

RESOLUTION NO. RES-2023-160

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING AN EXCLUSIVE NEGOTIATION AGREEMENT AMONG THE CITY OF SANTA ROSA, BURBANK HOUSING DEVELOPMENT CORPORATION, AND 10 E STREET, LLC, FOR THE REAL PROPERTY LOCATED AT 730 3<sup>RD</sup> STREET, SANTA ROSA, CA, ALSO KNOWN AS ASSESSOR PARCEL NUMBER 009-072-044 OR WHITE HOUSE SITE

WHEREAS, the City is the owner in fee simple of real property located at 730 3<sup>rd</sup> Street in Santa Rosa, California, also known as Assessor Parcel No 009-072-044 or White House Site (“Property”); and

WHEREAS, the Property is approximately 58,370 square feet and currently developed as a municipal parking lot containing 113 public parking stalls; and

WHEREAS, following a determination that the City does not have a public use for the Property, on December 6, 2022, in a regular public meeting, the Council of the City of Santa Rosa (“Council”), declared the Property as surplus by Resolution, RES-2022-235, in order to maximize the beneficial use of the Property and to help meet City housing goals; and

WHEREAS, on January 23, 2023, the City issued a Notice of Availability (“NOA”) to affordable housing developers, among others, for the Property for a 60-day notice of interest period which ended on March 24, 2023; and

WHEREAS, the City received multiple bids on the Property in response to the NOA, including a bid from Burbank Housing Development Corporation and 10 E Street, LLC (collectively, “Developer”); and

WHEREAS, pursuant to Government Code Section 54223, the City entered into a 90 day negotiation period with all the bidders; and

WHEREAS, of the proposals received, the proposal with the highest number of affordable units was negligible in difference to the number of affordable units proposed by Developer, but Developer’s proposal offered more housing units overall, and significantly more community amenities and Council has chosen to exclusively negotiate with Developer; and

WHEREAS, the City and Developer wish to enter into an Exclusive Negotiation Agreement (“ENA”) for ninety (90) days, commencing on the effective date, during which the parties will negotiate the terms of a Disposition and Development Agreement (“DDA”), which initial 90 day period may be extended by the City Manager by an additional 90 days if she deems, in her sole discretion, that sufficient progress is being made toward agreement on a term sheet; and

WHEREAS, if the parties fail to reach agreement on the term sheet by the 90-day deadline (as extended, if applicable), the ENA will expire. If the parties agree on a term sheet by the deadline set forth, the ENA will continue, and the parties will have an additional 60 days to negotiate and execute the DDA; and

WHEREAS, this action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378; and

WHEREAS, in the alternative, if this action is deemed to be a project, it is statutorily exempt from CEQA pursuant to California Government Code section 65457 and CEQA Guidelines Section 15182 (c) as a potential residential project implementing the Downtown Station Area Specific Plan, and pursuant to California Public Resources Code Section 21155.4 and CEQA Guidelines Section 15182 (b) as a mixed use project that is consistent with the local Sustainable Communities Strategy, located within a transit priority area and consistent with the Downtown Station Area Specific Plan. The Environmental Impact Report for the Downtown Station Area Specific Plan was certified by the City Council in October 2020, and no events described in CEQA Guidelines Section 15162 have occurred to require additional environmental analysis.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves entering into an Exclusive Negotiation Agreement with Burbank Housing Development Corporation and 10 E Street, LLC, upon the terms set forth above, for the potential disposition and development of the real property located at 730 3<sup>rd</sup> Street, Santa Rosa, California, also known as Assessor Parcel Number 009-072-044 or White House Site, declared surplus by Council in December 2022, subject to approval as to form by the City Attorney's Office.

BE IT FURTHER RESOLVED that the Council authorizes the City Manager to execute the Exclusive Negotiation Agreement and any amendments thereto, subject to approval as to form by the City Attorney's Office.

BE IT FURTHER RESOLVED that the Council directs staff to begin negotiations with Burbank Housing Development Corporation and 10 E Street, LLC, with the intent to enter into a Disposition and Development Agreement, to be approved by Council.

IN COUNCIL DULY PASSED this 12th day of September, 2023.

AYES: (7) Mayor N. Rogers, Vice Mayor MacDonald, Council Members Alvarez, Fleming, Okrepkie, C. Rogers, Stapp

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

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

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