

TOWN OF WINDSOR AGENDA REPORT

Joint Windsor Town Council, Windsor Redevelopment Successor Agency and Windsor Water District Meeting Date: November 5, 2025

To: Mayor and Town Council
From: Patrick Streeter, Community Development Director
Subject: Purchase of Real Property Located at 8547 Old Redwood Highway

Recommendation to Council:

1. Amend the FY 25-26 Inclusionary Housing Fund Budget, appropriating an amount not-to-exceed \$720,000 for the purchase of 8547 Old Redwood Highway.
2. Adopt a resolution approving the purchase and leaseback of Sonoma County Assessor's Parcel Number 164-080-046 and authorizing execution of a Purchase and Sale Agreement, Residential Lease, Certificate of Acceptance and other implementing documents and actions.

Strategic Plan Element:

The recommended action supports the goal of Infrastructure. Goal Statement: Through a lens of sustainability and innovation, invest in the Town's infrastructure and public facilities to meet the needs of future generations.

Background:

On December 7, 2018, the Town Council approved the purchase 25 Bluebird Drive (APN:164-080-046) with the understanding that acquisition of the subject property would be instrumental in the eventual redevelopment of the property for residential and mixed-use commercial development, thereby advancing the goals and intent of the Old Redwood Highway Community Place Area Plan and the Town's affordable housing strategy.

Since the 2018 purchase, the Parks and Recreation Department has managed the facility, making portions of the property available for community rental. In fall 2023, the Montessori preschool program was relocated into the facility. Early in 2024, the Town executed a long-term lease with the local non-profit Nuestra Comunidad (NC) to complete the necessary improvements and relocate their main office into the back building. Later that year, NC and the Town executed a second lease agreement for an additional building on the property to establish the regional Resiliency Hub serving not only Windsor, but all of Sonoma County.

8547 Old Redwood Highway (APN 164-080-040) (Property) is surrounded by the 25 Bluebird Drive property on two sides. Following consultation with Town Council, an appraisal was commissioned to determine the fair market value of the subject property, which resulted in an appraised value of \$715,000 dollars. On September 3, 2025, the Council considered purchasing the Property and directed Town Staff to prepare and complete a Purchase and Sale agreement (Attachment 2) for execution by the seller and for final Town Council approval.

Based upon the appraisal, the Town formerly accepted the offer to purchase the property at the appraised value of \$715,000, subject to due diligence activities being conducted to the Town's satisfaction. There are approximately \$5,000 in closing costs to finalize the purchase bringing the final

total to \$719,837. The property owner provided a comprehensive home inspection and title research was also successfully completed. Finally, leaseback terms were negotiated between the seller and the Town as reflected in the attached Residential Lease After Sale agreement (Attachment 3).

Planning Commission Finding of Consistency

The potential acquisition of 8547 Old Redwood Highway was presented to the Planning Commission on October 28, 2025. The Commission found the potential acquisition to be consistent with the adopted 2040 General Plan. (Attachment 4 – Planning Commission Resolution).

Discussion:

By acquiring this corner lot, the Town maintains control of the highly desirable location, dramatically increases the development potential of the full Bluebird site, and through facilitating consolidation, ensures that the site remains marketable and flexible. The property acquisition gives the Town greater agency in shaping development that is consistent with the 2040 General Plan and the Old Redwood Highway Community Place Area Plan.

The Property is designated for mixed-use development in the 2040 General Plan and is within the Old Redwood Highway Community Place Area. The site's size and prominent location make it a strong candidate for mixed-use development. By acquiring the property, the Town will put itself in a position to directly control and facilitate development of a project that serves to transform the Old Redwood Highway corridor in a manner that best meets the Town's policy interests rather than rely on an unknown future owner and/or developer. Specific policies that would be advanced include:

- LU-12.1 Transform Old Redwood Highway. The Town shall actively seek opportunities to support the transformation of Old Redwood Highway into an attractive boulevard that has high-quality buildings with active frontages facing the boulevard, wide sidewalks, bicycle lanes, consistent landscaping, and wayfinding signs.
- LU-12.2 Encourage Revitalization of Old Redwood Highway. The Town shall encourage the upgrading, beautifying, and revitalization of existing commercial and industrial areas along Old Redwood Highway.
- LU-12.3 Mixed Use Nodes. The Town shall encourage areas designated as mixed-use along Old Redwood Highway to develop as higher-intensity nodes of activity that create visual interest along the boulevard and serve as catalyst for the revitalization of the corridor. The Town may consider expanding mixed-use land use designations along the Old Redwood Highway corridor in response to market interests.
- LU-12.7 Parcel Consolidation. The Town shall support and facilitate the consolidation and reconfiguration of parcels along the Old Redwood Highway corridor to assist in the redevelopment of underutilized parcels. A Certificate of Acceptance is required to record the Grant Deed, once obtained. Town Council approval is sought to perfect and execute the documents attached herein in substantially the same form while allowing for final non-substantive edits to perfect the agreements as may be necessary.

The Town will be using Inclusionary Housing funds to make this purchase. The Inclusionary Housing fund is generated by fees imposed on new market rate housing. The purpose of the fee is to assist in the production of affordable housing. Typical uses of the fund may include: land acquisition, land donation, site improvement, rehabilitation, subsidies to or for the benefit of low and moderate-income households, and administrative costs.

Fiscal Impact:

Adopted appropriations in the FY 25-27 budget are not sufficient to cover the full cost of the proposed

action item. A budget amendment in the amount of \$720,000 is required to cover the purchase amount and closing costs. The proposed budget amendment will reduce available fund balance as presented below, but sufficient reserves are available to support the action.

Fund Name	Cost	Adopted Budget	Budget Amendment Requested
Inclusionary Housing (181)	\$720,000	\$0.00	\$720,000
Total	\$720,000	\$0.00	\$720,000

Fund Name	Beginning Estimated Fund Balance	Less Requested Budget Amendment	Estimated Ending Fund Balance
Inclusionary Housing Fund (181)	\$1,537,555	\$720,000	\$822,555

Environmental Review:

The recommended action is not in-and-of-itself a “project” (pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378) since it does not result in a physical change in the environment.

However, the recommended action may accommodate a future “project” that will be subject to environmental review in accordance with CEQA Guidelines Sections 15004 and 15352. Any future development project proposed for the site will be reviewed in accordance with CEQA and will be accompanied by the appropriate level of environmental review.

Attachment(s):

1. Resolution
2. Purchase Agreement-8547 ORH
3. Residential Lease After Sale
4. Planning Commission Resolution No. 784-25
- 11.3 Correspondence (Distributed 2025-11-04)

Prepared by:

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Reviewed by:

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