

**CALL AND NOTICE OF  
SPECIAL MEETING  
AT 6:00 PM  
OF THE VALLEJO CITY COUNCIL  
JULY 5, 2022**

**COUNCIL CHAMBERS  
555 Santa Clara Street, Vallejo, California**

**NOTICE: Members of the Public will be able to participate in-person or remotely via Zoom.**

**City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.**

**PUBLIC COMMENT:** Members of the Public may provide public comments during the City Council Meeting in person or via ZOOM (<https://ZoomRegular.Cityofvallejo.net>), or via phone, by dialing (669) 900-6833.

For additional instructions on how to speak remotely during public comment, please visit, [www.cityofvallejo.net/publiccomment](http://www.cityofvallejo.net/publiccomment)

**VIEW THE MEETING:**

**There are four different ways you can view this public meeting:**

- **In Person**
- **Watch Vallejo local channel 28**
- **Stream from the City website:** [www.cityofvallejo.net/Streaming](http://www.cityofvallejo.net/Streaming)
- **Join the Zoom webinar:** <https://ZoomRegular.Cityofvallejo.net>

TO THE MEMBERS OF THE VALLEJO CITY COUNCIL:

You are hereby notified that I do hereby call the Vallejo City Council in special session to consider only the matters stated on the agenda listed below.

**NOTICE:** Members of the public shall have the opportunity to address the City Council concerning any item listed on the agenda *before or during* consideration of that item. *No other items may be discussed at this special meeting.*

**1. CALL TO ORDER**

Hybrid Options are available for members of the public to participate. To participate remotely:

<https://ZoomRegular.CityofVallejo.net>

Option to join by phone:

Dial (669) 900-6833

Enter Meeting ID: 914 0075 0676#

Press \*9 to digitally raise your hand from the phone

For additional instructions on how to speak during public comment, please visit, [www.cityofvallejo.net/publiccomment](http://www.cityofvallejo.net/publiccomment)

2. **PLEDGE OF ALLEGIANCE**
3. **REPORT OUT OF CLOSED SESSION**
4. **ROLL CALL**
5. **ACTION CALENDAR**

NOTICE: Members of the public wishing to address the Council on Action Calendar Items may do so in person by submitting a completed speakers card to the City Clerk or via ZOOM (<https://ZoomRegular.Cityofvallejo.net>), or via phone, by dialing (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press \*9 to digitally raise your hand from the phone. For additional instructions on how to speak remotely during public comment, please visit, [www.cityofvallejo.net/publiccomment](http://www.cityofvallejo.net/publiccomment). Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420. In person speakers will be recognized first.

A. **APPROVE ACTIONS RELATING TO THE BROADWAY PROJECT, INCLUDING THE CEQA EXEMPTIONS, DECLARATION OF RESTRICTIVE COVENANTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN ACQUISITION AGREEMENT FOR THE PROJECT SITE 0067-140-150.**

Recommendation: Adopt:

1. Resolution City Council of the City of Vallejo finding the Homekey Project 21-HK-17234 \*Broadway Project, and all actions relating thereto, exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Public Resources Code Sections 21159.23 "Exemption for Affordable Low-Income Housing"; 21159.24 "Infill Housing Exemption" ; and 21080(b) "Ministerial"; Health and Safety Code section 50675.1.4 (Project Homekey); and CEQA Guidelines sections 15194 "Affordable Housing Exemption"; 15195 "Residential Infill"; 15268 "Ministerial"; and 15332 "In-fill Development Projects".
2. Resolution of the City Council of the City of Vallejo approving and authorizing the City Manager to Execute and Record a Declaration of Restrictive Covenants against the property at APN 0067-140-150; and
3. Resolution of the City Council of the City of Vallejo, Approving the Acquisition of the Broady Project Property (APN 0067-140-150) upon Completion of the Project and Authorizing the City Manager to Execute an Acquisition Agreement Therefor in a form acceptable to the City Manager and City Attorney and Further Authorzing The City Manager to Execute any and All Related Documents with such changes as May be

Hybrid Options are available for members of the public to participate. To participate remotely:

<https://ZoomRegular.CityofVallejo.net>

Option to join by phone:

Dial (669) 900-6833

Enter Meeting ID: 914 0075 0676#

Press \*9 to digitally raise your hand from the phone

For additional instructions on how to speak during public comment, please visit,

[www.cityofvallejo.net/publiccomment](http://www.cityofvallejo.net/publiccomment)

Approved by the City Attorney in order to Effectuate the Acquisition,  
Closing of Escrow, and Operation of the Property.

Contact: Natalie Peterson, Interim Assistant to the City Manager (707) 649-3415

[Natalie.Peterson@cityofvallejo.net](mailto:Natalie.Peterson@cityofvallejo.net)

## 6. INFORMATION CALENDAR

### A. PROJECT ROOMKEY UPDATE

Recommendation: This item is for informational purposes only. There is no staff report or action associated with this item.

Contact: Gillian Hayes, Assistant City Manager (707) 648-4576

[Gillian.Hayes@cityofvallejo.net](mailto:Gillian.Hayes@cityofvallejo.net)

## 7. ADJOURNMENT

Dated: Saturday, July 2, 2022



Robert H. McConnell, Mayor

I, Dawn Abrahamson, City Clerk, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Vallejo City Council, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 10:30 a.m., Saturday, July 2, 2022.

Dated: Saturday, July 2, 2022



Dawn G. Abrahamson, City Clerk

Hybrid Options are available for members of the public to participate. To participate remotely:

<https://ZoomRegular.CityofVallejo.net>

Option to join by phone:

Dial (669) 900-6833

Enter Meeting ID: 914 0075 0676#

Press \*9 to digitally raise your hand from the phone

For additional instructions on how to speak during public comment, please visit,

[www.cityofvallejo.net/publiccomment](http://www.cityofvallejo.net/publiccomment)



**DATE:** July 5, 2022  
**TO:** Mayor and Members of the City Council  
**FROM:** Gillian Hayes, Assistant City Manager  
**SUBJECT:** **APPROVE ACTIONS RELATING TO THE BROADWAY PROJECT, INCLUDING THE CEQA EXEMPTIONS, DECLARATION OF RESTRICTIVE COVENANTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN ACQUISITION AGREEMENT FOR THE PROJECT SITE 0067-140-150.**

---

### **RECOMMENDATION**

Adopt:

1. Resolution City Council of the City of Vallejo finding the Homekey Project 21-HK-17234 \*Broadway Project, and all actions relating thereto, exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Public Resources Code Sections 21159.23 "Exemption for Affordable Low-Income Housing"; 21159.24 "Infill Housing Exemption" ; and 21080(b) "Ministerial"; Health and Safety Code section 50675.1.4 (Project Homekey); and CEQA Guidelines sections 15194 "Affordable Housing Exemption": 15195 "Residential Infill"; 15268 "Ministerial"; and 15332 "In-fill Development Projects".
2. Resolution of the City Council of the City of Vallejo approving and authorizing the City Manager to Execute and Record a Declaration of Restrictive Covenants against the property at APN 0067-140-150; and
3. Resolution of the City Council of the City of Vallejo, Approving the Acquisition of the Broady Project Property (APN 0067-140-150) upon Completion of the Project and Authorizing the City Manager to Execute an Acquisition Agreement Therefor in a form acceptable to the City Manager and City Attorney and Further Authorizing The City Manager to Execute any and All Related Documents with such changes as May be Approved by the City Attorney in order to Effectuate the Acquisition, Closing of Escrow, and Operation of the Property.

### **REASONS FOR RECOMMENDATION**

On January 25, 2022, the Council approved an application for the Homekey Round 2 grant of \$12.1 million dollars, which was awarded to the City of Vallejo to develop and build a 48-unit wrap-around supportive services housing project at this location. On June 7, 2022, the Council accepted the grant money and amended the budget to receive the funds. The requested actions before the Council are required for the City to move forward with the construction of this important Project and ultimately transfer it to the City. A contract between the City and the Operator will come before the Council at a later date and will contain the operations details.

### **BACKGROUND AND DISCUSSION**

#### **Need and an Opportunity**

The Governor has stated that homelessness is a crisis in California, exacerbated by the COVID-19 pandemic. The state has created different programs to assist cities and jurisdictions in helping to address this crisis. Building on

**Subject: APPROVE ACTIONS RELATING TO THE BROADWAY PROJECT, INCLUDING THE CEQA EXEMPTIONS, DECLARATION OF RESTRICTIVE COVENANTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN ACQUISITION AGREEMENT FOR THE PROJECT SITE 0067-140-150.**

---

the success of the first round of Homekey, Homekey Round 2 continued a statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness, and who are, thereby, inherently impacted by COVID-19 and other communicable diseases.

Administered by the California Department of Housing and Community Development (HCD), approximately \$1.4 billion (FY 2021-22) in grant funding was made available to local public entities, including cities, counties, or other local public entities, such as housing authorities or Tribal Entities, within California.

Homekey Round 2 is an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single- family homes and multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to Permanent or Interim Housing for the Target Population.

The unhoused population of the City of Vallejo has been hard hit by both the health and economic impacts of COVID-19, along with the day-to-day struggle of living on the street with little or no access to health care and supportive services.

One of the directives of the Council to staff was to focus on aiding the unhoused. When Firm Foundation approached the City with a project that would help our unhoused population by providing quality, locally-built Factory OS housing, with wrap-around services, and using Homekey Round 2 funds, no funds expended from the General Fund, staff took the opportunity to put together an application for state funding, with the Council's approval.

#### Submittal Process

Staff came to Council on January 25, 2022 requesting that the Council adopt a resolution authorizing the City Manager to apply for California Project Homekey Round 2 funding with Firm Foundation, Community Housing and Shelter, Inc. for a 48- unit permanent supportive housing project to be constructed and operated at APN: 0067-140-150. The Council approved submitting the application by a 5-2 vote, with Mayor McConnell and Council member Arriola voting "no".

Staff submitted an application to HCD on January 31, 2022.

