

RESOLUTION NO. 2016-019

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, APPROVING A LEASE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE CORPORATION FOR BETTER HOUSING TO EFFECUTATE THE GROUND LEASE OF, AND DEVELOPMENT OF AN AFFORDABLE SENIOR APARTMENT PROJECT ON CITY PROPERTY AT 611 WASHINGTON STREET, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE LEASE DISPOSITION AND DEVELOPMENT AGREEMENT, GROUND LEASE, AFFORDABLE HOUSING AGREEMENT AND OTHER DOCUMENTS

WHEREAS, the City of Calistoga ("City") owns approximately .87 acres of property at 611 Washington Street ("Property"); and

WHEREAS, the Property was purchased by the City with funding from the City's Affordable Housing Fund for the purpose of developing affordable housing; and

WHEREAS, on August 17, 2015, the City entered into an Agreement with Corporation for Better Housing ("CBH") to exclusively negotiate the terms and conditions of a Lease Disposition and Development Agreement ("DDA") for the development and construction of a senior rental housing project of approximately 30 units affordable to very low- and low- income households; and

WHEREAS, the City and CBH have negotiated the terms of a Lease Disposition and Development Agreement, Ground Lease and Affordable Housing Agreement, whereby City would ground lease the property to CBH for an annual rent of \$1.00 per year and the CBH would agree to develop the Project, all contingent on certain conditions precedent to closing; and

WHEREAS, this action is exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility it will have a significant effect on the environment, and a mitigated negative declaration of environmental impact was adopted for the Project by the Planning Commission on January 13, 2016; and

WHEREAS, the City Council desires to approve and authorize the execution of the Lease Disposition and Development Agreement in order to effectuate the development and use of the Project.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Calistoga hereby:

1. Approves, and authorizes the City Manager to execute the Lease Disposition and Development Agreement with CBH, in the form attached hereto, with minor revisions as may be approved by the City Manager in consultation with the City Attorney;
2. Approves, and authorizes the City Manager to execute the ground lease of the Property at a rent of \$1.00 per year in accordance with the terms of the DDA and Ground Lease;
3. Approves, and authorizes the City Manager to execute the Affordable Housing Agreement to limit the rents of the Project apartments to very low- and low-income levels, and limit the occupancy of the Project to tenants with a minimum age of 62; and

4. Authorizes the City Manager to take other actions and execute other documents as necessary to implement the terms of the DDA and execution of the Ground Lease and Joint Use Agreement.

PASSED AND APPROVED by the City Council of the City of Calistoga at a regular meeting held this **1st day of March, 2016**, by the following vote:

AYES: Councilmembers Kraus, Barnes and Lopez-Ortega, Vice Mayor
Dunsford and Mayor Canning
NOES: None
ABSTAIN: None
ABSENT: None



CHRIS CANNING, Mayor

ATTEST:



KATHY FLAMSON, City Clerk