RESOLUTION NO. <u>SA-RES-2019-001</u>

RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA ROSA APPROVING CONVEYANCE OF THREE PARCELS LOCATED AT 6TH AND "A" STREETS TO THE CITY OF SANTA ROSA FOR GOVERNMENTAL PURPOSES

WHEREAS, the former Redevelopment Agency of the City of Santa Rosa ("RDA") acquired property (the "Remnant Parcels") for realignment of 6th Street between A Street and Morgan Street for the Santa Rosa Plaza redevelopment project, which opened in 1982; and

WHEREAS, the Remnant Parcels are identified as Assessor's Parcel Numbers 010-041-008, 010-041-009, 010-041-010 and 010-041-019; and

WHEREAS, a portion of the Remnant Parcels is located within the 6th Street right-of-way and utilized for public purposes, and the remainder is adjacent to an approximately two-acre site owned by Catholic Charities of the Diocese of Santa Rosa ("Catholic Charities") and upon which Catholic Charities provides homeless services programs and affordable housing; and

WHEREAS, on March 7, 2011, the RDA adopted Resolution No. 1658, authorizing the conveyance of the Remnant Parcels to the Housing Authority for affordable housing purposes, and the Housing Authority adopted Resolution No. 1510, authorizing acceptance of the Remnant Parcels. Both resolutions recognized that the best use of the Parcels would be in conjunction with the adjacent properties; and

WHEREAS, as part of the dissolution process for redevelopment agencies statewide, and pursuant to Health and Safety Code section 34167.5, the State Controller determined that the transfer of the Remnant Parcels to the Housing Authority was not allowable and ordered the Housing Authority to convey the Remnant Parcels to the Successor Agency to the Redevelopment Agency of the City of Santa Rosa (the "Successor Agency") for disposition in accordance with Redevelopment Dissolution Law (Health and Safety Code section 34161 *et seq.*); and

WHEREAS, on May 21, 2018, the Housing Authority adopted Resolution No. 1650, approving conveyance of the Parcels to the Successor Agency; and

WHEREAS, on June 26, 2018, the Successor Agency adopted Resolution No. SA -2018-002 accepting the conveyance of the Remnant Parcels from the Housing Authority and approving conveyance of the right-of-way portion of the Parcels to the City of Santa Rosa (the "City") and reconveying the developable portion back to the Housing Authority for affordable housing and homeless services; and

WHEREAS, on September 7, 2018, the Sonoma County Consolidated Oversight Board (the "Oversight Board") adopted Resolution No. 1, approving the Successor Agency's actions; and

WHEREAS, in a letter dated January 2, 2019, the California Department of Finance ("DOF") approved the land transfer from the Housing Authority to the Successor Agency and the transfer of one parcel (APN 010-041-009) which is located entirely within the street right-of-way from the Successor Agency to the City for governmental purposes; DOF disapproved any transfer that involved conveyance to the Housing Authority (which involved three of the Parcels) because the property had not been acquired for low- and moderate-income housing; and

WHEREAS, City staff sent a letter to DOF, dated January 25, 2019, clarifying the difficulty of independently developing the site due to the odd configuration, small size, zoning setbacks, and surrounding lane uses. Staff requested that DOF work with the Successor Agency to find a path forward. Specifically, for the three remaining Parcels, City staff requested that DOF approve (1) the conveyance of the street right-of-way and a sidewalk easement to the City and (2) the sale of the remainder of the Parcels directly by the Successor Agency to Catholic Charities to be utilized for affordable housing and/or homeless services; and

WHEREAS, the Remnant Parcels are now designated to be used for "governmental purposes;" and

WHEREAS, staff has been advised that if the Oversight Board and DOF approve transfer of the three remaining Parcels to the City, DOF would no longer have oversight on the subsequent use or disposition of the Parcels; and the City would then be able to keep the right-of-way and surplus the remainder in accordance with City policy and state law; and

WHEREAS, the activity is a transfer of land ownership for governmental purposes and does not involve a commitment to any new development. The activity is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) in that there is no possibility that it may have significant effects on the environment. Furthermore, this activity is not a project defined in CEQA Guidelines section 15378 because it does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED that the City of Santa Rosa, in its capacity as the Successor Agency to the Redevelopment Agency of the City of Santa Rosa resolves as follows:

Section 1. All of the recitals above are true and correct and incorporated herein by reference.

Section 2. The Successor Agency hereby approves conveyance of the three remaining Remnant Parcels to the City of Santa Rosa, as shown on the Property Exhibit attached as Exhibit A to the Resolution, for governmental purposes.

Section 3. The Successor Agency hereby directs staff to forward the Successor Agency's actions to the Oversight Board and then to the California Department of Finance for their respective approvals.

Section 4. The Successor Agency hereby authorizes the Chair to execute grant deeds and any other instrument to implement said conveyance of the Remnant Parcels, consistent with this Resolution.

IN SUCCESSOR AGENCY DULY PASSED this 7th day of May, 2019.

AYES: (5) Chair Schwedhelm, Vice Chair Rogers, Agency Members Combs, Fleming, Olivares, Sawyer

NOES: (0)

ABSENT: (1) Agency Member Combs

ABSTAIN: (0)

ATTEST: _____   APPROVED: _____
                          Secretary   Chair

APPROVED AS TO FORM:

_____
       General Counsel

Exhibit A – Property Exhibit