After an extremely competitive and successful application process, the City of Vallejo was awarded \$12.1M of Homekey Round 2 funds from the Department of HCD, to develop and build the Broadway Village Project.

On April 19, 2022, HCD Homekey staff connected with the City and our project partners to discuss the submitted application and request additional information. Staff worked closely with HCD staff to update our application (attached) and submitted all additional requested information on April 29, 2022.

#### Award of Funds by HCD

On May 10, 2022, the City of Vallejo and Firm Foundations Community Housing and Shelter, Inc. received the award letter from HCD.

On June 7, 2022, staff came before the City Council requesting the Council to approve a resolution to accept the Homekey award. In addition, Staff requested Council to provide notice to amend the Capital Grant and

**Subject: APPROVE ACTIONS RELATING TO THE BROADWAY PROJECT, INCLUDING THE CEQA EXEMPTIONS, DECLARATION OF RESTRICTIVE COVENANTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN ACQUISITION AGREEMENT FOR THE PROJECT SITE 0067-140-150.**

---

Contribution Fund Fiscal Year 2021-22 budget to include the Homekey grant revenue in the amount of \$12,091,866, and appropriate expenditures of \$12,091,866 during the eligible funding time period. This process constitutes Step 1 of the City's 2-step process to amend the City's budget. This was approved by Council on a 4-1-2 vote, with Council member Brown absent and Mayor McConnell and Council member Arriola voting "no".

On June 14, 2022, staff came before the City Council requesting approval of a resolution to amend the FY 2021-22 budget to appropriate \$12,091,866 for Homekey Grant award, completing the 2-step process to amend the budget per the City Charter. This was approved by Council on a 4-1-2 vote with Council member Brown absent and Mayor McConnell and Council member Arriola voting "no".

Permitting Process

Project Homekey and multi-Family affordable housing projects are by State law ministerial projects not subject to a discretionary action and are statutorily and categorically exempt from CEQA. Therefore, this project will not be subject to a public hearing process, before the Planning Commission or City Council, but will go through the building permit process. It is worth noting that the state considered that the unhoused crisis, combined with COVID-19, constituted an emergency that required an expedited ministerial process so that housing could be built as soon as possible.

Project and Partners

The Broadway Village Project is a 48-unit permanent supportive modular housing project designed to house chronically homeless individuals. City Staff will work with Firm Foundation, Community Housing, Shelter, Inc., and Factory OS to bring this project to fruition. The project will include a community room, courtyard, and access to a rooftop deck. 24/7 on-site supportive services that are client-centered, strength-based, and trauma-informed will be provided by the project operator to help and provide connections to benefits and community resources. Operations details will be defined in a subsequent contract with Shelter, Inc and will return to City Council for consideration at a later date.

Land Purchase

Firm Foundation will own and develop the proposed project. Ownership of the Project is planned to be transferred to the City of Vallejo upon completion of the Project and final occupancy. The City will contract with a service provider for wrap around services and overall management of the Project. An appraisal of the Project Site was completed on February 1, 2022 and valued the property at \$605,000, which payment will be made from the grant funds. The Project will be transferred to the City once it is completed for no additional compensation. The Project Site is vacant and a Phase 1 environmental assessment was conducted and recommended no further action. However, in an abundance of caution, the City commissioned a Phase 2 environmental assessment of the property to ensure that there are no environmental hazards on the Project Site.

The Homekey Round 2 grant award and standard agreement require an affordability covenant or similar use restriction be recorded in first position against the Project for the benefit of the City restricting the use, operation, occupancy, and affordability of the Project for a period of 55 years.

Firm Foundation as the Applicant for the Project and co-applicant with the City for the funding, will manage the project and its construction in compliance with Homekey deliverable and timeline regulations. The project is projected to be completed by January 10, 2023 and ready to serve community members with housing and services.

**Subject: APPROVE ACTIONS RELATING TO THE BROADWAY PROJECT, INCLUDING THE  
CEQA EXEMPTIONS, DECLARATION OF RESTRICTIVE COVENANTS AND  
AUTHORIZING THE CITY MANAGER TO EXECUTE AN ACQUISITION  
AGREEMENT FOR THE PROJECT SITE 0067-140-150.**

**FISCAL IMPACT**

Approval of the requested actions, including the purchase of APN 0067-140-150 and the construction of the Project, will be funded by the HCD Homekey Round 2 Grant Award. There would be no impact on the General Fund.

**ENVIRONMENTAL REVIEW**

The Broadway Project is statutorily exempt from the California Environmental Quality Act ("CEQA") pursuant to Health & Safety Code section 50678.1.4 (Project Homekey); Public Resources Code sections 21080(b) "Ministerial"; 21159.23 "Exemption for Affordable Low-Income Housing"; 21159.24 "Infill Housing Exemption"; and CEQA Guidelines sections 15194 "Affordable Housing Exemption," 15195 "Residential Infill," and 15268 "Ministerial." The Project is categorically exempt from CEQA pursuant to CEQA Guidelines section 15332 "In-fill Development Projects."

**ATTACHMENTS**


1.	City Council Resolution_Broadway Homekey_CEQA
2.	Resolution Authorizing Declaration of Restrictive Covenants_CAO Stamp
3.	Attachment 1 to Resolution Authorizing Declaration of Restrictive Covenants
4.	Resolution Authorizing Acquisition of Broadway Project Property_CAO Stamp
5.	Appraisal-BroadwaySt

**CONTACT**

Natalie Peterson, Interim Assistant to the City Manager (707) 649-3415

[Natalie.Peterson@cityofVallejo.net](mailto:Natalie.Peterson@cityofVallejo.net)

Approved as to form:

By:  for  
Veronica A.F. Nebb  
City Attorney

## RESOLUTION NO. 22-\_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO FINDING THE HOMEKEY PROJECT 21-HK-17234 BROADWAY PROJECT, AND ALL ACTIONS RELATING THERETO, EXEMPT FROM THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA), PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 21159.23 “EXEMPTION FOR AFFORDABLE LOW-INCOME HOUSING”; 21159.24 “INFILL HOUSING EXEMPTION”; AND 21080(b) “MINISTERIAL”; HEALTH AND SAFETY CODE SECTION 50675.1.4 “PROJECT HOMEKEY”; AND CEQA GUIDELINES SECTIONS 15194 “AFFORDABLE HOUSING EXEMPTION”; 15195 “RESIDENTIAL INFILL”; 15268 “MINISTERIAL”; AND 15332 “IN-FILL DEVELOPMENT PROJECTS”**

**WHEREAS**, California Assembly Bill No. 140 (Chapter 111, Statutes of 2021) (“AB 140”) added sections 50675.1.3 and 50675.1.4 to the Multifamily Housing Program (Health & Saf. Code, §§ 50675 et seq.), providing the statutory basis for the Homekey Program – Round 2 (“Homekey” or “Program”) and authorizing the California Department of Housing and Community Development (“HCD”) to administer the Program; and

**WHEREAS**, on September 9, 2021, HCD issued a Notice of Funding Availability (“NOFA”) for the Program, which was subsequently amended on January 14, 2022; and

**WHEREAS**, on January 31, 2021, in response to the NOFA, the City of Vallejo, along with co-applicants Firm Foundation Community Housing and Shelter, Inc., submitted an application to HCD for the purpose of constructing 47 new units and one manager unit to provide permanent housing for individuals and families who are chronically homeless (the “Broadway Project”); and

**WHEREAS**, HCD awarded the City of Vallejo and its co-applicants a Homekey Round 2 award in the amount of \$12,091,866.00; and

**WHEREAS**, pursuant to California Health and Safety Code Section 50675.1.3(i), any project that receives funding from the Program is “deemed consistent and in conformity with any local plan, standard, or requirement, and allowed as a permitted use, within the zone in which [the project] is located, and shall not be subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals”; and

**WHEREAS**, pursuant to California Health and Safety Code Section 50675.1.4, subject to limitations, any project that receives funding from the Program is statutorily exempt from the California Environmental Quality Act; and

**WHEREAS**, the record of proceedings upon which the City Council bases its decision includes the Vallejo General Plan 2040 and its related EIR, the Vallejo Zoning Code and its environmental

document, the Vallejo Municipal Code and its related environmental documents, the Staff Report, City files and records and other documents relating to the Broadway Project, the Department of Housing and Community Development Standard Agreement, all documentary and oral evidence received at meetings regarding the Broadway Project, the evidence, facts, findings, and other determinations set forth in this Resolution, and all other matters of common knowledge to the City Council including, but not limited to, City, state, and federal laws, policies, rules, regulations, reports, records and projections related to development within the City of Vallejo and its surrounding areas; and

**WHEREAS**, for the purposes of CEQA, the Broadway Project includes the acquisition of the Broadway Project Property, the recordation of an Affordable Housing Covenant against the Broadway Project Property as required by HCD and the Program, and any necessary actions related thereto in furtherance of the Broadway Project.

