

RESOLUTION NO. 27673

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING AND AUTHORIZING THE EXECUTION OF A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA ROSA AND MUSEUM ON THE SQUARE, LLC

WHEREAS, the Redevelopment Agency of the City of Santa Rosa (Agency) is carrying out the Redevelopment Plan (Redevelopment Plan) for the Santa Rosa Center Redevelopment Project (the Redevelopment Project), which is part of the Merged Santa Rosa Center and Grace Brothers Redevelopment Project Areas; and

WHEREAS, in conformance with Health and Safety Code Section 33490, the Agency adopted a five-year Implementation Plan (Implementation Plan) for the Redevelopment Project, which Implementation Plan describes the Agency's goals, objectives and proposed programs and expenditures for the elimination of blight; and

WHEREAS, the Agency has received from Museum on the Square, LLC, a California limited liability company (Developer), a proposed Disposition and Development Agreement (DDA) which provides for the disposition and development of certain real property (Site) located generally at 520 Third Street within the City of Santa Rosa, and also within the boundaries of the Redevelopment Project; and

WHEREAS, the Site is comprised of an approximately 25,230 square foot parcel, that is improved with a currently vacant commercial building of approximately 99,800 square feet, including a basement and five floors above ground; and

WHEREAS, the proposed DDA provides that the Developer will purchase the Site for the purpose of adapting and improving the building to be operated with a mix of uses, including an art museum, restaurant, office space and not less than 38 residential units; and

WHEREAS, the proposed adaptation and improvement of the Site as described in the DDA constitutes an in-fill development that (i) is consistent with applicable general plan and zoning designations for the Site; (ii) is located on a site of less than five acres; (iii) is located on a site that has no value as habitat for endangered, rare or threatened species; (iv) will not result in any significant effects related to traffic, noise, air quality or water quality; and (v) can be adequately served by all required utilities and public services; and is therefore categorically exempt from the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) pursuant to Section 15332 of Title 14 of the California Code of Regulations; and

WHEREAS, the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et seq.) provides in Section 33431 that any sale or lease of Agency property may be made only after a public hearing of the Agency after publication of notice as provided by law; and

WHEREAS, the Community Redevelopment Law further provides in Section 33433 that before any property acquired, in whole or in part, with tax increment monies, is sold or leased for development pursuant to a redevelopment plan, such sale or lease shall first be approved by the legislative body after a public hearing, that notice of the time and place of the hearing shall be published in a newspaper of general circulation in the community for at least two (2) successive weeks prior to the hearing, and that the Agency shall make available for public inspection a copy of the proposed sale or lease and a report containing specified information and the financial aspects of the proposal; and

WHEREAS, notice of a joint public hearing of the Council of the City of Santa Rosa (Council) and the Agency was published in the Santa Rosa Press Democrat on June 15, 2010, and June 22, 2010, as required by law; and

WHEREAS, the Agency prepared a report pursuant to Section 33433 of the Health and Safety Code (Report), describing the cost of the DDA to the Agency, the value of the property interest to be conveyed, the purchase price and other information required by said Section 33433, and the Report, together with the DDA, was made available to the public for inspection; and

WHEREAS, the Council and the Agency held a joint public hearing on June 29, 2010, in the City Council Chambers to consider and act on the disposition and development of the Site pursuant to the DDA.

NOW, THEREFORE, BE IT RESOLVED, the Council of the City of Santa Rosa determines:

Section 1. The Council hereby finds and determines that the sale of the Site by the Agency to the Developer and the development and improvement of the building located on the Site pursuant to the DDA will assist in the elimination of blight through the development of a currently vacant and underutilized building, located at a prime location within the downtown area, with a mix of uses, including a museum, restaurant and office uses, and the remediation of existing hazardous materials contamination currently located on the Site, and is consistent with the Five-Year Implementation Plan adopted by the Agency pursuant to Health and Safety Code Section 33490. This finding is based upon the facts and information contained in the Report prepared by the Agency pursuant to Health and Safety Code Section 33433.

Section 2. The Council hereby finds and determines that the consideration for the Site to be paid by the Developer is not less than the fair market value at its highest and best use in accordance with the Redevelopment Plan. This finding is based upon the facts and information contained in the Report prepared by the Agency pursuant to Health and Safety Code Sections 33433.

Section 3. The Council hereby finds and determines that the proposed adaptation and improvement of the Site as described in the DDA constitutes an in-fill development that (i) is consistent with applicable general plan and zoning designations for the Site; (ii) is located on a site of less than five acres; (iii) is located on a site that has no value as habitat for endangered, rare or threatened species; (iv) will not result in any significant effects related to traffic, noise, air

quality or water quality; and (v) can be adequately served by all required utilities and public services; and is therefore categorically exempt from the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) pursuant to Section 15332 of Title 14 of the California Code of Regulations; and

Section 4. The Council hereby approves the DDA in substantially the form on file with the City Clerk with the addition of language submitted by developer on local hire commitments. The Council further approves and authorizes the sale of the Site to the Developer as provided for under the DDA.

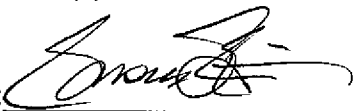
IN COUNCIL DULY PASSED this 29th day of June, 2010.

AYES: (7) Mayor Gorin, Vice Mayor Wysocky, Councilmembers Bender, Sawyer, Jacobi, Vas Dupre and Olivares

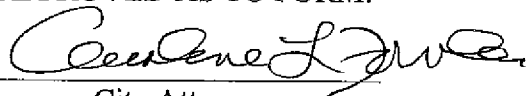
NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: 
City Clerk

APPROVED: 
Mayor

APPROVED AS TO FORM:

City Attorney