



## Legislation Details (With Text)

**File #:** 2021-0980

**Type:** Consent Calendar Item      **Status:** Agenda Ready

**File created:** 9/3/2021      **In control:** Community Development Commission

**On agenda:** 11/2/2021      **Final action:**

**Title:** Authorization to enter into a Subdivision Improvement Agreement and a Storm Water Best Management Practice (BMP) Facility Maintenance Agreement with the City of Santa Rosa regarding the Roseland Village (Tierra De Rosas) development project and a Disposition, Financing and Development Agreement (DDA) with MidPen Housing

**Sponsors:** Community Development Commission

**Indexes:**

**Attachments:** 1. Summary Report, 2. Attachment 1 - Form of Subdivision Improvement Agreement, 3. Attachment 2 - Form of Declaration of Covenants Regarding Maintenance of Storm Water BMP Facilities, 4. Attachment 3 - Summary Budget, 5. Attachment 4 - Roseland Village Disposition, Development and Funding Agreement

Date	Ver.	Action By	Action	Result
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**To:** Board of Commissioners of the Community Development Commission  
**Department or Agency Name(s):** Sonoma County Community Development Commission  
**Staff Name and Phone Number:** Paul Osmundson, 707-565-1996  
**Vote Requirement:** Majority  
**Supervisory District(s):** Fifth

**Title:**  
Authorization to enter into a Subdivision Improvement Agreement and a Storm Water Best Management Practice (BMP) Facility Maintenance Agreement with the City of Santa Rosa regarding the Roseland Village (Tierra De Rosas) development project and a Disposition, Financing and Development Agreement (DDA) with MidPen Housing

**Recommended Action:**  
Authorize the Interim Executive Director of the Sonoma County Community Development Commission ("Commission") to enter into a Subdivision Improvement Agreement and a Declaration of Covenants Regarding Maintenance of Storm Water BMP Facilities with the City of Santa Rosa regarding the infrastructure improvements at the Roseland Village (Tierra De Rosas) mixed use development project. (Fifth District)

**Executive Summary:**  
The Commission has entered into a Disposition, Financing and Development Agreement ("DDA") with MidPen Housing, for the planning, design, entitlement and development of a mixed-use project at Roseland Village. Tierra De Rosas consists of 75 affordable housing units, 100 market rate housing units, a 25,000 square foot civic building, a 7,200 square foot Mercado building, and a 1-acre public park.

The Tierra De Rosas project has received all local land use approvals from the City of Santa Rosa, and the City is now processing the "Public Improvement Plans," which include storm water and sanitary sewer systems, streets and sidewalks, bicycle lanes, on-street parking, street lighting and landscaping, and other underground

utility system upgrades. The storm water system is designed with a rainwater capture basin feature that is incorporated into the design of the proposed public plaza. The Commission with the assistance of Mid-Pen Housing, is responsible for ensuring the construction of these improvements and will be hiring a contractor to perform the work.

Approval of this item would authorize the Executive Director of the Commission to enter into the City of Santa Rosa's standard form of agreements. The City's standard forms contain indemnification of the City by the Commission, as well as other conditions, that deviate from the County's standards for typical agreements of this nature. Since the Commission is acting as the project proponent in this situation, County Counsel has reviewed the agreements and recommended signing the City's standard forms that are commonly required for this kind of project in the City of Santa Rosa.

**Discussion:**

**Disposition, Development and Financing Agreement ("DDA")**

The DDA established each party's responsibilities with respect to the development of the Tierra De Rosas Project. The Commission is responsible for the environmental remediation of the site, and the funding and construction of the public improvements or infrastructure. The estimated cost of the public improvements is \$13.8 million and the funding plan currently assumes that the Commission will fund \$3.1 million from Successor Agency Funds, also assumes the receipt of \$2.58 million from the sale of the market rate and civic and commercial lot parcels, \$500,000 from the Open Space Grant, \$620,616 from Affordable Housing and Sustainable Communities ("AHSC"), and \$6.3 million from the Infill Infrastructure Grant program ("IIG") leaving a funding gap of approximately \$710,359. Under the DDA, the Commission is responsible for seeking other sources of funding to close the financial gap and MidPen is responsible for cooperating in the search for funding. In the event the Commission is unable to provide or identify adequate funding for the public improvements, MidPen or the Commission has the right to terminate the DDA. The site would stay in its present condition until funding is found either from County or outside sources.

The environmental cleanup of the Roseland Cleaners is ongoing, with approximately \$2.5 million in funding from the State Water Quality Control Board that is separate from the \$13.8 million in improvement costs.