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of the City of Vallejo hereby finds and determines as follows:

1. The City Council hereby finds and determines that the foregoing recitals are true and correct.
2. The Project meets all of the criteria of Public Resources Code Section 21159.21, “Exemption for qualified housing projects” as follows:
  - A. The project is consistent with any applicable general plan, specific plan, and local coastal program, including any mitigation measures required by a plan or program, as that plan or program existed on the date that the application was deemed complete and with any applicable zoning ordinance, as that zoning ordinance existed on the date that the application was deemed complete;

*The Project is consistent with the Vallejo General Plan and the Vallejo Zoning Code, as they existed on the date the Project application was deemed complete.*

*The General Plan land use designation of the Project site is District – North Gateway (D-NG), which incorporates higher-density residential development that supports nearby services and activates the area. The maximum permitted FAR in the D-NG designation is 2.0, with a minimum residential density of 16 dwelling units per acre up to 50 dwelling units per acre. The Project FAR is 1.25, which is consistent. Based on the size of the Project subject parcel, the permitted density range without a density bonus is 9 to 27 units. With the legally permitted density bonus, the maximum number of units permitted increases by 80 percent, resulting in a total of up to 48 units. The Project proposes 48 dwelling units on 0.53 acres with a density bonus, which is the maximum permitted density for the site.*

*The Project site’s zoning designation is Central Corridor Commercial (CC) District. The CC zoning district permits medium- and high-density residential use with a range of 16 to 50 units per acre. Based on the size of the Project subject parcel, the permitted density range without a density bonus is 9 to 27 units. With*

*the requested density bonus, the maximum number of units permitted increases by 80 percent, resulting in a total of up to 48 units. The Project proposes 48 dwelling units on 0.53 acres with a density bonus, which is the maximum permitted density for the site. The modifications to development standards achieved through waivers are permitted under State Density Bonus Law.*

*The proposed Project falls under the use classification of Supportive Housing. The Zoning Code provides the following definition for supportive housing:*

*Housing with no limit on length of stay that is occupied by the target population and is linked to an on-site or off-site service that assists supportive housing residents in retaining housing, improving their health status, and maximizing their ability to live independently.*

*Per Table 16.301-A of the Vallejo Municipal Code, Land Use Regulations, Supportive Housing is a permitted use in the CC Zoning District.*

*There are no specific plans or local coastal programs applicable to the Project.*

B. Community-level environmental review has been adopted or certified;

*The EIR for the Vallejo 2040 General Plan was adopted and certified by the Vallejo City Council on August 29, 2017. In addition, the Initial Study/Mitigated Negative Declaration for the Zoning Code Update was adopted by the Vallejo City Council on June 7, 2021*

C. The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees.

*The Project can be adequately served by existing utilities. The project applicant has contacted the utility providers serving the project: Vallejo Water, Vallejo Flood and Wastewater District, PG&E, and Vallejo Recology, each of which have determined that capacity exists to serve the Project.*

*The applicant has committed to pay all applicable in-lieu and development fees.*

D. The site of the project does not contain wetlands, does not have any value as a wildlife habitat, and the project does not harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or by the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), and the project does

not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete.

*The Project site is located on an urban in-fill parcel with no vegetation. The Project Site is surrounded completely by Urban Uses, including, Broadway Street, a two-lane roadway with residential uses on the other side, a multi-family housing project, a gas station, a dog park and associated improvements and a rail transit facility. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site. Therefore, the Project will not harm any species protected by the federal Endangered Species Act of 1973 or by the Native Plant Protection Act, and the Project will not cause the destruction or removal of any species protected by local ordinance.*

- E. The site of the project is not included on any list of facilities and sites compiled pursuant to Section 65962.5 of the Government Code.

*The Project Site is not listed on the state's Hazardous Waste and Substances Site List.*

- F. The site of the project is subject to a preliminary endangerment assessment prepared by an environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity.

(1) If a release of a hazardous substance is found to exist on the site, the release shall be removed, or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements.

(2) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements.

*A Phase I Environmental Site Assessment was completed on February 17, 2022 and found no evidence of recognized environmental conditions or controlled recognized environmental conditions in connection with the Project Site. However, in an abundance of caution, a Phase II Environmental assessment was performed by Stantec Consulting Services, Inc. and was completed on July 1, 2022. The Phase II Environmental Assessment, which included soils testing at the Project Site, found no environmental contamination whatsoever at the Project Site.*

- G. The project does not have a significant effect on historical resources pursuant to Section 21084.1.

*The Project will not cause a substantial adverse change to any resource listed in, or eligible to be listed in, the California Register of Historical Resources, as the Project consists of the new construction of residential dwelling units on an undeveloped parcel and the parcel is not located in a historic district. None of the surrounding properties contain structures or resources listed on the California Register of Historic Resources, the National Register of Historic Places or upon any local list of historic resources.*

H. The project site is not subject to any of the following:

(1) A wildland fire hazard, as determined by the Department of Forestry and Fire Protection, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard.

*The Project site is not subject to a wildland fire hazard, as it is located in an urbanized area in the incorporated City of Vallejo.*

(2) An unusually high risk of fire or explosion from materials stored or used on nearby properties.

*The Project site is not subject to an unusually high risk of fire or explosion from materials stored or used on nearby properties. The Project site is bounded by an outdoor dog park to the north, residential properties to the south and east, and railroad tracks to the west. The nearby gas station property has been constructed in accordance with all regulations applicable to such uses and therefore does not present an unusually high risk.*

(3) Risk of a public health exposure at a level that would exceed the standards established by any state or federal agency.

*The Project site is not subject to the risk of a public health exposure at a level that would exceed the standards established by any state or federal agency. As noted above, Phase I and Phase II Environmental Assessments were performed and revealed no public health hazards on the Project Site. None of the surrounding uses involve the use of materials or air quality emissions exceeding public health standards.*

(4) Within a delineated earthquake fault zone, as determined pursuant to Section 2622 [of the Public Resources Code], or a seismic hazard zone, as determined pursuant to Section 2696 [of the Public Resources Code], unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake fault or seismic hazard zone.

*The Project site is not within a delineated earthquake fault zone as determined pursuant to Section 2622 or a seismic hazard zone as determined pursuant to*

*Section 2696. According to the California Department of Conservation Fault Activity Map of California, the Project Site is not located within any fault zone. The Project Site is similarly not located in the California Earthquake Hazards Zone Map.*

(5) Landslide hazard, flood plain, flood way, or restriction zone, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood.

*The Project Site is not subject to landslide hazard, flood plain, flood way, or restriction zone. The Project site and surrounding area are flat lands not subject to landslide risk. General Plan Map NBE-5 shows that the Project Site is not within any flood zone or dam inundation area.*

- I. The project site is not located on developed open space.

*The Project site is located on an undeveloped parcel surrounded by qualified urban uses and is not designated as open space under the Zoning Code.*

- J. The project site is not located within the boundaries of a state conservancy.

*The Project Site is located on an urban infill parcel not within or near the boundary of a state conservancy.*

3. The Project is statutorily exempt from CEQA under Public Resources Code Section 21159.23, "Exemption for affordable low-income housing":

- A. The development project consists of the construction, conversion, or use of residential housing consisting of 100 or fewer that is affordable to low-income households and both of the following criteria are met:

*The Project consists of the construction of 48 units residential housing. 47 units will be affordable to lower income households, including supportive services, and there will be one unit for an on-site manager.*

(1) The developer of the development project provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for lower income households, as defined in Section 50079.5 of the Health and Safety Code, for a period of at least 30 years, at monthly housing costs, as determined pursuant to Section 50053 of the Health and Safety Code.

*The developer of the Project is required by the terms of the Homekey Round 2 grant award to record a regulatory agreement against the subject parcel to ensure the continued availability of the use of the housing units for lower income households for a period of 55 years, at monthly housing costs as determined pursuant to Section 50053 of the Health and Safety Code. On even date herewith,*

*the City Council has approved an affordable housing covenant to be recorded against the Project Site to ensure continued affordability of the Project.*

(2) The development project meets all of the following requirements:

(a) The project satisfies the criteria described in Section 21159.21.

*The Project satisfies the criteria described in Section 21159.21, as demonstrated in Section 2 of this Resolution, above.*

(b) The project site meets **one of** the following conditions:

(i) Has been previously developed for qualified urban uses.

*The Project site has not been previously developed for qualified urban uses.*

(ii) The parcels immediately adjacent to the site are developed with qualified urban uses, or at least 75 percent of the perimeter of the site adjoins parcels that are developed with qualified urban uses and the remaining 25 percent of the perimeter of the site adjoins parcels that have previously been developed for qualified urban uses, and the site has not been developed for urban uses and no parcel within the site has been created within 10 years prior to the proposed development of the site.

*The parcels immediately adjacent to the Project Site are developed with qualified urban uses, as that term is defined in Public Resources Code Section 21072. The Project Site has not previously been developed for urban uses, and the subject parcel was created more than 10 years prior to the proposed development on the site.*

B. The project site is not more than five acres in area.

*The Project Site is comprised of a single parcel measuring 0.53 acres in area.*

C. The project site is located within an urbanized area or within a census-defined place with a population density of at least 5,000 persons per square mile or, if the project consists of 50 or fewer units, within an incorporated city with a population density of at least 2,500 persons per square mile and a total population of at least 25,000 persons.

*The Project consists of 48 units within an incorporated city with a population density of 4,145 persons per square mile and a total population of 124,886, per the 2020 U.S. Census.*

4. The Project is statutorily exempt from CEQA under Health and Safety Code Section 50675.1.4:

A. The Project is being funded by Project Homekey Round 2 pursuant to Section 50675.1.3 and all of the following requirements, **if applicable**, are satisfied:

- (1) No units were acquired by eminent domain.

*The Project consists of the construction of new residential dwelling units on an undeveloped vacant parcel. The project applicant Firm Foundation has entered into a voluntary purchase and sale agreement with Richard and Emily Fisher for the purchase of the Project Site. No public agency has used or threatened the use of the power of eminent domain related to the Project Site.*

- (2) The units will be in decent, safe, and sanitary condition at the time of their occupancy.

*The newly created units will be decent, safe and in sanitary condition at the time of occupancy. The City of Vallejo Building Division will certify this prior to issuing a Certificate of Occupancy.*

- (3) The project proponent shall require all contractors and subcontractors performing work on the project to pay prevailing wages for any proposed rehabilitation, construction, or major alterations in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

*The Standard Agreement relating to funding for the Project, entered into between the HCD, the City, Firm Foundation and Shelter Inc. includes provisions ensuring that all contractors and subcontractors performing work on the Project will pay prevailing wages in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.*

- (4) The project proponent obtains an enforceable commitment that all contractors and subcontractors performing work on the Project will use a skilled and trained workforce for any proposed rehabilitation, construction, or major alterations in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

*The Standard Agreement relating to funding for the Project, entered into between the HCD, the City, Firm Foundation and Shelter Inc. includes provisions ensuring that all contractors and subcontractors performing work on the Project will pay prevailing wages in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.*

- (5) The project proponent submits to the lead agency a letter of support from a county, city, or other local public entity for any proposed rehabilitation, construction, or major alteration work.

