

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: JILL SCOTT, REAL ESTATE MANAGER  
MEGAN BASINGER, HOUSING AND COMMUNITY SERVICES  
MANAGER  
SUBJECT: ACCEPTANCE OF 307 6TH STREET, 498 & 500 WASHINGTON  
STREET AND 431 A STREET FROM THE HOUSING AUTHORITY  
AND APPROVAL OF THE SALE OF 307 6TH STREET, 500  
WASHINGTON STREET AND 431 A STREET, SANTA ROSA, TO  
CATHOLIC CHARITIES OF THE DIOCESE OF SANTA ROSA

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by Real Estate Services and the Department of Housing and Community Services that the Council, by resolution, (1) accept conveyance by the Housing Authority of the City of Santa Rosa of 307 6<sup>th</sup> Street, 498 & 500 Washington Street and 431 A Street, (2) approve the sale of 307 6th Street, 500 Washington Street and 431 A Street, Santa Rosa, to Catholic Charities of the Diocese of Santa Rosa, and (3) authorize the City Manager to execute all documents necessary to complete the acceptance and sale.

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EXECUTIVE SUMMARY

Prior to the dissolution of the Santa Rosa Redevelopment Agency (Agency), the Agency conveyed the property located at 307 6th street, 500 Washington Street and 431 A Street, Santa Rosa (Remnant Parcels) to the Housing Authority of the City of Santa Rosa (Housing Authority). Pursuant to direction from the California Department of Finance, the Housing Authority has conveyed the Remnant Parcels to the City of Santa Rosa. On April 7, 2020 in Closed Session, City Council gave the City's Real Property Negotiator direction on price and terms for the proposed sale of the Remnant Parcels to Catholic Charities of the Diocese of Santa Rosa (Catholic Charities). Staff has secured a purchase and sale agreement in line with the price and term parameters discussed with Council in Closed Session and is now seeking approval of the acceptance of the Remnant Parcels from the Housing Authority and sale of three of the Remnant Parcels to Catholic Charities.

ACCEPTANCE OF 307 6TH STREET, 498 & 500 WASHINGTON STREET AND 431 A STREET FROM THE HOUSING AUTHORITY AND APPROVAL OF THE SALE OF 307 6TH STREET, 500 WASHINGTON STREET AND 431 A STREET, SANTA ROSA, TO CATHOLIC CHARITIES OF THE DIOCESE OF SANTA ROSA  
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## BACKGROUND

The Remnant Parcels were originally owned by the former Redevelopment Agency (RDA) and transferred to the Housing Authority prior to the dissolution of the RDA and anticipated for use to support affordable housing. The parcels were remnants from development of the Santa Rosa Plaza and realignment of 6<sup>th</sup> Street and are located adjacent to the Catholic Charities' Family Support Center, and present limited opportunity for independent development.

Following the dissolution of the RDA, the State Controller (SCO) found that the transfer of the Remnant Parcels was not allowable and directed that the Housing Authority return the assets to the Successor Agency to the Redevelopment Agency of the City of Santa Rosa (Successor Agency) for disposition in accordance with Redevelopment Dissolution Law.

As a result of the SCO's determination, staff spent several years obtaining the necessary approvals from City, County and State bodies to allow conveyance of the Remnant Parcels in a manner consistent with Redevelopment Law and that would continue to facilitate use of the parcels to support affordable housing goals. Final approvals were provided by the California Department of Finance (DOF) in December 2019 which directed conveyance of the Remnant Parcels to the City of Santa Rosa (City).

In February 2020, the Housing Authority formally approved conveyance of the Remnant Parcels to the City.

On April 7, 2020 the City Council met with the City's Real Property Negotiator in closed session and gave direction on price and terms for the potential sale of the Remnant Parcels to Catholic Charities with the exception of 498 Washington Street. 498 Washington Street is completely located within the current 6th Street right of way and will remain an asset of the City.

Currently, staff has negotiated a purchase and sale agreement with Catholic Charities within the approved price of ten thousand dollars (\$10,000) and terms discussed with Council in closed session and is now seeking final approval of the Council for the sale of the three Remnant Parcels and authorization for the City Manager to execute all documents necessary to complete acceptance of the Remnant Parcels from the Housing Authority and the sale of three of the Remnant Parcels to Catholic Charities.

## PRIOR CITY COUNCIL REVIEW

On June 26, 2018, the Successor Agency to the Redevelopment Agency of the City of Santa Rosa approved via Resolution No. SA-RES-2018-002, the conveyance of parcel 010-041-009 to the City of Santa Rosa.

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On September 7, 2018, Sonoma County Consolidated Oversight Board approved, via Resolution No. 1, the conveyance of parcel 010-041-009 to the City of Santa Rosa.

On May 7, 2019, the Successor Agency to the Redevelopment Agency of the City of Santa Rosa approved via Resolution No. SA-RES-2019-001, the conveyance of the three remaining parcels to the City of Santa Rosa.

On August 18, 2019, the Sonoma County Consolidated Oversight Board approved, via Resolution No. 14, the conveyance of the three remaining parcels to the City of Santa Rosa.

### ANALYSIS

The sale of the three Remnant Parcels (307 6th Street, 500 Washington Street and 431 A Street, Santa Rosa) to Catholic Charities will allow the Parcels to be merged with adjacent lands and to be developed as part of the approved Caritas Village Project which consists of a 126-unit affordable housing development and family and homeless support center.

This use is consistent with the City's Surplus Policy and in compliance with Government Code Section 54222, which directs that surplus property first be offered as a location for low- and moderate-income housing. The site adjacent to the Remnant Parcels is the current location of Catholic Charities' Family Support Center, which has a 55-year affordable housing Regulatory Agreement with the Housing Authority of the City of Santa Rosa restricting the site to use for affordable housing purposes. The City's disposition of the three Remnant Parcels to Catholic Charities is also consistent with AB 1486, effective January 1, 2020, that gives priority to surplus land for the development of affordable housing. The three Remnant Parcels will be included under the Regulatory Agreement restrictions and will facilitate development of the larger site for affordable housing and homeless services.

498 Washington Street will remain an asset of the City as it is completely located within the 6th Street right of way.

### FISCAL IMPACT

Approval of this action (sale) will provide proceeds to the general fund in the amount of \$10,000 (the approved purchase price).

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### ENVIRONMENTAL IMPACT

Acceptance of the Remnant Parcels by the City and conveyance of three of the Remnant Parcels to Catholic Charities will help to facilitate the development of the approved adjacent Caritas project. The environmental impacts of the Caritas project were fully analyzed in compliance with the California Environmental Quality Act (CEQA) and the City Council certified an Environmental Impact Report for the Caritas project (Caritas EIR) on March 3, 2020, pursuant to City Council Resolution No. 2020-037. The acceptance of the Remnant Parcels from the Housing Authority and sale of three of the Remnant Parcels to Chatholica Charities will not result in any new or additional environmental imapcts not already fully addressed and considered in the Caritas EIR.

### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

In February 2020, the Housing Authority formally approved conveyance of the Remnant Parcels to the City.

### NOTIFICATION

Not applicable

### ATTACHMENTS

- Resolution

### CONTACT

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