

RESOLUTION NO. RES-2021-124

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR A LOW-INCOME HOUSING DEVELOPMENT ON CITY PROPERTY LOCATED AT 702 & 716 BENNETT VALLEY ROAD AND 921 & 927 RUTLEDGE AVENUE, SANTA ROSA, CA WITH FREEBIRD DEVELOPMENT COMPANY, LLC AND ALLIED HOUSING INC.

WHEREAS, the City of Santa Rosa is the owner of that certain real property located at 702 & 716 Bennet Valley Rd and 921 & 927 Rutledge Avenue, Santa Rosa APN's 009-333-014 & 009-333-009 and 038-151-004 & 038-151-011 (the "City Property") which consists of approximately 1.9 acres and is also known as the former Bennett Valley Senior Center; and

WHEREAS, on May 29, 2019, the City issued a Request for Qualifications and Proposals for a low-income housing development on City Property; and

WHEREAS, Freebird Development Company, a California limited liability company and Allied Housing, Inc., a California nonprofit public benefit corporation (collectively "Developer") submitted a proposal and was chosen by Council on September 24, 2019; and

WHEREAS, on May 19, 2020, the City and Developer entered into an Exclusive Negotiation Agreement ("ENA") pursuant to which the parties agreed to negotiate exclusively with one another in good faith for the development and conveyance of City Property to Developer, to develop approximately 62 Units of affordable housing; and

WHEREAS, pursuant to Council's direction on price and terms, staff has diligently negotiated the terms of the Disposition and Development Agreement ("DDA") ensuring compliance with City codes and objectives and is now seeking approval of the Council; and

WHEREAS, the negotiated purchase price for the City Property is \$1; and

WHEREAS, the purchase price reflects the proposed developments benefit to the community, and the furtherance of multiple City goals and objectives including, but not limited to providing affordable housing at deep affordability levels including but not limited to formerly homeless individuals, providing supportive services to assist those formerly homeless individuals in transitioning from homelessness; helping the City in meeting its obligation to contribute to its fair share of regional housing needs including for extremely low-income households and repurposing under-utilized property for uses that serve a community benefit; and

WHEREAS, City will agree to sell the property for \$1 on the condition that it will be used for affordable housing with approximately 50% of the units set aside for extremely low income/formerly homeless households/persons (30% of AMI); and

WHEREAS, approximately 50% of the units will be set aside for low and very-low income households (60% and 50% of AMI); and

WHEREAS, the affordable housing restrictions will remain in place for at least 55 years and at closing, the City will record a regulatory agreement ensuring the long-term affordability of the Property; and

WHEREAS, prior to the close of escrow, the Developer must secure all entitlements and financing for the affordable housing project; and

WHEREAS, the developer must also be in a position to pull all building permits immediately following the close of escrow; and

WHEREAS, the Developer plans to apply for Low Income Housing Tax Credits, project-based vouchers for permanent supportive housing, and \$5.8 million loan from the Housing Authority.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves the Disposition and Development Agreement on City Property located at 702 & 716 Bennet Valley Rd and 921 & 927 Rutledge Avenue, Santa Rosa APN's 009-333-014 & 009-333-009 and 038-151-004 & 038-151-011 and conveys the Property to Freebird Development Company and Allied Housing, Inc., for the purchase price of \$1, subject to a 55 year regulatory agreement substantially in the form attached as "Exhibit A," and subject to City Attorney approval.

BE IT FURTHER RESOLVED that the Council of the City of Santa Rosa authorizes the City Manager to execute the Disposition and Development Agreement and all necessary documents related to the sale, subject to approval by the City Attorney.

IN COUNCIL DULY PASSED this 29th day of June, 2021.

AYES: (5) Mayor C. Rogers, Vice Mayor N. Rogers, Council Members Alvarez, Sawyer, Schwedhelm

NOES: (0)

ABSENT: (2) Council Members Fleming, Tibbetts

ABSTAIN: (0)

ATTEST: \_\_\_\_\_ APPROVED: \_\_\_\_\_  
City Clerk Mayor

APPROVED AS TO FORM: \_\_\_\_\_  
City Attorney

Exhibit A – Disposition and Development Agreement