*The City of Vallejo as co-applicant submitted a letter of support dated January 26, 2022.*

- (6) Any acquisition is paid for, in whole or part, with public funds.

*The acquisition of the Project site is to be paid for with Project Homekey Round 2 grant funds and City of Vallejo ARPA Allocation funds, both of which are public funds.*

- (7) The project provides housing units for individuals and families who are experiencing homelessness or who are at risk of homelessness.

*The Project will provide permanent housing units to individuals and families who are chronically homeless. The covenant approved by the City on even date herewith includes this requirement and will be recorded against the Project Site.*

- (8) Long-term covenants and restrictions require the units to be restricted to persons experiencing homelessness or who are at risk of homelessness, which may include lower income and very low income households, as defined by Section 50079.5, for no fewer than 55 years.

*The Covenant approved by the City on even date herewith, will ensure that a 55-year covenant is recorded in first position against the Project restricting the use, operation, occupancy, and affordability of the Project to lower income households as defined by Section 50079.5 of the Health and Safety Code.*

- (9) The project does not result in an increase in the existing onsite development footprint of structure, structures, or improvements by more than 10 percent.

*This requirement is not applicable. As authorized by Health and Safety Code section 50675.1.3(a)(4), the Project consists of the new construction of residential dwelling units and uses Program funds.*

- (10) If the lead agency determines that a project is not subject to CEQA pursuant to this section, and the lead agency determines to approve or to carry out that project, the lead agency shall file a notice of exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152 of the Public Resources Code.

*The City, as lead agency, will file a notice of exemption with the Office of Planning and Research and the County Clerk of the County of Solano.*

5. The Project is statutorily exempt from CEQA pursuant to Public Resources Code section 21159.24, "Infill Housing Exemption."

- A. The project is a residential project on an infill site.

*The Project consists of the construction of residential dwelling units. The Project site has not previously been developed for urban uses and is immediately adjacent to parcels developed with qualified urban uses as set forth above, which qualifies it as an infill site pursuant to Public Resources Code, Section 21061.3.*

- B. The project is located within an urbanized area.

*The Project is located within an urbanized area as it is located in an incorporated city with a population of at approximately 124,886 per the 2020 U.S. Census.*

- D. The project satisfies the criteria of Section 21159.21.

*The Project satisfies those criteria. Please refer to Section 2 of this Resolution, above.*

- E. Within five years of the date that the application for the project is deemed complete pursuant to Section 65943 of the Government Code, community-level environmental review was certified or adopted.

*The Project application is deemed complete pursuant to the Section 65943 of the Government Code (the "Permit Streamlining Act") within five years of the adoption by the City Council of the Vallejo General Plan and its associated Environmental Impact Report.*

- F. The site of the project is not more than four acres in total area.

*The Project site is 0.53 acres in total area.*

- G. The project does not contain more than 100 residential units.

*The Proposed Project contains exactly 48 residential units.*

- H. Either of the following criteria are met:

- (1) (i) At least 10 percent of the housing is sold to families of moderate income, or not less than 10 percent of the housing is rented to families of low income, or not less than 5 percent of the housing is rented to families of very low income.

*47 of the 48 housing units, or 98 percent, will be rented to families of very low income.*

- (ii) The project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the

housing units for very low, low-, and moderate-income households at monthly housing costs determined pursuant to paragraph (3) of subdivision (h) of Section 65589.5 of the Government Code.

*Paragraph (3) of subdivision (h) of Section 65589.5 of the Government Code provides in relevant part, as follows: "Housing for very low, low-, or moderate-income households" means that either (A) at least 20 percent of the total units shall be sold or rented to lower income households, as defined in Section 50079.5 of the Health and Safety Code, or (B) 100 percent of the units shall be sold or rented to persons and families of moderate income as defined in Section 50093 of the Health and Safety Code, or persons and families of middle income, as defined in Section 65008 of this code. Housing units targeted for lower income households shall be made available at a monthly housing cost that does not exceed 30 percent of 60 percent of area median income with adjustments for household size made in accordance with the adjustment factors on which the lower income eligibility limits are based.*

*The covenant approved by the City Council on even date herewith includes a 55-year affordability covenant against the Project parcel to ensure that 47 of the housing units will be available for rent to lower income households, as defined in Section 50079.5 of the Health and Safety Code, at a monthly housing cost that does not exceed 30 percent of 60 percent of area median income with permitted adjustments.*

- (2) The project developer has paid or will pay in-lieu fees pursuant to a local ordinance in an amount sufficient to result in the development of an equivalent number of units that would otherwise be required.

*This is not applicable because the Project has satisfied the criterion in (1), above.*

- I. The project is within one-half mile of a major transit stop.

*The Project is located within one-half mile of an intersection of two Sol Trans bus routes (Routes 1 and 2) with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.*

- J. The project does not include any single level building that exceeds 100,000 square feet.

*No single level building exceeds 100,000 square feet. The five separate Project buildings together measure 15,394 square feet.*

- K. The project promotes higher density infill housing. A project with a density of at least 20 units per acre shall be conclusively presumed to promote higher density infill housing.

*The Project is conclusively presumed to promote higher density infill housing because it proposes 48 units on 0.53 acres, which exceeds 20 dwelling units per acre.*

6. The Project is statutorily exempt from CEQA pursuant to Public Resources Code section 21080 and CEQA Guidelines section 15268 “Ministerial Projects.”

*Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which public agencies exercise only ministerial authority. The CEQA Guidelines further provide, “Where the law requires a governmental agency to act on a project in a set way without allowing the agency to use its own judgment, the project is called ‘ministerial,’ and CEQA does not apply.” CEQA Guidelines section 15002(i)(1).*

*Projects funded by Homekey Round 2 are “deemed consistent and in conformity with any applicable local plan, standard, or requirement, and [...] allowed as a permitted use within the zone in which [it] is located, and shall not be subject to a conditional use permit, discretionary permit, or any other discretionary reviews or approvals.” Health and Safety Code, Section 50675.1.3(i).*

*Accordingly, based on the provisions of AB 140 that enacted project streamlining for projects funded by Homekey Round 2, the Project is a ministerial project exempt from CEQA.*

7. The Project is statutorily exempt from CEQA pursuant to Guidelines section 15194 “Affordable Housing Exemption.”

A. The project meets the threshold criteria in Guidelines section 15192:

(1) The project must be consistent with:

- (i) any applicable general plan, specific plan, or local coastal program, including any mitigation measures required by such plan or program, as that plan or program existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete; and

*The Project is consistent with the Vallejo General Plan as of the date that the application was deemed complete.*

*The General Plan land use designation of the Project site is District – North Gateway (D-NG), which allows higher-density residential development. The maximum permitted FAR in the D-NG designation is 2.0, with a minimum residential density of 16 dwelling units per acre up to*

*50 dwelling units per acre. Based on the size of the Project subject parcel, the permitted density range without a density bonus is 9 to 27 units. With the legally permitted density bonus, the maximum number of units permitted increases by 80 percent, resulting in a total of up to 48 units. The Project proposes 48 dwelling units on 0.53 acres with a density bonus, which is the maximum permitted density for the site. The FAR of the Project is 1.25.*

- (ii) any applicable zoning ordinance, as that zoning ordinance existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete, unless the zoning of project property is inconsistent with the general plan because the project property has not been rezoned to conform to the general plan.

*The Project is consistent with the Vallejo Zoning Code as it existed on the date the Project application was deemed complete pursuant to the Permit Streamlining Act. The zoning designation of the Project site is Central Corridor Commercial (CC) District. The CC zoning district permits medium- and high-density residential use with a range of 16 to 50 units per acre. Based on the size of the Project subject parcel, the permitted density range without a density bonus is 9 to 27 units. With the legally permitted density bonus, the maximum number of units permitted increases by 80 percent, resulting in a total of up to 48 units. The Project proposes 48 dwelling units on 0.53 acres with a density bonus, which is the maximum permitted density for the site. The modifications to development standards achieved through waivers and concessions are permitted under State Density Bonus Law.*

Community-level environmental review has been adopted or certified.

*The EIR for the Vallejo 2040 General Plan was adopted and certified by the Vallejo City Council on August 29, 2017. Additionally, the Initial Study/Mitigated Negative Declaration for the Zoning Code Update was adopted by the Vallejo City Council on June 7, 2021*

- (2) The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees.

*The Project can be adequately served by existing utilities. The project applicant has contacted the utility providers serving the project: Vallejo Water, Vallejo Flood and Wastewater District, PG&E, and Vallejo Recology, and each have determined that it has capacity to serve the Project.*

*The Project applicant has committed to pay all applicable in-lieu and development fees.*

(4) The site of the project:

- (i) Does not contain wetlands, as defined in Section 328.3 of Title 33 of the Code of Federal Regulations.

*The Project site is located on an urban in-fill parcel with no vegetation. The Project Site is surrounded completely by Urban Uses, including, Broadway Street, a two-lane roadway with residential uses on the other side, a multi-family housing project, a gas station, a dog park and associated improvements and a rail transit facility. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site. Therefore, the Project will not harm any species protected by the federal Endangered Species Act of 1973 or by the Native Plant Protection Act, and the Project will not cause the destruction or removal of any species protected by local ordinance.*

- (ii) Does not have any value as an ecological community upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection.

*The Project site is located on an urban in-fill parcel with no vegetation. The Project Site is surrounded completely by Urban Uses, including, Broadway Street, a two-lane roadway with residential uses on the other side, a multi-family housing project, a gas station, a dog park and associated improvements and a rail transit facility. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site. Therefore, the Project Site has no value as an ecological community upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection.*

- (iii) Does not harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or by the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code.

*The Project site is located on an urban in-fill parcel with no vegetation. The Project Site is surrounded completely by Urban Uses, including, Broadway Street, a two-lane roadway with residential uses on the other side, a multi-family housing project, a gas station, a dog park and associated improvements and a rail transit facility. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site. Therefore, the Project will not harm any species protected by the federal Endangered Species Act of 1973 or by the California Endangered Species Act.*

- (iv) Does not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete.

