

CITY OF SANTA ROSA  
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS  
FROM: MEGAN BASINGER, DIRECTOR  
SUBJECT: APPROVAL OF TRANSFER OF OWNERSHIP AND  
ASSUMPTION OF HOUSING AUTHORITY REGULATORY  
AGREEMENT, DENSITY INCREASE AGREEMENT, AND LOANS  
FOR ASTON AVENUE APARTMENTS - 623 ASTON AVENUE

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

The Housing and Community Services Department recommends that the Housing Authority, by resolution, conditionally approve: 1) the transfer of ownership from Sonoma Community Action Network (Sonoma CAN, formerly Community Action Partnership of Sonoma County) to Colin Hooper, DBA Crosscourt Properties (Crosscourt Properties) or an affiliate Limited Liability Company (LLC); 2) the assumption of the Housing Authority's Regulatory Agreement, Density Increase Agreement, and loans, in the principal amount of \$558,071 by Crosscourt Properties; and 3) extension of the Housing Authority's loans from December 31, 2032 to June 2, 2061 to align with the terms of the Regulatory Agreement.

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EXECUTIVE SUMMARY

Sonoma CAN is selling 623 Aston Avenue, known as Aston Avenue Apartments (Project), and has entered into a letter of intent (LOI) with Crosscourt Properties, a Bay Area-based multifamily housing owner/operator. The Project is a ten (10) unit apartment complex affordable to households with incomes at 50%, 60% and 80% of area median income (AMI). The Housing Authority has two (2) loans on the property, in the principal amount of \$558,071, maturing on December 31, 2032, and a Regulatory Agreement and Density Increase Agreement securing affordability through June 2, 2061. Subject to Housing Authority approval, Sonoma CAN and Crosscourt Properties will enter into a purchase agreement for the property. As part of this transaction, Crosscourt Properties is seeking the Housing Authority's approval to assume the Regulatory Agreement, Density Increase Agreement, and loans.

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BACKGROUND

The Project is a ten-unit affordable housing complex affordable to households at 50%, 60% and 80% AMI, secured by a Regulatory Agreement and Density Increase Agreement to June 2, 2061. The balance of the Housing Authority loans as of November 30, 2025, is \$924,681 (\$558,071 principal plus \$366,610 interest).

Sonoma CAN is no longer interested in being a housing provider and has decided to sell its properties, including those with Housing Authority loans and Regulatory Agreements (Aston Avenue Apartments, Earle Street Apartments, Given Avenue Transitional Housing, and Sloan House Shelter). Sonoma CAN has entered into an LOI with Crosscourt Properties for the Project. Sale of the property and assumption of the Housing Authority's Regulatory Agreement, Density Increase Agreement, and loans, by a new owner requires Housing Authority approval.

PRIOR HOUSING AUTHORITY REVIEW

On September 26, 1994, the Housing Authority, by Resolution No. 793, approved a funding request in the amount of \$5,782 for Sonoma County People For Economic Opportunity (now Sonoma CAN) to operate as a Community Housing Development Organization (CHDO) under the HOME Investment Partnerships Program. Part of these funds was later included in the Housing Authority's loans for the Project.

On December 17, 2001, the Housing Authority, by Resolution No. 1171, approved a loan in the amount of \$422,416 for the acquisition and development of the Project, three percent (3%) interest, residual cash receipts, deferred for 30 years and due on December 31, 2032.

On September 25, 2006, the Housing Authority, by Resolution No. 1367, approved a further advance in the amount of \$130,174 for construction-related costs under the same terms; and extended the terms of the Regulatory Agreement from 30 years to 55 years to June 2, 2061.

ANALYSIS

Per the LOI, Crosscourt Properties intends to acquire the property for \$1.9 million. As part of the transaction, Crosscourt will assume the two (2) Housing Authority loans (\$924,681 as of November 30, 2025) and pay the balance (approximately \$1 million) in cash. Assuming the value of the property is \$1.9 million, this results in a Loan-to-Value ratio of 0.49. Execution of a purchase agreement between Sonoma CAN and Crosscourt Properties is pending Housing Authority approval.

Crosscourt Properties currently holds ownership interest in and covers asset

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management for two (2) properties with 195 income-restricted units in Michigan and Wisconsin and is expanding its portfolio to Northern California with the acquisition of Aston Avenue Apartments. Prior to the formation of Crosscourt Properties, Mr. Hooper and his partner, Morgan Van Riper-Rose worked at a Michigan-based real estate company, (Republic) where they developed and operated five (5) mixed-income housing communities comprised of 794 units in Michigan, Wisconsin, Alabama, and Nevada.

Staff have reviewed the financial statements for Crosscourt Properties' Michigan and Wisconsin properties (The Block at Sterling Heights and The Point on Washington) and projected operating pro-forma for the Project which demonstrate capacity to maintain and operate the properties.

Subject to Housing Authority approval, and completion of Crosscourt Properties' due diligence, Crosscourt Properties or an affiliate Limited Liability Company (LLC) will complete the purchase of the property and assumption of the Housing Authority's Regulatory Agreement, Density Increase Agreement, and loans.

Crosscourt Properties will continue to operate the property as affordable housing consistent with the terms of the Housing Authority's Regulatory Agreement and Density Increase Agreement. Approval of this item supports the long-term preservation of affordable housing in Santa Rosa.

#### FISCAL IMPACT

Approval of this action does not have a fiscal impact on the Authority's budget.

#### ENVIRONMENTAL IMPACT

The Housing Authority finds that the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable

#### NOTIFICATION

Sonoma CAN and Crosscourt Properties have been notified of the meeting

#### ATTACHMENTS

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- Attachment 1 - Letter from Crosscourt Properties, September 26, 2025
- Attachment 2 - Letter from Crosscourt Properties, November 6, 2025
- Resolution

PRESENTER

Koy Stewart, Program Specialist