

RESOLUTION NO. RES-2019-155

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING A FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA ROSA AND THE SANTA ROSA CITY SCHOOL DISTRICT TO ALLOW ALTERNATIVES TO CONSTRUCTION OF AFFORDABLE HOUSING OR SCHOOL FACILITIES ON FIR RIDGE DRIVE, LOT "F" (APN 173-620-030)

WHEREAS, the City of Santa Rosa (City) and Braewood Development Corporation (Braewood) entered into a Holding Agreement (Holding Agreement), recorded as Document No. 88-063213, Official Records of Sonoma County, under which the Santa Rosa City School District (School District) could acquire a parcel of real property on Fir Ridge Drive, Lot "F" of the Fir Ridge North at Fountaingrove Subdivision, on which to construct a school, subject to certain conditions and during a specific time period, as set forth in the Holding Agreement; and

WHEREAS, the City and Braewood entered into a First and a Second Amendment to the Holding Agreement, recorded as documents numbered 1992-0117291 and 1993-0105642, Official Records of Sonoma County; and

WHEREAS, the School District subsequently acquired all of Braewood's remaining rights and interests in Lot "F" and is the assignee and successor-in-interest of Braewood under the Holding Agreement, as amended; and

WHEREAS, the City and School District thereafter entered into a Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth Amendment to the Holding Agreement, as amended, and recorded as documents numbered 1999-136815, 2003-085486, 2005-098418, 2006-101578, 2007-081165, 2008-059249, 2009-061422, 2011-061754, 2013-068304, and 2015-059614 of the Official Records of Sonoma County; and

WHEREAS, on June 28, 2016, the Council approved the extension of the deadlines set forth in the Twelfth Amendment for an additional three years and directed the City and School District to work collaboratively to facilitate the construction of affordable housing for School District employees of low and/or moderate income on Lot "F;" these commitments were memorialized in a Memorandum of Understanding, recorded as document number 2017-034162 of the Official Records of Sonoma County ("Memorandum of Understanding"); and

WHEREAS, the Memorandum of Understanding delegated the City Manager authority and discretion to further extend the milestones set forth in the Memorandum of Understanding if, at the time of the further extension, the project is progressing substantially; should the City Manager determine to further extend these milestones, the City Manager is authorized to execute and record an agreement that effectuates that extension, in accordance with the terms of the Memorandum of Understanding and subject to approval by the City Attorney; and

WHEREAS, at the direction of Council during a study session on October 1, 2019, City and School District developed amended terms of the Memorandum of Understanding to allow for the School District to 1) notify the City of its intent to develop Lot "F" with housing for District employees consistent with the Memorandum of Understanding, or 2) sell Lot "F" and deposit all proceeds received from the sale, less any customary fees or costs required to close the

transaction, into a separate account to be used for a) financing the construction or acquisition of housing for District employees, or b) creating a down payment assistance program for District employees; and

WHEREAS, the City and School District wish to amend the Memorandum of Understanding to provide the District with an additional three years, expiring June 30, 2022, to explore alternatives to construction of affordable housing on the Site.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves entry into a First Amendment to Memorandum of Understanding between the City and School District providing for collaboration between the two entities and extending the Memorandum of Understanding for an additional three years, to June 30, 2022, by which date the School District shall:

- 1) notify the City of its intent to develop Lot "F" with housing for District employees; or
- 2) sell Lot "F" and deposit all proceeds received from the sale, less any customary fees or costs required to close the transaction, into a separate account to be used for:
 - a) financing the construction or acquisition of housing for District employees, or
 - b) creating a down payment assistance program for District employees.

BE IT FURTHER RESOLVED that the Council authorizes the City Manager or designee to execute the First Amendment to Memorandum of Understanding between the City and the School District, in substantially the same form as Exhibit A attached to this resolution, subject to approval by the City Attorney.

IN COUNCIL DULY PASSED this 14th day of October, 2019.

AYES: (5) Mayor Schwedhelm, Vice Mayor Rogers, Council Members Fleming, Olivares, Tibbetts

NOES: (0)

ABSENT: (2) Council Members Combs, Sawyer

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
Acting City Clerk Mayor

APPROVED AS TO FORM:

City Attorney

Exhibit A – First Amendment to Memorandum of Understanding