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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

December 11, 1979

CITY MANAGER'S OFFICE
RECEIVED
JAN 2 1980

Redevelopment Agency of the
City of Sacramento
City Hall, 915 I Street
Sacramento, CA 95814

CITY GOVERNING BOARD

- PHILLIP L. ISENBERG, MAYOR
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- PATRICK B. DONOVAN
- BLAINE H. FISHER
- THOMAS R. HOEBER
- DOUGLAS N. POPE
- JOHN ROBERTS
- ANNE RUDIN
- DANIEL E. THOMPSON

Honorable Members in Session:

SUBJECT: Lender Selection and Site Search Area for New Residential Hotels

SUMMARY

COUNTY GOVERNING BOARD

- ILLA COLLIN
- C. TOBIAS (TOBY) JOHNSON
- JOSEPH E. (TED) SHEEDY
- SANDRA R. SMOLEY
- FRED G. WADE

Attached is a resolution by which you select San Diego Federal Savings and Loan Association as a lender for the New Residential Hotel program and approve the search area for site selection.

BACKGROUND

EXECUTIVE DIRECTOR

WILLIAM G. SELINE

P.O. Box 1834
SACRAMENTO, CA 95809
630 I STREET
SACRAMENTO, CA 95814
(916) 444-9210

On October 16, 1979 the Agency, through Resolution No. 2867, authorized the Executive Director to prepare a final development proposal for three new residential hotel construction projects. This report and recommendation constitute the first implementation phase of that development proposal. The second phase will consist of approval by the Agency of sites, developers and plans.

During November the Agency solicited proposals from approximately sixty savings and loan and twenty banking institutions. Due to the present market condition only one lender proposal was received. The proposal which was submitted came from San Diego Federal Savings and Loan Association. San Diego Federal offered to finance one project at \$100,000 with an interest rate of 9% per annum; this interest rate will result in a monthly per unit rent of approximately \$91 (\$5 below the proposal estimate). See Attachment 1 for details.

The attached map identifies the search area for the first site. It corresponds with the first priority area for new construction of elderly units and scattered sites as approved in the Housing Assistance Plan and fits the needs of the population to be served. Specific sites will be located within this general area.

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 1/8/80

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FINANCIAL DATA

Program funding was previously approved by Resolution No. 2867, which authorized the use of \$50,000 from Project No. 2-A third-year replacement housing monies for land acquisition and Staff related to this project. \$50,000 in 1979-80 CDBG funds have also been allocated to this project.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting on December 17, 1979 the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached Resolution. The votes were recorded as follows:

AYES: Coleman, Fisher, Luevano, Serna, Teramoto,
Knepprath
NOES: None
NOT VOTING: Walton
ABSENT: A. Miller, B. Miller

RECOMMENDATION

It is my recommendation that you adopt the attached Resolution.

Respectfully submitted,



WILLIAM G. SELINE
Executive Director

Attachments

TRANSMITTAL TO COUNCIL:



WALTER J. SIPE
City Manager

Contact Person: Leo T. Goto



San Diego Federal

California's family financial center... safe since 1885

November 23, 1979

Sacramento Housing and Redevelopment Agency
630 I Street
Sacramento, Ca.