*The Project site is located on an urban in-fill parcel with no vegetation. The Project Site is surrounded completely by Urban Uses, including, Broadway Street, a two-lane roadway with residential uses on the other side, a multi-family housing project, a gas station, a dog park and associated improvements and a rail transit facility. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site. Therefore, the Project cause the destruction or removal of any species protected by a local ordinance on the Project Site.*

- (5) The site of the project is not included on any list of facilities and sites compiled pursuant to Section 65962.5 of the Government Code.

*The Project Site is not listed on the state's Hazardous Waste and Substances Site List.*

- (6) The site of the project is subject to a preliminary endangerment assessment prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. In addition, the following steps have been taken in response to the results of this assessment:

- (i) If a release of a hazardous substance is found to exist on the site, the release shall be removed, or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements.

- (ii) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements.

*A Phase I Environmental Site Assessment was completed on February 17, 2022 and found no evidence of recognized environmental conditions or controlled recognized environmental conditions in connection with the Project Site. However, in an abundance of caution, a Phase II Environmental assessment was performed by Stantec Consulting Services, Inc. and was completed on July 1, 2022. The Phase II Environmental Assessment, which included soils testing at the Project Site, found no environmental contamination whatsoever at the Project Site.*

- (7) The project does not have a significant effect on historical resources pursuant to Section 21084.1 of the Public Resources Code.

*The project site has not been listed in, or determined to be eligible for listing in, the National Register of Historic Places or California Register of Historical Resources. Therefore, the project would not cause a substantial adverse change in significance of a historical resource.*

- (8) The project site is not subject to wildland fire hazard, as determined by the Department of Forestry and Fire Protection, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard.

*The Project site is not subject to wildland fire hazard, as determined by the Department of Forestry and Fire Protection.*

- (9) The project site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties.

*The Project site is not subject to an unusually high risk of fire or explosion from materials stored or used on nearby properties. The Project site is bounded by an outdoor dog park to the north, residential properties to the south and east, and railroad tracks to the west. The nearby gas station property has been constructed in accordance with all regulations applicable to such uses and therefore does not present an unusually high risk.*

- (10) The project site does not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency.

*A Phase I Environmental Site Assessment was completed on February 17, 2022 and found no evidence of recognized environmental conditions or controlled recognized environmental conditions in connection with the Project Site. However, in an abundance of caution, a Phase II Environmental assessment was performed by Stantec Consulting Services, Inc. and was completed on July 1, 2022. The Phase II Environmental Assessment, which included soils testing at the Project Site, found no environmental contamination whatsoever at the Project Site. Accordingly, the Project Site does not present a risk of public health exposure at a level that would exceed the standards established by any state or federal agency.*

- (11) Either the project site is not within a delineated earthquake fault zone or a seismic hazard zone, as determined pursuant to Section 2622 and 2696 of the Public Resources Code respectively, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake or seismic hazard.

*The Project site is not within a delineated earthquake fault zone as determined pursuant to Section 2622 or a seismic hazard zone as determined pursuant to Section 2696. According to the California Department of Conservation Fault Activity Map of California, the Project Site is not located within any fault zone. The Project Site is similarly not located in the California Earthquake Hazards Zone Map.*

- (12) Either the project site does not present a landslide hazard, flood plain, flood way, or restriction zone, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood.

*The Project Site is not subject to landslide hazard, flood plain, flood way, or restriction zone. The Project site and surrounding area are flat lands not subject to landslide risk. General Plan Map NBE-5 shows that the Project Site is not within any flood zone or dam inundation area.*

- (12) The project site is not located on developed open space.

*The Project site is located on an urban infill parcel and is immediately adjacent to parcels developed with qualified urban uses.*

- (14) The project site is not located within the boundaries of a state conservancy.

*The Project Site is located on an urban infill parcel not within or near the boundary of a state conservancy.*

- (15) The project has not been divided into smaller projects to qualify for one or more of the exemptions set forth in sections 15193 to 15195.

*The Project has not been divided into smaller parcels. The Project is proposed on a single parcel that was created in 1982.*

- B. The project meets the following size criteria: the project site is not more than five acres in area.

*The Project site is 0.53 acres.*

- C. The project meets both of the following requirements regarding location:

- (1) The project meets **one** of the following location requirements relating to population density:

(i) The project site is located within an urbanized area or within a census-defined place with a population density of at least 5,000 persons per square mile; or

(ii) If the project consists of 50 or fewer units, the project site is located within an incorporated city with a population density of at least 2,500 persons per square mile and a total population of at least 25,000 persons; or

(iii) The project is located within either an incorporated city or a census defined place with a population density of at least 1,000 persons per square mile and there is no reasonable possibility that the project would have a significant effect on the environment or the residents of the project due to unusual circumstances or due to the related or cumulative impacts of reasonably foreseeable projects in the vicinity of the project.

*The Project meets the location requirement set forth in subparagraph (ii) above, in that the Project is located in Vallejo, an incorporated city with a population density of 4,145 persons per square mile.*

- (2) The project meets one of the following site-specific location requirements:

- (i) The project site has been previously developed for qualified urban uses; or

*The Project site has not previously been developed.*

- (ii) The parcels immediately adjacent to the project site are developed with qualified urban uses; or

*The parcels immediately adjacent to the Project site are developed with qualified urban uses. The parcel immediately adjacent to the north of the Project Site is the City of American Dog Park. The parcel immediately adjacent to the south of the Project Site is developed with multi-family housing. The parcel immediately adjacent to the east of the Project Site is developed with single-family housing. The parcel immediately adjacent to*

*the west of the Project Site is a railroad parcel. The adjacent parcel immediately adjacent on the south-west of the Project Site is developed with a gas station and a McDonald's restaurant.*

D. The project meets both of the following requirements regarding provision of affordable housing.

- (1) The project consists of the construction, conversion, or use of residential housing consisting of 100 or fewer units that are affordable to low-income households.

*The Project consists of the construction of 47 units residential housing affordable to lower income households, and one manager's unit.*

- (2) The developer of the project provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for lower income households for a period of at least 30 years, at monthly housing costs deemed to be "affordable rent" for lower income, very low income, and extremely low income households, as determined pursuant to Section 50053 of the Health and Safety Code.

*The developer of the Project is required by the terms of the Homekey Round 2 grant award to record a regulatory agreement against the subject parcel to ensure the continued availability of the use of the housing units for lower income households for a period of 55 years, at monthly housing costs as determined pursuant to Section 50053 of the Health and Safety Code. On even date herewith, the City Council has approved an affordable housing covenant to be recorded against the Project Site to ensure continued affordability of the Project.*

8. The Project is categorically exempt from environmental review under CEQA pursuant to Guidelines section 15195 "Residential Infill Exemption."

- A. The project meets the threshold criteria in Guidelines section 15192, provided that with respect to the requirement in section 15192(b) regarding community-level environmental review, such review must be certified or adopted within five years of the date that the lead agency deems the application for the project to be complete pursuant to Section 65943 of the Government Code.

*The Project meets the threshold criteria in Guidelines section 15192 and, with respect to the requirement in section 15192(b), the Vallejo General Plan EIR was adopted and certified on August 29, 2017. Further, the Initial Study/Mitigated Negative Declaration for the Zoning Code Update was adopted by the Vallejo City Council on June 7, 2021, which is within five years of the date the City deemed the project application to be complete under the Permit Streamlining Act.*

B. The project meets both of the following size criteria:

- (1) The site of the project is not more than four acres in total area.

*The project site consists of 0.53 acres.*

- (2) The project does not include any single level building that exceeds 100,000 square feet.

*No single level building exceeds 100,000 square feet. The five separate Project buildings together measure 15,394 square feet.*

C. The project meets both of the following requirements regarding location:

- (1) The project is a residential project on an infill site.

*The Project consists of the construction of residential dwelling units. The Project site has not previously been developed for urban uses and is immediately adjacent to parcels developed with qualified urban uses, which qualifies it as an infill site pursuant to Public Resources Code, Section 21061.3.*

- (2) The project is within one-half mile of a major transit stop.

*The Project is located within one-half mile of an intersection of two Sol Trans bus routes (Routes 1 and 2) with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.*

D. The project meets both of the following requirements regarding number of units:

- (1) The project does not contain more than 100 residential units.

*The Project contains 48 units.*

- (2) The project promotes higher density infill housing. A project with a density of at least 20 units per acre is conclusively presumed to promote higher density infill housing.

*The Project is conclusively presumed to promote higher density infill housing because its density exceeds 20 dwelling units per acre.*

E. The project meets the following requirements regarding availability of affordable housing:

- (1) The project would result in housing units being made available to moderate, low or very low income families and the project developer provides sufficient

legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units as set forth below:

- (i) At least 10 percent of the housing is sold to families of moderate income, or
- (ii) Not less than 10 percent of the housing is rented to families of low income, or
- (iii) Not less than 5 percent of the housing is rented to families of very low income.

*The developer of the Project is required by the terms of the Homekey Round 2 grant award to record a regulatory agreement against the subject parcel to ensure the continued availability of the use of the housing units for lower income households for a period of 55 years, at monthly housing costs as determined pursuant to Section 50053 of the Health and Safety Code. On even date herewith, the City Council has approved an affordable housing covenant to be recorded against the Project Site to ensure continued affordability of the Project.*

F. None of the following has occurred:

- (1) There is a reasonable possibility that the project will have a project-specific, significant effect on the environment due to unusual circumstances.

*There are no unusual circumstances that differentiate the Project from the general class of similarly situated projects. The Project Site is an urban infill site surrounded by urban uses. Phase I and Phase II assessments of the Project Site found no contamination whatsoever. The Project will not cause a substantial adverse change to any resource listed in, or eligible to be listed in, the California Register of Historical Resources, as the Project consists of the new construction of residential dwelling units on an undeveloped parcel and the parcel is not located in a historic district. None of the surrounding properties contain structures or resources listed on the California Register of Historic Resources, the National Register of Historic Places or upon any local list of historic resources. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site.*

- (2) Substantial changes with respect to the circumstances under which the project is being undertaken that are related to the project have occurred since community-level environmental review was certified or adopted.

