

RESOLUTION HR2022-__

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF NAPA, STATE OF CALIFORNIA, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT NO. 7 TO AGREEMENT NO. 8781 TO EXTEND THE TERM OF THE EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT (TITLED AS A "DEVELOPMENT AGREEMENT") WITH GARDEN COURT ASSOCIATES TO JUNE 30, 2027 FOR THE DEVELOPMENT OF THE LINCOLN AVENUE PROPERTY KNOWN AS GARDEN COURT AND DETERMINING THAT THE PROPERTY IS EXEMPT SURPLUS LAND UNDER THE SURPLUS LANDS ACT

WHEREAS, the Housing Authority of the City of Napa (hereafter the "Authority") owns a parcel on Lincoln Avenue (APN 044-190-001) and Garden Court Associates (the "Developer"), a limited partnership formed by Napa Valley Community Housing, a California non-profit public benefit corporation ("NVCH"), is the owner of an adjacent parcel (APN 044-190-033) (collectively the "Properties"); and

WHEREAS, the Authority and NVCH entered into that certain unrecorded Development Agreement dated as of March 1, 2005, as subsequently amended by that certain Amendment No. 1 dated as of June 6, 2006, and by that certain Amendment No. 2 to Agreement No. 8781 dated as of September 11, 2007, and by that certain Amendment No. 3 to Agreement No. 8781 dated as of June 8, 2015, and by that certain Amendment No. 4 to Agreement No. 8781 dated as of June 24, 2016, and by that certain Amendment No. 6 dated June 23, 2020 (as so amended, the "Development Agreement"); and

WHEREAS, the Development Agreement was assigned from NVCH to the Developer, however NVCH, the Developer, and the Authority are unable to locate the agreement evidencing such assignment; and

WHEREAS, the Development Agreement is not a development agreement as such term is used in Government Code Section 65864 et seq. but rather an exclusive negotiating agreement; and

WHEREAS, under the Development Agreement, the Developer and the Authority have agreed to use good faith efforts to complete and execute a Disposition and Development Agreement during the term of the Development Agreement, which currently expires on June 30, 2022, pursuant to which Developer will construct an affordable housing development on the Properties; and

WHEREAS, the Properties are located in the 100-year flood plain and cannot be developed until flood control improvements planned as part of the Napa River/Napa Creek Flood Prevention Project have been installed; and

WHEREAS, the Developer and the Authority desire to extend the term of the Development Agreement due to delays in the completion of the Napa River/Napa Creek Flood Prevention Project; and

WHEREAS, pursuant to Health and Safety Code Section 34312.3(b), a housing authority may, after a public hearing, sell or otherwise dispose of real property without complying with any provision of law concerning disposition of surplus property so long as the proceeds of any sale or other disposition of real property, net of the cost of sale, are used by the housing authority to directly assist a housing project for persons of low income; and

WHEREAS, Government Code Section 54226 provides that no provision of the Surplus Lands Act (Government Code Section 54220, *et seq.*) “shall be applied when it conflicts with any other provision of statutory law.”

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of Napa, as follows:

1. The Authority Board finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the Authority’s adoption of this Resolution.

2. The Authority Board hereby declares the Properties exempt surplus land under the Surplus Lands Act. Should the Authority and Developer negotiate and execute a Disposition and Development Agreement as contemplated by the Development Agreement, the Properties will be disposed of by the Authority pursuant to Health and Safety Code Section 34312.3(b) after a public hearing and the net proceeds of the sale will be used by the Authority to directly assist a low-income housing project.

3. The Authority Board hereby authorizes the Executive Director to execute the Amendment No. 7 to Agreement No. 8781, attached hereto as Exhibit A and incorporated herein by reference, which extends the term of the Agreement for Garden Court to the earlier of execution of a DDA or June 30, 2027.

4. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Commissioners of the Housing Authority of the City of Napa at a public meeting of said Housing Authority held on the 3rd day of May 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
Tiffany Carranza
Authority Deputy Secretary

Approved as to form:

Michael W. Barrett
Authority General Counsel