



Conveyance of Three Parcels to the City of Santa Rosa for Governmental Purposes

Successor Agency Meeting
May 7, 2019

Housing and Community Services
Frank Kasimov, Program Specialist

Location - 6th and "A" Streets



Existing Uses of the Parcels



BACKGROUND

- The former Redevelopment Agency (“RDA”) acquired property for realignment of 6th Street between A Street and Morgan Street for the Santa Rosa Plaza redevelopment project, which opened in 1982.
- March 2011: RDA conveyed 4 parcels to the Housing Authority (“HA”) for affordable housing purposes.
- RDA and HA both recognized the best use of the Parcels is in conjunction with adjacent site.

BACKGROUND

- 2012: Redevelopment agencies were officially dissolved by the State.
- 2015: State Controller's Office ("SCO") found that the 2011 transfer of the Parcels was not allowable.
- SCO order: HA must reverse the land transfer and turn over the assets to the RDA Successor Agency ("SA") for disposition per Redevelopment Dissolution Law.

BACKGROUND

- May 21, 2018: HA conveys 4 Parcels to SA.
- June 26, 2018: SA accepts Parcels and approves conveying the right-of-way portion to the City for governmental purposes and the remainder to the HA for affordable housing and homeless services.
- Sept. 7, 2018: Oversight Board approves these actions.

CURRENT

- Jan. 2, 2019: California Department of Finance (“DOF”) approved:
 - (1) acceptance by the SA of the 4 Parcels conveyed by the HA; and
 - (2) conveyance to the City of one parcel, which is entirely within the street, for governmental purposes.

CURRENT

- DOF disapproved any transfer that involved conveyance to the HA for affordable housing and/or homeless services (which involved 3 of the Parcels) because the Parcels had not been acquired for low- and moderate-income housing purposes.

CURRENT

- Jan. 25, 2019: City staff reply:
 - (1) Independently developing Parcels constrained.
 - (2) Requested that DOF work with SA to find a path forward.
 - (3) Requested approval to convey street right-of-way and sidewalk easement to City and sale of remainder directly by SA to Catholic Charities for affordable housing and/or homeless services.

BENEFIT

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

RECOMMENDATION

Approve conveyance of the three remaining Remnant Parcels to the City for governmental purposes and direct staff to forward its action to the Oversight Board and then to the DOF for their respective approvals.

Questions?