



## Staff Reports Details (With Text)

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**On agenda:** 10/6/2020      **Final action:** 10/6/2020  
**Title:** 43 Bremen Court, a Self-Help Affordable Housing Unit in the Pioneer Village Subdivision

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. ATCH 1 - Resolution, 2. ATCH 2 - City of Napa Termination of Agreement

Date	Ver.	Action By	Action	Result
10/6/2020	1	CITY COUNCIL OF THE CITY OF NAPA	approved	Pass

**To:** Honorable Mayor and Members of City Council

**From:** Vincent Smith, Community Development Director

**Prepared By:** Andrea Clark, Affordable Housing Representative

### **TITLE:**

43 Bremen Court, a Self-Help Affordable Housing Unit in the Pioneer Village Subdivision

### **RECOMMENDED ACTION:**

Adopt a resolution authorizing the Community Development Director to execute a Termination of Agreement terminating the City's right of first refusal to purchase the property located at 43 Bremen Court, Napa (APN: 004-670-011-000), and to execute a new Grant of Right of First Refusal with the new purchasers of the property.

### **DISCUSSION:**

The property located at 43 Bremen Court is one of 31 self-help affordable housing units in the Pioneer Village Subdivision built under a cooperative agreement between the City of Napa and the Housing Association for Napa Development. The City intended the homes within the development to remain affordable to low and moderate income households in perpetuity. Each original owner in the development was required to execute a Grant of Right of First Refusal (the "Agreement") which was recorded against the property granting the City the first right to purchase the property in the event the owner sells the property.

On September 14, 2020, the current owners of 43 Bremen Court notified the Housing Division they intend to sell their property for \$515,000, which is within the affordable sales price limit for the property. Staff has verified the purchasers are moderate-income first time homebuyers who intend to occupy the property as their primary residence. The property owner is requesting the City release its

right of first refusal to purchase the property to allow the proposed sale to proceed. The attached "Termination of Agreement" would terminate the City's existing right of first refusal for the property.

Under the terms of the Agreement, the City has the option to either purchase the house for \$515,000 and re-sell it to an income-eligible homebuyer or release the property for sale to the proposed purchasers. Staff recommends allowing the proposed sale to proceed. The City would enter into a new Agreement with the prospective purchasers, ensuring the property will remain as affordable housing to future homebuyers, and the City will continue to retain the right of first refusal during the life of the Pioneer Village subdivision.

**FINANCIAL IMPACTS:**

There are no financial impacts to the City of Napa with the sale of this property.

**CEQA:**

The Community Development Director has determined the Recommended Action described in this Agenda Report is not subject to CEQA, pursuant to CEQA Guidelines Section 15060(c).

**DOCUMENTS ATTACHED:**

ATCH 1 - Resolution Terminating Right of First Refusal for 43 Bremen Court.

ATCH 2 - City of Napa Termination of Agreement

**NOTIFICATION:**

Notice was provided to the existing property owners and the real estate agent representing the proposed purchasers of the property.