*No substantial changes to the circumstances under which the Project is being undertaken that are related to the Project have occurred since August 29, 2017, the date the Vallejo General Plan EIR was adopted or, since June 7, 2021, the date the Initial Study/Mitigated Negative Declaration for the Zoning Code Update was adopted. There have been no new projects in the surrounding area, no natural disasters such as earthquakes, fires, or floods have occurred, and the Phase I and Phase II environmental assessments performed on the Project Site found no evidence of any contamination whatsoever on the Project Site.*

- (3) New information becomes available regarding the circumstances under which the project is being undertaken and that is related to the project that was not known, and could not have been known at the time that community-level environmental review was certified or adopted.

*No new information has become available regarding the circumstances under which the Project is being undertaken that are related to the Project that was not known, and could not have been known, at the time the Vallejo General Plan was adopted. There have been no new projects in the surrounding area. Phase I and Phase II environmental assessments of the Project Site found no contamination.*

- 9. The Project is categorically exempt from environmental review under CEQA pursuant to Guidelines section 15332 “In-fill Development Projects.”

- A. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.

*The Project is consistent with the Vallejo General Plan and the Vallejo Zoning Code, as they existed on the date the Project application was deemed complete.*

*The General Plan land use designation of the Project site is District – North Gateway (D-NG), which incorporates higher-density residential development that supports nearby services and activates the area. The maximum permitted FAR in the D-NG designation is 2.0, with a minimum residential density of 16 dwelling units per acre up to 50 dwelling units per acre. The FAR for the Project is 1.25 and the Project proposes 48 dwelling units on 0.53 acres, which equates to a residential density 91 units per acre.*

*The Project site’s zoning designation is Central Corridor Commercial (CC) District. The CC zoning district permits medium- and high-density residential use with a range of 16 to 50 units per acre. Based on the size of the Project subject parcel, the permitted density range without a density bonus is 9 to 27 units. With the legally permitted density bonus, the maximum number of units permitted increases by 80 percent, resulting in a total of up to 48 units. The Project*

*proposes 48 dwelling units on 0.53 acres with a density bonus, which is the maximum permitted density for the site.*

*The proposed Project falls under the use classification of Supportive Housing. The Zoning Code provides the following definition for supportive housing:*

*Housing with no limit on length of stay that is occupied by the target population and is linked to an on-site or off-site service that assists supportive housing residents in retaining housing, improving their health status, and maximizing their ability to live independently.*

*Per Table 16.301-A of the Vallejo Municipal Code, Land Use Regulations, Supportive Housing is a permitted use in the CC Zoning District.*

- B. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.

*The Project is occurring within the Vallejo City limits on a parcel consisting of 0.53 acres surrounded by urban uses.*

- C. The project site has no value as habitat for endangered, rare or threatened species.

*The Project site is located on an urban in-fill parcel with no vegetation. The Project Site is surrounded completely by Urban Uses, including, Broadway Street, a two-lane roadway with residential uses on the other side, a multi-family housing project, a gas station, a dog park and associated improvements and a rail transit facility. There are no wetlands on the Project Site and no vegetation which would indicate the presence of wetland features exists on the Project Site. There are no Endangered Species identified at or near the Project Site and no habitat for same exists on the Project Site. Therefore, the Project Site has no value as habitat for endangered, rare, or threatened species.*

- D. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

Traffic. Based on the ITE "Trip Generation" 11th Edition Land Use Code 223 (Affordable Housing with Income Limits), the proposed 48 residential dwelling unit development is expected to generate 17/22 vehicle trips during the AM/PM peak hours, respectively. Since these volumes are less than the minimum needed to prepare a Traffic Impact Study (100 peak hour trips), no such study will be required. Accordingly, the Project would not result in any significant effects relating to traffic.

Noise. Multi-family residential buildings are a permitted land use and would not cause a permanent substantial increase in the existing noise environment or exceed the noise level standards established in the General Plan.

Air Quality. The project is not a land use of concern with respect to toxic air contaminants according to air quality land use guidelines published by the California Air Resources Board and BAAQMD's screening criteria, as such it would not have an adverse health impact on sensitive receptors. The project is also not a land use associated with noxious odors that could affect a substantial number of people.

Water Quality. The Project would comply with the stormwater requirements of the City's Zoning Code. Draining improvements will be reviewed for compliance with the City Standards. The Project would also be required to comply with the Stormwater Treatment Measures and Maintenance Program to reduce water quality impacts during construction.

- E. The site can be adequately served by all required utilities and public services.

*The Project can be adequately served by existing utilities. The project applicant has contacted the utility providers serving the project: Vallejo Water, Vallejo Flood and Wastewater District, PG&E, and Vallejo Recology, each of which have determined that capacity exists to serve the Project.*

*The Project site is located within one-half mile of two Sol Trans bus routes.*

*Loma Vista Elementary and Solano Widenmann Middle School are within 0.75 miles of the project.*

*Setterquist Park is 0.5 miles from the project, North Vallejo Park and Dan Foley Park are both approximately 1 mile from the site. Borges Ranch Park and Crest Ranch Park are 1.25 and 1.5 miles away, respectively. The Vallejo General Plan calls for 4.5 acres of parks/open space per 1,000 residents. Currently the City has 6.7 acres of parks/open space per 1,000 residents, providing ample park and open space for this project.*

*The Project Site is within the service area of the Vallejo Police and Fire Departments.*

10. This resolution shall become effective immediately upon its passage and adoption.

**ADOPTED**, by the City Council of the City of Vallejo at a regular meeting held on July 5, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

ROBERT H. MCCONNELL, MAYOR


ATTEST:

---

DAWN G. ABRAHAMSON, CITY CLERK

**EXHIBIT A**  
**CEQA FINDINGS**

Approved as to form:

  
By: \_\_\_\_\_ for \_\_\_\_\_  
Veronica A.F. Nebb  
City Attorney

## RESOLUTION NO. 22-\_\_\_\_\_

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO AUTHORIZING THE RECORDATION OF THE DECLARATION OF RESTRICTIVE COVENANTS AGAINST THE BROADWAY PROJECT PROPERTY (APN 0067-140-150)**

**WHEREAS**, on May 10, 2022, the California Department of Housing and Community Development (“**HCD**”) announced that the City of Vallejo (“**City**”), Firm Foundation Community Housing (“**Firm Foundation**”), and Shelter, Inc., as co-applicants, had been designated a Homekey Round 2 award in the amount of \$12,091,866 for the Broadway Project to construct 48 new dwelling units on the parcel identified as APN 0067-140-150 (“**Property**”) to provide permanent housing to chronically homeless individuals; and

**WHEREAS**, at a regular meeting held on June 7, 2022, the City Council approved a resolution to accept the Homekey Round 2 grant award (“**Award**”); and

**WHEREAS**, the City, Firm Foundation, and Shelter, Inc., as co-grantees of the Award, executed a Standard Agreement with HCD, which Standard Agreement includes the terms and conditions (the “**Program Requirements**”) governing expenditure of the Award; and

**WHEREAS**, in accordance with the Program Requirements, the City agreed to record a Declaration of Restrictive Covenant with HCD to restrict the development, use and occupancy of the Property to the continued and lawful operation of permanent housing to the chronically homeless, which Declaration shall be recorded in the Official Records of the County of Solano and remain as a lien against the Property in first position over all other agreements, covenants, liens, or other matters of record on the Property.

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Vallejo authorizes recordation of a Declaration of Restrictive Covenants, attached hereto as Attachment 1 and incorporated herein by reference, with modifications by the City Attorney and upon approval thereof by HCD, against the Broadway Project Property.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF VALLEJO** at a regular meeting held on July 5, 2022, with the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST

---

ROBERT H. MCCONNELL, MAYOR

---

DAWN G. ABRAHAMSON, CITY CLERK

FREE RECORDING IN  
ACCORDANCE  
WITH CALIFORNIA GOVERNMENT  
CODE SECTIONS 6103 AND 27383

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Homekey Program  
Department of Housing and  
Community Development  
P.O. Box 952052  
Sacramento, CA 94252-2052

---

## DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants (the “**Declaration**”), dated July 5, 2022 for reference purposes only, by the City of Vallejo, a municipal corporation, and its successors, assigns and transferees (the “**Owner**”), is hereby given to and on behalf of the Department of Housing and Community Development, a public agency of the State of California (the “**Department**”).

## RECITALS

This Declaration affects that certain real property commonly known as Assessor’s Parcel No. 0067-140-150 and located on Broadway Street in the City of Vallejo, County of Solano, State of California, as more particularly described in the Legal Description attached hereto as Exhibit A and incorporated herein by this reference (the “**Property**”) and is entered into based on the following facts and understandings:

1. City of Vallejo, Firm Foundation Community Housing, and Shelter, Inc. (“**Grantee**”) (each, a “**Co-Grantee**,” and collectively, the “**Grantee**”) and the Department entered into an agreement 21-HK-17234 dated May 23, 2022, (the “**Standard Agreement**”), under the Department’s Homekey Program (“**Homekey**,” “**Program**,” or “**Homekey Program**”).
2. **Co-Grantee**, Firm Foundation Community Housing will be the Owner of the Property during development of the **Permanent Housing**. Upon completion of construction of the **Permanent Housing** and issuance of a certificate of

occupancy therefor, **Co-Grantee**, Firm Foundation Community Housing will transfer the Property to **Co-Grantee**, City of Vallejo or its designee.