Attn: Leo Goto, Assistant Director

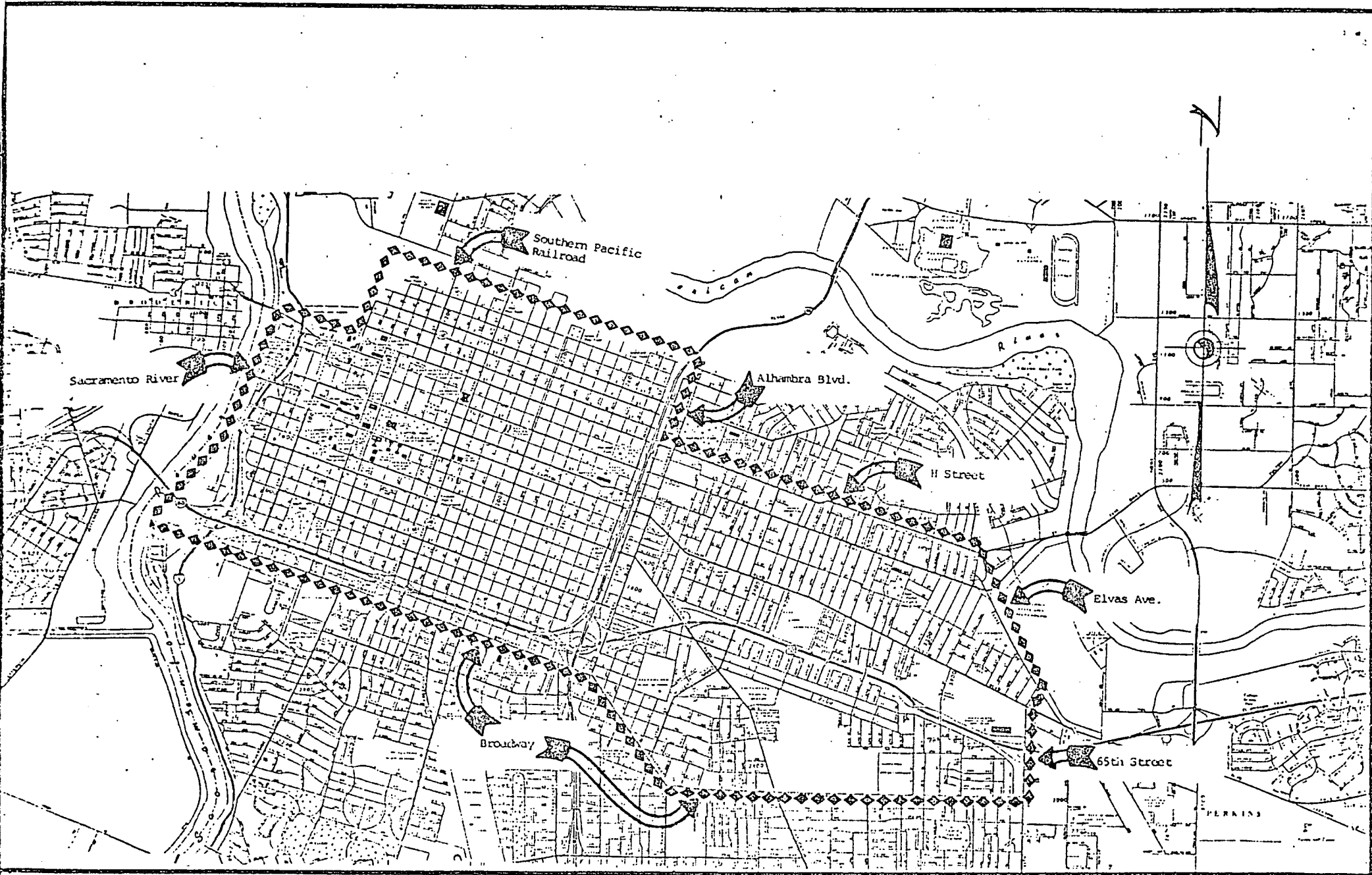
Dear Mr. Goto,

San Diego Federal would like to submit the following proposal for the new residential Hotels in Sacramento:

- (a) Larry Shanks - 441-5125
- (b) One-hundred thousand dollars (\$100,000) at 9% interest per year. This will be on a 'per project' basis for the long term loan, providing there are funds available.
- (c) 30 yr. loan (see "d" for details).
- (d) We will try to develop the terms and conditions to make the project make sense for San Diego Federal, City of Sacramento, and the Principal of the project.
- (e) San Diego Federal has been involved in a number of community programs. Just to list a few, they are: CHFA, CIF, Hope, Low Interest, Energy Conservation loans, Special Rehab. Programs, and many more.
- (f) San Diego Federal will make available \$100,000 at 9% interest for this Residential Hotel Project in Sacramento until June 30, 1980..

Sincerely,

Larry Shanks
Vice President



PROPOSED SEARCH AREA FOR RESIDENTIAL HOTEL SITES

RESOLUTION NO. 2881

Adopted by the Redevelopment Agency of the City of Sacramento

January 8., 1979

LENDER SELECTION AND LOCATIONAL GUIDELINES
FOR RESIDENTIAL HOTELS

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF
SACRAMENTO:

Section 1. San Diego Federal Savings and Loan Association is
selected as a lender for the New Residential Hotel program.

Section 2. The general search area for new Residential Hotels
is approved according to the attached map.

Chairperson

ATTEST:

Wanda Sel...
Secretary

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 1/8/80