The Public Improvement Plans for site infrastructure were submitted to the City of Santa Rosa in early 2021 and have been revised several times in response to questions and clarifications from City Departments. The final response has been submitted to the City and approval is expected before the end of 2021.

**Subdivision Improvement Agreement ("SIA")**

The City of Santa Rosa requires that developers of new subdivisions enter into agreements that govern the construction, development and transfer of public improvements to the City. The Commission holds title to the property and will be contracting for the improvements, thus the Commission is the party that must enter into the SIA.

The major elements of the SIA provide for the following:

- The construction of the improvements to City standards.
- The inspection of the improvements and transfer of ownership to the City.
- The payment of storm water, water and sewer connection fees.
- The indemnification of the City by the Commission.

Compliance with the SIA will be achieved in concert with Mid-Pen, who is acting as the master developer for

the entire project and assisting the Commission in performance of the SIA requirements. The construction of the improvements is being overseen by Waypoint Consulting, an experienced construction management firm that is a sub-consultant to Mid-Pen. A team of consultants is also assisting Mid-Pen and the Commission including BKF Engineering (Civil Engineers), Giacalone (joint trench consulting) and others.

**Lid Maintenance Agreement**

The project has been designed with a rainwater harvesting basin located underneath the proposed 1-acre public plaza that is part of the overall master plan. The rainwater will be stored in an underground tank or cistern and used to irrigate the plaza and associated landscaping. There are also storm water filters located throughout the subdivision that capture particulates in storm water runoff.

The City of Santa Rosa requires that the developer of a subdivision enter into a “Declaration of Covenants Regarding Maintenance of Storm Water BMP Facilities.” The City has a permit from the North Coast Regional Water Quality Control Board for a National Pollutant Discharge Elimination System (“NPDES”), Municipal Separate Storm Sewer System (“MS4”). The permit requires the City to implement and enforce specific requirements for the construction and maintenance of onsite stormwater management facilities and best management practices (“BMP”). The Lid Maintenance Agreement includes these provisions as they apply to the Project site. This agreement contains the following main provisions.

- Requirement to design and install storm water management facilities on the property.
- Maintenance responsibility for such facilities.
- Indemnification of the City by the Commission.

The work under the Lid Maintenance Agreement consists of drafting and execution of a maintenance agreement between CDC and Mid-Pen, and the hiring of qualified contractors to maintain the components of the system (mainly pumps and other controls that connect to the irrigation system for the plaza).

**Prior Board Actions:**

- 8/20/2019: Authorized Commission to amend the Professional Services Agreement with MidPen
- 03/12/2019: Authorized Commission to execute Roseland Village Disposition and Development Agreement with MidPen and Urban Mix Development
- 07/19/2016: Approved PSA between Commission and MidPen
- 01/26/2016: Approved Commission to negotiate a DDA with MidPen

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 21-22 Adopted</b>	<b>FY 22-23 Projected</b>	<b>FY 23-24 Projected</b>
Budgeted Expenses	800,000	12,302,756	
Additional Appropriation Requested			
<b>Total Expenditures</b>	<b>800,000</b>	<b>12,302,756</b>	
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal		6,976,300	
Fees/Other		3,080,000	
Use of Fund Balance	800,000	2,246,097	
Contingencies			

<b>Total Sources</b>	<b>800,000</b>	<b>12,302,756</b>	
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**Narrative Explanation of Fiscal Impacts:**

Appropriations are included in the FY 21-22 Adopted Budget and will be requested with the FY 22-23 Recommended Budget. The DDA will have fiscal impacts as summarized in the attached Budget Summary. Funding for the planning, design, entitlement and development of the Tierra De Rosas is made up of \$3.1 million from Successor Agency Funds, \$2.58 million from the sale of the market rate and civic and commercial lot parcels, \$500,000 from an Open Space Grant, \$620,616 from Affordable Housing and Sustainable Communities, and \$6.3 million from the Infill infrastructure Grant program leaving a funding gap of approximately \$710,359. The additional appropriations for the \$710,359 will be requested when the authorization to advertise for a construction contract with a General Contractor to develop the Public Improvements comes to the Board.

The Lid Maintenance Agreement will cost the Commission an estimated \$5,000 to \$10,000 annually to maintain the storm water facilities once the facilities are constructed including the public Plaza. The Plaza is expected to be complete sometime before 2025.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

There are no staffing impacts associated with this item.

**Attachments:**

- Attachment 1 - Form of Subdivision Improvement Agreement
- Attachment 2 - Form of Declaration of Covenants Regarding Maintenance of Storm Water BMP Facilities
- Attachment 3 - Summary Budget
- Attachment 4 - Roseland Village Disposition, Development and Funding Agreement

**Related Items "On File" with the Clerk of the Board:**

None