3. The statutory basis for the Homekey Program is Health and Safety Code section 50675.1.1. Assembly Bill No. 83 (2019-2020 Reg. Sess.) added sections 50675.1.1 and 50675.1.2 to the Multifamily Housing Program (“**MHP**” or “**MHP Program**”) (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code).
4. Assembly Bill No. 140 (2021-2022 Reg. Sess.) provided the statutory basis for Round 2 of the Homekey Program by adding section 50675.1.3 to the Health and Safety Code and the MHP Program.
5. The Department issued a Notice of Funding Availability for Round 2 of the Homekey Program on September 9, 2021, and amended it on January 14, 2022 (the Notice of Funding Availability as amended shall be referenced herein as “**NOFA**”). The NOFA incorporates by reference the MHP Program, as well as the MHP Final Guidelines (“**MHP Guidelines**”), dated June 19, 2019, both as amended and in effect from time to time. The Round 2 Homekey grant funds are derived primarily from the state’s direct allocation of the federal Coronavirus State Fiscal Recovery Fund (“**CSFRF**”), which was established by the American Rescue Plan Act of 2021 (“**ARPA**”) (Pub.L. No. 117-2). Additional funding is derived from the state’s General Fund.
6. The MHP Program, the NOFA, the MHP Guidelines, ARPA, federal interpretive guidance relating to ARPA, and the Standard Agreement comprise the “**Program Requirements**.”
7. Pursuant to the terms of the Standard Agreement, the Department agreed to provide the Grantee with a grant under the Program (the “**Grant**”) in an amount not to exceed \$12,091,866 which amount includes \$12,091,866 of CSFRF money for capital expenditures, and \$0 of State General Fund money for a capitalized operating subsidy.
8. The Standard Agreement requires the Grantee to acquire the Property, and to ensure that it shall be used to provide decent, safe, and sanitary Permanent Housing (as defined below) for individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations, and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases (the “**Target Population**”). For purposes of this Declaration, “**Permanent Housing**” is defined in accordance with the NOFA and means any housing, dwellings, or other living

accommodations where the landlord does not limit the tenant's length of tenancy, the landlord does not restrict the tenant's movements, and the tenant has a lease and is subject to the rights and responsibilities of tenancy.

9. As consideration for the Homekey Program Grant, the Owner agreed to enter into this Declaration to restrict the development, use and occupancy of the Property to the continued and lawful operation of the Permanent Housing thereon.
10. The term "**Owner**" as used in this Declaration shall include all successors, assigns and transferees to or of any or all of the Owner's interest in the Property and the Permanent Housing.

**NOW, THEREFORE**, in consideration of the Department's Grant to the Grantee and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner hereby covenants, agrees and declares that the Property shall be owned, held, used, maintained, and transferred pursuant to the following restrictive covenants, conditions, restrictions, and limitations ("**Covenants**"). Such Covenants shall be binding upon all of Owner's successors, assigns and transferees to or of the Property, and upon all leases, tenants, contractors, agents, and persons claiming an interest in the Property, or claiming an interest by and through any of the foregoing.

## **COVENANTS**

**1. Operation of Permanent Housing.** Owner, for itself and for its successors and assigns, hereby declares and covenants that use of the Property is restricted to the operation of the Permanent Housing, to uses ancillary to such Permanent Housing, and to such other uses as may be approved by the Department in its sole and absolute discretion. The Permanent Housing shall include, at a minimum, the number and size of units that are described in Exhibit B, which is attached hereto and incorporated by this reference. Furthermore, such units shall be subject to the occupancy restrictions that are set forth and more fully described in said Exhibit B.

**2. Maintenance, Repair, and Improvement of the Property and the Permanent Housing.** Owner agrees:

- a. To keep the Property in decent, safe, sanitary, tenantable condition and repair, and to permit no waste thereof;
- b. Not to commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable, except in accordance with these Covenants;

- c. Not to construct any buildings or improvements on the Property, other than the buildings and improvements contemplated as part of the Permanent Housing; or add to, remove, demolish or structurally alter any buildings or improvements now or hereinafter located on the Property;
- d. To promptly repair, restore or rebuild any buildings or improvements on the Property that may be damaged or destroyed while subject to this Declaration;
- e. To comply with all applicable laws affecting the Property, and not to suffer or permit any violations of any such applicable law, nor of any covenant, condition or restriction affecting the Property;
- f. Not to initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without the Department's prior written consent; and
- g. Not to alter the use of all or any part of the Property without the Department's prior written consent.

### **3. Restrictions on Sale, Encumbrance, and Other Acts.**

- a. Owner shall not, except with the Department's prior written consent, make any sale, encumbrance, hypothecation, assignment, refinancing, pledge, conveyance, or transfer of the Property, the Permanent Housing, or of any of its interest in either of them.
- b. If the Department determines, in its sole and absolute discretion, to grant its prior written consent for a sale, transfer or conveyance of the Property or the Permanent Housing, such consent may impose terms and conditions, as necessary, to preserve or establish the fiscal integrity of the Property or the Permanent Housing, or to ensure compliance with the Program Requirements.

**4. Charges; Liens.** Owner shall pay all taxes, assessments, and other charges, fines and impositions attributable to the Property or to the Permanent Housing, if any, by Owner making payment, when due, directly to the payee thereof. Owner shall promptly furnish to the Department all notices of amounts due under this paragraph, and where Owner makes direct payments, Owner shall promptly furnish to the Department its receipts evidencing such payments. Owner shall pay when due all encumbrances, charges, and liens on the Property or to the

Permanent Housing, and shall make payments on notes or other obligations secured by an interest in the Property or Permanent Housing, with interest in accordance with the terms thereof. Owner shall have the right to contest in good faith any claim or lien, or payment due thereunder, so long as Owner does so diligently and without prejudice to Department.

**5. Building Permits.** Owner agrees not to apply for or accept any permits for the construction of improvements on the Property that are inconsistent with the lawful operation of the Permanent Housing, as such Permanent Housing is described in Exhibit B hereto.

**6. Hazard and Liability Insurance and Condemnation.**

- a. Owner shall keep the Property and the Permanent Housing insured against loss by fire and such other hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as required by the Department. All insurance policies and renewals thereof shall be issued by a carrier and in a form acceptable to the Department.
- b. In the event of any fire or other casualty to the Property or Permanent Housing, or eminent domain proceedings resulting in condemnation of the Property or Permanent Housing or any part thereof, the Owner shall have the right to rebuild the Property or the Permanent Housing, and to use all available insurance or condemnation proceeds therefor, provided that, as determined by the Department in its sole and absolute discretion, **(a)** such proceeds are sufficient to rebuild the Property or Permanent Housing in a manner that ensures continued operation of the Permanent Housing in accordance with the Program Requirements; and **(b)** no material breach or default then exists under the Standard Agreement. If the casualty or condemnation affects only part of the Property or Permanent Housing and if total rebuilding is infeasible, then the insurance or condemnation proceeds may be used for partial rebuilding and/or partial repayment of the Grant. The Department has the right but not the obligation to approve the plans and specifications for any major rebuilding, as well as the right but not the obligation to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement.

**7. Covenants Run with the Land.** The Property is held and hereafter shall be held, conveyed, hypothecated, encumbered, leased, rented, used and occupied subject to these Covenants. The foregoing Covenants are intended to constitute both equitable servitudes and covenants running with the land. Owner

expressly acknowledges and agrees that the Covenants are reasonable restraints on the Owner's right to own, use, maintain, and transfer the Property and any estate or interest therein and are not and shall not be construed to be an unreasonable restraint on alienation. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property, or any portion thereof, shall be held conclusively to have been executed, delivered and accepted subject to such Covenants, regardless of whether such Covenants are set forth in such contract, deed, or other instrument.

**8. Binding Effect.** Any purchaser of the Property or of any portion of or interest in the Property, by the acceptance of a deed therefore, whether from the Owner or from any subsequent owner of the Property, or by the signing of a contract or agreement to purchase the Property, shall by the acceptance of such deed or by the signing of such contract or agreement be deemed to have consented to and accepted the Covenants set forth in this Declaration.

**9. Term of Declaration.** The Covenants in this Declaration shall be binding, effective, and enforceable commencing upon the execution of this Declaration, and they shall continue in full force and effect for a period of fifty-five (55) years after a certificate of occupancy or its equivalent has been issued for the Permanent Housing by the local jurisdiction or, if no such certificate is issued, from the date of initial occupancy of the Permanent Housing, regardless of any sale, assignment, transfer, or conveyance (including, without limitation, by foreclosure sale) of the Property or any portion thereof.

**10. Default, Remedies.** A default under this Declaration or the Standard Agreement shall entitle the Department to any rights, remedies, or damages available at law or in equity, including, but not limited to, those that are specified below. The Department's failure to exercise any specific right or remedy shall not be construed as a waiver of that or any right or remedy.

**a. Specific Performance.** The use, repair, and maintenance of the Property in support of the Permanent Housing is of a special and unique kind and character, so that a breach of any material provision of this Declaration by the Owner would not have an adequate remedy at law. Therefore, the Department's rights may be enforced by an action for specific performance and such other equitable relief as is provided by the laws of the State of California.

**b. Injunctive Relief.** In pursuing specific performance of the Covenants, the Department shall be entitled to petition the court for injunctive relief to preserve the Department's interests in the Property and its rights under this Declaration. Such injunctive relief may include a court order restraining any development of the Property that is inconsistent with the foregoing Covenants.

c. **Appointment of Receiver.** In conjunction with any other remedy available at law or in equity, the Department may apply to a court of competent jurisdiction for the appointment of a receiver to take over and operate the Property or the Permanent Housing in accordance with the Program Requirements.

11. **Attorneys' Fees.** The prevailing party in an action to enforce this Declaration shall be entitled to reasonable attorneys' fees as determined by the trier of fact in that forum.

