

Tierra de Rosas Project: Frequently Asked Questions (FAQ)

Background

The CDC has commenced development of the Tierra de Rosas project (“Project”), a master plan consisting of 75 affordable apartments, 100 Market Rate units, civic building, commercial facility, and public plaza on the property. The CDC has demolished existing structures and started the Project Infrastructure. Per the requirements of the Project Development, Disposition and Funding Agreement (“DDA”) the CDC is obligated to complete the Project Infrastructure so that the affordable housing and other project components can proceed.

What is the current goal of the Tierra de Rosas Project?

The current goal is to complete infrastructure to support the development of the Project, while maintaining the Mitote Food Park on the Plaza Temporal for the time being until the next phase of construction begins in 2025, including installation of the Plaza Permanente.

Why does Mitote at the Plaza Temporal need to vacate the current location?

Mitote must vacate the Plaza Temporal because:

1. The space is temporarily leased and permitted for its current operations, with clear terms about its temporary nature.
2. Per approved plans, new infrastructure (such as electrical, gas, water, and sewer) will start construction in June 2025, which may pose health and safety risks on Mitote’s present footprint.
3. The site is designated for the future Plaza Permanente, which is part of the Roseland Redevelopment Plan.
4. Displacing the planned Plaza Permanente would require new entitlements with the City of Santa Rosa, delay the CDC’s Project Infrastructure already underway triggering a potential DDA default, and potentially impact the Project financing, schedule and environmental analysis.

What is the Plaza Permanente?

The Plaza Permanente is a one-acre public plaza planned as a central feature of the Tierra de Rosas redevelopment. It is part of a broader initiative to revitalize and redevelop an underutilized infill site and provide parks and open spaces in the Roseland area, which is currently underserved in this regard.

Why is it important to have the Plaza Permanente?

The Plaza Permanente:

- Is a key element of the Roseland Redevelopment Plan and Urban Vision Plan.

- Honors planning approval documents informed by a robust participatory planning process dating back over 40 years.
- Qualifies for park fee credits, providing approximately \$407,733 in value.
- Is required to meet specific criteria for a \$2,000,000 Ag+Open Space Matching Grant.
- Factored into public funding dedicated to the financing of the affordable housing.
- Will help address the significant lack of open space in the Roseland community.

Can Mitote remain at its current location?

No, due to the following reasons:

- The lease is temporary, and the site is needed for the planned Plaza Permanente.
- Infrastructure development is progressing, and it will become unsafe for Mitote to remain as necessary construction proceeds on and around the operation.
- Approved Plans for the project require a one-acre plaza to ensure eligibility for critical funding and park credits.

What is the status of Mitote's temporary lease?

On December 11, 2024, a Lease Termination Notice was delivered to Mitote's operator, with 180 days given to place the site in the same condition as it was before Lessee/Permittee use. The site must be surrendered no later than June 9, 2025.

What are the consequences of changing the plaza's planned footprint?

Changing the planned Plaza Permanente footprint could:

- Misalign the project with planning approvals and delay progress.
- Risk losing park fee credits and jeopardize the \$2 million grant.
- Risk losing other public funding awarded on the basis of the master plan.
- Lead to delays in infrastructure and construction, which could impact project financing, schedule, and approvals.

What about Mitote's future in the project?

Mitote may have the opportunity to move operations to the Mercado commercial parcel adjacent to the Plaza Permanente, depending on the outcome of an open procurement process and subsequent negotiations regarding the purchase and development of the commercial parcel. An open and fair selection process is the CDC's goal.

What investments have been made in the temporary plaza?

The CDC has invested approximately \$1.5 million in incubating businesses, including Mitote and food truck operators, to help them build capacity for permanent operations outside the temporary plaza.

Why can't the temporary operation be made permanent?

The CDC must adhere to the terms of the agreement with Mitote for its temporary use and cannot deviate from the planned development, which includes the long-anticipated public plaza as a centerpiece of the project.

What is the CDC's plan moving forward?

The CDC aims to ensure the success of the Tierra de Rosas development by:

- Completing infrastructure and construction phases on time to support other project components, including 75 units of affordable housing scheduled to begin construction in February 2025.
- Seeking a long-term owner/operator for the Mercado commercial parcel.
- Encouraging Mitote's participation in a Request for Proposals for the Mercado parcel.