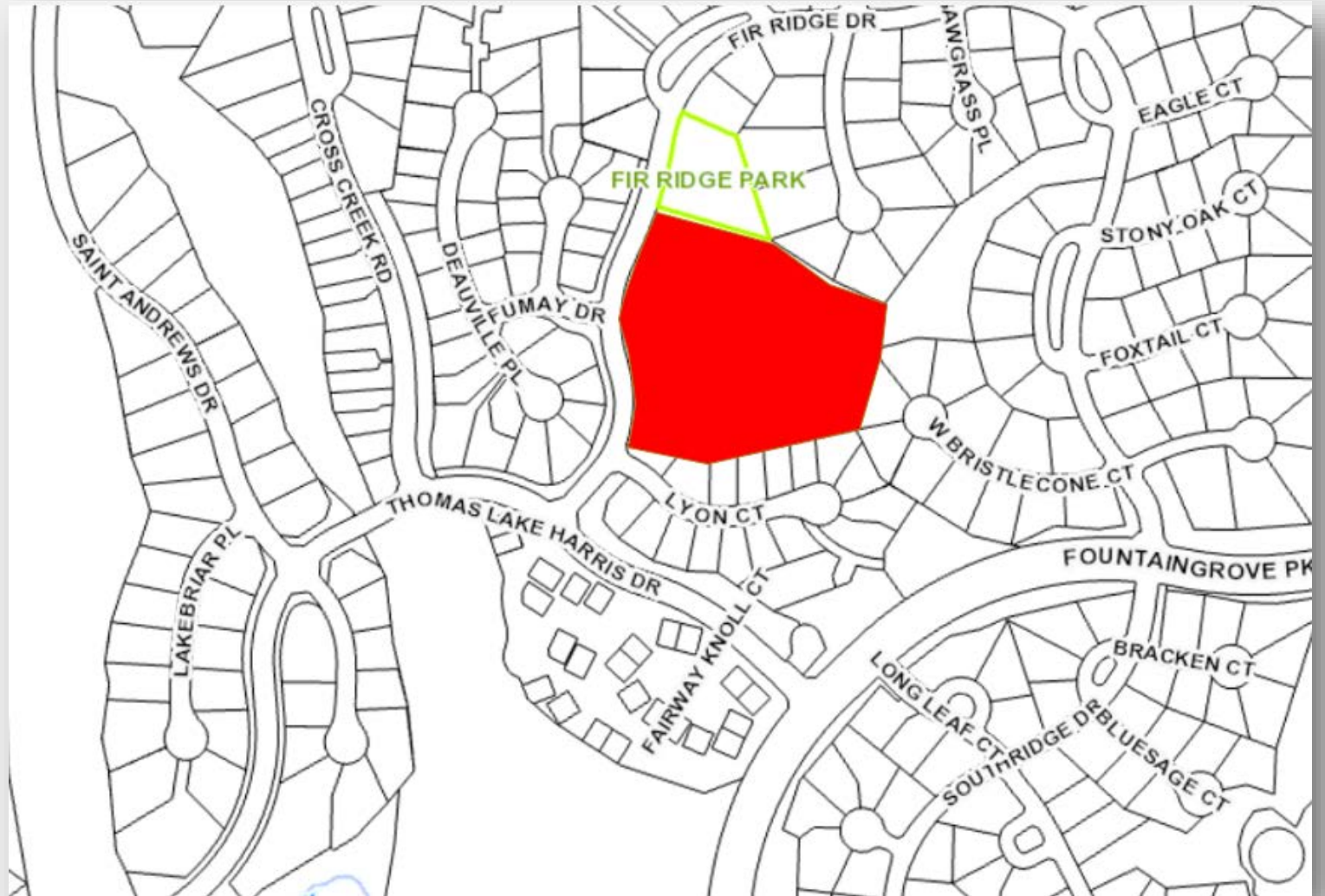
- Between 1988-2015, the Holding Agreement was amended Twelve times
- Fourth Amendment approved in 2003
 - Allowed the District to use Site to develop affordable housing for its employees
 - Or, the City could use Site for low to moderate-income housing and, the City would provide a preference of residential units for at least 50% of District employees
- Twelfth Amendment (20160 MOU) approved in June 2016
 - Extended Holding Agreement for 3 years
 - Authorizes City Manager to extend Holding Agreement if Project is progressing substantially
 - Memorializes the partnership between the City and District



FIR RIDGE DR

APN: 173-620-030

6.03 ACRES



CURRENT SITUATION

- City Staff conducted a study session with Council on October 1, 2019
- Council direction:
 - Extend Term by 3 years, through June 30, 2022
 - Allow greatest flexibility and benefit for District to provide housing for District employees

OPTIONS INCLUDED IN PROPOSED FIRST AMENDMENT TO MOU

1. Development on Site pursuant to 2016 MOU
2. District Sells the Site with use of proceeds towards:
 - a) Development or acquisition of District employee housing units at alternate location
 - b) Create a revolving fund Down Payment Assistance Program for District employees

OPTION 1: EXTENSION OF 2016 MOU TERMS

Memorializing the partnership between the City and School District to work together toward the goal of providing for sale or rental housing for School District employees of low and/or moderate income on Fir Ridge Drive

Key Milestones:

- District to Establish a new Subdivision Map for site (original Tentative Subdivision Map has expired)
- District to enter into a fully executed contract with a developer, and have a funding plan in place, for the construction of the Project
- District to commence construction of the Project, which shall mean issuance of building permits for the Project and a construction timeline

OPTION 2A:
SALE OF SITE &
DEVELOPMENT IN ALTERNATE LOCATION

- School District to sell Site to third party
- Use of Proceeds to develop or acquire housing units in alternate location
 - Partnership with developer
 - Downtown, transit-oriented development projects

OPTION 2B:
SALE OF SITE & ESTABLISH
DOWN PAYMENT ASSISTANCE PROGRAM

- School District to sell Site and use Proceeds to create and implement Loan Program
- Loan Program would be a revolving fund to ensure ongoing impact to the school district employees
- Fund could be supplanted with other outside funding sources (grants)

RECOMMENDATION

It is recommended:

The City Santa Rosa City Council, by resolution, approve the First Amendment to Memorandum of Understanding between the City of Santa Rosa and Santa Rosa City Schools to allow alternatives to construction of affordable housing or school facilities on Fir Ridge Drive, Lot “F” (APN 173-620-030).

And

The Santa Rosa School Board, by motion, approve the First Amendment to Memorandum of Understanding between the City of Santa Rosa and Santa Rosa City Schools to allow alternatives to construction of affordable housing or school facilities on Fir Ridge Drive, Lot “F” (APN 173-620-030).

QUESTIONS | COMMENTS