12. **Department Review and Inspection.**

- a. At any time during the term of this Declaration and upon reasonable notice, the Department or its designee may, but is not obligated to, enter and inspect the Property, and inspect all records pertaining to the operation, repair, and maintenance of the Permanent Housing. Upon request by the Department, the Owner shall notify occupants of upcoming inspections in accordance with state law.
- b. The Department may, but is not obligated to, request any other information that it deems necessary to confirm compliance with the foregoing Covenants. The Owner shall provide such requested information within fourteen (14) calendar days of the Department's written request for the information.
- c. The Department shall not, by the fact of making or not making any entries or inspections, or by taking or failing to take any action in response thereto: (i) incur or undertake, or be deemed to incur or undertake, any obligation, duty, or liability whatsoever, whether to the Owner, to the Grantee, or to any other person or entity; (ii) be deemed as approving or disapproving any matter, action, incident, or condition related to the Property or the Permanent Housing; or (iii) be deemed as approving or disapproving any matter related to the compliance of the Property or the Permanent Housing with the Program Requirements or other applicable laws. In no event or circumstance shall the Department's exercise or non-exercise of its discretion under this paragraph constitute, or be deemed or interpreted as constituting, any termination, limitation, alteration, or waiver by the Department of any right, benefit, or remedy under or with respect to this Declaration.

13. **Owner Representations.** Owner represents and warrants to the Department that: (1) Owner has sufficient interest in the Property to support the

operation of the Permanent Housing in accordance with the Program Requirements and this Declaration; **(2)** to Owner's actual knowledge and belief, there are no agreements, contracts, covenants, conditions, or exclusions to which Owner (or its predecessor in interest) is a party which would, if enforced, prohibit or restrict the use of the Property in accordance with the terms of this Declaration; **(3)** Owner has the full right and authority to enter into this Declaration; **(4)** this Declaration constitutes a valid and legally binding obligation on Owner, enforceable in accordance with its terms; and **(5)** Owner is duly organized and authorized to do business in the State of California.

**14. Amendment, Modification.** Owner shall not amend, modify, waive, or release this Declaration, or any part of this Declaration, without the prior and express written consent of an authorized representative of the Department, which consent may be withheld, conditioned, or delayed in the Department's sole and absolute discretion. Any amendment, modification, waiver, or release without the prior and express written consent of the Department shall be void.

**15. Severability.** Every provision of this Declaration is intended to be severable. If any provision of this Declaration is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

**16. Governing Law.** This Declaration shall be governed by and interpreted under the laws of the State of California.

**17. Recordation of Agreement.** This Declaration shall be recorded in the Official Records of the County of Solano. The Declaration shall be recorded, and shall remain, as a lien against the Property in first position over all other agreements, covenants, liens, or other matters of record on the Property.

**[signature page follows]**

**IN WITNESS WHEREOF**, the Owner has caused this Declaration to be signed by its duly authorized representative, as of the day and year first written above.

**OWNER:**  
**CITY OF VALLEJO, A MUNICIPAL CORPORATION**

**By:** \_\_\_\_\_  
**MIKE MALONE**  
**Its: CITY MANAGER**

**All signatures must be acknowledged.**

ADD NOTARY ACKNOWLEDGEMENT

## **EXHIBIT “A”**

### **LEGAL DESCRIPTION OF THE PROPERTY**

## EXHIBIT “B”

### PERMANENT HOUSING


<b>Broadway Project 2401 Broadway Vallejo, CA 94589</b>				<b>Assessor Parcel Number (APN): 0067-140-150</b>	
# of Bedroom s	Units	Non- Homekey Units	Homekey -Assisted Units	AMI* Income Limit	Restriction to Subset of Target Population**
Manager Unit (1- bedroom	1	0	1	N/A	N/A
0 (Studio)	47	0	47	30%	Chronically Homeless***
Totals:	48	0	48		

\* “Area Median Income” or “AMI” means the most recent applicable county median family income published by the California Tax Credit Allocation Committee (TCAC) or the Department.

\*\* “Target Population” means individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined at HSC section 50675.1.3, subdivision (l), and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases.

\*\*\* “Chronically Homeless” means a person who is chronically homeless, as defined in Title 24 CFR Part 578.3.

Approved as to form:

  
By: \_\_\_\_\_ for \_\_\_\_\_  
Veronica A.F. Nebb  
City Attorney

**RESOLUTION NO. 22-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO APPROVING THE ACQUISITION OF THE BROADWAY PROJECT PROPERTY (APN 0067-140-150) UPON COMPLETION OF THE PROJECT AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN ACQUISITION AGREEMENT THEREFOR IN A FORM ACCEPTABLE TO THE CITY MANAGER AND THE CITY ATTORNEY AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL RELATED DOCUMENTS WITH SUCH CHANGES AS MAY BE APPROVED BY THE CITY ATTORNEY IN ORDER TO EFFECTUATE THE ACQUISITION, CLOSING OF ESCROW, AND OPERATION OF THE PROPERTY**

**WHEREAS**, on May 10, 2022, the California Department of Housing and Community Development ("HCD") announced that the City of Vallejo ("City"), Firm Foundation Community Housing ("Firm Foundation"), and Shelter, Inc., as co-applicants, had been designated a Homekey Round 2 award in the amount of \$12,091,866 for the Broadway Project to construct 48 new dwelling units on the parcel identified as APN 0067-140-150 to provide permanent housing to chronically homeless individuals; and

**WHEREAS**, at a regular meeting held on June 7, 2022, the City Council approved a resolution to accept the Homekey Round 2 grant award ("Award"); and

**WHEREAS**, the City, Firm Foundation, and Shelter, Inc., as co-grantees of the Award, executed a Standard Agreement with HCD, which Standard Agreement includes the terms and conditions (the "Program Requirements") governing expenditure of the Award; and

**WHEREAS**, in accordance with the Program Requirements, Firm Foundation will be the Owner of the Broadway Project property during construction and development of the Broadway Project; and

**WHEREAS**, upon completion of the Broadway Project, Firm Foundation will transfer the Property to the City at no cost to the City; good and valuable consideration having been previously received as a result of the grant funding applicable to the Project; and

**NOW, THEREFORE BE IT RESOLVED** that the City Council authorizes the acquisition of the Property upon completion of the Project.

**BE IT FURTHER RESOLVED** that the Council authorizes the City Manager, or his designee, to execute the Acquisition Agreement and to take all actions necessary or appropriate to effectuate the Acquisition Agreement and this Resolution.

**BE IT FURTHER RESOLVED** that the Council authorizes the City Manager, or his designee, in consultation with the City Attorney, to make any additions, amendments, or other modifications to the Acquisition Agreement and any other documents or instruments necessary in connection therewith.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF VALLEJO** at a regular meeting held on

July 5, 2022, with the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST

---

ROBERT H. MCCONNELL, MAYOR

---

DAWN G. ABRAHAMSON, CITY CLERK

**APPRAISAL REPORT  
BROADWAY STREET LAND  
NWQ BROADWAY STREET & MINI DRIVE  
VALLEJO, CALIFORNIA 94589**



**JAMES G. PALMER**  
APPRAISALS INC.

**APPRAISAL REPORT  
BROADWAY STREET LAND  
NWQ BROADWAY STREET & MINI DRIVE  
VALLEJO, CALIFORNIA 94589**

**PREPARED FOR  
FIRM FOUNDATION COMMUNITY HOUSING  
2845 CASTRO VALLEY BOULEVARD  
CASTRO VALLEY, CALIFORNIA 94546**

**PREPARED BY  
GREGG J. PALMER, MAI  
JAMES G. PALMER APPRAISALS, INC.**

**EFFECTIVE DATE OF VALUE  
JANUARY 20, 2022  
EFFECTIVE DATE OF APPRAISAL  
FEBRUARY 1, 2022**



**JAMES G. PALMER**  
APPRAISALS INC.

1285 W. Shaw  
Suite 108  
Fresno, CA 93711  
T 559.226.5020  
F 559.226.5063  
jgpinc.com

February 1, 2022

Mr. Jake Medcalf  
Ms. Taryn Sandulyak  
Firm Foundation Community Housing  
2845 Castro Valley Boulevard  
Castro Valley, California 94589

Re: Market Valuation  
Broadway Street Land  
NWQ Broadway Street & Mini Drive  
Vallejo, California 94589

Dear Mr. Medcalf & Ms. Sandulyak:

At your request and authorization, James G. Palmer Appraisals Inc. has completed an appraisal report on the above-mentioned real property, more particularly described in the enclosed appraisal report.

The appraisal report has been prepared to comply with the requirements of:

- The Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation.
- The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The 2020-2021 edition of USPAP states that under Standards Rules 2-2, 8-2 and 10-2, each written real property appraisal report must be prepared under one of the following two formats: Appraisal Report [Standards Rules 2-2(a), 8-2(a) and 10.2(a)] or Restricted Use Appraisal Report [Standards Rules 2-2(b), 8-2(b) and 10-2(b)]. In the case of this report, the appraisal is being communicated in an *Appraisal Report* format.

The property consists of a single 23,251 SF parcel located in the City of Vallejo in Solano County. The purpose of the appraisal was to arrive at an opinion of value the **fee simple estate**, the value to be used for **asset evaluation** for submission with a tax credit application. A single value will be reported in the appraisal. This will include a current value "as-is". The effective date of valuation is as of January 20, 2022.

The following value is subject to the value definitions and limiting conditions as set forth in this report. It may be subject to hypothetical conditions as outlined in the report.

In the opinion of the undersigned, the value of the real property as of the date of value is as follows:

OPINION OF VALUE

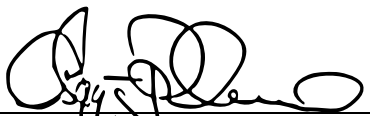
\$605,000.00

The undersigned hereby certify that they have no present or future intended interest in the property, and that neither the fee nor employment for this assignment was contingent upon the value reported herein and that there exists no identity of interest with the development partner(s), project sponsor, intended partner(s) or general contractor. It is also the opinion of the undersigned that the subject has no significant natural, cultural, recreational or historic value. This letter must remain attached to the report in order for the value opinion set forth to be considered valid.

This appraisal is only valid for the purpose for which it is intended. It is invalid for a third party use or to establish a sales price for limited partners or syndication. Unless prior arrangements have been made with the appraiser, the right to photocopy all or part of this appraisal is strictly prohibited.

Thank you for this opportunity of serving you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gregg J. Palmer', written over a horizontal line.

Gregg J. Palmer, MAI  
Certified General Real Estate Appraiser  
California License AG002880  
Expiration: April 24, 2022

GP: 9654